



**AGENDA**

**SPECIAL COMMISSION MEETING OF THE  
CHINO BASIN REGIONAL FINANCING AUTHORITY  
AND  
SPECIAL MEETING OF THE  
BOARD OF DIRECTORS**

**WEDNESDAY, DECEMBER 19, 2018  
9:00 A.M.**

**(Please note time change of meeting)  
INLAND EMPIRE UTILITIES AGENCY\*  
AGENCY HEADQUARTERS  
6075 KIMBALL AVENUE, BUILDING A  
CHINO, CALIFORNIA 91708**

**CALL TO ORDER OF THE CHINO BASIN REGIONAL FINANCING AUTHORITY**

**FLAG SALUTE**

**PUBLIC COMMENT**

Members of the public may address the Commission 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.

**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 can be the attention of the local agency subsequent to the agenda being posted.

**1. ACTION ITEMS**

**A.** The Commission will be asked to approve the minutes of January 17, 2018, Chino Basin Regional Financing Authority Commission meeting.

**B. CHINO BASIN REGIONAL FINANCING AUTHORITY FISCAL YEAR 2017/18 ANNUAL FINANCIAL STATEMENTS**

It is recommended that the Commissioners:

1. Approve the financial statements for the FY ended June 30, 2018; and

2. Direct staff to distribute the reports, as appropriate, to various federal, state, and local agencies, financial institutions, and other interested parties.

## **2. ADJOURN**

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### **CALL TO ORDER OF THE INLAND EMPIRE UTILITIES AGENCY BOARD OF DIRECTORS MEETING**

#### **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. NEW EMPLOYEE INTRODUCTIONS**

- Ms. Cathleen Pieroni, Manager of Government Relations, hired December 17, 2018, External Affairs Department

#### **2. CONSENT ITEMS**

**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 November 21, 2018 Board Meeting.

##### **B. REPORT ON GENERAL DISBURSEMENTS**

Staff recommends that the Board approve the total disbursements for the month of October 2018, in the amount of \$22,701,622.50.

##### **C. RESOLUTION NO. 2018-12-8, AMENDING THE AGENCY'S SALARY SCHEDULE/MATRIX FOR ALL GROUPS**

Staff recommends that the Board adopt Resolution No. 2018-12-8, amending the Agency's salary schedule/matrix for all groups.

**D. ADOPTION OF RESOLUTIONS FOR THE RP-5 CONSTRUCTION EXPANSION AND RMPU PROJECTS STATE REVOLVING FUND APPLICATIONS**

Staff recommends that the Board:

1. Adopt Resolution Nos. 2018-12-1 and 2018-12-2, authorizing the General Manager to sign and file the State Revolving Fund (SRF) loan applications with the SWRCB for construction of the subject projects;
2. Adopt Resolution Nos. 2018-12-3 and 2018-12-4, dedicating certain revenues in connection with the construction of the subject projects; and
3. Adopt Resolution Nos. 2018-12-5 and 2018-12-6, establishing IEUA's intention to pay for and be reimbursed for expenditures related to the construction of the subject projects.

**E. FISCAL YEAR 2018/19 AMENDED ANNUAL AUDIT PLAN (Audit)**

Staff recommends that the Board approve the Fiscal Year 2018/19 Annual Audit Plan Amendment to be consistent with the requirements of the IA Charter.

**F. INTERNAL AUDIT DEPARTMENT CHARTER AND AUDIT COMMITTEE CHARTER (Audit)**

Staff recommends that the Board:

1. Reconfirm the Audit Committee Charter and the Internal Audit Department Charter; and
2. Direct staff to implement the charters.

**G. FISCAL YEAR (FY) 2017/18 SINGLE AUDIT REPORT FOR FEDERAL GRANT PROGRAMS (Audit)**

Staff recommends that the Board:

1. Approve the Single Audit Report for FY 2017/18; and
2. Direct staff to distribute the report, as appropriate, to the State Controller's Office, the Federal Audit Clearing House, and other interested parties.

**H. CONTRACT AWARD FOR BULK SUPPLY OF ALUMINUM SULFATE (Eng/Ops/WR)**

Staff recommends that the Board:

1. Approve Contract No. 4600002660 to Thatcher Company of California, establishing a two-year contract for the supply of Aluminum Sulfate with options for three additional one-year extension, for a potential contract term of five years; and
2. Authorize the General Manager to execute the contract with three potential contract extensions.

- I. SAN SEVAINE BASIN IMPROVEMENT – CONDUIT INSTALLATION CONTRACT AWARD (Eng/Ops/WR)**  
Staff recommends that the Board:
1. Award a construction contract for the San Sevaime Basin Improvement – Conduit Installation, Project No. EN13001, to W.A. Rasic Construction Co. Inc., in the amount of \$108,800; and
  2. Authorize the General Manager to execute the construction contract, subject to non-substantive changes.
- J. CONTRACT AWARD FOR REGIONAL WATER RECYCLING PLANT NO. 1 INTERIOR/EXTERIOR BUILDINGS AND STRUCTURES PAINTING (Eng/Ops/WR)**  
Staff recommends that the Board:
1. Award a service contract for the RP-1 interior/exterior building and structures painting to Tony Painting, for a not-to-exceed amount of \$139,350; and
  2. Authorize the General Manager to execute the service contract.
- K. DOOR THRESHOLD AND RAILING CONSTRUCTION CONTRACT AWARD (Eng/Ops/WR)**  
Staff recommends that the Board:
1. Award a construction contract for the Door Threshold and Railing, Project Nos. EN19032.01/EN19040, to AToM Engineering Construction, Inc., in the amount of \$345,398;
  2. Approve an increase in budget allocation for FY 2018/19 and total project budget for the RO Safety, Project No. EN19032, in the amount of \$100,000; and
  3. Authorize the General Manager to execute the budget amendment and contract, subject to non-substantive changes.
- L. PURCHASE OF NEW VEHICLES (Eng/Ops/WR)**  
Staff recommends that the Board:
1. Authorize the purchase of 13 new fleet vehicles from National Auto Fleet Group for a not-to-exceed amount of \$500,000 (including tax and delivery); and
  2. Authorize the General Manager to execute the purchase.

**M. MASTER SERVICES CONTRACT AMENDMENT FOR SUPERIOR ELECTRIC MOTOR SERVICES, INC. (Eng/Ops/WR)**

Staff recommends that the Board:

1. Amend and increase the not-to-exceed amount of Contract No. 4600001868 to Superior Electric Motor Service, Inc. to provide repair, rebuild, or refurbishment services of rotating machinery for a total aggregate not-to-exceed amount of \$670,000 over the existing three-year period with a one-year option to extend; and
2. Authorize the General Manager to execute the amendment to the services contract.

**N. IEUA FISCAL YEAR (FY) 2017/18 AUDITED COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) (Audit)**

Staff recommends that the Board:

1. Approve the Inland Empire Utilities Agency Comprehensive Annual Financial Report for fiscal year ended June 30, 2018; and
2. Direct staff to distribute the report as appropriate, to the various federal, state, and local agencies, financial institutions, bond rating agencies, and other interested parties.

**O. AGENCY-WIDE HVAC EQUIPMENT SERVICE CONTRACT (Eng/Ops/WR)**

Staff recommends that the Board:

1. Award a two-year service contract with three, one-year options to Carrier Corporation for an Agency-wide HVAC Equipment Service Contract for a not-to-exceed amount of \$750,000; and
2. Authorize the General Manager to execute the service contract, subject to non-substantive changes.

**P. RP-1 HEADWORKS UPGRADES PROJECT CONSTRUCTION CHANGE ORDER (Eng/Ops/WR)**

Staff recommends that the Board:

1. Approve a construction change order for the RP-1 Headworks, Primary and Secondary Upgrades, Project No. EN14019, to Myers & Sons, for the not-to-exceed amount of \$893,006; and
2. Authorize the General Manager to execute change order, subject to non-substantive changes.

3. **ACTION ITEM**

A. **CHINO BASIN PROGRAM PROFESSIONAL CONSULTING SERVICES**  
*(Eng/Ops/WR)*

Staff recommends that the Board:

1. Award a sole source professional consulting services contract to GEI Consultants, Inc. for the not-to-exceed amount of \$1,953,680;
2. Award a sole source professional consulting services contract to Water Systems Consulting, Inc., for the not-to-exceed amount of \$833,415;
3. Authorize the General Manager to execute the contracts, subject to non-substantive changes.

4. **INFORMATION ITEMS**

A. **CAREER MANAGEMENT PROGRAM; TAKING CHARGE**  
**(POWERPOINT)**

B. **ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT**  
**UPDATES (POWERPOINT)**

C. **MWD UPDATE (ORAL)**

D. **CBWM UPDATE (ORAL)**

E. **SAWPA UPDATE (ORAL)**

**RECEIVE AND FILE INFORMATION ITEMS**

F. **TREASURER'S REPORT OF FINANCIAL AFFAIRS (WRITTEN/**  
**POWERPOINT)**

G. **PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)**

H. **LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES**  
**(WRITTEN)**

I. **LEGISLATIVE REPORT FROM WEST COAST ADVISORS (WRITTEN)**

J. **CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT**  
**(WRITTEN)**

K. **FEDERAL LEGISLATIVE TRACKING MATRIX (WRITTEN)**

- L. FISCAL YEAR 2018/19 FIRST QUARTER BUDGET VARIANCE, PERFORMANCE GOAL UPDATES, AND BUDGET TRANSFERS (WRITTEN)
  - M. OPERATIONS DIVISION UPDATE
  - N. CONTRACT EXTENSION FOR AUDIT ADVISORY SERVICES FOR THE AUDIT COMMITTEE'S FINANCIAL ADVISOR (WRITTEN) (Audit)
  - O. CONTRACT EXTENSION FOR FINANCIAL AND SINGLE AUDITING SERVICES FOR IEUA AND CBRFA (WRITTEN) (Audit)
  - P. WATER CONNECTION FEES AUDIT – INTERIM AUDIT REPORT (WRITTEN/POWERPOINT) (Audit)
  - Q. INTERNAL AUDIT DEPARTMENT QUARTERLY STATUS REPORT FOR DECEMBER 2018 (WRITTEN) (Audit)
  - R. AGENCY VEHICLE OPERATIONAL FOLLOW-UP AUDIT: REVIEW OF VEHICLE INVENTORY PROCEDURES (WRITTEN/POWERPOINT) (Audit)
5. AGENCY REPRESENTATIVES' REPORTS
- A. SAWPA REPORT (WRITTEN)  
December 18, 2018 Regular Commission meeting.
  - B. MWD REPORT (WRITTEN)  
December 11, 2018 Board meeting.
  - C. REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT (WRITTEN)  
The December 6, 2018 Regional Sewerage Program Policy Committee meeting was cancelled. The next meeting is scheduled for January 3, 2019.
  - D. CHINO BASIN WATERMASTER REPORT (WRITTEN)  
The next CBWM Board meeting is scheduled for December 29, 2018.
  - E. CHINO BASIN DESALTER AUTHORITY (WRITTEN)  
December 6, 2018 Special Board meeting.
  - F. INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY (WRITTEN)  
The next IERCA Board meeting is scheduled for February 4, 2019.
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. Spicer vs. W.A. Rasic Construction, Case No. CIVDS 1711812

**B. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(2) CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**

One Case

**C. PURSUANT TO GOVERNMENT CODE SECTION 54954.5 – PUBLIC EMPLOYMENT**

1. General Manager

**10. ADJOURN**

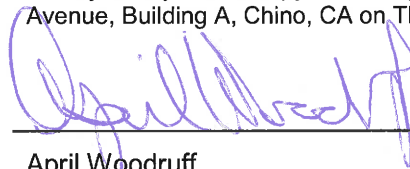
*\*A Municipal Water District*

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Secretary (909) 993-1736, 48 hours prior to the scheduled meeting so that the Agency can make reasonable arrangements.

Proofed by: JK

**Declaration of Posting**

I, April Woodruff, Board Secretary/Office Manager 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, December 13, 2018.

  
\_\_\_\_\_  
April Woodruff



**ACTION ITEM  
1A**

**MINUTES  
OF THE  
COMMISSION MEETING OF  
THE CHINO BASIN REGIONAL FINANCING AUTHORITY  
JANUARY 17, 2018**

**COMMISSIONERS PRESENT:**

Jasmin A. Hall, President  
Steven J. Elie, Vice President  
Kati Parker, Secretary  
Michael Camacho  
Paul Hofer

**STAFF PRESENT:**

Halla Razak, General Manager  
Chris Berch, Executive Manager of Engineering/AGM  
Kathryn Besser, Executive Manager of External Affairs & Policy Development/AGM  
Randy Lee, Executive Manager of Operations/AGM  
Christina Valencia, Executive Manager of Finance & Administration/AGM  
Joshua Aguilar, Senior Engineer  
Blanca Arambula, Deputy Manager of Human Resources  
Jerry Burke, Deputy Manager of Engineering  
Pietro Cambiaso, Environmental Compliance & Energy Supervisor  
Sylvie Lee, Manager of Planning & Environmental Resources  
Rick Mykitta, Manager of Operations & Maintenance  
Jason Pivovarovoff, Senior Engineer  
Jesse Pompa, Senior Engineer  
John Scherck, Senior Project Manager  
Travis Sprague, Senior Associate Engineer  
Shaun Stone, Manager of Engineering  
Teresa Velarde, Manager of Internal Audit  
April Woodruff, Board Secretary/Office Manager

**OTHERS PRESENT:**

Vivian Castro, Chino Basin Water Conservation District  
Jean Cihigoyenette, JC Law Firm  
Marty Cihigoyenette, JC Law Firm

A commission meeting of the Chino Basin Regional Financing Authority was held at the office of the Inland Empire Utilities Agency, \*A Municipal Water District, 6075 Kimball Avenue Chino, California on the above date.

President Hall called the meeting to order at 10:00 a.m., and Commissioner Camacho led the Pledge of Allegiance. A quorum was present.

President Hall stated that members of the public may address the Commission. There were no persons desiring to do so.

President Hall asked if there were any additions/deletions to the agenda. There were no additions/deletions to the agenda.

**1. ACTION ITEM**

**A. MINUTES**

Upon motion by Commissioner Camacho, seconded by Commissioner Hofer, and unanimously carried:

**M2018-1-1**  
**MOVED**, to approve the minutes of the December 20, 2017 Chino Basin Regional Financing Authority Commission meeting.

**B. ELECTION OF OFFICERS**

President Hall turned the meeting over to General Counsel Jean Cihigoyenette, who opened the nominations for the Board's officers. General Counsel stated that every year the Commissioners elects officers of the Chino Basin Regional Financing Authority Commission. He stated that the positions include President, Vice-President, and Secretary.

Upon motion by Commissioner Hofer, seconded by Commissioner Parker, and unanimously carried:

**M2018-1-2**  
**MOVED**, approval of the following slate of officers:

President – Jasmin A. Hall  
Vice President – Steven J. Elie  
Secretary – Kati Parker

**C. APPOINTMENT OF THE CHINO BASIN REGIONAL FINANCING AUTHORITY TREASURER**

Upon motion by Commissioner Camacho, seconded by Commissioner Elie, and unanimously carried:

**M2018-1-2**  
**MOVED**, to approve the appointment of Executive Manager of Finance & Administration Christina Valencia to serve as Treasurer for 2018 and appoint Manager of Finance and Accounting Javier Chagoyen-Lazaro, as the alternate Treasurer.

With no further business, President Hall adjourned the meeting at 10:03 a.m.

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Commissioner Parker, CBRFA Secretary

**APPROVED:**

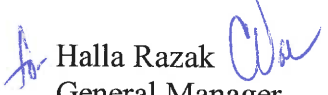
**ACTION ITEM  
1B**

# **CHINO BASIN REGIONAL FINANCING AUTHORITY**

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Date: December 19, 2018

To: The Honorable Commissioners

From:  Halla Razak  
General Manager

Submitted By: Christina Valencia  
Treasurer

Subject: Chino Basin Regional Financing Authority Fiscal Year 2017/18 Annual  
Financial Statements

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## **RECOMMENDATION**

It is recommended that the Board of Commissioners:

1. Approve the financial statements for the FY ended June 30, 2018; and
2. Direct staff to distribute the reports, as appropriate, to the various federal, state, and local agencies, financial institutions, and other interested parties.

## **BACKGROUND**

The Annual Financial Statements of the Chino Basin Regional Financing Authority (Authority) for the Fiscal Year ended June 30, 2018 were prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as set forth by the Governmental Accounting Standards Board (GASB). The Inland Empire Utilities Agency (Agency) independent audit firm, Lance, Soll & Lunghard, LLP (LSL) performed the financial audit.

The audited financial statements will allow the Authority to comply with the State Controllers mandate to provide audited financial information when filing the annual State Controller's Report.

The Authority was established by the Agency and the Cucamonga County Water District (now known as the Cucamonga Valley Water District) on May 1, 1993 to provide its members financing in connection with the acquisition, construction and improvement of public capital improvements, working capital requirements or insurance programs. To date, only the Agency has utilized the Authority for issuance of bonds. All bonds currently outstanding, comprised of the 2008B Variable Rate Debt Bonds (2002A Refinancing), 2010A Revenue Bonds (1994 Refinancing), and the 2017A Refunded Bonds (2008A Refinancing), were issued through the Authority and are also reported as debt obligations in the Agency's financial statements.

**IMPACT ON BUDGET**

The associated audit service fees are supported by contributions from Inland Empire Utilities Agency and Chino Basin Watermaster included in the annual operating budget.

Attachments:

Comprehensive Annual Financial Reports for Fiscal Year 2017/18.



December 19, 2018

To the Board of Directors  
Chino Basin Regional Financing Authority  
Chino, California

We have audited the financial statements of the Chino Basin Regional Financing Authority (the Authority), a component unit of the Inland Empire Utilities Agency, for the year ended June 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 31, 2018. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant Audit Findings**

#### ***Qualitative Aspects of Accounting Practices***

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in the notes to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during fiscal year 2017-2018. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The financial statement disclosures are neutral, consistent, and clear.

#### ***Difficulties Encountered in Performing the Audit***

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### ***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No misstatements were found.



CPAs AND ADVISORS

To the Board of Directors  
Chino Basin Regional Financing Authority  
Chino, California

### ***Disagreements with Management***

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### ***Management Representations***

We have requested certain representations from management that are included in the management representation letter dated December 19, 2018.

### ***Management Consultations with Other Independent Accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### ***Other Audit Findings or Issues***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### **Other Matters**

We applied certain limited procedures to the management's discussion and analysis which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

### **New Accounting Standards**

The following new Governmental Accounting Standards Board (GASB) pronouncements were effective for fiscal year 2017-2018 audit:

GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*.

GASB Statement No. 81, *Irrevocable Split Interest Agreements*.

GASB Statement No. 85, *Omnibus 2017*.

GASB Statement No. 86, *Certain Debt Extinguishment Issues*.





CPAs AND ADVISORS

To the Board of Directors  
Chino Basin Regional Financing Authority  
Chino, California

The following Governmental Accounting Standards Board (GASB) pronouncements are effective in the following fiscal year audit and should be reviewed for proper implementation by management:

Fiscal year 2018-2019

GASB Statement No. 83, *Certain Assets Retirement Obligations*.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements*.

Fiscal year 2019-2020

GASB Statement No. 84, *Fiduciary Activities*.

GASB Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*.

Fiscal year 2020-2021

GASB Statement No. 89, *Accounting for Interest Incurred before the End of a Construction Period*.

GASB Statement No. 87, *Leases*.

**Restriction on Use**

This information is intended solely for the use of the Board of Directors and management of the Chino Basin Regional Financing Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Brea, California



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of the  
Chino Basin Regional Financing Authority  
Chino, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Chino Basin Regional Financing Authority (the Authority), a component unit of the Inland Empire Utilities Agency, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 19, 2018.

#### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.





CPAs AND ADVISORS

To the Board of Directors of the  
Chino Basin Regional Financing Authority  
Chino, California

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Lance, Solt & Loughard, LLP*

Brea, California  
December 19, 2018

DRAFT

**CHINO BASIN REGIONAL FINANCING AUTHORITY  
(A COMPONENT UNIT OF THE INLAND EMPIRE UTILITIES AGENCY)**

**FINANCIAL STATEMENTS**

**WITH REPORT ON AUDIT BY INDEPENDENT  
CERTIFIED PUBLIC ACCOUNTANTS**

**FOR THE YEAR ENDED JUNE 30, 2018**

CHINO BASIN REGIONAL FINANCING AUTHORITY  
(A COMPONENT UNIT OF THE INLAND EMPIRE UTILITIES AGENCY)

FINANCIAL STATEMENTS

WITH REPORT ON AUDIT BY INDEPENDENT  
CERTIFIED PUBLIC ACCOUNTANTS

FOR THE YEAR ENDED JUNE 30, 2018

DRAFT

CHINO BASIN REGIONAL FINANCING AUTHORITY  
(A COMPONENT UNIT OF THE INLAND EMPIRE UTILITIES AGENCY)

FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

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CPAs AND ADVISORS

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the  
Chino Basin Regional Financing Authority  
Chino, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the Chino Basin Regional Financing Authority (the Authority), a component unit of the Inland Empire Utilities Agency, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.





To the Board of Directors of the  
Chino Basin Regional Financing Authority  
Chino, California

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Chino Basin Regional Financing Authority, as of June 30, 2018, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 1 to the basic financial statements, the financial statements present the financial position only of the Authority and do not present, or purport to present fairly, the financial position of the Inland Empire Utilities Agency as of June 30, 2018, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.





CPAs AND ADVISORS

To the Board of Directors of the  
Chino Basin Regional Financing Authority  
Chino, California

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2018 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

*Lance, Solt & Loughard, LLP*

Brea California  
December 19, 2018

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Chino Basin Regional Financing Authority  
Management's Discussion and Analysis

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This section of the Authority's annual financial report presents our analysis of the Authority's financial performance during the fiscal year that ended on June 30, 2018. Please read it in conjunction with the financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

The Authority's net position did not change, as the revenue and interest earned on the bond reserves equaled the expenditures and interest expense on the bonds payable.

During the year, \$9,190,000 in long-term debt was paid from payments received from the Installment Purchase Agreements.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The discussion and analysis are intended to serve as an introduction to the Chino Basin Regional Financing Authority's financial statements. The Authority's financial statements consist of two components: (1) financial statements and (2) notes to the financial statements. The Authority is a self-supporting entity and follows the enterprise fund reporting. Accordingly, the financial statements are presented using the accrual basis of accounting.

**FINANCIAL ANALYSIS OF THE AUTHORITY**

Our analysis of the Authority begins on page 6 of the financial statements. The goal of the Authority is to have the installment contracts receivable remain equal to the amount of outstanding debt in order that its proceeds are available to pay the debt. Thus, net position of the Authority (the difference between the installment contracts receivable and the unpaid debt) should be zero. Since the Authority is a financing entity, all of the revenues and principal collected on the investment Authority's Revenue Bonds are used to pay the interest and principal on the outstanding Bonds resulting in no change in net position.

Chino Basin Regional Financing Authority  
 Management's Discussion and Analysis

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**NET POSITION**

To begin our analysis a summary of the Authority's Statement of Net Position is as follows:

	Fiscal Year 2018	Fiscal Year 2017	Dollar Change	Total Percent Change
Total assets and deferred outflows of resources	\$122,548,706	\$131,802,975	\$ (9,254,269)	-7.02%
Current liabilities	10,408,706	10,192,975	215,731	2.13%
Noncurrent liabilities	112,140,000	121,610,000	(9,470,000)	-7.79%
Total liabilities	122,548,706	131,802,975	(9,254,269)	-7.02%
Total net position	\$ -	\$ -	\$ -	

As can be seen from the table above, total assets and deferred outflows of resources decreased \$9,254,591 to \$122,548,706 in fiscal year 2018, down from \$131,802,975 in fiscal year 2017. The decrease was principally the result of the Authority's payment of debt service.

**REVENUES, EXPENSES AND CHANGES IN NET POSITION**

	Fiscal Year 2018	Fiscal Year 2017
General revenues	\$ 4,906,292	\$ 6,518,138
Operating expenses	(4,906,292)	(6,518,138)
Change in net position	-	-
Net position, beginning of year	-	-
Net position, end of year	\$ -	\$ -

The revenue of \$4,906,292 was used to pay the interest expense on the bonds.

## **BUDGETARY HIGHLIGHTS**

The Authority's Board of Directors is not required to adopt a budget.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

Capital Assets - The Authority does not own any capital assets.

Long-term Debt - At year-end, the Authority had \$121,610,000 in long-term debt, down from \$130,800,000 in fiscal year 2017, for a decrease of \$9,190,000. The decrease is due to the annual installments ranging from \$1,910,000 to 3,480,000 with a variable interest rate no higher than 12.00% per annum. More detailed information about the Authority's long-term debt is presented on pages 13 through 17 in the Notes to the Financial Statements.

## **CONTACTING THE AUTHORITY'S FINANCIAL MANAGER**

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have questions about the report or need additional financial information, contact the Agency's Department of Finance and Accounting.

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CHINO BASIN REGIONAL FINANCING AUTHORITY  
 (A COMPONENT UNIT OF THE INLAND EMPIRE UTILITIES AGENCY)

STATEMENT OF NET POSITION  
 JUNE 30, 2018

<b>Assets:</b>	
Current Assets:	
Interest receivable on installment contracts	\$ 938,706
Installment contracts receivable	9,469,999
Restricted cash and investments	2,563,997
Total Current Assets	<u>12,972,702</u>
Noncurrent Assets:	
Installment contracts receivable	<u>105,336,982</u>
Total Noncurrent Assets	<u>105,336,982</u>
<b>Total Assets</b>	<b><u>118,309,684</u></b>
<b>Deferred Outflows of Resources:</b>	
Deferred loss on bond refunding	<u>4,239,020</u>
<b>Total Deferred Outflows of Resources</b>	<b><u>4,239,020</u></b>
<b>Liabilities:</b>	
Current Liabilities:	
Interest payable	938,706
Revenue bonds	9,469,999
Total Current Liabilities	<u>10,408,705</u>
Noncurrent Liabilities:	
Revenue bonds	<u>112,139,999</u>
Total Noncurrent Liabilities	<u>112,139,999</u>
<b>Total Liabilities</b>	<b><u>122,548,704</u></b>
<b>Net Position:</b>	
Unrestricted	<u>-</u>
<b>Total Net Position</b>	<b><u>\$ -</u></b>

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CHINO BASIN REGIONAL FINANCING AUTHORITY  
(A COMPONENT UNIT OF THE INLAND EMPIRE UTILITIES AGENCY)

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2018

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<b>Revenues:</b>	
Interest on installment contracts	\$ 4,671,289
<b>Total Revenues</b>	<u>4,671,289</u>
<b>Expenses:</b>	
Debt service interest	4,671,289
<b>Total Expenses</b>	<u>4,671,289</u>
Change in net position	-
Net Position at the Beginning of the Year	-
<b>Net Position at the End of the Year</b>	<u>\$ -</u>

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CHINO BASIN REGIONAL FINANCING AUTHORITY  
 (A COMPONENT UNIT OF THE INLAND EMPIRE UTILITIES AGENCY)

STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2018

<b>Cash Flows from Operating Activities:</b>	
Receipts from installment contracts receivable	\$ 9,190,002
<b>Net Cash Provided by Operating Activities</b>	<u>9,190,002</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>	
Principal paid on bonds payable	(9,190,002)
Interest paid on bonds payable	(4,735,558)
<b>Net Cash Used for Capital and Related Financing Activities</b>	<u>(13,925,560)</u>
<b>Cash Flows from Investing Activities:</b>	
Interest received on installment contract receivable	4,746,979
<b>Net Cash Provided by Investing Activities</b>	<u>4,746,979</u>
Cash and cash equivalents July 1 (including \$2,552,576 reported in restricted accounts)	<u>2,552,576</u>
<b>Cash and cash equivalents June 30 (including \$2,563,997 reported in restricted accounts)</b>	<u><u>\$ 2,563,997</u></u>
 <b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>	
<b>Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:</b>	
Decrease in installment contracts receivable	\$ 9,190,002
Total Adjustments	<u>9,190,002</u>
<b>Net Cash Provided by Operating Activities</b>	<u><u>\$ 9,190,002</u></u>

The notes to financial statements are an integral part of this statement.

**CHINO BASIN REGIONAL FINANCING AUTHORITY  
(A COMPONENT UNIT OF THE INLAND EMPIRE UTILITIES AGENCY)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

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**Note 1: Summary of Significant Accounting Policies**

**a. Organization**

The Chino Basin Regional Financing Authority (the Authority) is a joint exercise of powers authority created by a joint powers agreement between Inland Empire Utilities Agency (Agency) and Cucamonga Valley Water District, dated May 1, 1993. The purpose of the Authority is to provide, through the issuance of debt, financing necessary for the construction of various public improvements. The Authority is a component unit of the Agency.

The Authority functions as a separate entity and its policies are determined by the members of the Commission comprised solely of the governing board of the Agency. All staff work is performed by the officials and staff of the Agency or by consultants.

**b. Financial Statement Presentation**

The financial statements which include the statement of net position, the statement of revenues, expenses and changes in net position, and the statement of cash flows report information on all of the activities of the Authority. The Authority's assets and liabilities are included in the statement of net position. The statement of revenues, expenses and changes in net position presents changes in net position. These financial statements present only the Chino Basin Regional Financing Authority and do not purport and do not present the financial position of the Inland Empire Utilities Agency.

**c. Measurement Focus and Basis of Accounting**

The financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the statement of net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

**d. Use of Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from the estimates.



CHINO BASIN REGIONAL FINANCING AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2018

**Note 2: Cash and Investments**

Cash and investments at June 30, 2018, are classified in the accompanying financial statement as follows:

Restricted assets:	
Cash and investments	\$ 2,563,997

Cash and investments at June 30, 2018 consisted of the following:

Investments	\$ 2,563,997
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**Investments Authorized by Debt Agreements**

Investment of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Authority's investment policy.

**Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Authority manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flows and liquidity needed for operations.

Information about the sensitivity of the fair values of the Authority's investments and those held by bond trustees to market interest rate fluctuations is provided by the following table that shows the distribution of the Authority's investments by maturity:

Investments Type	Totals	Remaining Maturity 12 Months or Less
Money Market Mutual Funds	\$ 2,563,997	\$ 2,563,997

**Disclosures Relating to Credit Risk:**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the Authority's investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

Investment Type	Minimum Legal Rating	Fiscal Year End Rating			
		Total	AAA	AA	Not Rated
Money Market Mutual Funds	A	\$ 2,563,997	\$ 2,563,997	\$ -	\$ -

CHINO BASIN REGIONAL FINANCING AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2018

**Note 2: Cash and Investments (Continued)**

**Concentration of Credit Risk**

There are no investments in any one issuer that represent 5% or more of total Authority's investments.

**Custodial Credit Risk**

The Authority's cash and investments are held by the bond trustee who selects the investment under terms of the applicable indenture agreement, acquires the investment and holds the investment on behalf of the Authority.

**Fair Value Hierarchy**

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Authority has all the investments in Level 1 inputs.

**Note 3: Installment Contracts Receivable**

The Authority issued the \$55,675,000 Series 2008B Variable Rate Demand Revenue Refunding Bonds to refund the Authority's Series 2002A Variable Rate Revenue Bond. The Authority and the Agency entered into the Installment Purchase Agreement on March 1, 2008. The Agency agrees to pay the Authority installment payments in an amount sufficient to pay the principal and interest coming due on the Bonds. The balance of the receivable from the Agency (IEUA) at June 30, 2018, was \$31,783,100 and from Chino Basin Watermaster (CBWM) \$6,486,900.

The Authority issued the \$45,570,000 Series 2010A Refunding Revenue Bonds to refund the Authority's Series 1994 Revenue Bonds. The Authority and the Agency entered into the Installment Purchase Agreement on March 1, 2010. The Agency agrees to pay the Authority installment payments in an amount sufficient to pay the principal and interest coming due on the Bonds. The balance of the receivable from the Agency at June 30, 2018, was \$18,735,000.

The Authority issued the \$67,615,000 Series 2017A Refunding Revenue Bonds to refund the Authority's Series 2008A Revenue Bonds. The Authority and the Agency entered into the Installment Purchase Agreement on January 19, 2017. The Agency agrees to pay the Authority installment payments in an amount sufficient to pay the principal and interest coming due on the Bonds. The balance of the receivable from the Agency at June 30, 2018, was \$64,605,000.

	IEUA	CBWM	TOTAL
2008B Installment Contract Receivable	\$ 31,783,100	\$ 6,486,900	\$ 38,270,000
2010A Installment Contract Receivable	18,735,000	-	18,735,000
2017A Installment Contract Receivable	64,605,000	-	64,605,000
	<u>115,123,100</u>	<u>6,486,900</u>	<u>121,610,000</u>
Less:			
Restricted Cash and Investments	(2,131,193)	(432,804)	(2,563,997)
Deferred Loss on Refunding	(4,239,020)	-	(4,239,020)
Total Installment Contracts Receivable	<u>\$ 108,752,887</u>	<u>\$ 6,054,096</u>	<u>\$ 114,806,983</u>

CHINO BASIN REGIONAL FINANCING AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2018

Note 4: Long-Term Debt

Changes in long-term debt for the year ended June 30, 2018, were as follows:

	July 1, 2017	Additions	Deletions	June 30, 2018	One Year
2008 Variable Rate Demand Revenue Refunding Bonds	\$ 40,285,000	\$ -	\$ 2,015,000	\$ 38,270,000	\$ 2,095,000
2010A Refunding Revenue Bonds	22,900,000	-	4,165,000	18,735,000	4,285,000
2017A Refunding Revenue Bonds	67,615,000	-	3,010,000	64,605,000	3,090,000
Total long-term debt	\$ 130,800,000	\$ -	\$ 9,190,000	\$ 121,610,000	\$ 9,470,000

**2008B Variable Rate Demand Revenue Refunding Bonds:**

Pursuant to an indenture dated March 1, 2008, on March 1, 2008, the Authority issued \$55,675,000 Variable Rate Demand Revenue Refunding Bonds to refund the Authority's Series 2002A Revenue Bonds, to fund the reserve requirement and pay the costs of issuing the bonds.

The bonds are payable solely from Revenues and from certain other amounts on deposit in funds and accounts under the indenture. Revenues consist primarily of Installment Payments received by the Authority from the Agency pursuant to the 2008B Installment Purchase Agreement and payments received by the Authority from the Agency pursuant to a Financing Agreement and from Chino Basin Watermaster pursuant to a Recharge Facilities Agreement both dated as of June 1, 2002. The obligation of the Agency and of CBWM to make Installment Payments is a special obligation payable solely from the Net Revenues of the Agency.

The bonds maturing through 2032 are Serial Bonds payable in annual installments ranging from \$1,910,000 to \$3,480,000 with a variable interest rate no higher than 12.00% per annum. Principal payments are due June 1 of each year with interest payments due monthly.

A reserve of \$2,130,836 is required to be set aside to further secure the payment of principal and interest on the bonds. The actual reserve amount was \$2,563,310.

The balance outstanding at June 30, 2018 was \$38,270,000.

Future debt service principal and interest payments on the 2008B Variable Rate Demand Revenue Refunding Bonds using variable interest rate of 4.0%, the rate in effect as of June 30, 2018, are as follows:

Year Ending June 30,	Principal	Interest	Total
2019	\$ 2,095,000	\$ 1,525,688	\$ 3,620,688
2020	2,180,000	1,441,270	3,621,270
2021	2,270,000	1,353,332	3,623,332
2022	2,355,000	1,265,523	3,620,523
2023	2,430,000	1,192,514	3,622,514
2024-2028	13,790,000	4,319,303	18,109,303
2029-2033	13,150,000	1,331,047	14,481,047
Totals	\$ 38,270,000	\$ 12,428,677	\$ 50,698,677

**CHINO BASIN REGIONAL FINANCING AUTHORITY**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2018**

**Note 4: Long-Term Debt (Continued)**

**2010A Refunding Revenue Bonds:**

Pursuant to an indenture dated March 1, 2010, on July 15, 2010, the Authority issued \$45,570,000 Refunding Revenue Bonds to refund the Authority's Series 1994 Revenue Bonds and pay costs of issuance.

The bonds are payable solely from Revenues and from certain other amounts on deposit in funds and accounts under the indenture. Revenues consist primarily of Installment Payments received by the Authority from the Agency pursuant to the 2010A Installment Purchase Agreement. The obligation of the Agency to make Installment Payments is a special obligation of the Agency payable solely from the Net Revenues of the Agency.

The bonds maturing through 2022 are Serial Bonds payable in annual installments ranging from \$3,945,000 to \$5,075,000 with interest rates from 2.00% to 5.00%. Principal payments are due August 1 each year with semi-annual interest payments due August 1 and February 1.

The balance outstanding on June 30, 2018, was \$18,735,000.

Future debt service principal and interest payments owed on the 2010A Refunding Revenue Bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2019	\$ 4,285,000	\$ 829,625	\$ 5,114,625
2020	4,620,000	607,000	5,227,000
2021	4,755,000	372,625	5,127,625
2022	5,075,000	126,875	5,201,875
<b>Totals</b>	<b>\$ 18,735,000</b>	<b>\$ 1,936,125</b>	<b>\$ 20,671,125</b>

**2017A Refunding Revenue Bonds:**

Pursuant to an indenture dated January 19, 2017, on February 2, 2017, the Authority issued \$67,615,000 Refunding Revenue Bonds to refund the Authority's Series 2008A Revenue Bonds and pay costs of issuance.

The bonds are payable solely from Revenues and from certain other amounts on deposit in funds and accounts under the indenture. Revenues consist primarily of Installment Payments received by the Authority from the Agency pursuant to the 2017A Installment Purchase Agreement. The obligation of the Agency to make Installment Payments is a special obligation of the Agency payable solely from the Net Revenues of the Agency.

The bonds maturing through November 2033 are Serial Bonds payable in annual installments ranging from \$3,010,000 to \$4,920,000 with interest rates from 2.00% to 5.00%. Principal payments are due November 1 each year with semi-annual interest payments due May 1 and November 1.

The balance outstanding on June 30, 2018, was \$64,605,000.

CHINO BASIN REGIONAL FINANCING AUTHORITY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2018

**Note 4: Long-Term Debt (Continued)**

Future debt service principal and interest payments owed on the 2017A Refunding Revenue Bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2019	\$ 3,090,000	\$ 3,056,800	\$ 6,146,800
2020	3,200,000	2,946,450	6,146,450
2021	3,330,000	2,815,850	6,145,850
2022	3,480,000	2,662,250	6,142,250
2023	3,660,000	2,483,750	6,143,750
2024-2028	21,655,000	9,218,625	30,873,625
2029-2033	21,270,000	3,997,500	25,267,500
2034-2038	4,920,000	123,000	5,043,000
Totals	<u>\$ 64,605,000</u>	<u>\$ 27,304,225</u>	<u>\$ 91,909,225</u>

**Note 5: Subsequent Events**

The Authority has evaluated events subsequent to June 30, 2018 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through December 19, 2018, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

**CONSENT  
CALENDAR  
ITEM**

**2A**



**MINUTES OF THE SPECIAL  
MEETING OF  
THE  
INLAND EMPIRE UTILITIES AGENCY  
BOARD OF DIRECTORS**

**WEDNESDAY, NOVEMBER 21, 2018  
9:00 A.M.**

**DIRECTORS PRESENT:**

Steven J. Elie, President  
Michael Camacho, Vice President  
Jasmin A. Hall, Secretary/Treasurer  
Paul Hofer  
Kati Parker

**DIRECTORS ABSENT:**

None

**STAFF PRESENT:**

Halla Razak, General Manager  
Chris Berch, Executive Manager of Engineering/AGM  
Kathy Besser, Executive Manager of External Affairs & Policy Development/AGM  
Randy Lee, Executive Manager of Operations/AGM  
Christina Valencia, Executive Manager of Finance & Administration/AGM  
Blanca Arambula, Deputy Manager of Human Resources  
Jerry Burke, Deputy Manager of Engineering  
Andrea Carruthers, Senior External Affairs Specialist  
Michael Dias, Assistant Engineer  
Brittany Foust, External Affairs Specialist II  
Jennifer Hy-Luk, Administrative Assistant I  
Trenton Johnson, Electrical & Instrumentation Technician III  
Chander Letulle, Manager of Operations and Maintenance  
Larry Lucas, Mechanic IV  
Arthur Maldonado, Electrical & Instrumentation Technician IV  
Laura Mantilla, Executive Assistant  
Jason Marseilles, Senior Engineer  
Arnold Martinez, Wastewater Treatment Plant Operator III  
James McQueen, Manager of Human Resources  
Kanes Pantayatiwong, Manager of Business Information Services  
Jesse Pompa, Deputy Manager of Grants  
Siamak Sianpour, Control Systems Analyst I  
Scott Sotello, Wastewater Treatment Plant Operator III  
Gary Te, GIS Specialist  
Teresa Velarde, Manager of Internal Audit  
Rocky Welborn, Senior Associate Engineer  
April Woodruff, Board Secretary/Office Manager  
Jamal Zughbi, Senior Engineer/Project Manager, P.E.

### **OTHERS PRESENT:**

Jean Cihigoyenette, JC Law Firm  
Chris Dull, Louis Berger U.S.  
John Christopher, Louis Berger U.S.  
Russell Swerdfeger, Evoqua

A special meeting of the Board of Directors of the Inland Empire Utilities Agency\* was held at the office of the Agency, 6075 Kimball Avenue, Bldg. A, Chino, California on the above date.

President Elie called the meeting to order at 9:01 a.m. and Director Hall led the Pledge of Allegiance to the flag. A quorum was present.

President Elie stated that members of the public may address the Board. The Board acknowledged Mr. Russ Swerdfeger from Evoqua's request to speak and stated he will be called at the time RP-5 Liquids Treatment Expansion Pre-Selection of the Membrane Bio-Reactor System is presented to the Board. There was no one else desiring to do so.

President Elie asked if there were any changes/additions/deletions to the agenda. There were no changes/additions/deletions to the agenda.

### **NEW EMPLOYEE INTRODUCTIONS**

- Mr. Siamak Sianpour, Control Systems Analyst I, hired August 27, 2018, Integrated Systems Services Department
- Mr. Trenton Johnson, Electrical & Instrumentation Technician III, hired October 22, 2018, Organics Management Department
- Mr. Scott Sotello, Wastewater Treatment Plant Operator III, hired October 22, 2018, Operations & Maintenance Department
- Mr. James McQueen, Manager of Human Resources, hired November 5, 2018, Human Resources Department
- Ms. Brittany Foust, External Affairs Specialist II, hired November 12, 2018, External Affairs Department
- Mr. Arnold Martinez, Wastewater Treatment Plant Operator III, hired November 12, 2018, Operations & Maintenance Department

The Board of Directors welcomed Mr. Sianpour, Mr. Johnson, Mr. Sotello, Mr. McQueen, Ms. Foust, and Mr. Martinez to the IEUA team.

### **PROMOTIONS**

- Mr. Arthur Maldonado, Electrical & Instrumentation Technician IV, promoted October 7, 2018, Operations & Maintenance Department
- Mr. Larry Lucas, Mechanic IV, promoted October 7, 2018, Operations & Maintenance Department

The Board congratulated Mr. Maldonado and Mr. Lucas on their promotion.

### **CONSENT ITEMS**

President Elie asked if there were any Board members wishing to pull an item from the Consent Calendar for discussion. General Manager Halla Razak noted that Consent Calendar Item 3C - the Climate Change Action Plan will be highlighted at the next workshop. No items were pulled for discussion.



Upon motion by Director Camacho, seconded by Director Parker, and unanimously carried:

**M2018-11-3**

MOVED, to approve the Consent Calendar.

- A. The Board approved the minutes from the October 17, 2018 Board Meeting and the November 7, 2018 Board Workshop/Meeting.
- B. The Board approved the total disbursements for the month of September 2018, in the amount of \$17,136,990.52.
- C. The Board adopted the proposed Climate Change Action Plan.
- D. The Board:
  - 1. Awarded a three-year fixed-cost contract, beginning on January 1, 2019, with two one-year options, in the amount of \$74,400 annually, to V3iT Consulting to provide routine SAP basic support;
  - 2. Awarded a three-year time and material contract, beginning on January 1, 2019, with two one-year options in the not-to-exceed amount of \$75,000 to each of these vendors: V3iT Consulting and Phoenix Business Consulting to provide as-needed SAP support; and
  - 3. Authorized the General Manager to execute the contracts subject to non-substantive changes.
- E. The Board:
  - 1. Approved a Master Services contract amendment for Gillis+Panichapan Architects, Inc., for a not-to-exceed amount of \$84,000 with a one-year term extension through November 2019; and
  - 2. Authorized the General Manager to execute the contract subject to non-substantive changes.
- F. The Board:
  - 1. Adopted a finding pursuant to Public Contract Code 3400(b) that the use of A.R.I. combination air valves; 1) match the existing valves on the recycled water lines use; 2) the valves are only available from A.R.I.; and
  - 2. Authorized their procurement as a sole source for future O&M and capital projects for a duration of five years.
- G. The Board:
  - 1. Approved a contract amendment for the RP-1 Mechanical Restoration and Improvements, Project No. EN17082, to Stantec Consulting Services, Inc. for the not-to-exceed amount of \$113,400; and
  - 2. Authorized the General Manager to execute the contract amendment, subject to non-substantive changes.

Continued...

**M2018-11-3** continued.

H. The Board:

1. Approved a consultant services contract amendment for the RW System Cathodic Protection Improvements, Project No. EN17080, to Corpro Companies Inc., for the not-to-exceed amount of \$560,670;
  2. Approved an increase in budget allocation for FY 2018/19 from FY 2019/20 budget in the amount of \$195,000; and
  3. Authorized the General Manager to execute the contract amendment, subject to non-substantive changes.
- I. The Board adopted Resolution No. 2018-11-1, approving the amendment to the Agency's Salary Schedule/Matrix for all employee groups.

**RESOLUTION 2018-11-1**  
**RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, APPROVING THE AMENDMENT TO THE AGENCY'S SALARY SCHEDULE/MATRIX FOR ALL EMPLOYEE GROUPS** (for full text, see Resolution Book)

**ACTION ITEM**

**RP-5 LIQUIDS TREATMENT EXPANSION PRE-SELECTION OF THE MEMBRANE BIO-REACTOR SYSTEM**

Executive Manager of Operations & Maintenance/AGM Randy Lee gave an overview of the Membrane Bio-Reactor request for proposal, what pre-selection consists of, the equipment supplier selection process, the Suez proposal details, and the project budget and schedule. Discussion ensued on the bidding process, evaluation criteria, the value vs price difference, how long each company has been in business, the standard procedure for requests for proposals, and the difference between staff's recommendation and the Board's decision.

**PUBLIC COMMENT**

Mr. Russell Swerdfeger from Evoqua addressed the Board. Mr. Swerdfeger stated that the presentation by Mr. Lee provided additional details that Evoqua wasn't aware of on the selection evaluation. Mr. Swerdfeger mentioned that Evoqua believed that they provided a compelling effective proposal that will meet the Agency needs. He asked that at what point is evaluation determination made. Mr. Swerdfeger thanked the Board for their time.

Upon motion by Director Camacho, seconded by Director Parker, and unanimously carried:

**M2018-11-4**

MOVED, to:

1. Awarded a pre-selection agreement for the Membrane Bio-Reactor System for the RP-5 Liquids Treatment Expansion, Project No. EN19001, to Suez with a \$300,000 stiped for engineering services through design and a guaranteed price to be included in a future successful General Contractor's bid; and
2. Authorized the General Manager to execute the pre-selection agreement, subject to non-substantive changes.

**RP-1 1158 RECYCLED WATER PUMP STATION UPGRADES CONSTRUCTION CONTRACT AWARD**

Assistant Engineer Michael Dias presented on the project location, the feasibility study findings, the project scope, the contractor selection process, the budget, and schedule.

Upon motion by Director Parker, seconded by Director Camacho, and unanimously carried:

**M2018-11-4**

MOVED, to:

1. Award a construction contract for the RP-1 1158 Recycled Water Pump Station Upgrades, Project No. EN14042, to Stanek Constructors, Inc., in the amount of \$4,430,000;
2. Approve a contract amendment to Stantec Consulting Services Inc., for engineering services during construction for the not-to-exceed amount of \$356,000; and
3. Authorize the General Manager to execute the contract and contract amendment, subject to non-substantive changes.

*(Director Camacho left the Board meeting room 9:57 a.m.)*

*(Director Camacho returned to the Board meeting room 9:59 a.m.)*

**RP-1 DIGESTER 6 AND 7 ROOF REPAIRS CONSTRUCTION CONTRACT AWARD**

Senior Engineer/Project Manager, P.E. Jamal Zughbi presented on the project background, the project scope, the contractor selection process, the budget, and schedule. Mr. Zughbi clarified that although the title is for the Digester 6 and 7 this recommendation is only for Digester 6. Upon completion of Digester 6, staff will begin work on Digester 7.

Director Hofer asked for an explanation of the costs of preparing construction bids. Director Hall requested a history and photos of the last Digesters 6 and 7 repairs in 2008/2009.

Upon motion by Director Parker, seconded by Director Hall, and unanimously carried:

**M2018-11-4**

MOVED, to:

1. Award a construction contract for the RP-1 Digester 6 and 7 Roof Repairs, Project No. EN17042, to W.A. Rasic Construction, Inc., in the amount of \$1,788,000;
2. Approve a consultant contract amendment for the RP-1 Digester 6 and 7 Roof Repairs, Project No. EN17042, to GHD Inc., for a not-to-exceed amount of \$69,627; and
3. Authorize the General Manager to execute the contracts, subject to non-substantive changes.

## **INFORMATION ITEMS**

### **CAREER MANAGEMENT PROGRAM: TAKING CHARGE**

The item was deferred until the next Board meeting.

### **AGENCY DASHBOARD**

GIS Specialist Gary Te gave a PowerPoint presentation on the proposed Agency Dashboard. Mr. Te stated that the Dashboard focuses data into easy to read graphics. The graphic tiles will be able to be clicked on for more detailed information. The information presented in each tile will be as current as possible. The plan is to position the dashboard on the Agency's website for availability to the public.

Director Hofer asked about the anticipated launch date. General Manager Halla Razak stated that as soon as staff receives the approval they will start working towards a quick launch.

### **ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT UPDATE**

Deputy Manager of Engineering Jerry Burke gave a PowerPoint presentation on the Engineering and Construction Management project updates. He provided updates on the following projects: EN13048-RP-1 Power System Upgrades; EN17049-Baseline Recycled Water Pipeline Extension; EN18006-RP-1 Flare Improvements; EN15012-RP-1 Primary Effluent Conveyance; EN17039-8<sup>th</sup> St. Basin Recycle Water Turnout Discharge Retrofit; and EN18028-RP-5 Facilities Improvements.

### **MWD UPDATE**

Executive Manager of Engineering/AGM Chris Berch began his presentation with a video on the eighteen-month progress of the Oroville Dam construction. Mr. Berch stated there was discussion on the Local Resource Program (LRP) development, which may be of interest of IEUA for potential funding for storm water pilot projects. MWD is looking for creative ways to fund local projects.

### **CBWM UPDATE**

Executive Manager of Engineering/AGM Chris Berch stated that on the October 25, 2018 meeting the Storage Framework was approved. On both the October 25, 2018 meeting and the November 15, 2018 meeting discussion on the April 2017 appeal ensued. The 2018/19 assessment package was approved at the November 21, 2018 meeting. Also, the Board reappointment was approved for every 5 years and there was approval of the Non-Agricultural exhibit G rate which sets the rate in which water gets transferred in the Chino Basin.

### **SAWPA UPDATE**

Executive Manager of Engineering/AGM Chris Berch stated that at both Board meetings SAWPA reviewed the Brine Line formula, discussed the water quality RFP, and SAWPA approved a contract with West Coast Advisors.

## **THE FOLLOWING INFORMATION ITEMS WERE RECEIVED AND FILED BY THE BOARD:**

### **TREASURER'S REPORT OF FINANCIAL AFFAIRS**

### **PUBLIC OUTREACH AND COMMUNICATION**

### **LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES**

### **LEGISLATIVE REPORT FROM WEST COAST ADVISORS**

## **CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT**

### **FEDERAL LEGISLATIVE TRACKING MATRIX**

#### **2017/18 LEGISLATIVE WRAP-UP**

### **REGIONAL WATER USE EFFICIENCY PROGRAMS ANNUAL REPORT – FY 2017/18**

#### **SAWPA REPORT**

Director Hall reported that SAWPA adopted Resolutions for outgoing Commissioner Thomas P. Evans and Mark Bulot.

#### **MWD REPORT**

Director Camacho had nothing additional to report.

#### **REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT**

Director Parker stated the committee approved RP-1 1158 Recycled Water Pump Station Upgrades Contract Award and there was a presentation on the Chino Basin Project.

#### **CHINO BASIN WATERMASTER REPORT**

President Elie reported there was discussion on the safe yield. He also reported that the Superior Court hearings are scheduled for the week between Christmas and New Year's Day.

#### **CHINO BASIN DESALTER AUTHORITY REPORT**

Director Hall had nothing additional to report.

#### **INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY**

Director Parker reported that the Inland Empire Regional Compost Authority budget amendment was approved.

#### **GENERAL MANAGER'S REPORT**

General Manager Halla Razak had nothing additional to report.

#### **BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS**

There were no Board requested future agenda items.

#### **DIRECTORS' COMMENTS**

Director Camacho stated he attended the Three Valleys Municipal Water District Leadership Breakfast on October 31.

Director Hall stated she also attended the Three Valleys Municipal Water District Leadership Breakfast on October 31, the Association of Women in Water, Energy and Environment Leadership and Development Conference on November 1 through November 2, and the Andy Vargas Music Production Academy Graduation Ceremony and Concert on November 18.

Director Parker stated that she attended the CBWCD Landscape and Water Conservation Festival on October 19 and the Breakfast with your Supervisor with Special Guest District Attorney-elect Jason Anderson on October 26.

President Elie stated he attended the Sterling Natural Resource Center Groundbreaking on October 20; Chino High School Groundbreaking on October 23; the SCWC Annual Dinner on October 25; the NWRI 25<sup>th</sup> Annual Clarke Prize Award Dinner & Lecture on October 26; and the City of Chino Hills Veteran's Day Ceremony on November 9.

**CLOSED SESSION**

The Board went into Closed Session at 10:41 a.m., 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) Spicer vs. W.A. Rasic Construction, Case No. CIVDS 1711812; B. A. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d) – CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: INITIATION OF LITIGATION: Two cases C. PURSUANT TO GOVERNMENT CODE SECTION 54954.5 – PUBLIC EMPLOYMENT: (1) General Manager.

The meeting resumed at 12:05 p.m., and General Counsel Jean Cihigoyenetche stated that the below-mentioned matters were discussed in Closed Session, and the Board took the following actions:

Regarding Conference with Legal Counsel – Existing Litigation:

Chino Basin Municipal Water District vs. City of Chino, Case No. RCV51010

The Board did not discuss.

Regarding Conference with Legal Counsel – Existing Litigation:

Spicer vs. W.A. Rasic Construction, Case No. CIVDS 1711812

The Board did not discuss.

Regarding Conference with Legal Counsel – Anticipated Litigation:

Case #1

The Board took no reportable action.

Regarding Conference with Legal Counsel – Anticipated Litigation:

Case #2

Upon motion by President Elie, seconded by Director Camacho, and unanimously carried:

**M2018-11-10**

MOVED, to reject the claim filed by Shaneka Morris against the Inland Empire Utilities Agency.

Pursuant to Government Code Section 54954.5 – Public Employment:

General Manager

The Board took no reportable action.

With no further business, President Elie adjourned the meeting at 12:06 p.m.

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Jasmin A. Hall, Secretary/Treasurer

**APPROVED: DECEMBER 19, 2018**

**CONSENT  
CALENDAR  
ITEM**

**2B**

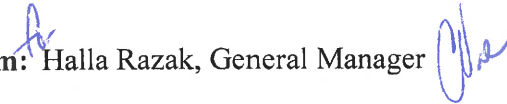




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**Date:** December 19, 2018

**To:** The Honorable Board of Directors  
**Committee:**

**From:** Halla Razak, General Manager 

**Executive Contact:** Christina Valencia, Executive Manager of Finance & Administration/AGM

**Subject:** Report on General Disbursements

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**Executive Summary:**

Total disbursements for the month of October 2018 were \$22,701,622.50. Disbursement activity included check payments of \$5,063,947.43 to vendors and \$5,990.60 for worker's compensation related costs. Electronic payments included Automated Clearing House (ACH) of \$3,667,460.45 and wire transfers (excluding payroll) of \$12,449,939.36. Total payroll was \$1,508,481.95 for employees and \$5,802.71 for the Board of Directors.

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**Staff's Recommendation:**

1. Approve the total disbursements for the month of October 2018, in the amount of \$22,701,622.50.

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**Budget Impact** Budgeted (Y/N): N Amendment (Y/N): N Amount for Requested Approval:

Account/Project Name:

*Fiscal Impact (explain if not budgeted):*

**Prior Board Action:**

None.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

The report on general disbursements is consistent with the Agency's Business Goal of Fiscal Responsibility in providing financial reporting that accounts for general disbursements associated with operating requirements.

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**Attachments:**

Attachment 1 - Background

Attachment 2 - Details of General Disbursements

# Attachment 1 - Background

Subject: Report on General Disbursements

Table 1 summarizes the disbursements detailed in each of the six attachments affixed to this letter. Table 2 lists the disbursements in excess of an aggregated \$500,000 per vendor, and is presented in largest to smallest dollar value.

**Table 1: Disbursement Details**

Attachment	Payment Type	Amount
2A	Vendor Checks	\$ 5,063,947.43
2B	Workers' Comp Checks	\$ 5,990.60
2C	Vendor ACHs	\$ 3,667,460.45
2D	Vendor Wires (excludes Payroll)	\$12,449,939.36
2E	Payroll-Net Pay-Directors	\$ 5,802.71
2F	Payroll-Net Pay-Employees	\$ 1,508,481.95
<b>Total Disbursements</b>		<b>\$22,701,622.50</b>

**Table 2: Disbursements in Excess of \$500,000 per Vendor**

Vendor	Amount	Description
MWD	\$ 5,942,956.46	August 2018 Water Purchases
CALPERS	\$ 4,500,000.00	Retirement Unfunded Liability
IRS	\$ 900,846.35	P/R 21, 22: Dir 010 Payroll Taxes
PERS	\$ 843,370.28	10/18 Health Ins / P/R 20, 21, 22 Def Comp
PARSONS WATER & INFRASTRUCTURE	\$ 799,752.71	EN19001-RP-5 Expansion to 30 mgd / EN19006 - RP5 Bio-Solids Facility – 8/4-9/7/18 Prof Svc's
COUNTY SANITATION DISTRICT OF LA COUNTY	\$ 698,672.32	FY17/18 Excess Capacity Usage Lease Payment
MYERS AND SONS CONSTRUCTION LP	\$ 670,595.72	EN14019 -RP-1 Headworks Primary & Secondary Upgrades - 9/18 Pay Est #10
IERCA	\$ 590,873.40	08/18 & 09/18 Biosolids

# Attachment 2A

## Vendor Checks

Inland Empire Util. Agency  
 Chino, CA  
 Company code 1000

Check Register  
 CBB Disbursement Account-October 2018

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 Page: 1

Bank		CBB		CITIZENS BUSINESS BANK		ONTARIO CA 917610000	
Bank Key		122234149					
Acct number		CHECK		231167641			
Check							
Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void	
225918	2200094122	10/02/2018	USD	30,768.80	SO CALIF EDISON ROSEMEAD CA	10/10/2018	
225919	2200094152	10/04/2018	USD	2,296.71	ABATIX CORPORATION DALLAS TX	10/09/2018	
225920	2200094133	10/04/2018	USD	1,204.97	ACCURATE AIR ENGINEERING INC CERRITOS CA	10/11/2018	
225921	2200094130	10/04/2018	USD	900.79	AIRGAS WEST INC PASADENA CA	10/09/2018	
225922	2200094127	10/04/2018	USD	988.83	ALLIED ELECTRONICS INC FORT WORTH TX	10/15/2018	
225923	2200094149	10/04/2018	USD	6,228.41	ALLIED UNIVERSAL SECURITY SERV PASADENA CA	10/09/2018	
225924	2200094173	10/04/2018	USD	188.02	AMERICAN HERITAGE LIFE INSURANCE DALLAS TX	10/15/2018	
225925	2200094153	10/04/2018	USD	35.00	AMERICAN SOCIETY OF CIVIL ENGINEERS	10/30/2018	
225926	2200094136	10/04/2018	USD	269.00	AMERICAN WATER WORKS ASSOC DALLAS TX	10/11/2018	
225927	2200094151	10/04/2018	USD	236.60	ASAP INDUSTRIAL SUPPLY FONTANA CA	10/10/2018	
225928	2200094139	10/04/2018	USD	181.50	AUTOMATED GATE SERVICES INC CORONA CA	10/12/2018	
225929	2200094134	10/04/2018	USD	411.17	BATTERY SPECIALTIES COSTA MESA CA	10/11/2018	
225930	2200094160	10/04/2018	USD	770.01	BERLIN PACKAGING LLC CHICAGO IL	10/09/2018	
225931	2200094147	10/04/2018	USD	8,000.00	CALIFORNIA STRATEGIES LLC SACRAMENTO CA	10/10/2018	
225932	2200094161	10/04/2018	USD	19,678.99	CALIFORNIA WATER TECHNOLOGIES, PASADENA CA	10/09/2018	
225933	2200094176	10/04/2018	USD	403.41	CAMACHO, MICHAEL CHINO HILLS CA	10/05/2018	
225934	2200094137	10/04/2018	USD	73,984.83	CAROLLO ENGINEERS INC SALT LAKE CITY UT	10/10/2018	
225935	2200094141	10/04/2018	USD	10,261.30	CASC ENGINEERING AND CONSULTING COLTON CA	10/11/2018	
225936	2200094177	10/04/2018	USD	300.00	CASTRO, SHIRLEY RANCHO CUCAMONGA CA	10/15/2018	
225937	2200094178	10/04/2018	USD	2,000.00	CHARLES, CORI RANCHO CUCAMONGA CA	10/11/2018	
225938	2200094135	10/04/2018	USD		voided by KMCHRIS - Wrong Payee	10/08/2018	
225939	2200094144	10/04/2018	USD	1,845.73	CINTAS CORPORATION LOC#150 PHOENIX AZ	10/10/2018	
225940	2200094162	10/04/2018	USD	1,470.00	CLINICAL HEALTH SYSTEMS ANAHEIM CA	10/09/2018	
225941	2200094174	10/04/2018	USD	347.26	COLONIAL LIFE & ACCIDENT INSURANCE COLUMBIA SC	10/11/2018	
225942	2200094169	10/04/2018	USD	586.86	CUCAMONGA VALLEY WATER DISTRICT LOS ANGELES CA	10/10/2018	
225943	2200094146	10/04/2018	USD	6,749.54	CUMMINS PACIFIC LLC LOS ANGELES CA	10/10/2018	
225944	2200094150	10/04/2018	USD	3,780.00	DAVID WHEELER'S PEST CONTROL, NORCO CA	10/09/2018	
225945	2200094168	10/04/2018	USD	46,374.72	DHI WATER & ENVIRONMENT INC LAKEWOOD CO	10/22/2018	
225946	2200094167	10/04/2018	USD	5,294.74	DORGAN LEGAL SERVICES LLP PASADENA CA	10/10/2018	
225947	2200094164	10/04/2018	USD	22,825.00	ECOTECH SERVICES INC MONROVIA CA	10/09/2018	
225948	2200094157	10/04/2018	USD	1,874.73	ENVIRONMENTAL SCIENCE ASSOCIATE TELK GROVE IL	10/11/2018	
225949	2200094156	10/04/2018	USD	1,550.00	EPI-USE AMERICA INC ATLANTA GA	10/16/2018	
225950	2200094128	10/04/2018	USD	1,853.16	FISHER SCIENTIFIC LOS ANGELES CA	10/09/2018	
225951	2200094171	10/04/2018	USD	927.68	FONTANA WATER COMPANY FONTANA CA	10/11/2018	
225952	2200094172	10/04/2018	USD	1,437.67	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	10/11/2018	
225953	2200094155	10/04/2018	USD	14,000.00	GHD PASADENA CA	10/09/2018	
225954	2200094131	10/04/2018	USD	1,159.63	GRAINGER PALATINE IL	10/10/2018	
225955	2200094129	10/04/2018	USD		voided by SHEATH - Printed incorrectly	10/04/2018	
225956	2200094143	10/04/2018	USD	524.00	INSIDE PLANTS INC CORONA CA	10/12/2018	
225957	2200094154	10/04/2018	USD	1,823.98	KIM'S MASTER AUTO REPAIR CHINO CA	10/12/2018	
225958	2200094140	10/04/2018	USD	3,339.00	LEE & RO INC CITY OF INDUSTRY CA	10/11/2018	
225959	2200094175	10/04/2018	USD	14,080.22	LIFE INSURANCE COMPANY OF PHILADELPHIA PA	10/12/2018	
225960	2200094148	10/04/2018	USD	217.12	MARS ENVIRONMENTAL INC ANAHEIM CA	10/15/2018	
225961	2200094158	10/04/2018	USD	1,437.30	MICROAGE PHOENIX AZ	10/10/2018	

Inland Empire Util. Agency  
 Chino, CA  
 Company code 1000

Check Register  
 CEB Disbursement Account-October 2018

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 Page: 2

Bank		CEB		CITIZENS BUSINESS BANK		ONTARIO CA 917610000	
Bank Key		122234149					
Acct number		CHECK		231167641			
Check							
Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void	
225962	2200094138	10/04/2018	USD	372.34	MIDPOINT BEARING ONTARIO CA	10/09/2018	
225963	2200094163	10/04/2018	USD	775.72	MOSS ADAMS LLP PASADENA CA	10/09/2018	
225964	2200094165	10/04/2018	USD	18,725.00	MWH CONSTRUCTORS INC BROOMFIELD CO	10/11/2018	
225965	2200094166	10/04/2018	USD	14,404.48	NEW MILLENNIUM CONSTRUCTION CHINO HILLS CA	10/09/2018	
225966	2200094179	10/04/2018	USD	300.00	PATEL, VIRENDRA CHINO HILLS CA	10/15/2018	
225967	2200094180	10/04/2018	USD	300.00	PELUFFO, STEVE ONTARIO CA	10/12/2018	
225968	2200094181	10/04/2018	USD	437.19	SHIELDS, JAY CHINO CA	10/18/2018	
225969	2200094170	10/04/2018	USD	38,237.05	SO CALIF EDISON ROSEMEAD CA	10/10/2018	
225970	2200094145	10/04/2018	USD	14,468.02	U S BANK ST LOUIS MO	10/12/2018	
225971	2200094159	10/04/2018	USD	12,855.00	UTILIQUEST LLC ATLANTA GA	10/09/2018	
225972	2200094182	10/04/2018	USD	300.00	VAN OLDEN, LAURA SAN CLEMENTE CA	10/16/2018	
225973	2200094132	10/04/2018	USD	255.00	WATER ENVIRONMENT FEDERATION BALTIMORE MD	10/17/2018	
225974	2200094142	10/04/2018	USD	744.58	YORK EMPLOYMENT SERVICES, INC SAN FRANCISCO CA	10/10/2018	
225975	2200094211	10/04/2018	USD	705.84	COUNTY OF SAN BERNARDINO SAN BERNARDINO CA	10/15/2018	
225976	2200094218	10/04/2018	USD	2,246.46	FIDELITY SECURITY LIFE INSURANCINCINNATI OH	10/11/2018	
225977	2200094217	10/04/2018	USD	236.15	LEGALSHIELD ADA OK	10/12/2018	
225978	2200094215	10/04/2018	USD	410.76	PERS LONG TERM CARE PROGRAM PASADENA CA	10/10/2018	
225979	2200094214	10/04/2018	USD	1,756.63	SO CALIF GAS MONTEREY PARK CA	10/12/2018	
225980	2200094212	10/04/2018	USD	540.00	U S HEALTHWORKS MEDICAL GROUP LOS ANGELES CA	10/09/2018	
225981	2200094209	10/04/2018	USD	468.70	UNDERGROUND SERVICE ALERT/SC CORONA CA	10/18/2018	
225982	2200094210	10/04/2018	USD	7,860.10	VERIZON WIRELESS DALLAS TX	10/11/2018	
225983	2200094216	10/04/2018	USD	25.00	WILCO LIFE INSURANCE COMPANY CHARLOTTE NC	10/16/2018	
225984	2200094213	10/04/2018	USD	979.45	WORLDWIDE EXPRESS ALBANY NY	10/18/2018	
225985	2200094232	10/09/2018	USD	902.54	HOME DEPOT CREDIT SERVICES PHOENIX AZ	10/16/2018	
225986	2200094233	10/09/2018	USD	3,709.23	JWC ENVIRONMENTAL LLC LOS ANGELES CA	10/15/2018	
225987	2200094234	10/09/2018	USD	1,103.70	SO CALIF EDISON ROSEMEAD CA	10/16/2018	
225988	2200094257	10/11/2018	USD	965.10	ACCUSTANDARD INC NEW HAVEN CT	10/17/2018	
225989	2200094256	10/11/2018	USD	177.76	AGILENT TECHNOLOGIES, INC. CHICAGO IL	10/15/2018	
225990	2200094248	10/11/2018	USD	2,186.25	AIRGAS WEST INC PASADENA CA	10/15/2018	
225991	2200094252	10/11/2018	USD	2,351.58	APELEONE EMPLOYMENT SERVICES GLENDALE CA	10/16/2018	
225992	2200094250	10/11/2018	USD	354.00	ARIZONA INSTRUMENT LLC CHANDLER AZ	10/16/2018	
225993	2200094288	10/11/2018	USD	1,664.74	ASAP INDUSTRIAL SUPPLY FONTANA CA	10/16/2018	
225994	2200094270	10/11/2018	USD	220.00	AIMPA INC CALABASAS CA	10/22/2018	
225995	2200094266	10/11/2018	USD	700.38	BOOT BARN INC IRVINE CA	10/17/2018	
225996	2200094296	10/11/2018	USD	11,232.25	CALIFORNIA WATER TECHNOLOGIES, PASADENA CA	10/15/2018	
225997	2200094337	10/11/2018	USD	147.63	CARL H TAYLOR III CRYSTAL RIVER FL	10/16/2018	
225998	2200094259	10/11/2018	USD	403,011.25	CAROLLO ENGINEERS INC SALT LAKE CITY UT	10/17/2018	
225999	2200094269	10/11/2018	USD	4,063.69	CASC ENGINEERING AND CONSULTINCOLTON CA	10/16/2018	
226000	2200094254	10/11/2018	USD	124,142.55	CDM SMITH INC LOS ANGELES CA	10/15/2018	
226001	2200094278	10/11/2018	USD	2,788.82	CINDAS CORPORATION LOC#150 PHOENIX AZ	10/22/2018	
226002	2200094335	10/11/2018	USD	394.00	CITY EMPLOYEES ASSOCIATES LONG BEACH CA	10/17/2018	
226003	2200094313	10/11/2018	USD	1,470.16	CITY OF CHINO CHINO CA	10/15/2018	
226004	2200094292	10/11/2018	USD	11,441.46	CONSERV CONSTRUCTION INC MENIFEE CA	10/15/2018	
226005	2200094344	10/11/2018	USD	172.00	CORREIA, DAVID CHINO HILLS CA	10/30/2018	

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226007	2200094315	10/11/2018	USD	55.20	CUCAMONGA VALLEY WATER DISTRICT LOS ANGELES CA	10/16/2018	
226008	2200094297	10/11/2018	USD	310.50	D & H WATER SYSTEMS INC OCEANSIDE CA	10/22/2018	
226009	2200094287	10/11/2018	USD	725.00	DAVID WHEELER'S PEST CONTROL, NORCO CA	10/17/2018	
226010	2200094308	10/11/2018	USD	15,445.83	DECISIONWISE LLC SPRINGVILLE UT	10/17/2018	
226011	2200094272	10/11/2018	USD	8,049.49	DELL SERVICE SALES OAKLAND CA	10/25/2018	
226012	2200094293	10/11/2018	USD	13,980.00	EUROFINS EATON ANALYTICAL LLC GRAPEVINE TX	10/16/2018	
226013	2200094312	10/11/2018	USD	542.01	FIREHOSE DIRECT MOORESVILLE NC	10/19/2018	
226014	2200094243	10/11/2018	USD	8,815.42	FISHER SCIENTIFIC LOS ANGELES CA	10/15/2018	
226015	2200094291	10/11/2018	USD	795.00	FLOWPOINT ENVIRONMENTAL SYSTEM DENVER CO	11/08/2018	
226016	2200094251	10/11/2018	USD	257.82	FLW INC HUNTINGTON BEACH CA	10/15/2018	
226017	2200094260	10/11/2018	USD	39,282.86	FONTANA WATER COMPANY FONTANA CA	10/18/2018	
226018	2200094334	10/11/2018	USD	100.00	FRANCHISE TAX BOARD SACRAMENTO CA	10/24/2018	
226019	2200094321	10/11/2018	USD	1,980.71	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	10/22/2018	
226020	2200094310	10/11/2018	USD	1,568.28	GARRATT CALLAHAN COMPANY BURLINGAME CA	10/17/2018	
226021	2200094290	10/11/2018	USD	65,300.49	GHD PASADENA CA	10/16/2018	
226022	2200094341	10/11/2018	USD	306.85	GIBSON, CONNIE CHINO HILLS CA	10/16/2018	
226023	2200094271	10/11/2018	USD	13,550.00	GOLDEN STATE LABOR COMPLIANCE PALMDALE CA	10/17/2018	
226024	2200094249	10/11/2018	USD	300.00	GOVERNMENT FINANCE OFFICERS ASCHICAGO IL	10/18/2018	
226025	2200094244	10/11/2018	USD	262.99	HOME DEPOT CREDIT SERVICES PHOENIX AZ	10/19/2018	
226026	2200094283	10/11/2018	USD	1,730.29	INDUSTRIAL RUBBER & SUPPLY INCSAN BERNARDINO CA	10/16/2018	
226027	2200094325	10/11/2018	USD	51.00	INLAND EMPIRE UNITED WAY RANCHO CUCAMONGA CA	10/19/2018	
226028	2200094305	10/11/2018	USD	19,157.65	INTEGRA INCORPORATED AUSTIN TX	10/16/2018	
226029	2200094285	10/11/2018	USD	1,194.85	JB'S POOLS & PONDS INC UPLAND CA	10/17/2018	
226030	2200094338	10/11/2018	USD	51.00	JONES, LONDON CHINO HILLS CA	10/15/2018	
226031	2200094289	10/11/2018	USD	1,038.64	KIM'S MASTER AUTO REPAIR CHINO CA	10/18/2018	
226032	2200094339	10/11/2018	USD	76.37	KING, JEFFREY L CHINO HILLS CA	10/24/2018	
226033	2200094343	10/11/2018	USD	4,295.74	LEE, SALLY H CHINO HILLS CA	10/12/2018	
226034	2200094320	10/11/2018	USD	870.67	LEVEL 3 COMMUNICATIONS LLC DENVER CO	10/16/2018	
226035	2200094333	10/11/2018	USD	14,369.81	LIFE INSURANCE COMPANY OF PHILADELPHIA PA	10/16/2018	
226036	2200094299	10/11/2018	USD	5,376.65	MANAGED MOBILE INC PLACENTIA CA	10/17/2018	
226037	2200094340	10/11/2018	USD	203.46	MCDONALD, BONNIE CHINO HILLS CA	10/18/2018	
226038	2200094295	10/11/2018	USD	119,926.25	MICROAGE PHOENIX AZ	10/16/2018	
226039	2200094302	10/11/2018	USD	2,059.25	NEW MILLENNIUM CONSTRUCTION CHINO HILLS CA	10/15/2018	
226040	2200094242	10/11/2018	USD	638.38	OFFICE DEPOT PHOENIX AZ	10/22/2018	
226041	2200094314	10/11/2018	USD	304.00	ONTARIO MUNICIPAL UTILITIES COONTARIO CA	10/15/2018	
226042	2200094245	10/11/2018	USD	674.08	P L HAWN COMPANY INC HUNTINGTON BEACH CA	10/15/2018	
226043	2200094264	10/11/2018	USD	494.45	PACIFIC TRUCK EQUIPMENT WHITTIER CA	10/16/2018	
226044	2200094268	10/11/2018	USD	1,432.62	PANTHER PROTECTION ORANGE CA	10/17/2018	
226045	2200094336	10/11/2018	USD		voided by KMCCHRIS - Lost Check	11/14/2018	
226046	2200094332	10/11/2018	USD	205.38	PERS LONG TERM CARE PROGRAM PASADENA CA	10/15/2018	
226047	2200094342	10/11/2018	USD	125.16	POMPA, JESSE CHINO HILLS CA	10/12/2018	
226048	2200094262	10/11/2018	USD	2,600.00	PROJECT PARTNERS INC LAGUNA HILLS CA	10/15/2018	
226049	2200094265	10/11/2018	USD	5,441.46	PSOMAS LOS ANGELES CA	10/15/2018	

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226050	2200094309	10/11/2018	USD	33.49	QUINN COMPANY LOS ANGELES CA	10/15/2018	
226051	2200094267	10/11/2018	USD	3,345.26	ROSEMOUNT INC CHICAGO IL	10/15/2018	
226052	2200094246	10/11/2018	USD	5,370.20	ROYAL INDUSTRIAL SOLUTIONS LOS ANGELES CA	10/15/2018	
226053	2200094276	10/11/2018	USD	3,568.12	RSD LAKE FOREST CA	10/15/2018	
226054	2200094316	10/11/2018	USD	146,174.32	SO CALIF EDISON ROSEMEAD CA	10/23/2018	
226055	2200094317	10/11/2018	USD	44.48	SO CALIF GAS MONTEREY PARK CA	10/17/2018	
226056	2200094277	10/11/2018	USD	2,500.00	SOUTHERN CALIFORNIA EDISON ROSEMEAD CA	10/19/2018	
226057	2200094294	10/11/2018	USD	2,396.00	STAFFING NETWORK LLC CAROL STREAM IL	10/16/2018	
226058	2200094255	10/11/2018	USD	150.00	STATE WATER RESOURCES CNTRL ERSACRAMENTO CA	10/18/2018	
226059	2200094303	10/11/2018	USD	493.98	STORETRIEVE LLC PASADENA CA	10/15/2018	
226060	2200094300	10/11/2018	USD	3,610.31	STOTZ EQUIPMENT MONTCLAIR CA	10/16/2018	
226061	2200094274	10/11/2018	USD	42,410.39	SWRCB ACCOUNTING OFFICE SACRAMENTO CA	10/17/2018	
226062	2200094298	10/11/2018	USD	1,261.81	THERMO ELECTRON NORTH AMERICA ATLANTA GA	10/15/2018	
226063	2200094284	10/11/2018	USD	5,675.79	THOMAS HARDER & CO INC ANAHEIM CA	10/17/2018	
226064	2200094258	10/11/2018	USD	150.00	TRI STATE ENVIRONMENTAL SAN BERNARDINO CA	10/25/2018	
226065	2200094263	10/11/2018	USD	566.00	U S HEALTHWORKS MEDICAL GROUP LOS ANGELES CA	10/15/2018	
226066	2200094261	10/11/2018	USD	128.92	U S HOSE INC ONTARIO CA	10/16/2018	
226067	2200094329	10/11/2018	USD	243.33	US DEPARTMENT OF EDUCATION ATLANTA GA	10/23/2018	
226068	2200094307	10/11/2018	USD	10,698.31	VECTORUSA TORRANCE CA	10/16/2018	
226069	2200094282	10/11/2018	USD	582.40	VULCAN FLARE & MECHANICAL SERVDOWNEY CA	10/25/2018	
226070	2200094326	10/11/2018	USD	2,537.55	WESTERN DENTAL PLAN ORANGE CA	10/19/2018	
226071	2200094304	10/11/2018	USD	186.69	YORKE ENGINEERING LLC SAN JUAN CAPISTRANO CA	10/19/2018	
226072	2200094385	10/18/2018	USD	897.67	AIRGAS WEST INC PASADENA CA	10/22/2018	
226073	2200094409	10/18/2018	USD	8,402.16	ALLIED UNIVERSAL SECURITY SERV PASADENA CA	10/22/2018	
226074	2200094411	10/18/2018	USD	916.00	ALITA FOODCRAFT COFFEE LONG BEACH CA	10/23/2018	
226075	2200094420	10/18/2018	USD	12,118.43	ALITA PACIFIC BANK TEMECULA CA	10/23/2018	
226076	2200094389	10/18/2018	USD	268.54	AMERICAN COMPRESSOR CO SANTA FE SPRINGS CA	10/23/2018	
226077	2200094425	10/18/2018	USD	9,760.00	AMERICAN WATER COLLEGE LLC SACRAMENTO CA	10/25/2018	
226078	2200094384	10/18/2018	USD	1,117.68	APPLIED INDUSTRIAL TECHNOLOGIE PASADENA CA	10/22/2018	
226079	2200094413	10/18/2018	USD	200.52	ASAP INDUSTRIAL SUPPLY FONTANA CA	10/23/2018	
226080	2200094415	10/18/2018	USD	2,786.12	AUTOZONE INC ATLANTA GA	10/23/2018	
226081	2200094429	10/18/2018	USD	175,898.01	BEST CONTRACTING SERVICES INC GARDENA CA	10/23/2018	
226082	2200094388	10/18/2018	USD	188.00	CALIF WATER ENVIRONMENT ASSOC OAKLAND CA	10/26/2018	
226083	2200094419	10/18/2018	USD	15,359.54	CALIFORNIA WATER TECHNOLOGIES, PASADENA CA	10/22/2018	
226084	2200094392	10/18/2018	USD	7,397.48	CAROLLO ENGINEERS INC SALT LAKE CITY UT	10/23/2018	
226085	2200094403	10/18/2018	USD	1,250.00	CHINO HILLS HIGH SCHOOL CHINO HILLS CA	10/31/2018	
226086	2200094407	10/18/2018	USD	2,382.76	CINTAS CORPORATION LOC#150 PHOENIX AZ	10/29/2018	
226087	2200094397	10/18/2018	USD	841.48	CINTAS FIRST AID & SAFETY LOCCINCINNATI OH	11/05/2018	
226088	2200094432	10/18/2018	USD	427.63	CITY OF CHINO CHINO CA	10/22/2018	
226089	2200094379	10/18/2018	USD	25.77	CITY RENTALS INC ONTARIO CA	10/25/2018	
226090	2200094380	10/18/2018	USD	698,672.32	COUNTY SANITATION DISTRICTS OF WHITTIER CA	10/24/2018	
226091	2200094412	10/18/2018	USD	1,065.00	DAVID WHEELER'S PEST CONTROL, NORCO CA	10/23/2018	
226092	2200094402	10/18/2018	USD	1,276.91	DELL SERVICE SALES OAKLAND CA	10/22/2018	
226093	2200094400	10/18/2018	USD	25,467.88	DESERT PUMPS AND PARTS INC BELLA VISTA AR	10/23/2018	



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226096	2200094382	10/18/2018	USD	5,357.47	FLO SYSTEMS INC ANAHEIM HILLS CA	10/31/2018
226097	2200094386	10/18/2018	USD	260.71	FLW INC HUNTINGTON BEACH CA	10/22/2018
226098	2200094436	10/18/2018	USD	4,037.33	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	10/25/2018
226099	2200094428	10/18/2018	USD	42,355.53	GWINDO CONSTRUCTION & ENGINEER/ONTARIO CA	10/24/2018
226100	2200094383	10/18/2018	USD	281.48	HOME DEPOT CREDIT SERVICES PHOENIX AZ	10/24/2018
226101	2200094391	10/18/2018	USD	1,535.44	IMPRESSIONS GOURMET CATERING ONTARIO CA	10/23/2018
226102	2200094390	10/18/2018	USD	171,097.89	J F SHEA CONSTRUCTION INC WALNUT CA	10/23/2018
226103	2200094431	10/18/2018	USD	88,739.50	JAMES MCMINN INC GRAND TERRACE CA	10/24/2018
226104	2200094430	10/18/2018	USD	305,301.50	KIEWIT INFRASTRUCTURE WEST CO SANTA FE SPRINGS CA	10/25/2018
226105	2200094414	10/18/2018	USD	70.00	KIM'S MASTER AUTO REPAIR CHINO CA	10/24/2018
226106	2200094396	10/18/2018	USD	93,308.28	LEE & RO INC CITY OF INDUSTRY CA	11/05/2018
226107	2200094410	10/18/2018	USD	1,250.00	LOS OSOS HIGH SCHOOL RANCHO CUCAMONGA CA	11/06/2018
226108	2200094422	10/18/2018	USD	1,163.90	MANAGED MOBILE INC PLACENTIA CA	10/24/2018
226109	2200094398	10/18/2018	USD	855.29	MCCORMETER INC CHICAGO IL	10/22/2018
226110	2200094439	10/18/2018	USD	57.01	MCDONALD, BONNIE CHINO HILLS CA	10/24/2018
226111	2200094387	10/18/2018	USD	430.80	METTLER-TOLEDO COLUMBUS OH	10/22/2018
226112	2200094417	10/18/2018	USD	1,227.30	MICROAGE PHOENIX AZ	10/23/2018
226113	2200094404	10/18/2018	USD	6,529.21	MIKE BUBALO CONSTRUCTION CO INBALDWIN PARK CA	10/23/2018
226114	2200094424	10/18/2018	USD	24,500.00	MWH CONSTRUCTORS INC BROOMFIELD CO	10/25/2018
226115	2200094426	10/18/2018	USD	670,595.72	MYERS AND SONS CONSTRUCTION LPSACRAMENTO CA	10/24/2018
226116	2200094399	10/18/2018	USD	750.16	NATIONAL BUSINESS INVESTIGATION/MURRIETA CA	10/23/2018
226117	2200094401	10/18/2018	USD	26,000.00	NATIONAL THEATRE FOR CHILDREN MINNEAPOLIS MN	10/23/2018
226118	2200094433	10/18/2018	USD	5,958.92	ONTARIO MUNICIPAL UTILITIES CO/ONTARIO CA	10/22/2018
226119	2200094423	10/18/2018	USD	4,247.80	PACIFIC COURIERS INC ORANGE CA	10/24/2018
226120	2200094440	10/18/2018	USD	41.07	PEREZ, HARRY CHINO HILLS CA	
226121	2200094408	10/18/2018	USD	5,671.86	PFM ASSET MANAGEMENT LLC BALTIMORE MD	10/24/2018
226122	2200094441	10/18/2018	USD	20.13	REED, MICHELLE CHINO HILLS CA	
226123	2200094437	10/18/2018	USD	61.04	ROSALES, TIMOTEO CHINO HILLS CA	11/05/2018
226124	2200094406	10/18/2018	USD	1,861.00	SAN BERNARDINO COUNTY SAN BERNARDINO CA	11/01/2018
226125	2200094438	10/18/2018	USD	43.60	SCHERCK, JOHN CHINO HILLS CA	11/05/2018
226126	2200094434	10/18/2018	USD	177.30	SO CALIF GAS MONTEREY PARK CA	10/26/2018
226127	2200094421	10/18/2018	USD	18,087.05	SOUTHERN CONTRACTING COMPANY SAN MARCOS CA	10/23/2018
226128	2200094393	10/18/2018	USD	442.00	STATE WATER RESOURCES CNTRL BRSACRAMENTO CA	11/05/2018
226129	2200094442	10/18/2018	USD	81.71	TILLERY, IAN CHINO HILLS CA	11/13/2018
226130	2200094394	10/18/2018	USD	4,823.06	U S BANK ST PAUL MN	10/24/2018
226131	2200094405	10/18/2018	USD	1,250.00	UPLAND HIGH SCHOOL UPLAND CA	11/15/2018
226132	2200094435	10/18/2018	USD	460.35	VERIZON BUSINESS ALBANY NY	10/23/2018
226133	2200094395	10/18/2018	USD	225.55	VERIZON WIRELESS DALLAS TX	10/23/2018
226134	2200094427	10/18/2018	USD	8,078.00	VISTAGE WORLDWIDE INC LOS ANGELES CA	10/22/2018
226135	2200094418	10/18/2018	USD	8,312.50	YELLOW JACKET DRILLING SERVICE/PHOENIX AZ	10/23/2018
226136	2200094455	10/22/2018	USD	5,227.72	BURRTEC WASTE INDUSTRIES INC FONTANA CA	10/26/2018
226137	2200094453	10/22/2018	USD	13,721.64	BUSINESS CARD WILMINGTON DE	10/25/2018

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226138	2200094448	10/22/2018	USD	1,058.83	KONICA MINOLTA PASADENA CA	10/25/2018
226139	2200094452	10/22/2018	USD	130.00	LITTLE SISTER'S TRUCK WASH, INBONSALL CA	10/29/2018
226140	2200094447	10/22/2018	USD	3,650.74	PETE'S ROAD SERVICE FULLERTON CA	10/29/2018
226141	2200094449	10/22/2018	USD	91,826.47	POWER SYSTEMS SERVICES INC CHINO CA	10/31/2018
226142	2200094454	10/22/2018	USD	92,556.12	SO CALIF EDISON ROSEMEAD CA	10/30/2018
226143	2200094451	10/22/2018	USD	29,241.00	STATEWIDE TRAFFIC SAFETY AND SPASADENA CA	10/24/2018
226144	2200094450	10/22/2018	USD	34,327.99	ZONES CORPORATE SOLUTIONS SEATTLE WA	10/26/2018
226145	2200094539	10/25/2018	USD	377.88	4IMPRINT INC CHICAGO IL	10/30/2018
226146	2200094488	10/25/2018	USD	395.87	ACCUSTANDARD INC NEW HAVEN CT	11/05/2018
226147	2200094515	10/25/2018	USD	620.00	AIR RESOURCES BOARD SACRAMENTO CA	11/07/2018
226148	2200094472	10/25/2018	USD	2,549.06	AIRGAS WEST INC PASADENA CA	10/29/2018
226149	2200094537	10/25/2018	USD	450.00	ALISON LOUKEH & ASSOCIATES RIVERSIDE CA	10/29/2018
226150	2200094523	10/25/2018	USD	263.25	ALTA FOODCRAFT COFFEE LONG BEACH CA	10/30/2018
226151	2200094520	10/25/2018	USD	6,640.00	AMP MECHANICAL INC COSTA MESA CA	10/30/2018
226152	2200094478	10/25/2018	USD	1,221.60	APPLEONE EMPLOYMENT SERVICES GLENDALE CA	10/30/2018
226153	2200094496	10/25/2018			voided by KMCCHRIS - Check not needed	11/15/2018
226154	2200094493	10/25/2018	USD	1,665.00	AUTOMATED GATE SERVICES INC CORONA CA	10/31/2018
226155	2200094541	10/25/2018	USD	3,684.90	BANNER BANK CARLSBAD CA	10/30/2018
226156	2200094487	10/25/2018	USD	724.87	BATTERY SPECIALITIES COSTA MESA CA	11/05/2018
226157	2200094501	10/25/2018	USD	808.87	BOOT BARN INC IRVINE CA	10/30/2018
226158	2200094510	10/25/2018	USD	50,000.00	BUREAU OF RECLAMATION LOS ANGELES CA	10/30/2018
226159	2200094530	10/25/2018	USD	15,135.71	CALIFORNIA WATER TECHNOLOGIES, PASADENA CA	10/30/2018
226160	2200094573	10/25/2018	USD	147.63	CARL H TAYLOR III CRYSTAL RIVER FL	10/30/2018
226161	2200094504	10/25/2018	USD	21,156.72	CASC ENGINEERING AND CONSULTING COLTON CA	10/31/2018
226162	2200094481	10/25/2018	USD	153,941.06	CDM SMITH INC BOSTON MA	10/29/2018
226163	2200094464	10/25/2018	USD	14,789.14	CHARLES P CROWLEY CO IRWINDALE CA	11/02/2018
226164	2200094484	10/25/2018	USD	675.00	CHINO BASIN WATER CONSERVATION MONTCLAIR CA	11/05/2018
226165	2200094483	10/25/2018	USD	4,558.05	CHINO BASIN WATERMASTER RANCHO CUJAMONGA CA	11/02/2018
226166	2200094502	10/25/2018	USD	24,396.88	CHINO MFG & REPAIR INC CHINO CA	10/29/2018
226167	2200094517	10/25/2018	USD	3,174.43	CINTAS CORPORATION LOC#150 PHOENIX AZ	11/02/2018
226168	2200094499	10/25/2018	USD	646.26	CINTAS FIRST AID & SAFETY LOCCINCINNATI OH	11/01/2018
226169	2200094570	10/25/2018	USD	404.50	CITY EMPLOYEES ASSOCIATES LONG BEACH CA	10/30/2018
226170	2200094531	10/25/2018	USD	6,516.25	CIVILTEC ENGINEERING, INC. MONROVIA CA	10/30/2018
226171	2200094564	10/25/2018	USD	347.26	COLONIAL LIFE & ACCIDENT INSURANCE COLUMBIA SC	10/30/2018
226172	2200094513	10/25/2018	USD	751.22	CS-AMSCO HUNTINGTON BEACH CA	11/02/2018
226173	2200094532	10/25/2018	USD	408.32	D & H WATER SYSTEMS INC OCEANSIDE CA	11/02/2018
226174	2200094526	10/25/2018	USD	1,835.00	DAVID WHEELER'S PEST CONTROL, NORCO CA	10/30/2018
226175	2200094577	10/25/2018	USD	570.00	DELGADO, ROBERTO CHINO HILLS CA	11/28/2018
226176	2200094498	10/25/2018	USD	98.00	DEPARTMENT OF HOUSING AND SACRAMENTO CA	11/09/2018
226177	2200094522	10/25/2018	USD	110.00	DEPARTMENT OF MOTOR VEHICLES SACRAMENTO CA	
226178	2200094473	10/25/2018	USD	1,875.00	DEPT OF TOXIC SUBSTANCES CONIRSACRAMENTO CA	11/06/2018
226179	2200094580	10/25/2018	USD	300.00	EASTWOOD, ROBERT CHINO HILLS CA	11/05/2018
226180	2200094528	10/25/2018	USD	154.15	ELECTRO-CHEMICAL DEVICES, INC ANAHEIM CA	10/30/2018
226181	2200094480	10/25/2018	USD	584.84	ENHBMANN-ROVIN CO LOS ANGELES CA	11/06/2018

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Bank		CEB CITIZENS BUSINESS BANK		ONTARIO CA 917610000		
Bank Key		122234149				
Acct number		CHECK 231167641				
Check						
Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
226182	2200094529	10/25/2018	USD	95.28	ENVIRONMENTAL SCIENCE ASSOCIATE/ELK GROVE IL	10/31/2018
226183	2200094572	10/25/2018	USD	2,266.04	FIDELITY SECURITY LIFE INSURANCE/CINCINNATI OH	10/30/2018
226184	2200094466	10/25/2018	USD	4,779.71	FISHER SCIENTIFIC LOS ANGELES CA	10/29/2018
226185	2200094467	10/25/2018	USD	26,223.48	FLO SYSTEMS INC ANAHEIM HILLS CA	10/30/2018
226186	2200094482	10/25/2018	USD	313.96	FLUID COMPONENTS INTERNATIONAL/SAN MARCOS CA	10/30/2018
226187	2200094474	10/25/2018	USD	2,783.00	FLUID METERING INC ATLANTA GA	10/29/2018
226188	2200094476	10/25/2018	USD	554.68	FLW INC HUNTINGTON BEACH CA	10/29/2018
226189	2200094477	10/25/2018	USD	318.64	FONTANA HERALD NEWS FONTANA CA	10/30/2018
226190	2200094568	10/25/2018	USD	200.00	FRANCHISE TAX BOARD SACRAMENTO CA	11/13/2018
226191	2200094555	10/25/2018	USD	685.35	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	11/01/2018
226192	2200094546	10/25/2018	USD	200.00	GARDENSOFT CORPORATION THOUSAND OAKS CA	10/29/2018
226193	2200094516	10/25/2018	USD	38,622.94	GEI CONSULTANTS INC BOSTON MA	10/30/2018
226194	2200094527	10/25/2018	USD	173,152.86	GHD PASADENA CA	10/30/2018
226195	2200094542	10/25/2018	USD	12,980.00	GILLIS + PANICHAPAN ARCHITECTS/COSTA MESA CA	10/31/2018
226196	2200094581	10/25/2018	USD	300.00	GO, MIN RANCHO CUCAMONGA CA	11/02/2018
226197	2200094543	10/25/2018	USD	4,945.20	GOAL PRODUCTIONS INC GLENDALE CA	11/05/2018
226198	2200094509	10/25/2018	USD	8,330.00	GOLDEN STATE LABOR COMPLIANCE PALMDALE CA	11/06/2018
226199	2200094534	10/25/2018	USD	6,610.00	GSE CONSTRUCTION COMPANY INC LIVERMORE CA	10/30/2018
226200	2200094576	10/25/2018	USD	276.94	HODGES, BRANDEN CHINO HILLS CA	10/30/2018
226201	2200094559	10/25/2018	USD	51.00	INLAND EMPIRE UNITED WAY RANCHO CUCAMONGA CA	10/30/2018
226202	2200094512	10/25/2018	USD	8,000.00	INNOVATIVE FEDERAL STRATEGIES WASHINGTON DC	10/30/2018
226203	2200094538	10/25/2018	USD	135.00	INTERNATIONAL COUNCIL FOR BROKEN ARROW OK	
226204	2200094486	10/25/2018	USD	2,788.33	KONICA MINOLTA PASADENA CA	10/30/2018
226205	2200094569	10/25/2018	USD	236.15	LEGALSHIELD ADA OK	11/01/2018
226206	2200094575	10/25/2018	USD	361.75	LENING, SCOTT CHINO HILLS CA	10/30/2018
226207	2200094567	10/25/2018	USD	14,486.51	LIFE INSURANCE COMPANY OF PHILADELPHIA PA	10/31/2018
226208	2200094549	10/25/2018	USD	8,325.00	LITTLER MENDELSON PC SAN FRANCISCO CA	10/29/2018
226209	2200094548	10/25/2018	USD	1,215.00	MEANS CONSULTING LLC NEWPORT BEACH CA	10/30/2018
226210	2200094491	10/25/2018	USD	402.27	MIDPOINT BEARING ONTARIO CA	10/29/2018
226211	2200094503	10/25/2018	USD	1,569.30	MIELE INC PRINCETON NJ	10/31/2018
226212	2200094574	10/25/2018	USD	623.17	MORGAN-FERALES, LISA CHINO HILLS CA	10/29/2018
226213	2200094578	10/25/2018	USD	454.94	MYKITTA, RICK CHINO HILLS CA	11/05/2018
226214	2200094579	10/25/2018	USD	1,697.04	NEAL, CODY CHINO HILLS CA	10/29/2018
226215	2200094465	10/25/2018	USD	4,095.38	OFFICE DEPOT PHOENIX AZ	11/01/2018
226216	2200094552	10/25/2018	USD	291.90	ONTARIO MUNICIPAL UTILITIES CO/ONTARIO CA	10/29/2018
226217	2200094521	10/25/2018	USD	15,835.37	ORACLE AMERICA INC SAN FRANCISCO CA	10/30/2018
226218	2200094547	10/25/2018	USD	3,740.00	PACIFIC ADVANCED CIVIL ENGINEER/FOUNTAIN VALLEY CA	11/02/2018
226219	2200094571	10/25/2018	USD		voided by KMOCHRIS - Lost Check	11/14/2018
226220	2200094566	10/25/2018	USD	205.38	PERS LONG TERM CARE PROGRAM PASADENA CA	10/30/2018
226221	2200094475	10/25/2018	USD	696.49	PETTY CASH EXPENDITURES CHINO CA	10/29/2018
226222	2200094463	10/25/2018	USD	221.12	REM LOCK & KEY ONTARIO CA	10/31/2018
226223	2200094551	10/25/2018	USD	829.24	RDS PRINTING & GRAPHICS CENTER/ONTARIO CA	10/30/2018
226224	2200094492	10/25/2018	USD	3,278.37	RED WING BUSINESS ADVANTAGE DALLAS TX	10/29/2018
226225	2200094468	10/25/2018	USD	5,093.00	RMA GROUP RANCHO CUCAMONGA CA	11/01/2018

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Bank		CBB		CITIZENS BUSINESS BANK		ONTARIO CA 917610000	
Bank Key		122234149					
Acct number		CHECK		231167641			
Check							
Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void	
226226	2200094489	10/25/2018	USD	1.00	SECRETARY OF STATE SACRAMENTO CA	11/23/2018	
226227	2200094553	10/25/2018	USD	343.67	SO CALIF EDISON ROSEMEAD CA	10/31/2018	
226228	2200094469	10/25/2018	USD	3,885.44	SOUTHWEST ALARM SERVICE UPLAND CA	11/02/2018	
226229	2200094479	10/25/2018	USD	484.00	STATE WATER RESOURCES CNTRL BOSACRAMENTO CA	11/05/2018	
226230	2200094485	10/25/2018	USD	150.00	STATE WATER RESOURCES CNTRL BRSACRAMENTO CA	11/01/2018	
226231	2200094497	10/25/2018	USD	336.00	STRADLING YUCCA CARLSON & RAUTINEWPORT BEACH CA	10/30/2018	
226232	2200094533	10/25/2018	USD	4,353.00	TRIPLETT SMITH AND ASSOCIATES, IRVINE CA	11/02/2018	
226233	2200094563	10/25/2018	USD	243.33	US DEPARTMENT OF EDUCATION ATLANTA GA	10/31/2018	
226234	2200094505	10/25/2018	USD	43,227.43	W A RASIC CONSTRUCTION CO INC LONG BEACH CA	10/30/2018	
226235	2200094560	10/25/2018	USD	2,465.33	WESTERN DENTAL PLAN ORANGE CA	10/30/2018	
226236	2200094511	10/25/2018	USD	3,061.74	YORK EMPLOYMENT SERVICES, INC SAN FRANCISCO CA	10/30/2018	
226237	2200094711	10/29/2018	USD	183.34	BREIG, ANNA VICTORVILLE CA	11/07/2018	
226238	2200094714	10/29/2018	USD	499.68	HOBBES, DIANA APPLE VALLEY CA	11/05/2018	
226239	2200094712	10/29/2018	USD	499.68	HORNE, WILLIAM YUCCA VALLEY CA	11/01/2018	
226240	2200094713	10/29/2018	USD	826.04	MILLER, ELMER L BLUE JAY CA	11/06/2018	
226241	2200094709	10/29/2018	USD	1,484.44	SOLINST CANADA LTD GEORGETOWN ON	11/07/2018	
226242	2200094710	10/29/2018	USD	1,734.73	URIMAGE BLOOMINGTON CA	11/06/2018	
* Payment method Check			USD	5,063,947.43			

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Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
**			USD	5,063,947.43		

## Attachment 2B

# Workers' Comp Checks

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 CBB Workers Comp Account-October 2018

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Bank		CBB	CITIZENS BUSINESS BANK		ONTARIO CA 917610000		
Bank Key		122234149					
Acct number		WCOMP	231159290				
Checks created manually							
Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void	
05028	2200094823	10/03/2018	USD	45.65	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	10/09/2018	
05029	2200094824	10/10/2018	USD	512.00	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	10/15/2018	
05030	2200094825	10/10/2018	USD	1,947.40	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	10/15/2018	
05031	2200094826	10/10/2018	USD	3,095.61	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	10/15/2018	
05032	2200094827	10/10/2018	USD	26.71	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	10/15/2018	
05033	2200094828	10/10/2018	USD	50.76	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	10/15/2018	
05034	2200094829	10/10/2018	USD	70.00	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	10/15/2018	
05035	2200094830	10/10/2018	USD	145.00	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	10/15/2018	
05036	2200094831	10/24/2018	USD	20.82	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA		
05037	2200094832	10/24/2018	USD	44.65	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA	10/29/2018	
05038	2200094833	10/31/2018	USD	32.00	YORK RISK SERVICES GROUP RANCHO CUCAMONGA CA		
* Payment method Checks created manually			USD	5,990.60			

Total of all entries

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Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
**			USD	5,990.60		



# Attachment 2C

## Vendor ACHs

Check	Payee / Description		Amount
ACH	AQUA BEN CORPORATION		
	DAFT-4,600 Lbs Hydrofloc 748E	37846	4,163.46
	RP1-16,100 Lbs Hydrofloc 750E	27847	22,147.87
	RP1-20,700 Lbs Hydrofloc 750E	37885	28,475.84
	DAFT-2,300 Lbs Hydrofloc 748E	37884	2,081.73
	AQUA BEN CORPORATION	\$	56,868.90
ACH	SANTA ANA WATERSHED		
	Inland Bioenergy Permit Fee	9363	600.00
	August 2018 Truck Discharge	9365	1,483.71
	SANTA ANA WATERSHED	\$	2,083.71
ACH	INGERSOLL RAND COMPANY		
	Inv-Element Filters	24554377	639.82
	INGERSOLL RAND COMPANY	\$	639.82
ACH	MCMaster-CARR SUPPLY CO		
	Bench Vise	74557014	218.33
	Rail Fitting, Angle, Elbow, Tee, Cap	74525414	667.77
	Routing Clamp	74557013	65.45
	Cutoff Wheel, Drill Bit	74669035	76.12
	MCMaster-CARR SUPPLY CO	\$	1,027.67
ACH	TOM DODSON & ASSOCIATES		
	WR16024-7/1-7/31 Prof Svcs	IE-272 18-6	49,593.30
	TOM DODSON & ASSOCIATES	\$	49,593.30
ACH	ALFA LAVAL INC		
	Horiz Washbox Seal	278048000	567.23
	ALFA LAVAL INC	\$	567.23
ACH	INLAND EMPIRE REGIONAL		
	8/18 Biosolids	90022769	293,775.44
	INLAND EMPIRE REGIONAL	\$	293,775.44
ACH	HACH COMPANY		
	RP1Mnt-600 MV Orp Soln	11127941	209.04
	RP4Ops-Nitrite/TNT+ LR	11107639	409.99
	RP1Mnt-Pocket Colormeter CL/PH Systems	11124620	1,059.64
	HACH COMPANY	\$	1,678.67
ACH	PEST OPTIONS INC		
	August 2018 Weed Abatement Services	306044	3,960.00
	PEST OPTIONS INC	\$	3,960.00
ACH	OLIN CORP		
	TP1-4,906 Gals Sodium Hypochlorite	2567618	3,797.24
	CCWRP-4,932 Gals Sodium Hypochlorite	2556016	3,817.37
	TP1-4,904 Gals Sodium Hypochlorite	2562264	3,795.70

Check	Payee / Description	Amount
	RP5-4,920 Gals Sodium Hypochlorite	2556744 3,808.08
	RP4-4,926 Gals Sodium Hypochlorite	2556745 3,812.72
	TP1-4,844 Gals Sodium Hypochlorite	2559188 3,749.26
	CCWRP-4,904 Gals Sodium Hypochlorite	2560002 3,795.70
	TP1-4,970 Gals Sodium Hypochlorite	2560695 3,846.78
	TP1-4,962 Gals Sodium Hypochlorite	2561290 3,840.59
	RP4-4,806 Gals Sodium Hypochlorite	2566780 3,719.84
	RP4-2,996 Gals Sodium Hypochlorite	2562265 2,510.65
	RP5-4,874 Gals Sodium Hypochlorite	2560696 3,772.48
	CCWRP-3,004 Gals Sodium Hypochlorite	2566779 2,517.35
	TP1-4,986 Gals Sodium Hypochlorite	2561289 3,859.16
	TP1-4,912 Gals Sodium Hypochlorite	2566366 3,801.89
	TP1-4,812 Gals Sodium Hypochlorite	2566084 3,724.49
	CCWRP-4,948 Gals Sodium Hypochlorite	2565638 3,829.75
	TP1-4,998 Gals Sodium Hypochlorite	2564949 3,868.45
	RP5-4,936 Gals Sodium Hypochlorite	2552871 3,820.46
	CCWRP-4,948 Gals Sodium Hypochlorite	2554253 3,829.75
	CCWRP-3,006 Gals Sodium Hypochlorite	2561903 2,519.03
	CCWRP-4,924 Gals Sodium Hypochlorite	2552073 3,811.18
	RP5-4,954 Gals Sodium Hypochlorite	2551422 3,834.40
	CCWRP-3,006 Gals Sodium Hypochlorite	2568186 2,519.03
	TP1-4,708 Gals Sodium Hypochlorite	2568869 3,945.30
	CCWRP-4,902 Gals Sodium Hypochlorite	2568870 3,794.15
	TP1-4,912 Gals Sodium Hypochlorite	2569315 3,801.89
	TP1-4,694 Gals Sodium Hypochlorite	2569807 3,933.57
	RP4-4,708 Gals Sodium Hypochlorite	2569808 3,945.30
	RP5-4,888 Gals Sodium Hypochlorite	2534461 2,883.92
	CCWRP-4,964 Gals Sodium Hypochlorite	2563521 3,842.14
	TP1-4,950 Gals Sodium Hypochlorite	2564286 3,831.30
	TP1-4,964 Gals Sodium Hypochlorite	2564288 3,842.14
	TP1-4,884 Gals Sodium Hypochlorite	2562791 3,780.22
	RP4-4,928 Gals Sodium Hypochlorite	2564948 3,814.27
	OLIN CORP	\$ 127,615.55
ACH	OVIVO USA LLC 1,840 Membrane Replacement Kits w/Reskin 8474519	142,462.74
	OVIVO USA LLC	\$ 142,462.74
ACH	DAVIS BARBER PRODUCTIONS INC EN15008-Videography,Editing	2018-12 577.54
	DAVIS BARBER PRODUCTIONS INC	\$ 577.54
ACH	WEST COAST ADVISORS 9/18 Prof Svcs	11188 9,800.00
	WEST COAST ADVISORS	\$ 9,800.00
ACH	AMAZON BUSINESS Red Jobsite Piano Box Return 1 Coleman Portable Cooler 3 SS Kitchen Wall Mount Shelves	13YP-T4MD-GLV 1,742.31 1QTD-CKP9-144 69.77- 1JD1-RDXN-J1P 100.02
	AMAZON BUSINESS	\$ 1,772.56
ACH	AMERICAN OFFICE PROFESSIONALS Service Call Fargo Direct Card	1779 279.95

Check	Payee / Description	Amount
	AMERICAN OFFICE PROFESSIONALS \$	279.95
ACH	SHELL ENERGY NORTH AMERICA LP CCWRP/TP/RWP-8/1-8/31 14950 Tlphn 5/1-5/ 2046 8/18 RP2/RP5-8/1-8/31 16400 El Prado Rd 5/1-5 2044 8/18 RP1-8/1-8/31 16400 2450 Phila St 5/1-5/3 2042 8/18	72,901.39 11,431.08 196,115.71
	SHELL ENERGY NORTH AMERICA LP \$	280,448.18
ACH	SHELL ENERGY NORTH AMERICA LP 8/18 Gas Cmmnty-Core,6/18 Adj      1100002880308	4,949.04
	SHELL ENERGY NORTH AMERICA LP \$	4,949.04
ACH	DISCOVERY BENEFITS INC August 2018 Admin Fees      0000917648-IN	190.00
	DISCOVERY BENEFITS INC \$	190.00
ACH	ELIE, STEVE MlgReim-9/18 Meetings-Elie,S      MLG 9/18	95.21
	ELIE, STEVE \$	95.21
ACH	HALL, JASMIN MlgReim-9/18 Meetings-Hall,J      MLG 9/18	95.33
	HALL, JASMIN \$	95.33
ACH	PARKER, KATI MlgReim-9/18 Meetings-Parker,K      MLG 9/18	55.81
	PARKER, KATI \$	55.81
ACH	ICMA RETIREMENT TRUST 457 P/R 21 10/12/18 Deferred Comp Ded      HR      0073200	19,928.13
	ICMA RETIREMENT TRUST 457 \$	19,928.13
ACH	LINCOLN NATIONAL LIFE INS CO P/R 21 10/12/18 Deferred Comp Ded      HR      0073200	21,313.92
	LINCOLN NATIONAL LIFE INS CO \$	21,313.92
ACH	ICMA RETIREMENT TRUST 401 P/R 21 10/12/18 Exec Deferred Comp      HR      0073200	8,080.49
	ICMA RETIREMENT TRUST 401 \$	8,080.49
ACH	SANTA ANA WATERSHED August 2018 Service      9371	128,739.79
	SANTA ANA WATERSHED \$	128,739.79
ACH	INGERSOLL RAND COMPANY Inv-Element Filters      24570555	379.28
	INGERSOLL RAND COMPANY \$	379.28

Check	Payee / Description	Amount
ACH	NATIONAL CONSTRUCTION RENTALS 9/7/18-10/4/18 Potty/Handicap Potty/Sink 5141597 RP1-9/13/18-10/10/18 Toilet, Handwash 5147991	994.80 211.55 ----- 1,206.35
	NATIONAL CONSTRUCTION RENTALS \$	
ACH	OLIN CORP RP4-4,912 Gals Sodium Hypochlorite 2536356 RP5-4,930 Gals Sodium Hypochlorite 2566085 RP5-4,926 Gals Sodium Hypochlorite 2564287 RP5-4,502 Gals Sodium Hypochlorite 2563522 CCWRP-3,004 Gals Sodium Hypochlorite 2558087 CCWRP-4,940 Gals Sodium Hypochlorite 2548520 RP4-4,908 Gals Sodium Hypochlorite 2541524 CCWRP-4,936 Gals Sodium Hypochlorite 2540824 RP4-4,760 Gals Sodium Hypochlorite 2539072 TP1-4,964 Gals Sodium Hypochlorite 2548519	2,898.08 3,815.82 3,812.72 3,772.68 2,517.35 2,914.60 2,895.72 2,912.24 2,808.40 2,928.76 ----- 31,276.37
	OLIN CORP \$	
ACH	GK & ASSOCIATES 46-2054-8/18 Prof Svcs 18-078R 46-2054-8/18 Prof Svcs 18-076 46-2054-8/18 Prof Svcs 18-079 46-2054-8/18 Prof Svcs 18-077	33,728.00 23,552.00 12,240.00 12,240.00 ----- 81,760.00
	GK & ASSOCIATES \$	
ACH	DAVE'S PLUMBING 6 Water Softeners Removal 9/2018 5201	1,470.00 ----- 1,470.00
	DAVE'S PLUMBING \$	
ACH	DANRAE, INC EN15012-8/2018 Professional Services 150983 EN14019-8/2018 Professional Services 150982	3,753.75 1,732.50 ----- 5,486.25
	DANRAE, INC \$	
ACH	JC LAW FIRM 8/18 General Legal 00485 8/18 RCA Legal 00486 8/18 IEUA vs Spicer-EN17018 00488 8/18 Regional Contract 00487 8/18 Watermaster 00489	61,215.00 950.00 2,250.00 5,110.00 2,125.00 ----- 71,650.00
	JC LAW FIRM \$	
ACH	AMAZON BUSINESS 2 Red Warning Signs, 2 Yellow Warning Si 1WPP-H3HF-4HJ 3 Photo Frames 1FRY-KDQW-7DC	129.40 101.97 ----- 231.37
	AMAZON BUSINESS \$	
ACH	VARIDESK LLC Standing Desk, Fatigue Mat IVC-2-883988	441.25 ----- 441.25
	VARIDESK LLC \$	

Check	Payee / Description	Amount
ACH	SOLAR STAR CALIFORNIA V LLC RP1-8/1-8/31 2450 Phila St M0616-2241424	3,999.57
	CCWRP/TP/RWPS-8/1-8/31 14950 Telephone A M0613-2241421	16,101.35
	RP5/TP5/HQA/B-8/1-8/31 6075 Kimball Ave M0614-2241422	21,729.89
	RP1-8/1-8/31 2450 Phila St M0615-2241423	21,132.43
	RP1-7/1-7/31 2450 Phila St MO616-2187019	2,697.24
	SOLAR STAR CALIFORNIA V LLC \$	65,660.48
ACH	FOUNDATION HA ENERGY GENERATIO RP4/RWPS-8/1-8/31 12811 6th St-Wind Powe 2341	3,033.53
	FOUNDATION HA ENERGY GENERATIO\$	3,033.53
ACH	IEUA EMPLOYEES' ASSOCIATION	
	HR 0073100	12.00
	P/R 21 10/12/18 Employee Ded HR 0073200	210.00
	IEUA EMPLOYEES' ASSOCIATION \$	222.00
ACH	IEUA SUPERVISORS UNION ASSOCIA P/R 21 10/12/18 Employee Ded	330.00
	IEUA SUPERVISORS UNION ASSOCIA\$	330.00
ACH	IEUA GENERAL EMPLOYEES ASSOCIA P/R 21 10/12/18 Employee Ded	1,106.60
	IEUA GENERAL EMPLOYEES ASSOCIA\$	1,106.60
ACH	PREFERRED BENEFIT INSURANCE 9/18 Agency Dental Plan	16,626.00
	EIA25553	16,626.00
	PREFERRED BENEFIT INSURANCE \$	16,626.00
ACH	IEUA PROFESSIONAL EMPLOYEES AS P/R 21 10/12/18 Employee Ded	480.00
	IEUA PROFESSIONAL EMPLOYEES AS\$	480.00
ACH	DISCOVERY BENEFITS INC P/R 21 10/12/18 Cafeteria Plan	3,519.58
	DISCOVERY BENEFITS INC \$	3,519.58
ACH	DISCOVERY BENEFITS INC September 2018 Admin Fees	190.00
	0000927983-IN	190.00
	DISCOVERY BENEFITS INC \$	190.00
ACH	RAZAK, HALLA Razak,H-ExpRpt-9/28-10/2/18 WEFTEC Conf	120.31
	Razak,H-ExpRpt-10/5/18 MWD SWP Trip	48.03
	Reim-WPS September 2018 Service	4.50
	Reim-WPS October 2018 Service	4.50
	RAZAK, HALLA \$	177.34

Check	Payee / Description		Amount
ACH	AQUA BEN CORPORATION		
	DAFT-6,900 Lbs Hydrofloc 748E	37917	6,245.19
	RP1-11,500 Lbs Hydrofloc 750E	37944	15,819.91
	RP2-23,000 Lbs Hydrofloc 748E	37936	20,817.30
	DAFT-6,900 Lbs Hydrofloc 748E	37943	6,245.19
	RP1-13,800 Lbs Hydrofloc 750E	37918	18,983.89
			-----
	AQUA BEN CORPORATION	\$	68,111.48
ACH	GENESIS CONSTRUCTION		
	PA17006.02-9/18 Pay Est 8	PE 8-PA17006.	230,250.20
			-----
	GENESIS CONSTRUCTION	\$	230,250.20
ACH	MCMaster-CARR SUPPLY CO		
	Spring Steel Machine Key Stock	75574738	44.36
	Aluminum Slip On Framing	75590222	739.45
	Aluminum Slip On Framing	75549799	123.70
			-----
	MCMaster-CARR SUPPLY CO	\$	907.51
ACH	INLAND EMPIRE REGIONAL		
	9/18 Biosolids	90022916	296,962.96
			-----
	INLAND EMPIRE REGIONAL	\$	296,962.96
ACH	PARSONS WATER & INFRASTRUCTURE		
	EN19001/EN19006-8/4-9/7 Prof Svcs	1809A990	799,752.71
			-----
	PARSONS WATER & INFRASTRUCTURE	\$	799,752.71
ACH	KAMBRIAN CORPORATION		
	ISS-OLP GOVT SUB-Office 365 Pro Plus,Lyn KINV2063		60,392.50
			-----
	KAMBRIAN CORPORATION	\$	60,392.50
ACH	FERREIRA COASTAL CONSTRUCTION		
	WR15021-9/18 Pay Est 4	PE 4-WR15021	68,548.77
			-----
	FERREIRA COASTAL CONSTRUCTION	\$	68,548.77
ACH	DAVIS BARBER PRODUCTIONS INC		
	RP5-SCADA Training	00074	2,063.25
			-----
	DAVIS BARBER PRODUCTIONS INC	\$	2,063.25
ACH	AMAZON BUSINESS		
	Rainbird 200pesb	1JW7-L7Q7-MPT	308.74
	5 Miniture Account Books	1JW7-L7Q7-6YV	115.80
	Wireless Wave Keyboard and Mouse	1JW7-L7Q7-PCK	47.41
	Motorcraft FC920 Fuel Cap	1QGH-W4DD-7P3	20.02
			-----
	AMAZON BUSINESS	\$	491.97
ACH	AMERICAN OFFICE PROFESSIONALS		
	Service Call Ricoh AficioSP410DN	1792	732.09
	Service Call Fargo DTC550	1793	514.43
			-----
	AMERICAN OFFICE PROFESSIONALS	\$	1,246.52

Check	Payee / Description	Amount
ACH	CDM CONSTRUCTORS INC EN13016.03-9/18 Pay Est 8      PE 8-EN13016.      171,615.07 EN13016.04-9/18 Pay Est 12      PE 12-EN13016      95,000.81 CDM CONSTRUCTORS INC      \$      266,615.88	
ACH	FORESTRY SUPPLIERS INC 24 Smoke Bombs      418124-00      234.24 FORESTRY SUPPLIERS INC      \$      234.24	
ACH	SCHULER CONSTRUCTORS INC EN17039-9/18 Pay Est 2      PE 2-EN17039      39,235.00 SCHULER CONSTRUCTORS INC      \$      39,235.00	
ACH	HALL, JASMIN ExpRpt-Hall,J-9/23-9/25/18 CASA Conf      9/23/18 CASA      246.31 HALL, JASMIN      \$      246.31	
ACH	KEMP BROS CONSTRUCTION INC EN15008-Pay Est 9      PE 25-EN15008      70,013.13 EN15008-SN*RLsA-Precision Eng-Adm Fee      SN19001 RLS-A      2,904.69 EN15008-SN*RLs-Precision Engineering      SN19001 RLS      11,618.75 KEMP BROS CONSTRUCTION INC      \$      84,536.57	
ACH	ICMA RETIREMENT TRUST 457 P/R 22 10/26/18 Deferred Comp Ded      HR      0073300      19,124.19 ICMA RETIREMENT TRUST 457      \$      19,124.19	
ACH	LINCOLN NATIONAL LIFE INS CO P/R 22 10/26/18 Deferred Comp Ded      HR      0073300      21,280.56 LINCOLN NATIONAL LIFE INS CO      \$      21,280.56	
ACH	ICMA RETIREMENT TRUST 401 P/R 22 10/26/18 Exec Deferred Comp      HR      0073300      7,980.69 ICMA RETIREMENT TRUST 401      \$      7,980.69	
ACH	AQUA BEN CORPORATION RP1-23,000 Lbs Hydrofloc 750E      37973      31,639.82 DAFT-4,600 Lbs Hydrofloc 748E      37972      4,163.46 AQUA BEN CORPORATION      \$      35,803.28	
ACH	UNIVAR USA INC TP1-12,645 Lbs Sodium Bisulfite      LA671884      2,730.34 TP1-12,665 Lbs Sodium Bisulfite      LA672623      2,734.72 UNIVAR USA INC      \$      5,465.06	
ACH	WAXIE SANITARY SUPPLY Medicated Skin Lotion      77736666      75.40 Foam Soap,Lotion Soap      77744598      91.34	



Check	Payee / Description	Amount
	Liners, Paper Towels, Degreaser, Kimwipes, S 77738161	1,539.15
	Paper Towels, Towels, Bleach, Toilet Paper, 77708266	3,199.21
	WAXIE SANITARY SUPPLY \$	4,905.10
ACH	MCMASTER-CARR SUPPLY CO 4 V-Belts      76639827	113.72
	MCMASTER-CARR SUPPLY CO \$	113.72
ACH	AGRICULTURAL RESOURCES 11/18 Wtr Quality Consult      11/18 WTR QLT	3,500.00
	AGRICULTURAL RESOURCES \$	3,500.00
ACH	TOM DODSON & ASSOCIATES EN5012-8/23 Prof Svcs      IE-308 18-1      950.00 P&EC-6/26-8/29 Prof Svcs      IE-236 18-3      2,594.80 EN22002-8/14-8/31 Prof Svcs      IE-303 18-2      325.00 RW15003-8/1-8/31 Prof Svcs      IE-305 18-2      1,050.00	
	TOM DODSON & ASSOCIATES \$	4,919.80
ACH	PALM AUTO DETAIL INC 9/18 Carwash Svcs f/Agency Fleet Vehicle 81999-4	5,149.73
	PALM AUTO DETAIL INC \$	5,149.73
ACH	SCHNEIDER ELECTRIC SYSTEMS INC D/P Cell Transmitter      93836798	1,932.77
	SCHNEIDER ELECTRIC SYSTEMS INC \$	1,932.77
ACH	INLAND EMPIRE REGIONAL Delgado, N-Reim f/MLT-1 Cert Renewal      1800000052	135.00
	INLAND EMPIRE REGIONAL \$	135.00
ACH	HACH COMPANY Inv-Turbidimeter Sensor Assemblys      11140343      4,181.05 Lab-Total&Fee Chlorine TNT+      11140344      114.24	
	HACH COMPANY \$	4,295.29
ACH	PEST OPTIONS INC September 2018 GWR Weed Abatement Servic 308462      6,275.91 September 2018 Weed Abatement Services 308361      3,960.00 August 2018 GWR Weed Abatement Services 306146.1      6,275.91	
	PEST OPTIONS INC \$	16,511.82
ACH	SUNGARD AVAILABILITY SERVICES 11/18 Disaster Recovery Svc      152699072	4,152.00
	SUNGARD AVAILABILITY SERVICES \$	4,152.00
ACH	OLIN CORP CCWRP-3,014 Gals Sodium Hypochlorite      2570490      2,525.73 TP1-4,950 Gals Sodium Hypochlorite      2576486      3,831.30	

Check	Payee / Description		Amount
	CCWRP-4,966 Gals Sodium Hypochlorite	2576095	3,843.68
	RP4-4,984 Gals Sodium Hypochlorite	2576094	3,857.62
	TP1-4,932 Gals Sodium Hypochlorite	2576093	3,817.37
	TP1-4,942 Gals Sodium Hypochlorite	2575436	3,825.11
	TP1-4,974 Gals Sodium Hypochlorite	2574737	3,849.88
	CCWRP-4,876 Gals Sodium Hypochlorite	2574110	3,774.02
	TP1-4,820 Gals Sodium Hypochlorite	2573431	3,730.68
	RP4-4,704 Gals Sodium Hypochlorite	2573002	3,941.95
	TP1-4,962 Gals Sodium Hypochlorite	2573001	3,840.59
	CCWRP-4,918 Gals Sodium Hypochlorite	2572561	3,806.53
	TP1-4,976 Gals Sodium Hypochlorite	2572560	3,851.42
	TP1-4,916 Gals Sodium Hypochlorite	2571860	3,804.98
	RP5-4,914 Gals Sodium Hypochlorite	2571167	3,803.44
	TP1-4,936 Gals Sodium Hypochlorite	2571166	3,820.46
			- - - - -
	OLIN CORP	\$	59,924.76
ACH	DANRAE, INC		
	EN15012-9/2018 Professional Services	150992	1,986.25
	EN14019-9/2018 Professional Services	150991	1,417.50
			- - - - -
	DANRAE, INC	\$	3,403.75
ACH	SIEMENS INDUSTRY INC		
	Transfer Invoice from Ponton for Payment	5602819312	177.79
			- - - - -
	SIEMENS INDUSTRY INC	\$	177.79
ACH	ARCADIS U.S., INC.		
	WR18028-8/2018 Professional Services	0929896	30,360.62
			- - - - -
	ARCADIS U.S., INC.	\$	30,360.62
ACH	WEST COAST ADVISORS		
	10/18 Prof Svcs	11218	9,800.00
			- - - - -
	WEST COAST ADVISORS	\$	9,800.00
ACH	TRIBOLOGIK CORPORATION		
	Oil Analysis	48464	150.00
			- - - - -
	TRIBOLOGIK CORPORATION	\$	150.00
ACH	CHEMTRADE CHEMICALS US LLC		
	CCWRTP-10.628 Tons Aluminim Sulfate	92453361	3,454.10
			- - - - -
	CHEMTRADE CHEMICALS US LLC	\$	3,454.10
ACH	AMAZON BUSINESS		
	iPhone Otter Box, iPhone Screen Protector	1CKT-HVV4-LLG	28.49
	Return 1 Limit Switch Lever Arm	1MHY-4YC1-HQF	39.86
	1 Limit Switch Lever Arm	1VXQ-HP4X-W4F	39.86
			- - - - -
	AMAZON BUSINESS	\$	28.49
ACH	VARIDESK LLC		
	4 Standing Desks, 2 DualMonitor Arms	IVC-2-852013	2,104.38
	3 Standing Desks, 3 DualMonitor Arms, 3 Fa	IVC-2-895114	2,181.95
	Standing Desk, DualMonitor Arm, Fatigue Ma	IVC-2-896624	659.44

Check	Payee / Description	Amount
	2 Standing Desks IVC-2-898299	960.06
	VARIDESK LLC \$	5,905.83
ACH	FOUNDATION HA ENERGY GENERATIO RP4/RWPS-9/1-9/30 12811 6th St-Wind Powe 2350	834.65
	FOUNDATION HA ENERGY GENERATIO\$	834.65
ACH	IEUA EMPLOYEES' ASSOCIATION P/R 22 10/26/18 Deferred Comp Ded HR 0073300	216.00
	IEUA EMPLOYEES' ASSOCIATION \$	216.00
ACH	IEUA SUPERVISORS UNION ASSOCIA P/R 22 10/26/18 Employee Ded HR 0073300	330.00
	IEUA SUPERVISORS UNION ASSOCIA\$	330.00
ACH	IEUA GENERAL EMPLOYEES ASSOCIA P/R 22 10/26/18 Employee Ded HR 0073300	1,106.60
	IEUA GENERAL EMPLOYEES ASSOCIA\$	1,106.60
ACH	PREFERRED BENEFIT INSURANCE 10/18 Agency Dental Plan EIA25830	16,399.10
	PREFERRED BENEFIT INSURANCE \$	16,399.10
ACH	IEUA PROFESSIONAL EMPLOYEES AS P/R 22 10/26/18 Employee Ded HR 0073300	480.00
	IEUA PROFESSIONAL EMPLOYEES AS\$	480.00
ACH	DISCOVERY BENEFITS INC P/R 22 10/26/18 Cafeteria Plan HR 0073300	3,519.58
	DISCOVERY BENEFITS INC \$	3,519.58
ACH	ESTRADA, JIMMIE J Reim Monthly Health Prem HEALTH PREM	499.68
	ESTRADA, JIMMIE J \$	499.68
ACH	LICHTI, ALICE Reim Monthly Health Prem HEALTH PREM	183.34
	LICHTI, ALICE \$	183.34
ACH	MORASSE, EDNA Reim Monthly Health Prem HEALTH PREM	183.34
	MORASSE, EDNA \$	183.34
ACH	NOWAK, THEO T Reim Monthly Health Prem HEALTH PREM	499.68
	NOWAK, THEO T \$	499.68

Check	Payee / Description	Amount
ACH	SONNENBURG, ILSE Reim Monthly Health Prem	HEALTH PREM 183.34
	SONNENBURG, ILSE	\$ 183.34
ACH	DYKSTRA, BETTY Reim Monthly Health Prem	HEALTH PREM 183.34
	DYKSTRA, BETTY	\$ 183.34
ACH	TORRES, ROBERT G Reim Monthly Health Prem	HEALTH PREM 183.34
	TORRES, ROBERT G	\$ 183.34
ACH	MUELLER, CAROLYN Reim Monthly Health Prem	HEALTH PREM 183.34
	MUELLER, CAROLYN	\$ 183.34
ACH	GRIFFIN, GEORGE Reim Monthly Health Prem	HEALTH PREM 183.34
	GRIFFIN, GEORGE	\$ 183.34
ACH	CANADA, ANGELA Reim Monthly Health Prem	HEALTH PREM 183.34
	CANADA, ANGELA	\$ 183.34
ACH	CUPERSMITH, LEIZAR Reim Monthly Health Prem	HEALTH PREM 183.34
	CUPERSMITH, LEIZAR	\$ 183.34
ACH	DELGADO-ORAMAS JR, JOSE Reim Monthly Health Prem	HEALTH PREM 316.34
	DELGADO-ORAMAS JR, JOSE	\$ 316.34
ACH	GRANGER, BRANDON Reim Monthly Health Prem	HEALTH PREM 158.17
	GRANGER, BRANDON	\$ 158.17
ACH	GADDY, CHARLES L Reim Monthly Health Prem	HEALTH PREM 158.17
	GADDY, CHARLES L	\$ 158.17
ACH	BAKER, CHRIS Reim Monthly Health Prem	HEALTH PREM 25.17
	BAKER, CHRIS	\$ 25.17
ACH	WEBB, DANNY C Reim Monthly Health Prem	HEALTH PREM 133.00
	WEBB, DANNY C	\$ 133.00

Check	Payee / Description	Amount
ACH	HUMPHREYS, DEBORAH E Reim Monthly Health Prem	HEALTH PREM 158.17
	HUMPHREYS, DEBORAH E	\$ 158.17
ACH	MOUAT, FREDERICK W Reim Monthly Health Prem	HEALTH PREM 158.17
	MOUAT, FREDERICK W	\$ 158.17
ACH	MORGAN, GARTH W Reim Monthly Health Prem	HEALTH PREM 133.00
	MORGAN, GARTH W	\$ 133.00
ACH	ALLINGHAM, JACK Reim Monthly Health Prem	HEALTH PREM 25.17
	ALLINGHAM, JACK	\$ 25.17
ACH	MAZUR, JOHN Reim Monthly Health Prem	HEALTH PREM 491.57
	MAZUR, JOHN	\$ 491.57
ACH	RUDDER, LARRY Reim Monthly Health Prem	HEALTH PREM 25.17
	RUDDER, LARRY	\$ 25.17
ACH	HAMILTON, MARIA Reim Monthly Health Prem	HEALTH PREM 133.00
	HAMILTON, MARIA	\$ 133.00
ACH	PICENO, TONY Reim Monthly Health Prem	HEALTH PREM 183.34
	PICENO, TONY	\$ 183.34
ACH	RAMOS, CAROL Reim Monthly Health Prem	HEALTH PREM 25.17
	RAMOS, CAROL	\$ 25.17
ACH	FISHER, JAY Reim Monthly Health Prem	HEALTH PREM 133.00
	FISHER, JAY	\$ 133.00
ACH	KING, PATRICK Reim Monthly Health Prem	HEALTH PREM 25.17
	KING, PATRICK	\$ 25.17
ACH	HOWARD, ROBERT JAMES Reim Monthly Health Prem	HEALTH PREM 25.17

Check	Payee / Description	Amount
	HOWARD, ROBERT JAMES	\$ 25.17
ACH	DIETZ, JUDY Reim Monthly Health Prem	HEALTH PREM 133.00
	DIETZ, JUDY	\$ 133.00
ACH	DAVIS, GEORGE Reim Monthly Health Prem	HEALTH PREM 25.17
	DAVIS, GEORGE	\$ 25.17
ACH	MONZAVI, TAGHI Reim Monthly Health Prem	HEALTH PREM 25.17
	MONZAVI, TAGHI	\$ 25.17
ACH	PETERSEN, KENNETH Reim Monthly Health Prem	HEALTH PREM 183.34
	PETERSEN, KENNETH	\$ 183.34
ACH	TRAUTERMAN, HELEN Reim Monthly Health Prem	HEALTH PREM 183.34
	TRAUTERMAN, HELEN	\$ 183.34
ACH	TIEGS, KATHLEEN Reim Monthly Health Prem	HEALTH PREM 959.04
	TIEGS, KATHLEEN	\$ 959.04
ACH	DIGGS, GEORGE Reim Monthly Health Prem	HEALTH PREM 499.68
	DIGGS, GEORGE	\$ 499.68
ACH	HAYES, KENNETH Reim Monthly Health Prem	HEALTH PREM 499.68
	HAYES, KENNETH	\$ 499.68
ACH	HUNTON, STEVE Reim Monthly Health Prem	HEALTH PREM 158.17
	HUNTON, STEVE	\$ 158.17
ACH	RODRIGUEZ, LOUIS Reim Monthly Health Prem	HEALTH PREM 158.17
	RODRIGUEZ, LOUIS	\$ 158.17
ACH	VARBEL, VAN Reim Monthly Health Prem	HEALTH PREM 642.70
	VARBEL, VAN	\$ 642.70
ACH	CLIFTON, NEIL Reim Monthly Health Prem	HEALTH PREM 509.70

Check	Payee / Description	Amount
	CLIFTON, NEIL	\$ 509.70
ACH	DELGADO, FRANCOIS Reim Monthly Health Prem	HEALTH PREM 133.00
	DELGADO, FRANCOIS	\$ 133.00
ACH	WELLMAN, JOHN THOMAS Reim Monthly Health Prem	HEALTH PREM 642.70
	WELLMAN, JOHN THOMAS	\$ 642.70
ACH	SPEARS, SUSAN Reim Monthly Health Prem	HEALTH PREM 25.17
	SPEARS, SUSAN	\$ 25.17
ACH	TROXEL, WYATT Reim Monthly Health Prem	HEALTH PREM 183.34
	TROXEL, WYATT	\$ 183.34
ACH	CORLEY, WILLIAM Reim Monthly Health Prem	HEALTH PREM 491.57
	CORLEY, WILLIAM	\$ 491.57
ACH	CALLAHAN, CHARLES Reim Monthly Health Prem	HEALTH PREM 345.53
	CALLAHAN, CHARLES	\$ 345.53
ACH	LESNIAKOWSKI, NORBERT Reim Monthly Health Prem	HEALTH PREM 183.34
	LESNIAKOWSKI, NORBERT	\$ 183.34
ACH	VER STEEG, ALLEN J Reim Monthly Health Prem	HEALTH PREM 478.53
	VER STEEG, ALLEN J	\$ 478.53
ACH	HACKNEY, GARY Reim Monthly Health Prem	HEALTH PREM 479.52
	HACKNEY, GARY	\$ 479.52
ACH	CAREL, LARRY Reim Monthly Health Prem	HEALTH PREM 25.17
	CAREL, LARRY	\$ 25.17
ACH	TOL, HAROLD Reim Monthly Health Prem	HEALTH PREM 183.34
	TOL, HAROLD	\$ 183.34
ACH	BANKSTON, GARY	

Check	Payee / Description		Amount
	Reim Monthly Health Prem	HEALTH PREM	533.80
	BANKSTON, GARY	\$	533.80
ACH	ATWATER, RICHARD Reim Monthly Health Prem	HEALTH PREM	133.00
	ATWATER, RICHARD	\$	133.00
ACH	FIESTA, PATRICIA Reim Monthly Health Prem	HEALTH PREM	491.57
	FIESTA, PATRICIA	\$	491.57
ACH	DIGGS, JANET Reim Monthly Health Prem	HEALTH PREM	632.68
	DIGGS, JANET	\$	632.68
ACH	CARAZA, TERESA Reim Monthly Health Prem	HEALTH PREM	188.35
	CARAZA, TERESA	\$	188.35
ACH	ANDERSON, JOHN Reim Monthly Health Prem	HEALTH PREM	499.68
	ANDERSON, JOHN	\$	499.68
ACH	SANTA CRUZ, JACQUELYN Reim Monthly Health Prem	HEALTH PREM	866.84
	SANTA CRUZ, JACQUELYN	\$	866.84
ACH	HECK, ROSELYN Reim Monthly Health Prem	HEALTH PREM	25.17
	HECK, ROSELYN	\$	25.17
ACH	SOPICKI, LEO Reim Monthly Health Prem	HEALTH PREM	316.34
	SOPICKI, LEO	\$	316.34
ACH	GOSE, ROSEMARY Reim Monthly Health Prem	HEALTH PREM	133.00
	GOSE, ROSEMARY	\$	133.00
ACH	KEHL, BARRETT Reim Monthly Health Prem	HEALTH PREM	133.00
	KEHL, BARRETT	\$	133.00
ACH	RITCHIE, JANN Reim Monthly Health Prem	HEALTH PREM	133.00
	RITCHIE, JANN	\$	133.00



Check	Payee / Description	Amount
ACH	LONG, ROCKWELL DEE Reim Monthly Health Prem	HEALTH PREM 509.70
	LONG, ROCKWELL DEE	\$ 509.70
ACH	FATTAHI, MIR Reim Monthly Health Prem	HEALTH PREM 133.00
	FATTAHI, MIR	\$ 133.00
ACH	VERGARA, FLORENTINO Reim Monthly Health Prem	HEALTH PREM 316.34
	VERGARA, FLORENTINO	\$ 316.34
ACH	ROGERS, SHIRLEY Reim Monthly Health Prem	HEALTH PREM 183.34
	ROGERS, SHIRLEY	\$ 183.34
ACH	WALL, DAVID Reim Monthly Health Prem	HEALTH PREM 321.35
	WALL, DAVID	\$ 321.35
ACH	CHUNG, MICHAEL Reim Monthly Health Prem	HEALTH PREM 158.17
	CHUNG, MICHAEL	\$ 158.17
ACH	ADAMS, PAMELA Reim Monthly Health Prem	HEALTH PREM 183.34
	ADAMS, PAMELA	\$ 183.34
ACH	BLASINGAME, MARY Reim Monthly Health Prem	HEALTH PREM 509.70
	BLASINGAME, MARY	\$ 509.70
ACH	ANDERSON, KENNETH Reim Monthly Health Prem	HEALTH PREM 158.17
	ANDERSON, KENNETH	\$ 158.17
ACH	MOE, JAMES Reim Monthly Health Prem	HEALTH PREM 25.17
	MOE, JAMES	\$ 25.17
ACH	POLACEK, KEVIN Reim Monthly Health Prem	HEALTH PREM 835.51
	POLACEK, KEVIN	\$ 835.51
ACH	ELROD, SONDR Reim Monthly Health Prem	HEALTH PREM 321.35
	ELROD, SONDR	\$ 321.35

Check	Payee / Description	Amount
ACH	FRAZIER, JACK Reim Monthly Health Prem	HEALTH PREM 200.40
	FRAZIER, JACK	\$ 200.40
ACH	HOAK, JAMES Reim Monthly Health Prem	HEALTH PREM 133.00
	HOAK, JAMES	\$ 133.00
ACH	DEZHAM, PARIVASH Reim Monthly Health Prem	HEALTH PREM 200.40
	DEZHAM, PARIVASH	\$ 200.40
ACH	FOLEY III, DANIEL J. Reim Monthly Health Prem	HEALTH PREM 188.35
	FOLEY III, DANIEL J.	\$ 188.35
ACH	CLEVELAND, JAMES Reim Monthly Health Prem	HEALTH PREM 133.00
	CLEVELAND, JAMES	\$ 133.00
ACH	LANGNER, CAMERON Reim Monthly Health Prem	HEALTH PREM 666.86
	LANGNER, CAMERON	\$ 666.86
ACH	HAMILTON, LEANNE Reim Monthly Health Prem	HEALTH PREM 25.17
	HAMILTON, LEANNE	\$ 25.17
ACH	HOOSHMAND, RAY Reim Monthly Health Prem	HEALTH PREM 133.00
	HOOSHMAND, RAY	\$ 133.00
ACH	SCHLAPKOHL, JACK Reim Monthly Health Prem	HEALTH PREM 133.00
	SCHLAPKOHL, JACK	\$ 133.00
ACH	POOLE, PHILLIP Reim Monthly Health Prem	HEALTH PREM 188.35
	POOLE, PHILLIP	\$ 188.35
ACH	ADAMS, BARBARA Reim Monthly Health Prem	HEALTH PREM 158.17
	ADAMS, BARBARA	\$ 158.17
ACH	RUESCH, GENECE Reim Monthly Health Prem	HEALTH PREM 539.33

Check	Payee / Description	Amount
	RUESCH, GENECE	\$ 539.33
ACH	VANDERPOOL, LARRY Reim Monthly Health Prem	HEALTH PREM 533.80
	VANDERPOOL, LARRY	\$ 533.80
ACH	AMBROSE, JEFFREY Reim Monthly Health Prem	HEALTH PREM 479.52
	AMBROSE, JEFFREY	\$ 479.52
ACH	MERRILL, DIANE Reim Monthly Health Prem	HEALTH PREM 478.53
	MERRILL, DIANE	\$ 478.53
ACH	HOUSER, ROD Reim Monthly Health Prem	HEALTH PREM 636.70
	HOUSER, ROD	\$ 636.70
ACH	RUSSO, VICKI Reim Monthly Health Prem	HEALTH PREM 188.35
	RUSSO, VICKI	\$ 188.35
ACH	HUSS, KERRY Reim Monthly Health Prem	HEALTH PREM 824.05
	HUSS, KERRY	\$ 824.05
ACH	BINGHAM, GREGG Reim Monthly Health Prem	HEALTH PREM 702.51
	BINGHAM, GREGG	\$ 702.51
ACH	CHARLES, DAVID Reim Monthly Health Prem	HEALTH PREM 133.00
	CHARLES, DAVID	\$ 133.00
ACH	YEBOAH, ERNEST Reim Monthly Health Prem	HEALTH PREM 133.00
	YEBOAH, ERNEST	\$ 133.00
ACH	ALVARADO, ROSEMARY Reim Monthly Health Prem	HEALTH PREM 346.52
	ALVARADO, ROSEMARY	\$ 346.52
ACH	BARELA, GEORGE Reim Monthly Health Prem	HEALTH PREM 133.00
	BARELA, GEORGE	\$ 133.00
ACH	FETZER, ROBERT Reim Monthly Health Prem	HEALTH PREM 835.51

Check	Payee / Description	Amount
	FETZER, ROBERT	\$ 835.51
ACH	SPAETH, ERIC Reim Monthly Health Prem	HEALTH PREM 188.35
	SPAETH, ERIC	\$ 188.35
ACH	DAVIS, MARTHA Reim Monthly Health Prem	HEALTH PREM 188.35
	DAVIS, MARTHA	\$ 188.35
ACH	BRULE, CHRISTOPHER Reim Monthly Health Prem	HEALTH PREM 188.35
	BRULE, CHRISTOPHER	\$ 188.35
ACH	ROOS, JAMES Reim Monthly Health Prem	HEALTH PREM 509.70
	ROOS, JAMES	\$ 509.70
ACH	MULLANEY, JOHN Reim Monthly Health Prem	HEALTH PREM 321.35
	MULLANEY, JOHN	\$ 321.35
ACH	VALENZUELA, DANIEL Reim Monthly Health Prem	HEALTH PREM 509.70
	VALENZUELA, DANIEL	\$ 509.70
ACH	PACE, BRIAN Reim Monthly Health Prem	HEALTH PREM 509.70
	PACE, BRIAN	\$ 509.70
ACH	KING, JOSEPH Reim Monthly Health Prem	HEALTH PREM 133.00
	KING, JOSEPH	\$ 133.00
ACH	VILLALOBOS, HECTOR Reim Monthly Health Prem	HEALTH PREM 188.35
	VILLALOBOS, HECTOR	\$ 188.35
ACH	BAXTER, KATHLEEN Reim Monthly Health Prem	HEALTH PREM 321.35
	BAXTER, KATHLEEN	\$ 321.35
ACH	PENMAN, DAVID Reim Monthly Health Prem	HEALTH PREM 509.70
	PENMAN, DAVID	\$ 509.70
ACH	ANGIER, RICHARD	

Check	Payee / Description		Amount
	Reim Monthly Health Prem	HEALTH PREM	509.70
	ANGIER, RICHARD	\$	509.70
ACH	MERRILL, DEBORAH Reim Monthly Health Prem	HEALTH PREM	358.57
	MERRILL, DEBORAH	\$	358.57
ACH	O'DEA, KRISTINE Reim Monthly Health Prem	HEALTH PREM	158.17
	O'DEA, KRISTINE	\$	158.17
ACH	OAKDEN, LISA Reim Monthly Health Prem	HEALTH PREM	866.84
	OAKDEN, LISA	\$	866.84
ACH	LAUGHLIN, JOHN Reim Monthly Health Prem	HEALTH PREM	133.00
	LAUGHLIN, JOHN	\$	133.00
ACH	HUGHBANKS, ROGER Reim Monthly Health Prem	HEALTH PREM	188.35
	HUGHBANKS, ROGER	\$	188.35
ACH	SPENDLOVE, DANNY Reim Monthly Health Prem	HEALTH PREM	158.17
	SPENDLOVE, DANNY	\$	158.17
ACH	HOULIHAN, JESSE Reim Monthly Health Prem	HEALTH PREM	188.35
	HOULIHAN, JESSE	\$	188.35
ACH	WARMAN, EVELYN Reim Monthly Health Prem	HEALTH PREM	25.17
	WARMAN, EVELYN	\$	25.17
ACH	HERNANDEZ, DELIA Reim Monthly Health Prem	HEALTH PREM	188.35
	HERNANDEZ, DELIA	\$	188.35
ACH	AVILA, ARTHUR L Reim Monthly Health Prem	HEALTH PREM	188.35
	AVILA, ARTHUR L	\$	188.35
ACH	GUARDIANO, GARY Reim Monthly Health Prem	HEALTH PREM	158.17
	GUARDIANO, GARY	\$	158.17

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For 10/01/2018 ~ 10/31/2018	Treasurer Report	Date	12/03/2018

Check	Payee / Description	Amount
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**Grand Total Payment Amount: \$ 3,667,460.45**

# Attachment 2D

Vendor Wires  
(excludes Payroll)

Check	Payee / Description			Amount
Wire	EMPLOYMENT DEVELOPMENT DEPARTM			
	P/R 20 9/28 Taxes	HR	0072400	59,416.99
	P/R 20 9/28 Taxes	HR	0072400	10,561.69
				- - - - -
	EMPLOYMENT DEVELOPMENT DEPARTM\$			69,978.68
Wire	INTERNAL REVENUE SERVICE			
	P/R 20 9/28 Taxes	HR	0072400	308,029.70
				- - - - -
	INTERNAL REVENUE SERVICE		\$	308,029.70
Wire	STATE DISBURSEMENT UNIT			
	P/R 20 9/28	HR	0072400	2,184.90
	P/R 20 9/28	HR	0072400	198.00
				- - - - -
	STATE DISBURSEMENT UNIT		\$	2,382.90
Wire	PUBLIC EMPLOYEES RETIREMENT SY			
	P/R 20 9/28 PERS Adj	P/R 20 9/28 A		12.55-
	P/R 20 9/28 PERS	HR	0072400	176,153.47
				- - - - -
	PUBLIC EMPLOYEES RETIREMENT SY\$			176,140.92
Wire	METROPOLITAN WATER DISTRICT			
	August 2018 Water Purchase	9465		5,942,956.46
				- - - - -
	METROPOLITAN WATER DISTRICT		\$	5,942,956.46
Wire	PUBLIC EMPLOYEES' RETIREMENT S			
	10/18 Health Ins-Retirees, Employees	15434037 10/1		252,246.06
	10/18 Health Ins-Board	15434040 10/1		5,568.55
				- - - - -
	PUBLIC EMPLOYEES' RETIREMENT S\$			257,814.61
Wire	SUMITOMO MITSUI BANKING CORP			
	08B 7/1/18-9/30/18 LOC Fees	NY-091282 092		40,650.66
				- - - - -
	SUMITOMO MITSUI BANKING CORP		\$	40,650.66
Wire	STATE DISBURSEMENT UNIT			
	P/R 21 10/12/18	HR	0073200	198.00
	P/R 21 10/12/18	HR	0073200	2,184.90
				- - - - -
	STATE DISBURSEMENT UNIT		\$	2,382.90
Wire	PUBLIC EMPLOYEE'S RETIREMENT S			
	P/R 21 10/12/18 Deferred Comp Ded	HR	0073200	28,076.53
				- - - - -
	PUBLIC EMPLOYEE'S RETIREMENT S\$			28,076.53
Wire	INTERNAL REVENUE SERVICE			
	P/R 21 10/12/28 Taxes	HR	0073200	294,625.33
				- - - - -
	INTERNAL REVENUE SERVICE		\$	294,625.33
Wire	EMPLOYMENT DEVELOPMENT DEPARTM			
	P/R 21 10/12/28 Taxes	HR	0073200	55,272.60
	P/R 21 10/12/28 Taxes	HR	0073200	9,765.36



Check	Payee / Description	Amount
	EMPLOYMENT DEVELOPMENT DEPARTM\$	65,037.96
Wire	PUBLIC EMPLOYEES RETIREMENT SY P/R 21 10/12/28 PERS      HR      0073200      176,962.90 P/R 21 10/12/18 PERS Adj      P/R 21 10/12      157.30	177,120.20
	PUBLIC EMPLOYEES RETIREMENT SY\$	177,120.20
Wire	EMPLOYMENT DEVELOPMENT DEPARTM P/R DIR 10 10/12/18 Taxes      HR      0073100      390.04	390.04
	EMPLOYMENT DEVELOPMENT DEPARTM\$	390.04
Wire	INTERNAL REVENUE SERVICE P/R DIR 10 10/12/18 Taxes      HR      0073100      2,385.14	2,385.14
	INTERNAL REVENUE SERVICE      \$	2,385.14
Wire	STATE BOARD OF EQUALIZATION 9/18 Sales Tax Deposit      23784561 9/18      13,744.00	13,744.00
	STATE BOARD OF EQUALIZATION      \$	13,744.00
Wire	PUBLIC EMPLOYEE'S RETIREMENT S P/R 22 10/26/18 Deferred Comp      HR      0073300      27,939.00	27,939.00
	PUBLIC EMPLOYEE'S RETIREMENT S\$	27,939.00
Wire	EMPLOYMENT DEVELOPMENT DEPARTM P/R 22 10/26/18 Taxes      HR      0073300      56,453.01 P/R 22 10/26/18 Taxes      HR      0073300      9,363.22	65,816.23
	EMPLOYMENT DEVELOPMENT DEPARTM\$	65,816.23
Wire	INTERNAL REVENUE SERVICE P/R 22 10/26/18 Taxes      HR      0073300      295,806.18	295,806.18
	INTERNAL REVENUE SERVICE      \$	295,806.18
Wire	STATE DISBURSEMENT UNIT P/R 22 10/26/18      HR      0073300      2,184.90 P/R 22 10/26/18      HR      0073300      198.00	2,382.90
	STATE DISBURSEMENT UNIT      \$	2,382.90
Wire	PUBLIC EMPLOYEES RETIREMENT SY P/R 22 10/26/18 PERS Adj      P/R 22 10/26      346.53- P/R 22 10/26/18 PERS      HR      0073300      176,625.55	176,279.02
	PUBLIC EMPLOYEES RETIREMENT SY\$	176,279.02
Wire	CALPERS CalPERS Retirement Unfunded Liability FY 10/01/18      4,500,000.00	4,500,000.00
	CALPERS      \$	4,500,000.00

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For 10/01/2018 ~ 10/31/2018 Treasurer Report

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Date 12/03/2018

Check Payee / Description

Amount

**Grand Total Payment Amount: \$ 12,449,939.36**

## Attachment 2E

### Payroll-Net Pay-Directors

# INLAND EMPIRE UTILITIES AGENCY

## Ratification of Board of Directors

Payroll for October 12, 2018  
Presented at Board Meeting on December 19, 2018

DIRECTOR NAME	GROSS PAYROLL	NET PAYROLL
Jasmin Hall	\$2,967.03	\$1,843.59
Katherine Parker	\$2,758.18	\$1,002.00
Michael Camacho	\$4,328.85	\$1,579.66
Steven J. Elie	\$4,162.03	\$1,377.46
Paul Hofer	\$0.00	\$0.00
<b>TOTALS</b>	<b>\$14,216.09</b>	<b>\$5,802.71</b>

	Count	Amount
TOTAL EFTS PROCESSED	3	\$4,223.05
TOTAL CHECKS PROCESSED	1	\$1,579.66
CHECK NUMBERS USED	110250 - 110250	

**IEUA DIRECTOR PAYSHEET**

MICHAEL CAMACHO  
 EMPLOYEE NO. 1140  
 ACCOUNT NO. 10200 110100 100000 501010

**SEPTEMBER 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
09-12-18	IEUA Community and Legislative Affairs Meeting	Yes	\$247.50
09-12-18	IEUA Engineering, Operations, & Water Resources Committee Meeting	Yes (same day)	\$-0-
09-19-18	IEUA Board Meeting	Yes	\$247.50
<b>TOTAL REIMBURSEMENT</b>			\$495.00
Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff: 07/01/17). IEUA pays both primary and alternate for attendance.			
Total No. of Meetings Attended			2
Total No. of Meetings Paid			2

DIRECTOR  
SIGNATURE

*Michael Camacho*  
 Director Camacho

Approved by:

*Kathy Bessel*  
 For Steven J. Elle  
 President, Board of Directors

**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE**

**ON MWD BOARD**

MICHAEL CAMACHO  
 EMPLOYEE NO. 1140  
 ACCOUNT NO. 10700 110115 110000 511010

**SEPTEMBER 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
09-05-18	Workshop Mtg. of the MWD Board Directors @ MWDOC	Yes	\$247.50
09-06-18	Southern Coalition/Inland Caucus Meeting	Yes	\$247.50
09-07-18	MWD Mtg. w/San Gabriel Valley WD MWD Directors	Yes	\$247.50
09-10-18	MWD Standing Committee Meetings	Yes	\$247.50
09-11-18	MWD Standing Committee Meetings & Board Meeting	Yes	\$247.50
09-18-18	Central Basin Special Board Meeting	Yes	\$247.50
09-21-18	MWD meeting w/MWD Tour Coordinators I. Gonzalez and C Schaffer	Yes	\$247.50
09-25-18	MWD Other Committee Mtgs.	Yes	\$247.50
<b>TOTAL REIMBURSEMENT</b>			\$1,980.00
Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 7/01/17).			
Total No. of Meetings Attended			8
Total No. of Meetings Paid			8

DIRECTOR  
SIGNATURE

*Michael Camacho*  
 Director Camacho

Approved by:

*Kathryn Bessie*  
 for Steven J. Elje  
 President, Board of Directors

**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE  
ON REGIONAL POLICY COMMITTEE (ALTERNATE)**

MICHAEL CAMACHO  
EMPLOYEE NO. 1140  
ACCOUNT NO. 10900 110100 500000 501215

**SEPTEMBER 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
09-06-18	Regional Policy Committee Meeting	No	\$-0-
<b>TOTAL REIMBURSEMENT</b> (Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 07/01/17.) IEUA pays Regional Policy Committee members (total amount of \$247.50, should reflect on timesheet))			\$-0-
Total No. of Meetings Attended			0
Total No. of Meetings Paid			0

**DIRECTOR  
SIGNATURE**

*Michael Camacho*  
\_\_\_\_\_  
*Michael Camacho*

**Approved by:**

*Kathy Bessie*  
\_\_\_\_\_  
for Steven J. Elie  
President, Board of Directors

**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE  
ON CHINO BASIN WATER BANK (ALTERNATE)**

MICHAEL CAMACHO  
EMPLOYEE NO. 1140  
ACCOUNT NO. 10900 110100 500000 501215

**SEPTEMBER 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
	None		
<b>TOTAL REIMBURSEMENT</b> Up to 10 days of service per month per Ordinance No. 105			\$-0-
Total No. of CBWB Meetings Attended			0
Total No. of CBWB Meetings Paid			0

DIRECTOR SIGNATURE *David Woodruff for Michael Camacho*

Approved by: *Kathy Beall*  
Steven J. Elie  
President, Board of Directors



**IEUA DIRECTOR PAYSHEET**

STEVEN J. ELIE  
 EMPLOYEE NO. 1175  
 ACCOUNT NO. 10200 110100 100000 501010

**SEPTEMBER 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
09-04-18	WaterNow Alliance Steering Committee Telecon	Yes	\$247.50
09-05-18	Meeting w/Chino Mayor Eunice Ulloa & City Manager Matt Ballentyne	Yes	\$247.50
09-11-18	Special Audit Committee	Yes	\$247.50
09-12-18	Community & Legislative Affairs Committee	Yes	\$247.50
09-13-18	Board Package Review Meeting	Yes (staff only)	\$-0-
09-17-18	Chino Hills Los Serranos Park Groundbreaking Ceremony	Yes	\$247.50
09-17-18	ASBCSD Dinner Meeting	Yes (same day)	\$-0-
09-18-18	Rancho Del Chino Rotary	Yes	\$247.50
09-20-18	Chino Valley Chamber Chino Neighborhood House -- Open House	Yes	\$247.50
09-25-18	Prop 1 Strategy Dinner Mtg. w/C Berch & H Razak	Yes (staff only)	\$-0-
09-28-18	WaterNow Alliance Steering Committee Telecon	Yes	\$247.50
<b>TOTAL REIMBURSEMENT</b> Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 07/01/17). IEUA pays both primary and alternate for attendance.			\$1,980.00
Total No. of Meetings Attended			11
Total No. of Meetings Paid			8

DIRECTOR  
SIGNATURE

*Steven J. Elie*  
 \_\_\_\_\_  
 Steven J. Elie

Approved by:

*Kathy Berch*  
 \_\_\_\_\_  
 For Jasmin Hall  
 Secretary/Treasurer



**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE  
ON CHINO DESALTER AUTHORITY (ALTERNATE)**

STEVEN J. ELIE  
EMPLOYEE NO. 1175  
ACCOUNT NO. 10200 110100 100000 501010

**SEPTEMBER 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
09-06-18	CDA Board Meeting	Yes (as Alternate)	\$247.50
<b>TOTAL REIMBURSEMENT</b>			\$247.50
Up to 10 days of service per month per Ordinance No. 105 (i.e., \$97.50 – difference between CDA (\$150.00 and Agency meetings \$247.50 (eff. 7/01/17), including MWD meetings. CDA pays directly to IEUA. Record full amount on timesheet.			
Total No. of CDA Meetings Attended			1
Total No. of CDA Meetings Paid			1

DIRECTOR SIGNATURE *David Woodoff for President Elie*

Approved by: *Kathy Becker*  
Jasmin Hall  
Secretary/Treasurer

DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE  
ON CHINO BASIN WATER BANK

STEVEN J. ELIE  
EMPLOYEE NO. 1175  
ACCOUNT NO. 10200 110100 100000 501010

SEPTEMBER 2018

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
None	Chino Basin Water Bank Stakeholder Workshop		\$-0-
<b>TOTAL REIMBURSEMENT</b> Up to 10 days of service per month per Ordinance No. 105.			\$-0-
Total No. of CBWB Meetings Attended			0
Total No. of CBWB Meetings Paid			0

DIRECTOR SIGNATURE *Stephen Woodlett for President Elie*

Approved by: *Kathryn Bell*  
for Jasmin Hall  
Secretary/Treasurer

**IEUA DIRECTOR PAYSHEET**

JASMIN A. HALL  
 EMPLOYEE NO. 1256  
 ACCOUNT NO. 10200 110100 100000 501010

**SEPTEMBER 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
09-05-18	CASA Strategic Planning Telecon	Yes	\$247.50
09-07-18	Assembly Member Reyes' Water Focused Roundtable	Yes	\$247.50
09-12-18	IEUA Finance & Administration Committee	Yes	\$247.50
09-12-18	Mtg. w/H. Razak & C Proctor re: SAWPA JPA & Proj. 24	Yes (same day/staff)	\$-0-
09-17-18	IEUA/Fontana Update Mtg. w/ C. Hays	Yes	\$247.50
09-17-18	ASBCSD Dinner Meeting	Yes (same day)	\$-0-
09-19-18	AABE CA Monthly Chapter telecon	Yes	\$247.50
09-20-18	(ccre) CASA Air, Climate Change & Energy Telecon	Yes	\$247.50
09-23-18	CASA Strategic Planning W/S	Yes	\$247.50
09-24-18	CASA Strategic Planning W/S	Yes	\$247.50
09-25-18	CASA Strategic Planning W/S	Yes	\$247.50
<b>TOTAL REIMBURSEMENT</b> Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 07/01/17). IEUA pays both primary and alternate for attendance.			\$2,227.50
Total No. of Meetings Attended			11
Total No. of Meetings Paid			9

DIRECTOR  
SIGNATURE

*Jasmin A. Hall*  
 \_\_\_\_\_  
*Jasmin A. Hall*

Approved by:

*Kathy Besser*  
 \_\_\_\_\_  
 Steven J. Elje, President, Board of Directors

DIRECTOR PAYSHEET FOR IEUA  
ON SAWPA COMMISSION

JASMIN A. HALL  
EMPLOYEE NO. 1256  
ACCOUNT NO. 10500 110100 165000 501010

**SEPTEMBER 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
09-18-18	SAWPA Commission Meeting	Yes	\$47.50
09-27-18	OWOW Steering Committee Meeting	Yes (10 mtg. max.)	\$-0-
<b>TOTAL REIMBURSEMENT</b>			\$47.50
Up to 10 days of service per month per Ordinance No. 105 ), i.e., \$47.50 – difference between SAWPA (\$200.00 (eff. 5/01/17) and Agency meetings \$247.50 (eff. 7/01/17), including MWD meetings. SAWPA pays both primary and alternate for attendance, including mileage.			
Total No. of SAWPA Meetings Attended			2
Total No. of SAWPA Meetings Paid			1

DIRECTOR Paul Woodoff Jr  
SIGNATURE Jasmin Hall

Approved by: Kathy Besser  
for Steven J. Elie  
President, Board of Directors

**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE  
ON CHINO DESALTER AUTHORITY**

JASMIN A. HALL  
 EMPLOYEE NO. 1256  
 ACCOUNT NO. 10200 110100 100000 501010

**SEPTEMBER 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
09-06-18	CDA Board Meeting	No	\$-0-
<b>TOTAL REIMBURSEMENT</b>			\$-0-
Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 7/01/17). Chino Desalter Authority will pay \$150.00 per meeting directly to the Agency. Record full amount on timesheet. CDA pays both primary and alternate for attendance			
Total No. of CDA Meetings Attended			0
Total No. of CDA Meetings Paid			0

DIRECTOR: *Opal Woodall Jr*  
 SIGNATURE: *Jasmin A. Hall*

Approved by: *Steven J. Elie*  
 Steven J. Elie  
 President, Board of Directors

**IEUA DIRECTOR PAYSHEET**

PAUL HOFER  
 EMPLOYEE NO. 1349  
 ACCOUNT NO. 10200 110100 100000 501010

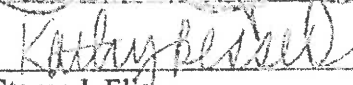
**SEPTEMBER 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
09-06-18	Meeting w/GM Razak re: IEUA business	Yes	\$-0-
09-12-18	IEUA Finance & Administration Committee Meeting	Yes	\$-0-
09-19-18	IEUA Board Meeting	Yes	\$-0-
<b>TOTAL REIMBURSEMENT</b>			\$-0-
Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 07/01/17). IEUA pays both primary and alternate for attendance.			
Total No. of Meetings Attended			3
Total No. of Meetings Paid			0

DIRECTOR  
SIGNATURE



Approved by:

  
 for Steven J. Elie  
 President, Board of Directors

Director Hofer has waived all stipend payments.



**IEUA DIRECTOR PAYSHEET**

KATI PARKER  
 EMPLOYEE NO. 1362  
 ACCOUNT NO. 10200 1100100 100000 501010

**SEPTEMBER 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
09-11-18	Special Audit Committee	Yes	\$247.50
09-12-18	IEUA Eng., Oper., & WR Committee Meeting	Yes	\$247.50
09-19-18	IEUA Board Meeting	Yes	\$247.50
<b>TOTAL REIMBURSEMENT</b>			\$742.50
Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 07/01/17). IEUA pays both primary and alternate for attendance.			
Total No. of Meetings Attended			3
Total No. of Meetings Paid			3

DIRECTOR SIGNATURE *Paul Woodoff for*  
*Kati Parker*

Approved by: *Kathy Besser*  
 Steven J. Elie  
 President, Board of Directors

**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE  
ON REGIONAL POLICY COMMITTEE**

KATI PARKER  
EMPLOYEE NO. 1362  
ACCOUNT NO. 10900 110100 500000 501215

**SEPTEMBER 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
09-06-18	Policy Committee Meeting	Yes	\$247.50
<b>TOTAL REIMBURSEMENT</b> (Up to 10 days of service per month per Ordinance No. 105, including MWD meetings at \$247.50 (eff. 07/01/17.) IEUA pays Regional Policy Committee members (total amount of \$247,50. should reflect on timesheet))			\$247.50
Total No. of Meetings Attended			1
Total No. of Meetings Paid			1

**DIRECTOR  
SIGNATURE**

*Kati Parker*  
\_\_\_\_\_  
*Kathy Beron*

Approved by:

*for* *Kathy Beron*  
\_\_\_\_\_  
Steven J. Elie  
President, Board of Directors

**DIRECTOR PAYSHEET FOR IEUA  
ON SAWPA COMMISSION (ALTERNATE)**

KATI PARKER  
EMPLOYEE NO. 1362  
ACCOUNT NO. 10500 110100 165000 501010

**SEPTEMBER 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
09-04-18	SAWPA Commission Meeting	Yes (as alternate)	\$47.50
09-18-18	SAWPA Regular Commission Meeting	Yes	\$47.50
<b>TOTAL REIMBURSEMENT</b>			\$95.00
Up to 10 days of service per month per Ordinance No. 105 (i.e., \$47.50 - difference between SAWPA (\$200.00 (eff. 5/01/17) and Agency meetings \$247.50 (eff. 7/01/17), including MWD meetings. SAWPA pays both primary and alternate for attendance, including mileage.			
Total No. of SAWPA Meetings Attended			2
Total No. of SAWPA Meetings Paid			2

DIRECTOR SIGNATURE *Kati Parker*

Approved by: *Kathy Beese*  
for Steven J. Elie  
President, Board of Directors

**DIRECTOR PAYSHEET FOR IEUA REPRESENTATIVE  
ON WATERMASTER BOARD (ALTERNATE)**

KATI PARKER  
EMPLOYEE NO. 1362  
ACCOUNT NO. 10200 110100 100000 501010

**SEPTEMBER 2018**

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
09-27-18	CBWM Board Meeting	No	\$-0-
<b>TOTAL REIMBURSEMENT</b>			\$-0-
Up to 10 days of service per month per Ordinance No. 105 (i.e., \$122.50 – difference between Watermaster \$125.00 and Agency meetings \$247.50 (eff. 7/01/17), including MWD meetings. Chino Basin Watermaster does not compensate an alternate Director unless the alternate Director is attending on behalf of an absent primary Director. In accordance to Ordinance No. 98, Section 1, (i) Attendance at any meeting provided for under Sections 1.b, c, e, and f, shall also include payment to both the primary representative and the alternate representative to said body if they both attend said meeting. Record full amount on timesheet for attendance by alternates			
Total No. of Watermaster Meetings Attended			0
Total No. of Watermaster Meetings <b>Paid</b>			0

DIRECTOR *Oppeal Woodruff for*  
SIGNATURE *Director Parker*

Approved by: *Kathy Beeler*  
for Steven J. Elje  
President, Board of Directors

Attachment 2F

Payroll-Net Pay-Employees

Non-Board Members	PP 21 Checks	PP 21 EFTs	PP 22 Checks	PP 22 EFTs	October
NET PAY TO EE	\$0.00	\$749,340.14	\$0.00	\$759,141.81	\$1,508,481.95

# INLAND EMPIRE UTILITIES AGENCY

Payroll for October 12, 2018

Presented at Board Meeting on December 19, 2018

GROSS PAYROLL COSTS			\$1,326,038.35
DEDUCTIONS			(\$576,698.21)
NET PAYROLL			749,340.14
<b>NET PAYROLL BREAKDOWN</b>	<b>CHECKS</b>	<b>EFT</b>	<b>TOTAL</b>
CHECKS USED			
TRANSACTION PROCESSED	0	356	356
AMOUNT	\$0.00	\$749,340.14	<u>\$749,340.14</u>

# INLAND EMPIRE UTILITIES AGENCY

Payroll for October 26, 2018

Presented at Board Meeting on December 19, 2018

GROSS PAYROLL COSTS			\$1,336,727.00
DEDUCTIONS			(\$577,585.19)
NET PAYROLL			759,141.81
<b>NET PAYROLL BREAKDOWN</b>	<b>CHECKS</b>	<b>EFT</b>	<b>TOTAL</b>
CHECKS USED			
TRANSACTION PROCESSED	0	357	357
AMOUNT	\$0.00	\$759,141.81	<u>\$759,141.81</u>



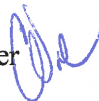
**CONSENT  
CALENDAR  
ITEM**

**2C**

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**Date:** December 19, 2018

**To:** The Honorable Board of Directors

**From:** <sup>for</sup> Halla Razak, General Manager 

**Committee:**

**Executive Contact:** Christina Valencia, Executive Manager of Finance & Administration/AGM

**Subject:** Resolution No. 2018-12-8, Amending the Agency's Salary Schedule/Matrix for All Groups

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**Executive Summary:**

California Code of Regulations (CCR) §570.5 establishes the requirement for California Public Employees' Retirement System (CalPERS) agencies to have a current, duly approved and adopted pay schedule by the agency's governing body. Maintenance of the Agency's salary schedules/matrices falls under the responsibility of the Human Resources Department, which includes presenting a revised comprehensive salary resolution to the Board of Directors as changes occur. The last salary schedule/matrix update for all the groups was approved by the Board on November 21, 2018.

On April 4, 2016, Governor Brown signed SB 3 increasing the State's minimum wage in 2017 and through 2022. Effective January 1, 2019, the minimum wage will increase to \$12 per hour. Accordingly, the Intern range will be increased from \$11-\$16 per hour to \$12-\$17 per hour to comply with state law and remain competitive in attracting and retaining talented Interns.

CalPERS employers may only report pay rates, for the purposes of calculating retirement benefits, that meet the definition of a Publicly Available Salary Schedule as defined by CCR 570.5.

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**Staff's Recommendation:**

Adopt Resolution No. 2018-12-8, amending the Agency's salary schedule/matrix for all groups.

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**Budget Impact** *Budgeted* (Y/N): Y *Amendment* (Y/N): N *Amount for Requested Approval:*

*Account/Project Name:*

*Fiscal Impact* (explain if not budgeted):

Funding is appropriated in the FY 2018/19 Budget.

**Prior Board Action:**

On November 21, 2018, the Board of Directors adopted Resolution No. 2018-11-1, approving the amendment of the Salary Schedule/Matrix for all employee groups.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

Workplace Environment: IEUA is committed to providing a dynamic work environment with a highly skilled and dedicated workforce.

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**Attachments:**

Attachment 1 - Resolution No. 2018-12-8

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**RESOLUTION NO. 2018-12-8**

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

**WHEREAS**, the Agency has a classification and compensation change as a result of the State's increase to the minimum wage as of January 1, 2019, 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 Agency's 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 January 1, 2019.

**ADOPTED** the 19<sup>th</sup> day of December 2018.

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Steven J. Elie  
President of the Inland Empire  
Utilities Agency\* and of the  
Board of Directors thereof

ATTEST:

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Jasmin A. Hall  
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, Jasmin A. Hall, Secretary/Treasurer of the Inland Empire Utilities Agency\*, DO  
HEREBY CERTIFY that the foregoing Resolution being No. 2018-12-8, was adopted at a regular  
Board Meeting on December 19, 2018, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Jasmin A. Hall  
Secretary/Treasurer of the Inland Empire  
Utilities Agency\* and of the  
Board of Directors thereof

(SEAL)

\*A Municipal Water District

**Inland Empire Utilities Agency**  
**Salary Matrix**  
**Effective January 1, 2019**

**EXHIBIT 1**

<b>CLASSIFICATION TITLE</b>	<b>Salary Range</b>	<b>Unit</b>	<b>FLSA</b>
Accountant I	173	UN	Exempt
Accountant II	175	PR	Exempt
Accounting Supervisor	184	SU	Exempt
Accounting Technician I	170	GU	Non-exempt
Accounting Technician II	173	GU	Non-exempt
Administrative Assistant I	171	GU	Non-exempt
Administrative Assistant I (confidential)	171	UN	Non-exempt
Administrative Assistant II	174	PR	Non-exempt
Administrative Assistant II (confidential)	174	UN	Non-exempt
Assistant Engineer	179	UN	Exempt
Associate Engineer	182	UN	Exempt
Biologist <sup>1</sup>	181	LB	Exempt
Board Secretary/Office Manager	188	UN	Exempt
Budget Officer	186	UN	Exempt
Business Systems Analyst I	179	PR	Exempt
Business Systems Analyst II	181	PR	Exempt
Business Systems Supervisor	184	SU	Exempt
CAD Designer	178	UN	Non-exempt
Chemist	181	LB	Exempt
Chief Financial Officer	192	UN	Exempt
Chief Information Technology Officer	192	UN	Exempt
Collection System Operator I	171	GU	Non-exempt
Collection System Operator II	175	GU	Non-exempt
Collection System Operator III	177	GU	Non-exempt
Collection System Supervisor	184	SU	Exempt
Compost Facility Supervisor	185	SU	Exempt
Compost Operator	174	GU	Non-exempt
Compost Sales Representative	181	PR	Exempt
Compost Worker	170	GU	Non-exempt
Construction Project Inspector	180	UN	Non-exempt
Construction Project Manager - PE	186	PR	Exempt
Contracts Administrator I	177	PR	Exempt
Contracts Administrator II	180	PR	Exempt
Contracts and Procurement Supervisor	184	SU	Exempt
Control Systems Analyst I	180	GU	Non-exempt
Control Systems Analyst II	182	GU	Non-exempt
Deputy Manager of Capital Improvement Projects	188	UN	Exempt
Deputy Manager of Construction Management	188	UN	Exempt
Deputy Manager of Engineering	189	UN	Exempt
Deputy Manager of Grants	188	UN	Exempt
Deputy Manager of Human Resources	188	UN	Exempt
Deputy Manager of Integrated Systems Services	188	UN	Exempt
Deputy Manager of Maintenance	188	UN	Exempt
Deputy Manager of Operations	188	UN	Exempt

**Inland Empire Utilities Agency  
Salary Matrix  
Effective January 1, 2019**

**EXHIBIT 1**

<b>CLASSIFICATION TITLE</b>	<b>Salary Range</b>	<b>Unit</b>	<b>FLSA</b>
Deputy Manager of Planning & Environmental Resources	189	UN	Exempt
Deputy Manager of Safety	188	UN	Exempt
Electrical & Instrumentation Technician I	176	GU	Non-exempt
Electrical & Instrumentation Technician II	179	GU	Non-exempt
Electrical & Instrumentation Technician III	181	GU	Non-exempt
Electrical & Instrumentation Technician IV	182	GU	Non-exempt
Engineering Services Analyst	182	PR	Exempt
Engineering Services Specialist	179	UN	Exempt
Engineering Services Supervisor	184	SU	Exempt
Engineering Technician	175	GU	Non-exempt
Environmental Resources Planner I	179	UN	Exempt
Environmental Resources Planner II	182	UN	Exempt
Executive Assistant	178	UN	Exempt
Executive Manager of Engineering/Assistant General Manager	196	EX	Exempt
Executive Manager of External Affairs and Policy Development/AGM	196	EX	Exempt
Executive Manager of Finance & Administration/Assistant General Manager	196	EX	Exempt
Executive Manager of Operations/Assistant General Manager	196	EX	Exempt
External Affairs Analyst	180	UN	Exempt
External Affairs Specialist I	171	UN	Exempt
External Affairs Specialist I (Y-Rated) <sup>2</sup>	202	UN	Exempt
External Affairs Specialist II	177	UN	Exempt
Facilities Program Supervisor	184	SU	Exempt
Facilities Specialist	177	PR	Exempt
Facilities Specialist - Landscape	177	UN	Exempt
Financial Analyst I	179	PR	Exempt
Financial Analyst II	181	PR	Exempt
General Manager	204	EX	Exempt
GIS Specialist	178	UN	Exempt
Grants Administrator	179	PR	Exempt
Groundwater Recharge Supervisor	187	SU	Exempt
Human Resources Analyst I	177	UN	Exempt
Human Resources Analyst II	179	UN	Exempt
Human Resources Officer	183	UN	Exempt
Human Resources Technician	171	UN	Non-exempt
HVAC Technician	177	GU	Non-exempt
Industrial Engine Technician I	177	GU	Non-exempt
Industrial Engine Technician II	181	GU	Non-exempt
Information Systems Analyst I	179	PR	Exempt
Information Systems Analyst II	181	PR	Exempt
Intern	001	OTR	Non-exempt
Internal Auditor	179	PR	Exempt
Inventory Resources Coordinator	181	PR	Exempt
Laboratory Assistant	172	LB	Non-exempt
Laboratory Scientist I	177	LB	Non-exempt

**Inland Empire Utilities Agency**  
**Salary Matrix**  
**Effective January 1, 2019**

**EXHIBIT 1**

<b>CLASSIFICATION TITLE</b>	<b>Salary Range</b>	<b>Unit</b>	<b>FLSA</b>
Laboratory Scientist II	179	LB	Non-exempt
Laboratory Supervisor	184	SU	Exempt
Maintenance Planner	181	GU	Non-exempt
Maintenance Specialist	201	UN	Exempt
Maintenance Supervisor	185	SU	Exempt
Manager of Business Information Services	190	UN	Exempt
Manager of Contracts & Procurement	190	UN	Exempt
Manager of Engineering	192	UN	Exempt
Manager of External Affairs	190	UN	Exempt
Manager of Finance & Accounting	190	UN	Exempt
Manager of Grants	190	UN	Exempt
Manager of Government Relations	190	UN	Exempt
Manager of Human Resources	190	UN	Exempt
Manager of Integrated Systems Services	190	UN	Exempt
Manager of Internal Audit	190	UN	Exempt
Manager of Laboratories	190	UN	Exempt
Manager of Operations & Maintenance	192	UN	Exempt
Manager of Planning & Environmental Resources	192	UN	Exempt
Manager of Regional Compost Authority	190	UN	Exempt
Manager of Technical Services	190	UN	Exempt
Materials Specialist	182	PR	Exempt
Mechanic I	172	GU	Non-exempt
Mechanic II	176	GU	Non-exempt
Mechanic III	179	GU	Non-exempt
Mechanic IV	181	GU	Non-exempt
Network Administrator	183	PR	Exempt
Office Assistant	166	GU	Non-exempt
Office Assistant (confidential)	166	UN	Non-exempt
Operations Specialist	179	UN	Exempt
Operations Supervisor	184	SU	Non-exempt
Pretreatment & Source Control Inspector I	174	GU	Non-exempt
Pretreatment & Source Control Inspector II	177	GU	Non-exempt
Principal Accountant	186	UN	Exempt
Process Automation & Controls Supervisor	185	SU	Exempt
Procurement Specialist I	174	PR	Non-exempt
Procurement Specialist II <sup>3</sup>	175	PR	Non-exempt
Project Manager I	184	PR	Exempt
Project Manager II	185	PR	Exempt
Records Management Supervisor	184	SU	Exempt
Records Specialist	173	GU	Non-exempt
Recycled Water Distribution Operator	179	OP	Non-exempt
Risk Specialist	174	UN	Non-exempt
RW/Groundwater Recharge Operations & Maintenance Specialist	179	UN	Exempt
RW/Groundwater Recharge Systems Maintenance Technician	176	GU	Non-exempt



**Inland Empire Utilities Agency**  
**Salary Matrix**  
**Effective January 1, 2019**

**EXHIBIT 1**

<b>CLASSIFICATION TITLE</b>	<b>Salary Range</b>	<b>Unit</b>	<b>FLSA</b>
Safety Analyst	178	UN	Exempt
Safety Officer	184	SU	Exempt
Senior Accountant	179	PR	Exempt
Senior Associate Engineer	184	UN	Exempt
Senior Associate Engineer - PE	185	UN	Exempt
Senior Compost Operations & Maintenance Technician	181	GU	Non-exempt
Senior Construction Project Inspector	182	UN	Exempt
Senior Engineer	187	PR	Exempt
Senior Environmental Resources Planner	184	UN	Exempt
Senior External Affairs Specialist	180	UN	Exempt
Senior Financial Analyst	183	PR	Exempt
Senior Information Systems Analyst	182	PR	Exempt
Senior Internal Auditor	182	PR	Exempt
Senior Inventory Analyst	182	PR	Exempt
Senior Management Analyst	182	PR	Exempt
Senior Operations Specialist	184	UN	Exempt
Senior Pretreatment & Source Control Inspector	180	GU	Non-exempt
Senior Project Manager	187	PR	Exempt
Senior Wastewater Treatment Plant Operator	181	OP	Non-exempt
Senior Water Plant Operator	181	OP	Non-exempt
Senior Water Resources Analyst	184	PR	Exempt
Source Control/Environmental Resources Supervisor	187	SU	Exempt
Supervisor - Environmental Compliance & Energy	188	SU	Exempt
Systems Administrator	181	PR	Exempt
Technology Specialist I	178	GU	Non-exempt
Technology Specialist II	180	GU	Non-exempt
Technology Specialist III	182	GU	Non-exempt
Warehouse Technician	171	GU	Non-exempt
Wastewater Treatment Plant Operator I	174	OP	Non-exempt
Wastewater Treatment Plant Operator II	176	OP	Non-exempt
Wastewater Treatment Plant Operator III	178	OP	Non-exempt
Wastewater Treatment Plant Operator IV, V	180	OP	Non-exempt
Wastewater Treatment Plant Operator-in-Training	171	OP	Non-exempt
Water Plant Operator I	174	OP	Non-exempt
Water Plant Operator II	176	OP	Non-exempt
Water Plant Operator III	178	OP	Non-exempt
Water Plant Operator IV, V	180	OP	Non-exempt
Water Resources Supervisor	184	SU	Exempt

Notes:

1. Incumbent Biologist in this position prior to 7/1/01 shall be non-exempt.
2. The Y-Rated salary for this position is reflective of the incumbent in the position effective 11/1/14 formerly classified as CIP Coordinator.
3. Incumbent Procurement Specialist I reclassified to Procurement Specialist II on 7/1/18 shall be exempt.

**Inland Empire Utilities Agency**  
**Salary Matrix**  
**Effective January 1, 2019**

**EXHIBIT 1**

<b>Range/Step</b>	<b>Hourly</b>	<b>Bi-Weekly</b>	<b>Monthly</b>	<b>Annually</b>
<b>165</b>				
1	19.3994	1,551.95	3,362.57	40,351
2	19.8843	1,590.75	3,446.62	41,359
3	20.3814	1,630.51	3,532.78	42,393
4	20.8910	1,671.28	3,621.11	43,453
5	21.4132	1,713.06	3,711.63	44,540
6	21.9486	1,755.89	3,804.43	45,653
7	22.4973	1,799.78	3,899.53	46,794
8	23.0597	1,844.78	3,997.02	47,964
9	23.6363	1,890.90	4,096.95	49,163
<b>166</b>				
1	20.3680	1,629.44	3,530.46	42,365
2	20.8772	1,670.17	3,618.71	43,424
3	21.3991	1,711.93	3,709.18	44,510
4	21.9341	1,754.73	3,801.91	45,623
5	22.4824	1,798.59	3,896.95	46,763
6	23.0445	1,843.56	3,994.38	47,933
7	23.6206	1,889.65	4,094.23	49,131
8	24.2111	1,936.89	4,196.59	50,359
9	24.8164	1,985.31	4,301.50	51,618
<b>167</b>				
1	21.3860	1,710.88	3,706.90	44,483
2	21.9205	1,753.64	3,799.56	45,595
3	22.4685	1,797.48	3,894.55	46,735
4	23.0303	1,842.42	3,991.92	47,903
5	23.6060	1,888.48	4,091.71	49,101
6	24.1962	1,935.70	4,194.01	50,328
7	24.8011	1,984.09	4,298.86	51,586
8	25.4212	2,033.70	4,406.34	52,876
9	26.0567	2,084.54	4,516.49	54,198
<b>168</b>				
1	22.4532	1,796.26	3,891.89	46,703
2	23.0145	1,841.16	3,989.18	47,870
3	23.5899	1,887.19	4,088.92	49,067
4	24.1796	1,934.37	4,191.13	50,294
5	24.7841	1,982.73	4,295.91	51,551
6	25.4038	2,032.30	4,403.33	52,840
7	26.0389	2,083.11	4,513.40	54,161
8	26.6898	2,135.19	4,626.24	55,515
9	27.3570	2,188.56	4,741.89	56,903
<b>169</b>				
1	23.5743	1,885.95	4,086.22	49,035
2	24.1637	1,933.10	4,188.37	50,260
3	24.7677	1,981.42	4,293.07	51,517
4	25.3870	2,030.96	4,400.41	52,805

**Inland Empire Utilities Agency**  
**Salary Matrix**  
**Effective January 1, 2019**

**EXHIBIT 1**

<b>Range/Step</b>	<b>Hourly</b>	<b>Bi-Weekly</b>	<b>Monthly</b>	<b>Annually</b>
5	26.0216	2,081.73	4,510.41	54,125
6	26.6722	2,133.78	4,623.18	55,478
7	27.3390	2,187.12	4,738.76	56,865
8	28.0224	2,241.80	4,857.22	58,287
9	28.7230	2,297.84	4,978.65	59,744
<b>170</b>				
1	24.7537	1,980.30	4,290.65	51,488
2	25.3726	2,029.80	4,397.91	52,775
3	26.0068	2,080.54	4,507.85	54,094
4	26.6570	2,132.56	4,620.54	55,447
5	27.3234	2,185.87	4,736.06	56,833
6	28.0065	2,240.52	4,854.47	58,254
7	28.7067	2,296.54	4,975.83	59,710
8	29.4244	2,353.95	5,100.23	61,203
9	30.1600	2,412.80	5,227.74	62,733
<b>171</b>				
1	25.9914	2,079.31	4,505.17	54,062
2	26.6412	2,131.29	4,617.81	55,414
3	27.3072	2,184.57	4,733.24	56,799
4	27.9898	2,239.19	4,851.57	58,219
5	28.6897	2,295.17	4,972.87	59,674
6	29.4069	2,352.55	5,097.19	61,166
7	30.1421	2,411.36	5,224.62	62,695
8	30.8955	2,471.64	5,355.23	64,263
9	31.6680	2,533.44	5,489.12	65,869
<b>172</b>				
1	27.2918	2,183.34	4,730.58	56,767
2	27.9741	2,237.93	4,848.85	58,186
3	28.6735	2,293.88	4,970.08	59,641
4	29.3903	2,351.22	5,094.32	61,132
5	30.1251	2,410.01	5,221.69	62,660
6	30.8783	2,470.26	5,352.23	64,227
7	31.6501	2,532.01	5,486.02	65,832
8	32.4415	2,595.32	5,623.19	67,478
9	33.2524	2,660.20	5,763.76	69,165
<b>173</b>				
1	28.6551	2,292.41	4,966.89	59,603
2	29.3714	2,349.71	5,091.05	61,093
3	30.1058	2,408.46	5,218.34	62,620
4	30.8584	2,468.67	5,348.78	64,185
5	31.6298	2,530.38	5,482.50	65,790
6	32.4206	2,593.64	5,619.56	67,435
7	33.2311	2,658.49	5,760.05	69,121
8	34.0619	2,724.96	5,904.07	70,849
9	34.9135	2,793.08	6,051.67	72,620

**Inland Empire Utilities Agency**  
**Salary Matrix**  
**Effective January 1, 2019**

**EXHIBIT 1**

<b>Range/Step</b>	<b>Hourly</b>	<b>Bi-Weekly</b>	<b>Monthly</b>	<b>Annually</b>
<b>174</b>				
1	30.0856	2,406.85	5,214.83	62,578
2	30.8377	2,467.01	5,345.20	64,142
3	31.6087	2,528.69	5,478.83	65,746
4	32.3990	2,591.92	5,615.82	67,390
5	33.2089	2,656.71	5,756.21	69,075
6	34.0391	2,723.13	5,900.11	70,801
7	34.8901	2,791.21	6,047.61	72,571
8	35.7623	2,860.99	6,198.80	74,386
9	36.6564	2,932.51	6,353.77	76,245
<b>175</b>				
1	31.5879	2,527.03	5,475.23	65,703
2	32.3776	2,590.21	5,612.12	67,345
3	33.1870	2,654.96	5,752.41	69,029
4	34.0167	2,721.34	5,896.23	70,755
5	34.8671	2,789.37	6,043.64	72,524
6	35.7388	2,859.10	6,194.72	74,337
7	36.6323	2,930.58	6,349.60	76,195
8	37.5480	3,003.84	6,508.33	78,100
9	38.4868	3,078.94	6,671.04	80,052
<b>176</b>				
1	33.1664	2,653.31	5,748.84	68,986
2	33.9956	2,719.65	5,892.57	70,711
3	34.8454	2,787.63	6,039.87	72,478
4	35.7165	2,857.32	6,190.86	74,290
5	36.6094	2,928.76	6,345.64	76,148
6	37.5247	3,001.98	6,504.29	78,051
7	38.4628	3,077.02	6,666.88	80,003
8	39.4243	3,153.95	6,833.55	82,003
9	40.4100	3,232.80	7,004.40	84,053
<b>177</b>				
1	34.8255	2,786.04	6,036.43	72,437
2	35.6962	2,855.69	6,187.34	74,248
3	36.5886	2,927.09	6,342.03	76,104
4	37.5034	3,000.27	6,500.59	78,007
5	38.4410	3,075.28	6,663.10	79,957
6	39.4020	3,152.16	6,829.67	81,956
7	40.3870	3,230.96	7,000.42	84,005
8	41.3967	3,311.73	7,175.42	86,105
9	42.4315	3,394.52	7,354.80	88,258
<b>178</b>				
1	36.5655	2,925.24	6,338.01	76,056
2	37.4796	2,998.37	6,496.47	77,958
3	38.4166	3,073.33	6,658.88	79,907
4	39.3771	3,150.17	6,825.36	81,904

**Inland Empire Utilities Agency**  
**Salary Matrix**  
**Effective January 1, 2019**

**EXHIBIT 1**

<b>Range/Step</b>	<b>Hourly</b>	<b>Bi-Weekly</b>	<b>Monthly</b>	<b>Annually</b>
5	40.3615	3,228.92	6,995.99	83,952
6	41.3705	3,309.64	7,170.89	86,051
7	42.4048	3,392.39	7,350.17	88,202
8	43.4649	3,477.19	7,533.92	90,407
9	44.5515	3,564.12	7,722.26	92,667
<b>179</b>				
1	38.3952	3,071.61	6,655.16	79,862
2	39.3550	3,148.40	6,821.54	81,858
3	40.3389	3,227.11	6,992.07	83,905
4	41.3474	3,307.79	7,166.87	86,002
5	42.3811	3,390.49	7,346.05	88,153
6	43.4406	3,475.25	7,529.70	90,356
7	44.5266	3,562.13	7,717.94	92,615
8	45.6398	3,651.18	7,910.89	94,931
9	46.7808	3,742.46	8,108.67	97,304
<b>180</b>				
1	40.3144	3,225.15	6,987.83	83,854
2	41.3223	3,305.79	7,162.54	85,950
3	42.3554	3,388.43	7,341.60	88,099
4	43.4142	3,473.14	7,525.13	90,302
5	44.4996	3,559.96	7,713.26	92,559
6	45.6120	3,648.96	7,906.09	94,873
7	46.7524	3,740.19	8,103.74	97,245
8	47.9212	3,833.70	8,306.34	99,676
9	49.1193	3,929.54	8,514.01	102,168
<b>181</b>				
1	42.3279	3,386.23	7,336.83	88,042
2	43.3862	3,470.89	7,520.27	90,243
3	44.4708	3,557.66	7,708.27	92,499
4	45.5825	3,646.60	7,900.97	94,812
5	46.7221	3,737.77	8,098.50	97,182
6	47.8902	3,831.22	8,300.97	99,612
7	49.0875	3,927.00	8,508.49	102,102
8	50.3146	4,025.17	8,721.20	104,654
9	51.5724	4,125.80	8,939.22	107,271
<b>182</b>				
1	44.4446	3,555.56	7,703.72	92,445
2	45.5557	3,644.45	7,896.32	94,756
3	46.6945	3,735.56	8,093.72	97,125
4	47.8619	3,828.95	8,296.06	99,553
5	49.0585	3,924.68	8,503.47	102,042
6	50.2849	4,022.80	8,716.06	104,593
7	51.5420	4,123.36	8,933.94	107,207
8	52.8306	4,226.45	9,157.31	109,888
9	54.1513	4,332.10	9,386.23	112,635

**Inland Empire Utilities Agency**  
**Salary Matrix**  
**Effective January 1, 2019**

**EXHIBIT 1**

<b>Range/Step</b>	<b>Hourly</b>	<b>Bi-Weekly</b>	<b>Monthly</b>	<b>Annually</b>
<b>183</b>				
1	46.6687	3,733.50	8,089.25	97,071
2	47.8355	3,826.84	8,291.49	99,498
3	49.0314	3,922.51	8,498.78	101,985
4	50.2572	4,020.58	8,711.25	104,535
5	51.5136	4,121.09	8,929.02	107,148
6	52.8014	4,224.11	9,152.25	109,827
7	54.1215	4,329.72	9,381.07	112,573
8	55.4745	4,437.96	9,615.58	115,387
9	56.8614	4,548.91	9,855.98	118,272
<b>184</b>				
1	49.0006	3,920.05	8,493.44	101,921
2	50.2256	4,018.05	8,705.77	104,469
3	51.4813	4,118.50	8,923.43	107,081
4	52.7683	4,221.47	9,146.51	109,758
5	54.0876	4,327.00	9,375.18	112,502
6	55.4397	4,435.18	9,609.55	115,315
7	56.8257	4,546.06	9,849.80	118,198
8	58.2463	4,659.71	10,096.03	121,152
9	59.7026	4,776.21	10,348.45	124,181
<b>185</b>				
1	51.4491	4,115.93	8,917.85	107,014
2	52.7354	4,218.83	9,140.80	109,690
3	54.0537	4,324.29	9,369.31	112,432
4	55.4051	4,432.40	9,603.54	115,243
5	56.7902	4,543.21	9,843.63	118,124
6	58.2100	4,656.80	10,089.73	121,077
7	59.6652	4,773.22	10,341.97	124,104
8	61.1568	4,892.54	10,600.51	127,206
9	62.6858	5,014.86	10,865.54	130,386
<b>186</b>				
1	54.0231	4,321.85	9,364.01	112,368
2	55.3737	4,429.89	9,598.11	115,177
3	56.7580	4,540.64	9,838.06	118,057
4	58.1770	4,654.16	10,084.01	121,008
5	59.6314	4,770.52	10,336.12	124,033
6	61.1223	4,889.78	10,594.52	127,134
7	62.6502	5,012.02	10,859.37	130,312
8	64.2165	5,137.32	11,130.86	133,570
9	65.8220	5,265.76	11,409.14	136,910
<b>187</b>				
1	56.7228	4,537.82	9,831.95	117,983
2	58.1407	4,651.26	10,077.73	120,933
3	59.5943	4,767.54	10,329.68	123,956
4	61.0842	4,886.73	10,587.93	127,055

**Inland Empire Utilities Agency**  
**Salary Matrix**  
**Effective January 1, 2019**

**EXHIBIT 1**

<b>Range/Step</b>	<b>Hourly</b>	<b>Bi-Weekly</b>	<b>Monthly</b>	<b>Annually</b>
5	62.6112	5,008.90	10,852.62	130,231
6	64.1766	5,134.13	11,123.95	133,487
7	65.7810	5,262.48	11,402.03	136,824
8	67.4255	5,394.04	11,687.09	140,245
9	69.1111	5,528.89	11,979.26	143,751
<b>188</b>				
1	59.5569	4,764.55	10,323.19	123,878
2	61.0458	4,883.66	10,581.27	126,975
3	62.5719	5,005.75	10,845.80	130,150
4	64.1362	5,130.89	11,116.93	133,403
5	65.7396	5,259.17	11,394.86	136,738
6	67.3831	5,390.65	11,679.74	140,157
7	69.0677	5,525.42	11,971.74	143,661
8	70.7943	5,663.55	12,271.02	147,252
9	72.5643	5,805.14	12,577.81	150,934
<b>189</b>				
1	62.5344	5,002.75	10,839.30	130,072
2	64.0979	5,127.83	11,110.29	133,324
3	65.7003	5,256.02	11,388.05	136,657
4	67.3428	5,387.42	11,672.75	140,073
5	69.0264	5,522.11	11,964.57	143,575
6	70.7520	5,660.16	12,263.67	147,164
7	72.5207	5,801.66	12,570.26	150,843
8	74.3339	5,946.71	12,884.54	154,614
9	76.1922	6,095.38	13,206.65	158,480
<b>190</b>				
1	65.6600	5,252.80	11,381.07	136,573
2	67.3015	5,384.12	11,665.60	139,987
3	68.9841	5,518.73	11,957.24	143,487
4	70.7087	5,656.69	12,256.17	147,074
5	72.4764	5,798.11	12,562.58	150,751
6	74.2883	5,943.06	12,876.64	154,520
7	76.1455	6,091.64	13,198.55	158,383
8	78.0492	6,243.93	13,528.53	162,342
9	80.0004	6,400.03	13,866.73	166,401
<b>191</b>				
1	68.9426	5,515.41	11,950.05	143,401
2	70.6662	5,653.29	12,248.80	146,986
3	72.4328	5,794.62	12,555.02	150,660
4	74.2436	5,939.49	12,868.89	154,427
5	76.0997	6,087.98	13,190.61	158,287
6	78.0022	6,240.18	13,520.39	162,245
7	79.9523	6,396.18	13,858.40	166,301
8	81.9511	6,556.09	14,204.86	170,458
9	83.9999	6,719.99	14,559.99	174,720

**Inland Empire Utilities Agency**  
**Salary Matrix**  
**Effective January 1, 2019**

**EXHIBIT 1**

<b>Range/Step</b>	<b>Hourly</b>	<b>Bi-Weekly</b>	<b>Monthly</b>	<b>Annually</b>
<b>192</b>				
1	72.3911	5,791.29	12,547.79	150,573
2	74.2009	5,936.07	12,861.49	154,338
3	76.0559	6,084.48	13,183.03	158,196
4	77.9572	6,236.58	13,512.59	162,151
5	79.9063	6,392.50	13,850.42	166,205
6	81.9038	6,552.31	14,196.67	170,360
7	83.9515	6,716.12	14,551.60	174,619
8	86.0502	6,884.02	14,915.37	178,984
9	88.2015	7,056.12	15,288.27	183,459
<b>193</b>				
1	76.0100	6,080.80	13,175.07	158,101
2	77.9102	6,232.82	13,504.43	162,053
3	79.8580	6,388.64	13,842.05	166,105
4	81.8544	6,548.35	14,188.10	170,257
5	83.9008	6,712.07	14,542.81	174,514
6	85.9983	6,879.86	14,906.37	178,876
7	88.1482	7,051.86	15,279.03	183,348
8	90.3520	7,228.16	15,661.01	187,932
9	92.6108	7,408.86	16,052.54	192,630
<b>194</b>				
1	79.8127	6,385.02	13,834.21	166,011
2	81.8080	6,544.64	14,180.06	170,161
3	83.8532	6,708.26	14,534.56	174,415
4	85.9495	6,875.96	14,897.92	178,775
5	88.0984	7,047.87	15,270.38	183,245
6	90.3008	7,224.07	15,652.14	187,826
7	92.5583	7,404.66	16,043.44	192,521
8	94.8722	7,589.78	16,444.52	197,334
9	97.2440	7,779.52	16,855.63	202,268
<b>195</b>				
1	83.8038	6,704.30	14,525.99	174,312
2	85.8988	6,871.91	14,889.13	178,670
3	88.0464	7,043.71	15,261.38	183,137
4	90.2475	7,219.80	15,642.90	187,715
5	92.5037	7,400.30	16,033.98	192,408
6	94.8163	7,585.31	16,434.83	197,218
7	97.1868	7,774.94	16,845.70	202,148
8	99.6164	7,969.31	17,266.84	207,202
9	102.1068	8,168.55	17,698.52	212,382
<b>196</b>				
1	87.9922	7,039.38	15,251.98	183,024
2	90.1921	7,215.36	15,633.29	187,599
3	92.4468	7,395.74	16,024.11	192,289
4	94.7580	7,580.64	16,424.72	197,097



**Inland Empire Utilities Agency  
Salary Matrix  
Effective January 1, 2019**

**EXHIBIT 1**

<b>Range/Step</b>	<b>Hourly</b>	<b>Bi-Weekly</b>	<b>Monthly</b>	<b>Annually</b>
5	97.1269	7,770.15	16,835.32	202,024
6	99.5551	7,964.41	17,256.23	207,075
7	102.0440	8,163.52	17,687.63	212,252
8	104.5950	8,367.60	18,129.80	217,558
9	107.2099	8,576.79	18,583.05	222,997
<b>197</b>				
1	92.3913	7,391.31	16,014.50	192,174
2	94.7011	7,576.09	16,414.86	196,978
3	97.0687	7,765.49	16,825.24	201,903
4	99.4954	7,959.63	17,245.86	206,950
5	101.9827	8,158.62	17,677.01	212,124
6	104.5324	8,362.59	18,118.95	217,427
7	107.1457	8,571.66	18,571.92	222,863
8	109.8243	8,785.95	19,036.22	228,435
9	112.5699	9,005.59	19,512.12	234,145
<b>198</b>				
1	97.0103	7,760.82	16,815.11	201,781
2	99.4355	7,954.84	17,235.48	206,826
3	101.9214	8,153.71	17,666.37	211,996
4	104.4694	8,357.56	18,108.04	217,296
5	107.0811	8,566.49	18,560.73	222,729
6	109.7582	8,780.66	19,024.75	228,297
7	112.5022	9,000.17	19,500.38	234,005
8	115.3147	9,225.18	19,987.88	239,855
9	118.1976	9,455.81	20,487.58	245,851
<b>199</b>				
1	104.2884	8,343.07	18,076.66	216,920
2	106.8956	8,551.64	18,528.56	222,343
3	109.5680	8,765.44	18,991.78	227,901
4	112.3072	8,984.57	19,466.58	233,599
5	115.1149	9,209.19	19,953.25	239,439
6	117.9928	9,439.42	20,452.08	245,425
7	120.9426	9,675.41	20,963.38	251,561
8	123.9661	9,917.29	21,487.46	257,850
9	127.0653	10,165.22	22,024.65	264,296
<b>200</b>				
1	112.1091	8,968.73	19,432.24	233,187
2	114.9118	9,192.95	19,918.05	239,017
3	117.7847	9,422.78	20,416.01	244,992
4	120.7293	9,658.34	20,926.41	251,117
5	123.7475	9,899.80	21,449.56	257,395
6	126.8412	10,147.29	21,985.80	263,830
7	130.0122	10,400.98	22,535.45	270,425
8	133.2625	10,661.00	23,098.84	277,186
9	136.5941	10,927.52	23,676.30	284,116

**Inland Empire Utilities Agency  
Salary Matrix  
Effective January 1, 2019**

**EXHIBIT 1**

<b>Range/Step</b>	<b>Hourly</b>	<b>Bi-Weekly</b>	<b>Monthly</b>	<b>Annually</b>
<b>201</b>				
1	59.3745	4,749.96	10,291.58	123,499
<b>202</b>				
1	42.9806	3,438.45	7,449.97	89,400
<b>203</b>				
1	149.1334	11,930.68	25,849.80	310,198
<b>204</b>				
1	151.0337	12,082.69	26,179.17	314,150
<b>001</b>				
1	12.0000			
2	13.0000			
3	14.0000			
4	15.0000			
5	16.0000			
6	17.0000			

**CONSENT  
CALENDAR  
ITEM**

**2D**

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**Date:** December 19, 2018

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager 

**Committee:**

**Executive Contact:** Kathy Besser, Executive Manager of Ext. Aff. & Policy Dev./AGM

**Subject:** Adoption of Resolutions for the RP-5 Construction Expansion and RMPU Projects  
State Revolving Fund Applications

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**Executive Summary:**

The State Water Resources Control Board (SWRCB) administers the Clean Water State Revolving Fund (CWSRF) Program for water recycling, wastewater treatment and non-point sources projects such as storm water capture or groundwater recharge. IEUA has filed applications for CWSRF construction program funds to support the RP-5 Construction Expansion Project and three projects within the Recharge Master Plan Update (RMPU): the Wineville/RP-3/Jurupa Basin Improvements, Lower Day Basin Improvements, and the Montclair Basin Improvements Projects.

The CWSRF loan application process requires three mandatory resolutions to be approved by the Board of Directors:

- 1) Authorizing resolution designating a representative to execute CWSRF agreements;
- 2) Pledging resolution identifying funds as security for the financing agreement; and
- 3) Reimbursement resolution establishing funds available to pay for project costs before receiving funding from the SWRCB.

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**Staff's Recommendation:**

1. Adopt Resolution Nos. 2018-12-1 and 2018-12-2, authorizing the General Manager to sign and file the State Revolving Fund (SRF) loan applications with the SWRCB for construction of the subject projects;
2. Adopt Resolution Nos. 2018-12-3 and 2018-12-4, dedicating certain revenues in connection with the construction of the subject projects; and
3. Adopt Resolution Nos. 2018-12-5 and 2018-12-6, establishing IEUA's intention to pay for and be reimbursed for expenditures related to the construction of the subject projects.

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**Budget Impact** *Budgeted (Y/N): Y Amendment (Y/N): Y Amount for Requested Approval:*

**Account/Project Name:**

EN19001/ RP-5 Liquids Expansion and EN19006/RP-5 Solids Treatment Facility  
RW15003.06/Wineville, Jurupa, RP-3; RW15004/Lower Day; RW15003.02/Montclair

**Fiscal Impact** *(explain if not budgeted):*

See background

**Prior Board Action:**

See background

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**Environmental Determination:**

Program Environmental Impact Report (Finding of Consistency)

Staff is currently completing a Finding of Consistency with IEUA's Program Environmental Impact Report and a CEQA Plus evaluation for SRF Loan Funding.

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**Business Goal:**

This action supports the Agency's mission of promoting sustainable use of groundwater and increasing the local water supply. It is also consistent with the Agency's mission of pursuing grants and low-interest financing.

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**Attachments:**

- Attachment 1 - Background
- Attachment 2 - Resolution No. 2018-12-1
- Attachment 3 - Resolution No. 2018-12-2
- Attachment 4 - Resolution No. 2018-12-3
- Attachment 5 - Resolution No. 2018-12-4
- Attachment 6 - Resolution No. 2018-12-5
- Attachment 7 - Resolution No. 2018-12-6

## Background

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Subject: Adoption of Resolutions for the RP-5 Construction Expansion and RMPU Projects State Revolving Fund Applications

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### **Regional Plant No. 5 Expansion Project**

The Regional Plant No. 5 (RP-5) Expansion Project (RP-5 Project), promotes State planning priorities by utilizing existing infrastructure located at RP-5. The project protects all watersheds and parks adjacent to the project sites and supports population growth within IEUA's service area. Additional facilities will be required to meet the expanded treatment capacity at RP-5 to comply with the waste discharge requirements. The project has a total estimated cost of \$325,000,000 and is expected to be completed by December 2022.

### **Fiscal Impact**

The RP-5 Project has a total project cost of \$325,000,000 in IEUA's Ten-Year Capital Improvement Plan (TYCIP). This application will request \$325,000,000 in CWSRF funding as a contribution to these total costs. Upon approval by SWRCB, the TYCIP and annual appropriations will be revised to align with the new SRF loan, grant, and total project budget.

### **Additional Prior Board Actions:**

On February 21, 2018, the Board of Directors adopted Resolution 2018-2-1 authorizing the General Manager to enter into a financial assistance agreement, Resolution 2018-2-2 pledging net revenues of the Enterprise Fund of IEUA to payment of any and all Clean Water State Revolving Fund and/or Water Recycling Funding Program financing for the RP-1/RP-5 Expansion Project, and Resolution 2018-2-3, where the Board of Directors stated its intention and reasonably expects to reimburse Expenditures paid prior to the approval by the SWRCB of the Project Funds.

On January 20, 2016, the Board of Directors approved the consulting engineering services contract award for the RP-1/RP-5 Expansion PDR to Parsons Water & Infrastructure Inc.

On November 18, 2015, the Board of Directors approved Resolution No. 2015-11-6, authorizing the General Manager to enter into a financial assistance agreement with SWRCB for the RP-1/RP-5 Expansion Preliminary Design Report.

## Recharge Master Plan Update Projects

The following table includes details of the three RMPU projects that are the focus of these CWSRF applications:

Project	Key Design Improvements	New Recharge Yield (Acre-ft/year)	Capital Cost	SRF Funding Requested
Wineville/Jurupa/ RP-3 Basin Improvements	Hydraulically connect and improve infrastructure at Wineville, Jurupa, and RP-3 Basins to effectively capture and store stormwater. New pump station at Wineville, added pump at Jurupa, and over two miles of new conveyance pipe.	Storm water: 125 Recycled Water: 2,905	\$19.6M	\$8.8M
Lower Day Basin Improvements	Channel modification, new mid-level outlet gate, raised weir box, and south embankment improvements	Storm water: 993	\$4.0M	\$2.9M
Montclair Basin Improvements	New drop inlet structures to Basin 2 and Basin 3. Raise flow into basin.	Storm water: 96	\$1.8M	\$1.7M
<b>TOTAL</b>			<b>\$25.4M</b>	<b>\$13.4M</b>

### Fiscal Impact

The total estimated project cost for these improvements is \$25,402,862. IEUA has received the following supplemental funding:

#### Wineville/Jurupa/RP-3 Basin Improvements:

- SWRCB Stormwater Grant Program: \$9,803,381
- USBR Drought Resiliency Project Grants for FY 2016: \$300,000
- USBR Drought Resiliency Project Grants for FY 2018: \$750,000

#### Lower Day Basin Improvements:

- SAWPA/DWR Prop 84 Integrated Regional Water Management Program (IRWMP) Implementation Grant Funding: \$750,000
- USBR CALFED Water Use Efficiency Grant: \$325,000

The total estimated CWSRF loan amount request is for \$13,434,481.

**Additional Prior Board Actions:**

On May 18, 2016, the Board of Directors adopted Resolution No. 2016-5-4, establishing its intention to apply for Clean Water State Revolving Funds (CWSRF) for the preliminary design and planning for the Recharge Master Plan Update (RMPU).

On May 18, 2016, the Board of Directors adopted Resolution No. 2016-5-5, dedicating certain revenues in connection with preliminary design and planning for the RMPU and associated CWSRF financing from the State Water Resources Control Board (SWRCB).



**RESOLUTION NO. 2018-12-1**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING THE GENERAL MANAGER TO EXECUTE THE FINANCIAL ASSISTANCE APPLICATIONS AND AGREEMENTS WITH THE STATE WATER RESOURCES CONTROL BOARD, FOR THE RP-5 EXPANSION PROJECT**

**BE IT RESOLVED**, by the Board of Directors of the Inland Empire Utilities Agency\* (Agency) that the General Manager is hereby authorized and directed to sign and file, on behalf of the Agency, a Financial Assistance Application for financing agreements from the State Water Resources Control Board (SWRCB) for the construction of all projects related to the RP-5 Expansion Project (RP-5 Project);

**BE IT RESOLVED**, that the Board of Directors hereby agrees and further does authorize the General Manager to provide the assurances, certifications and commitments required for the financial assistance applications, including executing a financial assistance agreement with the SWRCB and any amendments or changes thereto; and

**BE IT FURTHER RESOLVED**, that the General Manager is authorized to represent the Agency in carrying out the Agency's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the Agency and compliance with applicable state and federal laws.

**ADOPTED** this 19<sup>th</sup> day of December, 2018.

\_\_\_\_\_  
Steven J. Elie, President of the Inland Empire Utilities Agency\* and the Board of Directors thereof

ATTEST:

\_\_\_\_\_  
Jasmin A. Hall, Secretary/Treasurer of the Inland Empire Utilities Agency\* and of the Board of Directors thereof

\*A Municipal Water District

STATE OF CALIFORNIA )

COUNTY OF SAN BERNARDINO )SS  
)

I, Jasmin A. Hall, Secretary/Treasurer of the Inland Empire Utilities Agency\*, DO  
HEREBY CERTIFY that the foregoing Resolution No. 2018-12-1 was adopted at a regular  
meeting on December 19, 2018, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Jasmin A. Hall, Secretary/Treasurer of the  
Inland Empire Utilities Agency\* and of the  
Board of Directors thereof

(Seal)

\*A Municipal Water District

**RESOLUTION NO. 2018-12-2**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING THE GENERAL MANAGER TO EXECUTE THE FINANCIAL ASSISTANCE APPLICATIONS AND AGREEMENTS WITH THE STATE WATER RESOURCES CONTROL BOARD, FOR THE WINEVILLE, JURUPA AND RP-3 BASINS IMPROVEMENT PROJECT; THE LOWER DAY BASIN IMPROVEMENT PROJECT; AND THE MONTCLAIR BASIN IMPROVEMENT PROJECT**

**BE IT RESOLVED**, by the Board of Directors of the Inland Empire Utilities Agency\*(Agency) that the General Manager is hereby authorized and directed to sign and file, on behalf of the Agency, a Financial Assistance Application for financing agreements from the State Water Resources Control Board (SWRCB) for the construction of all components related to the Wineville, Jurupa and RP-3 Basins Improvement Project, the Lower Day Basin Improvement Project, and the Montclair Basin Improvement Project; and

**BE IT RESOLVED**, that the Board of Directors hereby agrees and further does authorize the General Manager to provide the assurances, certifications and commitments required for the financial assistance applications, including executing a financial assistance agreement with the SWRCB and any amendments or changes thereto; and

**BE IT FURTHER RESOLVED**, that the General Manager is authorized to represent the Agency in carrying out the Agency's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the Agency and compliance with applicable state and federal laws.

**ADOPTED** this 19<sup>th</sup> day of December, 2018.

\_\_\_\_\_  
Steven J. Elie, President of the Inland Empire Utilities Agency\* and the Board of Directors thereof

ATTEST:

\_\_\_\_\_  
Jasmin A. Hall, Secretary/Treasurer of the Inland Empire Utilities Agency\* and of the Board of Directors thereof

\*A Municipal Water District

STATE OF CALIFORNIA

)

COUNTY OF SAN BERNARDINO )SS  
)

I, Jasmin A. Hall, Secretary/Treasurer of the Inland Empire Utilities Agency\*, DO  
HEREBY CERTIFY that the foregoing Resolution No. 2018-12-2 was adopted at a regular  
meeting on December 19, 2018, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Jasmin A. Hall, Secretary/Treasurer of the  
Inland Empire Utilities Agency\* and of the  
Board of Directors thereof

(Seal)

\*A Municipal Water District

**RESOLUTION NO. 2018-12-3**

**THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, DEDICATING CERTAIN REVENUES IN CONNECTION WITH THE RP-5 EXPANSION PROJECT FOR THE CLEAN WATER STATE REVOLVING FUND FINANCING FROM THE STATE WATER RESOURCES CONTROL BOARD**

**WHEREAS**, the State Water Resources Control Board (SWRCB) offers funding to assist local agencies to provide funding for the planning, design, and construction of water recycling projects that offset or augment state fresh water supplies;

**WHEREAS**, the Board of Directors of the Inland Empire Utilities Agency (IEUA) has authorized the IEUA's General Manager to apply for and execute the RP-5 Expansion Project Clean Water State Revolving Fund (CWSRF) loan with the SWRCB;

**WHEREAS**, the IEUA has applied for a CWSRF loan from SWRCB for the construction of the RP-5 Expansion Project; and

**WHEREAS**, the SWRCB's CWSRF loan program requires each recipient to establish one or more dedicated sources of revenue for repayment of the CWSRF loan.

**NOW THEREFORE, BE IT RESOLVED**, by the Board of Directors that the IEUA hereby dedicates and pledges net revenues of the Property Tax Fund of IEUA and the Enterprise Fund of IEUA, with the exception of the Water Fund, for payment of any and all CWSRF loans for the RP-5 Expansion Project, CWSRF Project #8173-210. The IEUA commits to collecting such revenues and maintaining such funds(s) throughout the term of such financing and until the IEUA has satisfied its repayment obligation thereunder, unless modification or change is approved in writing by the SWRCB. So long as the financing agreements are outstanding, the IEUA pledge hereunder shall constitute a lien in favor of the SWRCB on the foregoing fund(s) and revenue(s) without any further action necessary. So long as the financing agreements are outstanding, the IEUA commits to maintaining the funds and revenues at levels sufficient to meet its obligations under the financing agreements.

**ADOPTED** this 19<sup>th</sup> day of December, 2018.

\_\_\_\_\_  
Steven J. Elie, President of the Inland Empire Utilities Agency\* and Board of Directors thereof

ATTEST:

\_\_\_\_\_  
Jasmin A. Hall, Secretary/Treasurer of the Inland Empire Utilities Agency\* and of the Board of Directors thereof

\*A Municipal Water District



**RESOLUTION NO. 2018-12-4**

**THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, DEDICATING CERTAIN REVENUES IN CONNECTION WITH THE WINEVILLE, JURUPA AND RP-3 BASINS IMPROVEMENT PROJECT; THE LOWER DAY BASIN IMPROVEMENT PROJECT; AND THE MONTCLAIR BASIN IMPROVEMENT PROJECT**

**WHEREAS**, the State Water Resources Control Board (SWRCB) offers funding to assist local agencies to provide funding for the planning, design, and construction of water recycling projects that offset or augment state fresh water supplies;

**WHEREAS**, the Board of Directors of the Inland Empire Utilities Agency (IEUA) has authorized the IEUA's General Manager to apply for and execute the Wineville, Jurupa and RP-3 Basins Improvement Project; the Lower Day Basin Improvement Project; and the Montclair Basin Improvement Project Clean Water State Revolving Fund (CWSRF) loans with the SWRCB;

**WHEREAS**, the IEUA has applied for a CWSRF loan from the SWRCB for the construction of the Wineville, Jurupa and RP-3 Basins Improvement Project; the Lower Day Basin Improvement Project; and the Montclair Basin Improvement Project; and

**WHEREAS**, the SWRCB's CWSRF loan program requires each recipient to establish one or more dedicated sources of revenue for repayment of the CWSRF loan.

**NOW THEREFORE, BE IT RESOLVED**, by the Board of Directors that the IEUA hereby dedicates and pledges net revenues from the Property Tax Fund of IEUA and the Enterprise Fund of IEUA, with the exception of the Water Fund, for payment of any and all CWSRF loans for the Wineville, Jurupa and RP-3 Basins Improvement Project #8260-110; the Lower Day Basin Improvement Project #8414-110; and the Montclair Basin Improvement Project #8415-110. The IEUA commits to collecting such revenues and maintaining such funds(s) throughout the term of such financing and until the IEUA has satisfied its repayment obligation thereunder, unless modification or change is approved in writing by the SWRCB. So long as the financing agreements are outstanding, the IEUA pledge hereunder shall constitute a lien in favor of the SWRCB on the foregoing fund(s) and revenue(s) without any further action necessary. So long as the financing agreements are outstanding, the IEUA commits to maintaining the funds and revenues at levels sufficient to meet its obligations under the financing agreements.

**ADOPTED** this 19<sup>th</sup> day of December, 2018.

\_\_\_\_\_  
Steven J. Elie, President of the Inland Empire Utilities Agency\* and Board of Directors thereof

ATTEST:

\_\_\_\_\_  
Jasmin A. Hall, Secretary/Treasurer of the Inland Empire Utilities Agency\* and of the Board of Directors thereof

\*A Municipal Water District





**RESOLUTION NO. 2018-12-5**

**THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING ITS INTENTION TO BE REIMBURSED FOR EXPENDITURES RELATED TO THE CONSTRUCTION OF PUBLIC FACILITIES AND IMPROVEMENT RELATED TO THE RP-5 EXPANSION PROJECT NO. 8173-210**

**WHEREAS**, the Inland Empire Utilities Agency\* (IEUA) desires to finance the costs of constructing and/or reconstructing certain public facilities and improvements relating to its water and wastewater system, including certain treatment facilities and other infrastructure (the RP-5 Expansion Project); and

**WHEREAS**, the IEUA intends to finance the construction and/or reconstruction of the RP-5 Expansion Project or portions of the RP-5 Expansion Project with moneys (Project Funds) provided by the state of California, acting by and through the State Water Resources Control Board (SWRCB); and

**WHEREAS**, the SWRCB may fund the Project Funds with proceeds from the sale of obligations, the interest upon which is excluded from gross income for federal income tax purposes (Obligations); and

**WHEREAS**, prior to either the issuance of the Obligations or the approval by the SWRCB of the Project Funds, the IEUA desires to incur certain capital expenditures (Expenditures) with respect to the RP-5 Expansion Project from available moneys of the IEUA; and

**WHEREAS**, the IEUA has determined that those moneys to be advanced on and after the date hereof to pay to the Expenditures are available only for a temporary period and it is necessary to reimburse IEUA for the Expenditures from the proceeds of the Obligations.

**NOW, THEREFORE**, the Board of Directors of the IEUA does hereby RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

**SECTION 1.** The IEUA hereby states its intention and reasonably expects to reimburse Expenditures paid prior to the issuance of the Obligations or the approval by the SWRCB of the Project Funds.

**SECTION 2.** The reasonably expected maximum principal amount of the Project Funds is \$325,000,000.00

**SECTION 3.** This Resolution is being adopted no later than 60 days after the date on which IEUA will expend the moneys for the construction portion of the Project costs to be reimbursed with Project Funds.

**SECTION 4.** Each IEUA expenditure will be a type that is properly chargeable to a capital account under general federal income tax principles.

**SECTION 5.** To the best of our knowledge, this agency is not aware of the previous adoption of official intents by the IEUA that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.

**SECTION 6.** This Resolution is adopted as an official intent of the IEUA in order to comply with Treasury Regulation § 1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of the RP-5 Expansion Project costs.

**SECTION 7.** All the recitals in this Resolution are true and correct and the IEUA so finds, determines and represents.

**ADOPTED** this 19<sup>th</sup> day of December, 2018.

\_\_\_\_\_  
Steven J. Elie, President of the Inland Empire  
Utilities Agency\* and the Board of Directors  
thereof

ATTEST:

\_\_\_\_\_  
Jasmin A. Hall, Secretary/Treasurer of the  
Inland Empire Utilities Agency\* and of the  
Board of Directors thereof

\*A Municipal Water District



**RESOLUTION NO. 2018-12-6**

**THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING ITS INTENTION TO BE REIMBURSED FOR EXPENDITURES RELATED TO THE CONSTRUCTION OF PUBLIC FACILITIES AND IMPROVEMENT RELATED TO THE WINEVILLE, JURUPA AND RP-3 BASINS IMPROVEMENT PROJECT NO. 8260-110; THE LOWER DAY BASIN IMPROVEMENT PROJECT NO. 8414-110; AND THE MONTCLAIR BASIN IMPROVEMENT PROJECT NO 8415-110**

**WHEREAS**, the Inland Empire Utilities Agency\* (IEUA) desires to finance the costs of constructing and/or reconstructing certain public facilities and improvements relating to its water and wastewater system, including certain treatment facilities and other infrastructure (the Wineville, Jurupa, and RP-3 Basins Improvement Project, the Lower Day Basin Improvement Project, and the Montclair Basin Improvement Project; collectively, the RMPU Projects); and

**WHEREAS**, the IEUA intends to finance the construction and/or reconstruction of the RMPU Projects or portions of the RMPU Projects with moneys (Project Funds) provided by the State Water Resources Control Board (SWRCB); and

**WHEREAS**, the SWRCB may fund the Project Funds with proceeds from the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (Obligations); and

**WHEREAS**, prior to either the issuance of the Obligations or the approval by the SWRCB of the Project Funds, the IEUA desires to incur certain capital expenditures (Expenditures) with respect to the RMPU Project from available moneys of the IEUA; and

**WHEREAS**, the IEUA has determined that those moneys to be advanced on and after the date hereof to pay to the Expenditures are available only for a temporary period and it is necessary to reimburse the IEUA for the Expenditures from the proceeds of the Obligations.

**NOW, THEREFORE**, the Board of Directors of the IEUA does hereby RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

**SECTION 1.** The IEUA hereby states its intention and reasonably expects to reimburse Expenditures paid prior to the issuance of the Obligations or the approval by the SWRCB of the Project Funds.

**SECTION 2.** The reasonably expected maximum principal amount of the Project Funds is:

- Wineville/Jurupa/RP-3 Basin Improvements - \$8,763,381;
- Lower Day Basin Improvements - \$2,883,000
- Montclair Basin Improvements - \$1,788,100;
- Total Requested Amount - \$13,434,481.

**SECTION 3.** This Resolution is being adopted no later than 60 days after the date on which the Agency will expend the moneys for the construction portion of the Project costs to be reimbursed with Project Funds.

**SECTION 4.** Each IEUA expenditure will be a type that is properly chargeable to a capital account under general federal income tax principles.

**SECTION 5.** To the best of our knowledge, this agency is not aware of the previous adoption of official intents by the IEUA that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.

**SECTION 6.** This Resolution is adopted as an official intent of the IEUA in order to comply with Treasury Regulation § 1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of the RMPU Project costs.

**SECTION 7.** All the recitals in this Resolution are true and correct and the IEUA so finds, determines and represents.

**ADOPTED** this 19<sup>th</sup> day of December, 2018.

\_\_\_\_\_  
Steven J. Elie, President of the Inland Empire  
Utilities Agency\* and the Board of Directors  
thereof

ATTEST:

\_\_\_\_\_  
Jasmin A. Hall, Secretary/Treasurer of the  
Inland Empire Utilities Agency\* and of the  
Board of Directors thereof

\*A Municipal Water District



**CONSENT  
CALENDAR  
ITEM**

**2E**

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**Date:** December 19, 2018

**To:** The Honorable Board of Directors

**From:** Teresa Velarde, Manager of Internal Audit

**Committee:** Audit

12/11/18

**Manager Contact:** Teresa Velarde, Manager of Internal Audit



**Subject:** Fiscal Year 2018/19 Amended Annual Audit Plan

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**Executive Summary:**

The Internal Audit Department Charter and auditing standards state that the Internal Audit Department (IA) is to annually submit for Audit Committee and Board of Directors (Board) approval a comprehensive and flexible Annual Audit Plan of proposed audits and projects. Further, IA must implement the Annual Audit Plan, as approved, including as appropriate any special tasks or projects requested by management, the Audit Committee or the Board. The Charter also requires that progress of audit projects be communicated through the Quarterly Status Reports. When deviations from the approved plan are necessary, a formal amendment must be submitted for Audit Committee and Board approval.

The Fiscal Year 2018/19 Annual Audit Plan was submitted for Board approval in June of 2018. Attached is the proposed amendment to the FY 2018/19 Annual Audit Plan. Proposed changes are due to re-prioritizing audit projects at the request of the Board and senior management. The Water Connections Audit was accelerated to evaluate the effectiveness of internal controls over the collection and reporting of revenues. Additionally, IA was asked to assist with the audit and review of the Agency's Sewer System Management Plan to ensure it meets state requirements and can be referenced as a manual for employees in case of a sewer overflow.

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**Staff's Recommendation:**

Approve the Fiscal Year 2018/19 Annual Audit Plan Amendment to be consistent with the requirements of the IA Charter.

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**Budget Impact** *Budgeted (Y/N):* N *Amendment (Y/N):* N *Amount for Requested Approval:*

*Account/Project Name:*

N/A

*Fiscal Impact (explain if not budgeted):*

N/A



**Prior Board Action:**

On June 20, 2018, the Board of Directors approved the Fiscal Year 2018/19 Annual Audit Plan. The plan was in accordance with auditing standards and the Charter requirements.

On December 20, 2017, the Board of Directors reconfirmed the approved Audit Committee and the Internal Audit Charters. The Internal Audit Department Charter describes the requirement to submit a flexible annual plan of proposed audit projects for Board approval.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

The Fiscal Year 2018/19 Annual Audit Plan Amendment is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment and Business Practices by ensuring that Internal Audit submits for review, discussion and approval a plan of proposed projects that provide opportunities to evaluate and give recommendations that assist management and the Board in achieving organizational goals.

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**Attachments:**

Attachment 1 - FY 2018/19 Amended Annual Audit Plan

## New/Proposed Audit Projects:

### **Audit/Project: Water Connection Fee Audit**

#### **Objective/Scope:**

To evaluate the controls over the collection and recognition of revenue for the Water Connection Fee implemented in 2016, including ensuring adequate segregation of duties and procedures are in place to reconcile new water connections to ensure all water connection fees are being collected. Audit procedures will include: a review of internal controls; compliance with Agency policies and procedures; and the effectiveness and efficiency of operations. The departments with the primary responsibility are the Planning and Finance and Accounting Departments.

**Proposed Timeframe:** Began in September 2019. Completed in December of 2019.

At the request of Audit Committee Members, the timeline of the Water Connection Fee Audit was accelerated to this fiscal year to ensure all internal controls are working as intended since implementation because this is a new function for the Agency. The full audit report with recommendations for consideration are included as a separate item for the December 2018 Audit Committee meeting.

### **Audit/Project: Sewer System Management Plan**

#### **Objective/Scope:**

To assist the Operations Division in completing the State-required 2-year audit and submit for Board-approval the revised 5-year Sewer System Management Plan (SSMP). The SSMP is a state-required plan for any wastewater agency with at least 100 miles of wastewater infrastructure. The plan contains 13 required elements that must follow State-mandated requirements to serve as a manual to the Agency's employees in the event of a Sewer overflow.

The project began in September 2018 and will be finalized by April 2019.

IA was asked to assist in the project to review, revise and update the Agency's 5-year SSMP that must be Board approved and submitted to the State. The review includes performing an audit to determine if the goals and elements within each of the 13 areas were satisfied and met. Additionally, needed revisions to bring the SSMP current and ensure it is a "living document" will be made. IA has assisted with evaluating the document, conducted interviews, researched information from other SSMPs and guides and provided recommendations, changes and edits to the current version. The next steps are finalizing the document and providing a workshop to the Board before requesting full approval.

## **Audit Proposed and Currently in Process to be Completed**

### **Voyager Fuel Card Program Audit**

The scope of the audit is to evaluate internal controls over the use of the Agency's Fuel Card to ensure it meets the requirements of the Agency's policies. Additionally, to ensure there are sufficient controls in place to ensure these are safeguarded from loss, theft, misuse or abuse and are used as intended and in the most effective manner.

Internal Audit has gathered preliminary information and is already working with staff responsible for overseeing the program. Planned for completion - March 2019.

## Audit Projects Originally Proposed and Completed

### Inter-Fund Transfers

To evaluate whether the Agency complies with all Agency policies, legal and regulatory requirements over inter-fund transfers and whether transfers are documented appropriately and recorded accurately in the Agency's financial statements.

This audit was completed in September 2018 and was presented and discussed during the regularly scheduled Audit Committee Meeting and subsequently received and filed by the Board.

### Fleet Management Audit – Vehicle Operational Audit & Follow-up Review

Evaluate controls over the procurement, accountability, issuance and maintenance over Agency fleet vehicles.

Internal Audit segregated the completion of this review into three separate reviews:

- The follow up review of 5 audit recommendations from the 2014s audit that were under the oversight of Contracts and Procurement. That final audit report was presented to the Audit Committee in September 2018 and subsequently received and filed by the Board.
- The follow up review of the 13 recommendations from a 2014 audit that fall under the oversight of the Operations Division, Facilities Management. The review was completed in November 2018 and is being presented under separate cover for the Audit Committee review and discussion.
- Voyager Fuel Card Audit – this will be an expanded review to evaluate the controls over the fuel cards. Preliminary work is in progress, audit is planned for completion in March of 2019.

## Audit Projects Originally Proposed and Deferred/Postponed

### Reserve Obligations

To evaluate whether the Agency complies with all Agency policies, legal and regulatory requirements for maintaining the required and/or necessary reserve balances and if balances are invested or available as mandated by those reserve obligation requirements/policies.

The Reserves Obligations Audit was planned for completion in the Annual Audit Plan. However, due to the request to complete the Connection Fees Audit, and the low risk identified in this area during the Inter-Fund Transfers Audit, this review was postponed. This audit will be placed on the list of Additional/Possible Audit Areas under the Long-Range Audit Planning section of the Annual Audit Plan in the next Audit Plan for future evaluation.

**Internal Audit Department  
Fiscal Year 2018/19  
Amended Annual Audit Plan**



**On-Going Projects for FY 2018/19**

- ❖ Assist with annual CAFR Review and Filing
- ❖ Update IA Annual Audit Plan and corresponding Risk Assessment
- ❖ Provide recommendations to strengthen/streamline policies and procedures
- ❖ Review IA Department and Committee Charters
- ❖ Follow-up evaluations
- ❖ Provide needed support re: audit topics, internal controls and compliance
- ❖ Further utilize capabilities of SAP to enhance IA functions
- ❖ On-going required administrative reporting, such as, budget, goals/objectives, staff appraisals, and other administrative related items.
- ❖ Continue to review, update and document IA Policies and Procedures
- ❖ Continuous Professional Development of Internal Audit Staff
- ❖ Plan prepare and coordinate Audit Committee Meetings
- ❖ Utilize the IA site on AIM as an Agency-wide communication tool
- ❖ Provide "audit approach" presentations to requesting departments
- ❖ IAD Quality Assurance and Improvement Program
- ❖ Conduct special requests and/or unforeseen projects
- ❖ Additional Agency-wide and other types of training and meeting requirements

**CONSENT  
CALENDAR  
ITEM**

**2F**

---

**Date:** December 19, 2018

**To:** The Honorable Board of Directors

**From:** Teresa Velarde, Manager of Internal Audit

**Committee:** Audit

12/11/18

**Manager Contact:** Teresa Velarde, Manager of Internal Audit



**Subject:** Internal Audit Department Charter and Audit Committee Charter

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**Executive Summary:**

The Board approved charters require that the Internal Audit Department (IA) perform periodic reviews of both the Audit Committee Charter and the IA Charter, and make recommendations for any necessary updates and revisions. Attached are the charters presented for your review, discussion, further direction and final approval. No changes are proposed at this time.

The Audit Committee Charter documents the Audit Committee's purpose, composition, authority, and responsibilities. The IA Charter documents IAs mission, purpose, authority, and responsibilities. The purpose is to assist the Board and Audit Committee in fulfilling their oversight responsibilities for financial reporting, internal controls, and compliance with legal and regulatory requirements and to assist management by providing objective evaluations and recommendations to improve operations and achieve organizational goals.

Both charters follow the guidance set fort by the Institute of Internal Auditing (IIA) International Standards for the Professional Practice of Internal Auditing (Standards).

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**Staff's Recommendation:**

1. Reconfirm the Audit Committee Charter and the Internal Audit Department Charter; and
2. Direct staff to implement the charters.

---

**Budget Impact** Budgeted (Y/N): N Amendment (Y/N): N Amount for Requested Approval:

Account/Project Name:

N/A

**Fiscal Impact** (explain if not budgeted):

N/A

**Prior Board Action:**

On December 20, 2017, the Board of Directors reconfirmed the approved Audit Committee and the Internal Audit Department Charters.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

The Charters are consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment and Business Practices by documenting the Audit Committee's and the IAs purpose, authority and responsibilities.

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**Attachments:**

- Attachment 1 - Audit Committee Charter
- Attachment 2 - Internal Audit Department Charter



## **INLAND EMPIRE UTILITIES AGENCY**

### **Audit Committee Charter**

**Reconfirmed on December 19, 2018**

#### **PURPOSE**

The Audit Committee (Committee) is established under the authority of the Inland Empire Utilities Agency (IEUA or Agency) Board of Directors (Board) and reports directly to the Board. The primary purpose of the Committee is to assist the Board in fulfilling their oversight responsibilities for financial reporting, internal controls, and compliance with legal and regulatory requirements applicable to Agency operations.

While assisting the Board with these fiduciary duties, the Committee also provides an open avenue of communication between the Board, IEUA Management, the Internal Audit Department, and the external auditors. This advisory and oversight link provides the following benefits to the organization and stakeholders:

- Increased objectivity and credibility of financial reports.
- Increased management accountability.
- Support for measures to improve management performance and internal controls.
- Increased employee awareness of unethical, questionable, or illegal activities.
- Enhanced independence and effectiveness of the Internal Audit Department.
- Assurance that appropriate management action plans are implemented for audit findings and recommendations.

#### **COMPOSITION, COMPENSATION & TERM OF SERVICE**

The Committee shall consist of two members from the Board of Directors, each with equal voting rights, with one selected as the Committee Chairperson. The members will be appointed by the Board President.

The Audit Committee shall have access to at least one financial expert, an outside party with no voting rights, who will provide advisory and consulting duties and shall be compensated as agreed upon, in writing with the audit committee, the Board, Agency management and its designees.

All members of the Audit Committee shall possess or obtain a basic understanding of governmental financial reporting, accounting and auditing and shall have a requisite interest in financial reporting issues of the Agency. The financial expert shall be an individual with sufficient financial experience and interest to provide guidance and assistance to the Audit Committee. The financial expert should through both education and experience, and in a manner specifically relevant to the government sector, possess: 1) an understanding of generally accepted accounting principles and financial statements; 2) experience in preparing or auditing financial statements of comparable entities; 3) experience in applying such principles in connection with the accounting for estimates, accruals, and reserves; 4) experience with internal accounting controls; and 5) an understanding of Audit Committee functions.



**INLAND EMPIRE UTILITIES AGENCY**  
**Audit Committee Charter**  
**Reconfirmed on December 19, 2018**

The members of the Board serving on the Audit Committee shall be compensated in accordance with the guidelines established for the IEUA Board of Directors in Ordinance No. 98 adopted May 21, 2014, and as amended from time to time, entitled:

"Ordinance of the Inland Empire Utilities Agency, a Municipal Water District, San Bernardino County, California, establishing compensation/benefits and authorizing reimbursement of expenses for the Board of Directors and their appointed representatives to the Metropolitan Water District of Southern California Board of Directors and outside Committee Members."

The service term for each Committee member will be two years. Prior to term expiration, the Board President or their designee will conduct a review of Board Committee members' eligibility and the Board of Directors will conduct a review of the external/outside Committee member's eligibility. The Board President will then reconfirm the Committee members or select and confirm new members as needed. All activities and actions pertaining to selection or reconfirmation of Committee members will be documented by the Board, or their designee, and recorded in the next regularly scheduled IEUA Board of Directors' meeting minutes.

**AUTHORITY**

The Audit Committee has unrestricted access to all information and records, including IEUA personnel and documents. The Committee will have adequate resources to fulfill its oversight responsibilities, including the right to seek independent professional advice and counsel. The Committee is empowered to:

- Meet, as deemed appropriate and necessary, with IEUA Management and employees, the Manager of Internal Audit and audit staff, external auditors and legal counsel.
- Recommend to the Board the approval of the Internal Audit Department's Annual Audit Plan and any changes to the Plan or the Manager of Internal Audit duties.
- Authorize special audits and investigations into any matters within its scope of responsibility.
- Authorize an internal audit or review of any department or function under the control of the Board of Directors, or within the scope of influence of the IEUA.
- Recommend to the Board the appointment, compensation and scope of work of any public accounting firm employed by the IEUA.
- Recommend to the Board the approval of any auditing and consulting services.

**INLAND EMPIRE UTILITIES AGENCY**  
**Audit Committee Charter**  
**Reconfirmed on December 19, 2018**

- Review and recommend to the Board the external auditor’s audit scope and approach, ensuring that the scope:
  1. Is in compliance with Generally Accepted Auditing Standards (issued by the American Institute of Certified Public Accountants).
  2. Is in compliance with Government Auditing Standards (issued by the Government Accountability Office).
  3. Will include a Single Audit that will be performed, if required, subject to the Office of Management and Budget (OMB) Circular A-133.
  4. Will include an opinion on each major fund presented in the Agency’s financial statements.
- Review and recommend to the Board the approval of external auditors’ reports, along with Management’s written responses, when appropriate.
- Resolve any disagreements between Management, the Internal Audit Department, and the external auditors regarding financial or operational controls and reporting.
- Ensure corrective action is taken on internal accounting control weaknesses identified by the internal and external auditors.

**RESPONSIBILITIES**

The Audit Committee is chartered with performing oversight for the Board of Directors. In addition to reviewing this Charter annually and updating it as needed, the Committee has responsibilities in the areas of Financial Reporting, Internal Controls, the Internal Audit Department, the External Audit and external auditors, Compliance requirements, and Other Matters as provided in the following sections. The Committee has the overall responsibility to ensure the general requirements underlying these items are carried out. However, the Audit Committee has the flexibility and authority to determine and choose the best course of action and the best method for carrying out its responsibilities. The following items are best practice guidelines that may be employed:

Financial Reporting:

- Review annual financial statements and consider whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles.
- Advise the Board and management of any situations that would cause the Committee to believe the audited financial statements may contain material misstatements or omissions.
- Inquire of the General Manager and Chief Financial Officer (CFO) regarding the fiscal health of the Agency as well as the financial status of the Agency in relation to its adopted budget.
- Inquire of management, the Manager of Internal Audit, and the external auditors about whether significant financial, managerial, and operational information is accurate, reliable, complete, and timely.
- Inquire of Agency management, the Manager of Internal Audit, and the external auditors about significant risks or exposures facing the Agency; assess the steps management has

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taken or proposes to take to minimize such risks to the Agency; and periodically review compliance with such steps.

Internal Controls:

- Discuss with Agency management, the Manager of Internal Audit, and the external auditors the reliability and effectiveness of the Agency's internal control environment to mitigate risk, including information technology security and control.
- Discuss with Agency management, the effectiveness of the Agency's process for identifying and assessing significant risks and exposures, and the steps Agency management has taken to communicate, monitor and mitigate these risks.
- Understand the scope of the internal and external auditors' reviews of internal controls, and obtain and review reports of significant findings, recommendations, and Agency management's action plans to mitigate risks.
- Review all significant accounting policy changes submitted by Agency management with the Internal Audit Department, and/or the external auditors, and provide recommendations to the Board and Agency management.
- Periodically review Agency policies and procedures governing Board of Director and employee conduct, including conflict of interest, misconduct, fraud and other sensitive issues or non-compliance and recommend changes to the Board and Agency management as appropriate.
- Discuss with Agency management, the Manager of Internal Audit, and the external auditors whether adequate policies have been established and the Agency complies with policies, standards and applicable laws and regulations.
- Discuss with Agency management, the Manager of Internal Audit, and the external auditors whether significant legislative or regulatory issues impacting Agency operations are identified, recognized, communicated and appropriately addressed.
- Review with Agency management, the Manager of Internal Audit, and the external auditors the audit scope and plan of the Internal Audit Department and the external auditors. Address the coordination of audit efforts to assure the completeness of coverage, reduction of redundant efforts, and the effective use of audit resources.
- Review with Agency management and the Manager of Internal Audit:
  - Significant findings, recommendations, and management's responses thereto.
  - Any difficulties the Internal Audit Department encountered in the course of their audits, including any restrictions on the scope of their work or access to required information.
  - Any changes required in the scope of their internal audits.
  - The Internal Audit Department budget and staffing.
  - The Internal Audit Department Charter.
  - The Internal Audit Department's compliance with applicable standards (for example, Governmental Auditing Standards, or the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing).

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- Periodically review the Agency's Code of Conduct/Ethics Policy to ensure that it is adequate and up to date.
- Review with the Manager of Internal Audit and the Agency's general counsel the results of their reviews of compliance monitoring with the Code of Conduct/Ethics Policy.
- Review the procedures for the receipt, retention, and treatment of complaints received by the Agency regarding accounting, internal accounting controls, auditing matters, or suspected fraud that may be submitted by any party internal or external to the organization. Review any complaints that might have been received, the current status, and resolution if one has been reached.
- Review procedures for the confidential, anonymous submission by Agency employees of concerns regarding questionable accounting or auditing matters, or suspected fraud. Review any submissions that have been received, the current status, and the resolution if one has been reached.
- Inquire of Agency management, the Manager of Internal Audit, and the external auditors about significant risks or exposures facing the Agency. Assess the steps management has taken or proposes to take to communicate, manage, and minimize such risks to the Agency; and periodically review compliance with such steps.
- Review with the Manager of Internal Audit, and the external auditors:
  - The adequacy of the Agency's internal controls including computerized information system controls and security.
  - Any significant findings and recommendations of the Manager of Internal Audit, and the external auditors together with management's responses thereto.

Internal Audit Department:

- Request that the Agency's Manager of Internal Audit prepare the Audit Committee's meeting agendas designed to ensure that all of the responsibilities of the Audit Committee as described herein are addressed at least once a year.
- Ensure there are no unjustified restrictions or limitations placed on the Internal Audit Department.
- Review with the Board, General Manager, and the Manager of Internal Audit the Internal Audit Department Charter, Annual Audit Plan, staffing, budget, and organizational reporting structure to ensure they meet the Committee's goals, objectives, and responsibilities to the Board and Agency management.
- Review and recommend to the Board the approval of the Internal Audit Department's Annual Audit Plan and any significant changes that may occur during the year.
- Review, as needed, all internal audit reports, findings, and recommendations.
- Review and recommend to the Board the appointment, replacement, dismissal, or change in duties of the Manager of Internal Audit.
- Review the effectiveness of the Internal Audit Department's function, including compliance with The Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing (Standards)*.

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- Conduct the Manager of Internal Audit performance appraisals and recommend Manager of Internal Audit merit increases and incentive compensation to the Board.
- Hold management accountable for the appropriate resolution of Internal Audit Department's recommendations and ensure that disposition has been determined for Audit Department recommendations from the prior year. If management has determined that Internal Audit Department recommendations need not be implemented because of adequate compensating controls, based upon a cost/benefit analysis or because the risks are at an acceptable level in accordance with the Agency's goals and objectives, evaluate the reasonableness of such determinations and advise the Board of Directors accordingly.

External Audit:

- Review the external accounting firm's proposals and fee structure, and provide recommendations and external audit plan approval to the Board.
- Review the external auditors' proposed audit scope and approach to ensure emphasis is placed on areas the Committee, Board, Management and external auditors believe special attention is warranted and that efforts are coordinated with the Internal Audit Department.
- Evaluate the external auditor's independence, and if needed, recommend the Board take the appropriate action to satisfy the Agency with the external auditor's independence.
- Review the effectiveness of the external auditor's work and provide the Board with the final approval to continue or discharge the current firm.
- Communicate to the external auditors areas of internal control with a heightened risk of fraud or error, any known or suspected employee fraud, management fraud, pressures or incentives for management to distort reported financial results, or any known or suspected accounting errors or misstatements.
- Communicate to the external auditors any areas of concern applicable to the external auditors' scope of responsibility (fraud, errors, or misstatements involving amounts significant to the financial statements taken as a whole).
- Review all significant written communications between the external auditors and management, such as any management letter comments or schedule of unadjusted differences (i.e. management letter, schedule of audit, or significant unusual or non-routine items, etc.)
- Hold management accountable for the appropriate resolution of external auditor recommendations, ensure that disposition has been determined for auditor recommendations from the prior year, and where management has determined that auditor recommendations need not be implemented because of adequate compensating controls or based upon a cost/benefit analysis, evaluate the reasonableness of such determinations and advise the Board of Directors accordingly.
- Review with the external auditor that performs the financial statement audit:
  - All critical accounting policies and practices used by the Agency.
  - All alternative treatments of financial information within generally accepted accounting principles that have been discussed with the Agency's management, the ramifications of each alternative, and the treatment preferred by the Agency.

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- Review with management and the external auditors:
  - The Agency's annual financial statements, related notes, and management's discussion and analysis.
  - The external auditors' audit of the financial statements and their report thereon.
  - The external auditors' judgments about the quality, not just the acceptability, of the Agency's accounting principles as applied in its financial reporting.
  - The external auditors' single audit of the federal awards administered by the Agency and their reports thereon.
  - Any significant changes required in the external auditors' audit plan.
  - Any serious difficulties or disputes with management encountered during the audit.
  - Matters required by Statement on Auditing Standards (SAS) No. 114, The Auditor's Communication With Those Charged With Governance; U.S. Government Accountability Office's (GAO) Government Auditing Standards; and the U.S. Office of Management and Budget's Circular A-133 related to the conduct of the audits.
  
- Evaluate whether or not the performance of any extra work or special projects requested of the Agency's external audit firm violates the independence standards of the GAO.
  
- Recommend that the Board of Directors approve the Agency's annual financial report, if the Committee believes that they are fairly presented, to the extent such a determination can be made on the basis of reading the financial statements and discussions with Agency management and the external auditors.

Compliance:

- Review with management and the external auditors the Agency's internal controls for identifying laws and regulations affecting operations, risks for non-compliance including litigation and fines, and implementing controls to prevent recurrence.
- Review the reports, findings and recommendations of any audits or examinations performed by external agencies.
- Review with Agency counsel any legal, tax, or regulatory matters that may have a material impact on the Agency's operations and its financial statements.

Other Matters:

- The Audit Committee shall engage consultants, specialists, or other audit firms as necessary to assist the committee in the discharging of its responsibilities.
- The Audit Committee shall direct the Manager of Internal Audit to review the Agency's Audit Committee Charter annually in order to advise the Audit Committee as to needed or recommended changes.

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- The Audit Committee shall report to the Board of Directors issues discussed in the Audit Committee meeting that, in the judgment of the committee, warrant communication to the Board to help the Board fulfill its oversight responsibility.

**ETHICAL CONDUCT**

Audit Committee members are prohibited from participating in any event or matter that would create, or appear to create, a conflict of interest. These activities may include having a significant financial interest or operational influence in vendors, contractors, customers or competitors of IEUA. Any activity creating an actual or apparent conflict should be immediately reported to the Audit Committee Chair and the Board of Directors for resolution.

**MEETINGS**

The Audit Committee shall meet no less than quarterly.

The Manager of Internal Audit will schedule and coordinate all quarterly Committee meetings, and will call additional meetings if requested to do so by any Committee member, the Board, the General Manager or the external auditors. The Manager of Internal Audit will provide all Committee members with written notification and an agenda at least 72 hours before the scheduled quarterly meetings or as soon as reasonably possible for any special meetings, all in accordance with the requirements of the Brown Act.

The General Manager and Manager of Internal Audit will be provided written notification and an agenda at least 72 hours before quarterly and special Committee meetings. These parties will be provided an opportunity to attend and speak at all Committee meetings but are not considered members of the Committee and have no voting rights.

The Board or the General Manager will provide administrative support to the Audit Committee and its meetings, including agenda preparation, participant notification, and documentation of meeting minutes.



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**Internal Audit Department Charter**  
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**PURPOSE**

This Charter establishes the authority and responsibilities of the Inland Empire Utilities Agency (IEUA or Agency) Internal Audit Department.

The purpose of the Internal Audit Department (Internal Audit or IA) is to assist the Board of Directors (Board) and the Audit Committee (Committee) in fulfilling their oversight responsibilities for financial reporting, internal controls, and compliance with legal and regulatory requirements applicable to Agency operations and to provide objective assurance about the Agency's operations. The purpose of the Internal Audit Department is also to provide as a service to management and as a way of adding value to improve the operations of the Agency, consulting services, analyses, recommendations, and information concerning operations.

The Internal Audit Department reports to the Board through the Committee and is an independent function from management. The responsibilities of the Internal Audit Department are defined in this Charter.

**MISSION**

The Internal Audit Department seeks to improve the operations of the Agency by providing unbiased and objective assessments and recommendations to ensure Agency resources are efficiently and effectively managed in order to achieve Agency goals and objectives. The Internal Audit Department will help the Agency achieve its goals and objectives, improve operations, and instill confidence among its employees and the citizens it serves by providing independent, objective assurance and consulting services and provide management and the Board of Directors with recommendations to:

- Promote and strengthen a sound control environment.
- Improve Agency risk management, control and governance.
- Promote the Agency's vision and mission through a high degree of professionalism.
- Establish adequate policies and procedures and to comply with them.
- Encourage efficient use of Agency resources.
- Protect and safeguard Agency assets.
- Mitigate risks related to fraud, waste and abuse.
- Hold staff accountable for the resolution of audit recommendations.



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**VALUES**

The Internal Audit Department has adopted the following value statements that form the foundation for the Internal Audit Department.

**Independence**

As documented in this Charter, the Internal Audit Department is an independent function of the Agency for the purpose of providing independent, objective, unbiased opinions.

**Integrity**

The Internal Audit Department staff is required to maintain the highest degree of integrity in conducting its audit work.

**Professionalism**

The Internal Audit Department will perform its work with due professional care at all times.

**Collaboration**

The Internal Audit Department will foster collaboration with all Agency personnel to promote teamwork within the various business units.

**ACCOUNTABILITY**

The Internal Auditor is the Manager of the Internal Audit Department. The Internal Auditor is accountable and reports to the Board of Directors, through the Audit Committee appointed by the Board. The intent of this reporting relationship is to establish the Internal Audit Department's independence to function effectively and in accordance with best practices.

Annually, the Internal Auditor will submit an Audit Plan for the following fiscal year to the Committee for review and approval by the Board. Quarterly status reports of significant Internal Audit activities shall be presented at Committee meetings and shall include a status of major activities and any changes or deviations from the approved audit plan. The Internal Auditor has the authority to deviate from the approved annual Audit Plan, when necessary and if warranted by unforeseen issues that require immediate attention. Significant changes to the annual Audit Plan shall be reported to the Committee and to the Board.

Annually, a listing of audit recommendations provided by the Internal Audit Department and the corresponding corrective actions taken by Agency management will be presented to the Committee.

The Internal Auditor shall inform the Committee on the sufficiency of department staffing and resources.

Annually, the Internal Audit Department must also ensure the Committee fulfills their responsibilities as required under the Audit Committee Charter. Additionally, IA must ensure the

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Internal Audit Department Charter and the Audit Committee Charter are reviewed annually and updated as necessary.

**INDEPENDENCE**

Independence is essential to the effectiveness of internal auditing and is strongly emphasized by the Institute of Internal Auditors (IIA), the American Institute of Certified Public Accountants (AICPA), and the U. S. General Accountability Office (GAO). The Internal Audit Department should be free, both in fact and appearance, from impairments to independence.

The Internal Auditor and the Internal Audit Department shall have no direct responsibility or authority over the day-to-day operations of the Agency or any activities they would audit. The Internal Audit Department shall not engage in any activities that would compromise their independence or would appear to be a conflict of interest.

To ensure independence is maintained, the Internal Audit Department shall report administratively to the Agency's General Manager or his designee and functionally to the Board through the Audit Committee, as stated under "Accountability".

**AUTHORITY**

The Internal Audit Department's authority is derived from the direction of management and the Agency's Board through the Committee as set forth in this Charter. Specifically, the Internal Audit Department is authorized to:

- Audit all areas of the Agency's operations. Perform audits of the Regional Sewage Service Contract agreement between the Agency and the Regional Contracting Agencies (RCA), including performing necessary audit field work and review of required supporting information and documents of the RCA's.
- Have unrestricted access to all Agency functions, records, information, property, and personnel.
- Have full and free access to Agency management, the Board of Directors and the Audit Committee.
- Allocate resources, set frequencies, select subjects and set objectives, determine the scope of work, and apply the techniques required to accomplish audit objectives, without interference from management.
- Obtain the necessary assistance of Agency staff where Internal Audit performs audits, as well as other specialized services from within or outside the organization.
- Obtain regular updates from management and Agency legal counsel regarding compliance matters affecting operations.

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- Establish procedures for the receipt, retention, and treatment of comments or complaints received regarding Agency accounting, operations, or internal controls, including those matters received through Ethics Point or other channels.
- Investigate and make recommendations to the Board, Audit Committee, Executive Management and/or Human Resources, as appropriate about reported instances of inappropriate activities, misappropriation of funds or fraud, including those matters received through Ethics Point or other channels.
- Obtain additional internal or external resources when the Internal Audit Department does not possess all the necessary skills or experience to complete an audit or review, subject to the approval of the Audit Committee and when necessary from the Board.

The Internal Auditor and the Internal Audit Department staff are **not** authorized to:

- Have any responsibilities or authority for any of the activities they audit or perform any operational duties for the Agency or its affiliates.
- Initiate or approve accounting transactions external to the Internal Audit Department.
- Direct the activities of any organization employee not employed by the Internal Audit Department, except to the extent such employees have been appropriately assigned to auditing teams or to otherwise assist the Internal Auditor in audit activities.
- Participate in any activities that would compromise their objectivity and independence or any activities that would appear to be a conflict of interest.
- Draft or write any Agency Policies and Procedures, or Standard Operating Procedures outside the Internal Audit Department.

**RESPONSIBILITIES**

The responsibilities of the Internal Audit Department consist of the examination, review and evaluation of the reliability and effectiveness of the Agency's governance, risk management, internal controls, and the quality of operations and systems utilized in carrying out the Agency's goals and objectives. The Internal Audit Department has the responsibility to perform its work with due professional care.

The Internal Auditor and audit staff shall be responsible for, but not limited to, incorporating periodically, as deemed necessary and/or in agreement with the annual audit plan, activities in the following key areas:

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Internal Controls

- Assess the adequacy of internal controls in place and determine if they are operating effectively.
- Review the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information.
- Review compliance with Agency policies and procedures, and with applicable laws and regulations which could have a significant impact on the operations of the Agency.
- Evaluate the means implemented and the extent Agency assets are identified, tracked, and safeguarded against misuse, unauthorized use, theft and loss.
- Review operations, programs or projects to determine if results are consistent with established objectives and goals.
- Assess the efficient and effective use of Agency resources and the controls over those resources.
- Provide consulting services on current and proposed policies, procedures, and systems to ensure adequate internal controls are considered and maintained.
- Provide consulting services to evaluate contractual agreements and determine if compliance exists.
- Use documents and information obtained from Departments in the same prudent manner as by those employees who are normally accountable for them.
- Perform “Follow-up Procedures” on all management responses to audit findings and recommendations to determine if internal control improvements and/or corrective actions have been implemented.
- Perform “Follow-up Procedures” on known external auditor’s or regulatory agency’s reported findings and recommendations to determine if internal control improvements and/or corrective actions have been implemented.
- Conduct special projects, studies, or audits as requested by management, the Audit Committee and the Board of Directors.
- Ensure known or suspected acts of fraud or improprieties involving Agency funds, property and employees are investigated in coordination with the Agency’s legal counsel, Human Resources and senior management.

Audit

- Conduct work in accordance with the *International Standards for the Professional Practice of Internal Auditing (Standards)* and Code of Ethics as required by the Institute of Internal Auditors (IIA).
- Develop a comprehensive and flexible annual audit plan using an appropriate risk-based methodology, including consideration of any risks or control concerns identified by management, the Audit Committee, the Board or the external auditor and submit that plan, as well as any periodic updates, to the Audit Committee and the Board for review and approval.
- Implement the annual audit plan, as approved, including as appropriate, any special tasks or projects requested by management, the Audit Committee, or the Board.

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- Provide Agency management with reasonable notice of intent to audit and with information about the audit process, except in those situations that warrant an unannounced audit.
- Consider the scope of work of the external auditors for the purpose of providing optimal audit coverage, at a reasonable cost, without redundancy or omission.
- Perform advisory services to assist the Agency in achieving its objectives; for example, reviewing controls, systems or process designs prior to implementation and providing recommendations to improve and enhance the effectiveness of controls and operations.
- Maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this Charter.
- Maintain technical competence through continuing education supported by Department goals and budgets.
- Maintain a quality assurance program whereby the Internal Auditor assures the operations of the Internal Audit Department.
- Perform a periodic review of the Internal Audit Department Charter and the Audit Committee Charter. Additions, deletions, or other changes to the Charters are subject to the approval of the Board of Directors.

Reporting

- Issue quarterly reports to and meet with the Audit Committee and management to summarize results of audit activities and status of findings and recommendations.
- Provide written status reports of Audit Department activity to the Audit Committee quarterly. The Quarterly Audit Committee Status Report will include a summary of significant internal and external audit activities for the reporting period. The Status Report will be submitted for approval by the Committee and the approved Status Report will be presented at the next regularly scheduled IEUA Board of Directors meeting.
- Provide a written report listing all outstanding recommendations with expected resolution dates annually. The report of all outstanding recommendations will be submitted for approval by the Audit Committee and provided at the next regularly scheduled IEUA Board of Directors meeting.
- Keep the Audit Committee informed of emerging trends and successful practices in internal auditing, as well as new audit requirements, when applicable.
- Immediately report any reservations concerning control risks, accounting or disclosure practices to the Audit Committee.
- If during the scope and progress of its reviews and audits, the Internal Audit Department identifies opportunities for improving the Agency's control environment, processes and procedures to ensure an environment where assets are safeguarded, internal controls are in place and risk is mitigated, these recommendations will be communicated to the appropriate level of management and the Audit Committee as timely as necessary and in the written report.
- When deemed appropriate and necessary, provide responsible unit management with a preliminary written report of the results and recommendations of each audit, analysis, review, or investigation performed and sufficient time to respond in writing with a plan of

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corrective actions. Sufficient time to reply would be 30 to 60 days from the date of the final report.

- Provide final reports of results and recommendations for each review and audit performed, including the responsible management's responses to the Audit Committee, Executive management and responsible management. All final reports with any responses will be submitted to the Committee for discussion and to the Board for approval. However, in cases where the auditee does not provide a response that is timely or deemed responsive, the final report will not be held up pending a response and will be submitted for discussion during the next scheduled Audit Committee meeting.

**STANDARDS OF ETHICAL CONDUCT**

The Internal Audit Department staff have a responsibility to govern themselves so that their independence is not open to question. To this end, adherence to the Institute of Internal Auditor's "Code of Ethics" will ensure integrity, objectivity, confidentiality and competency in Internal Audit work performed on behalf of the Agency's Board and Audit Committee. These principles include:

- Performing internal auditing services in accordance with the *International Standards for the Professional Practice of Internal Auditing (Standards)*.
- Exercising honesty, diligence, and responsibility in performing duties.
- Observing the law and making disclosures expected by the law and the profession.
- Not knowingly being a party to any illegal activity, or engage in acts that are discreditable to the profession of internal auditing or to the Agency.
- Respect and contribute to the legitimate and ethical objectives of the Agency.
- Not participating in any activity or relationship that may impair, or be presumed to impair, unbiased assessments, including activities or relationships that may be in conflict with the interests of the Agency.
- Not accepting anything that may impair or be presumed to impair professional judgment.
- Disclosing all material facts known that, if not disclosed, may distort the reporting of activities under review.
- Being prudent in the use and protection of information acquired in the course of duties.
- Not using information for personal gain or in any manner that would be contrary to the law or detrimental to the legitimate and ethical objectives of the Agency.
- Engaging in only those services or audit activities for which Internal Audit staff have the necessary knowledge, skills, and experience.
- Continually improving staff proficiency, and the effectiveness and quality of services.

**MANAGEMENT RESPONSIBILITIES**

It is the responsibility of the Board of Directors and senior management to foster a control environment that supports the Internal Audit Department's objectives and independence within the

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Inland Empire Utilities Agency. The existence of the Internal Audit Department does not diminish Agency management's financial and operational responsibilities for prudent execution and control of activities, including their responsibilities for the periodic evaluation of risk, control, and governance systems.

Management's responsibilities include:

- Providing Internal Audit with its full support and cooperation at all operating levels, including full and complete access to all records, property, and staff relative to their assigned areas of responsibility, and active participation in the audit process.
- Immediately notifying the Manager of Internal Audit and the Audit Committee of any known or suspected cases of illegal, criminal or unethical activity involving Agency funds, property, employees, or any activity which appears to present a conflict of interest.
- Timely notification to Internal Audit of any new or proposed modifications to Agency systems, procedures, operations or services, ensuring controls are built into the new or modified processes.
- Providing the Internal Audit Department with written responses to all audit findings and recommendations, including action plans, responsible employees, and targeted resolution dates or the acceptance of the risks identified.
- Providing the Internal Audit Department with adequate budget, staffing, assistance from staff of audited Departments, and the tools needed for the Internal Audit Department to execute its duties as defined in this Charter.

**CONSENT  
CALENDAR  
ITEM**

**2G**



**Date:** December 19, 2018

**To:** The Honorable Board of Directors

**Committee:** Audit Committee

**From:** Halla Razak, General Manager

HHR

12/11/18

**Executive Contact:** Kathy Besser, Executive Manager of Ext. Aff. & Policy Dev./AGM

**Subject:** Fiscal Year (FY) 2017/18 Single Audit Report for Federal Grant Programs

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**Executive Summary:**

The Single Audit Act and the Office of Management and Budget (OMB) Uniform Guidance require each non-federal entity that expends \$750,000 or more of federal grants to undergo an annual independent audit. The objectives of the Single Audit are to determine whether there are issues that could have a direct and material effect on internal control over compliance for each major federal grant award, and eligibility of federal grant award expenditures. In FY 2017/18, IEUA incurred \$4,410,969.94 in total federal costs for two federal programs - USBR \$602,539.18 and EPA \$3,808,430.76. The Agency's independent external audit firm, Lance Soll & Lunghard LLP, performed the annual single audit for the fiscal year ended June 30, 2018. The Single Audit Report for the FY 2017/18 expressed the following opinion over the Agency's expense of Federal funds:

1. IEUA is in compliance with each major federal grant award program.
2. No significant deficiencies in internal control over major federal award programs.
3. No findings or questioned costs to major federal award programs.
4. IEUA qualifies as a "Low-Risk Auditee."

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**Staff's Recommendation:**

1. Approve the Single Audit Report for FY 2017/18; and
2. Direct staff to distribute the report, as appropriate, to the State Controller's Office, the Federal Audit Clearing House, and other interested parties.

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**Budget Impact** *Budgeted* (Y/N): N *Amendment* (Y/N): N *Amount for Requested Approval:*

*Account/Project Name:*

*Fiscal Impact (explain if not budgeted):*

The audit fee for the Single Audit Report is within the Agency's FY 2018/19 budget in the Administrative Services (GG) fund (100000/111100/520110) under the professional fees and services category.

Full account coding (internal AP purposes only):

- - -  
- - -

Project No.:

**Prior Board Action:**

On December 20, 2017 the Board reviewed the FY 2016/17 Single Audit Report presented to the Audit Committee on December 11, 2017.

On March 15, 2017, the Board reviewed the FY 2015/16 Single Audit Report presented to the Audit Committee on March 6, 2017.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

The IEUA FY 2017/18 Single Audit Report is consistent with the Agency's Business Goal of fiscal responsibility in providing transparent communication regarding federal grant award programs.

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**Attachments:**

IEUA Single Audit Report ending June 30, 2018

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INLAND EMPIRE UTILITIES AGENCY

SINGLE AUDIT REPORT

JUNE 30, 2018

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INLAND EMPIRE UTILITIES AGENCY

SINGLE AUDIT REPORT

JUNE 30, 2018

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors  
Inland Empire Utilities Agency  
Chino, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund, and the aggregate remaining fund information of the Inland Empire Utilities Agency (the Agency), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated **December 19, 2018**.

#### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.





CPAs AND ADVISORS

To the Board of Directors  
Inland Empire Utilities Agency  
Chino, California

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Lance, Soll & Luykhard, LLP*

Brea, California  
December 19, 2018

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON THE SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors  
Inland Empire Utilities Agency  
Chino, California

**Report on Compliance for Each Major Federal Program**

We have audited the Inland Empire Utilities Agency (the Agency)'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Agency's major federal programs for the year ended June 30, 2018. The Agency's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of Agency's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Agency's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the Inland Empire Utilities Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.



CPAs AND ADVISORS

To the Board of Directors  
Inland Empire Utilities Agency  
Chino, California

### **Report on Internal Control over Compliance**

Management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Agency's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

*A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.*

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

### **Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the Agency, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Agency's basic financial statements. We issued our report thereon dated December 19, 2018, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.





CPAs AND ADVISORS

To the Board of Directors  
Inland Empire Utilities Agency  
Chino, California

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Lance, Soll & Lughard, LLP*

Brea, California  
December 19, 2018

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INLAND EMPIRE UTILITIES AGENCY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<u>U.S. Department of the Interior</u>				
Direct programs:				
Title XVI Water Reclamation and Reuse	15.504	N/A	\$ 36,945	\$ 252,431
Reclamation States Emergency Drought Relief	15.514	N/A	-	12,235
Water Conservation Field Services *	15.530	N/A	-	337,873
<b>Total U.S. Department of the Interior</b>			<b>36,945</b>	<b>602,539</b>
<u>Environmental Protection Agency</u>				
Passed through the State of California Water Resources Control Board:				
Capitalization Grants for Clean Water State Revolving Funds *	66.458	C-06-8105-120	-	3,308,431
	66.458	C-06-8173-110	-	500,000
<b>Total Environmental Protection Agency</b>			<b>-</b>	<b>3,808,431</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$ 36,945</b>	<b>\$ 4,410,970</b>

\* Major Program

Note a: Refer to Note 1 to the schedule of expenditures of federal awards for a description of significant accounting policies used in preparing this schedule.

Note b: There were no federal awards expended in the form of noncash assistance and insurance in effect during the year.

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**INLAND EMPIRE UTILITIES AGENCY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2018**

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**Note 1: Summary of Significant Accounting Policies Applicable to the Schedule of Expenditures of Federal Awards**

**a. Scope of Presentation**

The accompanying schedule presents only the expenditures incurred by the Inland Empire Utilities Agency (the Agency), that are reimbursable under federal programs of federal financial assistance. For the purposes of this schedule, federal awards include both federal financial assistance received directly from a federal agency, as well as federal funds received indirectly by the Agency from a non-federal agency or other organization. Only the portion of program expenditures reimbursable with such federal funds is reported in the accompanying schedule. Program expenditures in excess of the maximum federal reimbursement authorized or the portion of the program expenditures that were funded with state, local or other non-federal funds are excluded from the accompanying schedule.

**b. Basis of Accounting**

The expenditures included in the accompanying schedule were reported on the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are incurred when the Agency becomes obligated for payment as a result of the receipt of the related goods and services. Expenditures reported included any property or equipment acquisitions incurred under the federal program. The Agency has elected not to use the 10-percent *de minimis* indirect cost rate allowed under the Uniform Guidance.

**Note 2: Reconciliation of State Water Resource Control Board and GAAP Expenditure Reporting**

For the year ended June 30, 2018, the following adjustments were necessary to reconcile the federal awards provided to the Agency for the Capitalization Grants for Clean Water State Revolving Funds federal awards program per the State Water Resource Control Board's records to the federal expenditures reported by the Agency under accounting principles generally accepted in the United States of America (GAAP).

Federal awards per the State Water Resource Control Board:	
C-06-8105-120	\$ 3,308,431
C-06-8173-110	<u>500,000</u>
<b>Total Federal Expenditures of the Capitalization Grants for Clean Water State Revolving Funds Program (GAAP)</b>	<b><u><u>\$ 3,808,431</u></u></b>

INLAND EMPIRE UTILITIES AGENCY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2018

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SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:

Unmodified Opinion

Internal control over financial reporting:

- Significant deficiencies identified?                    \_\_\_yes            Xno
- Material weaknesses identified?                    \_\_\_yes            Xnone reported

Noncompliance material to financial statements noted?

\_\_\_yes            Xno

Federal Awards

Internal control over major programs:

- Significant deficiencies identified?                    \_\_\_yes            Xno
- Material weaknesses identified?                    \_\_\_yes            Xnone reported

Type of auditors' report issued on compliance for major programs:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?

\_\_\_yes            Xno

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

15.530  
66.458

Water Conservation Field Services  
Capitalization Grants for Clean Water State Revolving Funds

Dollar threshold used to distinguish between type A and type B program

\$750,000

Auditee qualified as low-risk auditee?

Xyes            \_\_\_no

**INLAND EMPIRE UTILITIES AGENCY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2018**

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**SECTION II - FINANCIAL STATEMENT FINDINGS**

No matters were reported.

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No matters were reported.

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**INLAND EMPIRE UTILITIES AGENCY**

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2017**

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**SECTION IV – STATUS OF PRIOR YEAR FINDINGS**

There were no findings reported for the fiscal year ended June 30, 2017.

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**CONSENT  
CALENDAR  
ITEM**

**2H**

**Date:** December 19, 2018

**To:** The Honorable Board of Directors

**From:** <sup>for</sup> Halla Razak, General Manager 

**Committee:** Engineering, Operations & Water Resources

12/12/18

**Executive Contact:** Randy Lee, Executive Manager of Operations/AGM

**Subject:** Contract Award for Bulk Supply of Aluminum Sulfate

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**Executive Summary:**

Aluminum Sulfate is used during the wastewater treatment process to assist with coagulation of solids in the water prior to filtration. Coagulation of the solids causes the small particles to stick together resulting in larger particles that are easier to separate from the process stream. The addition of a coagulant prior to filtration is required per Title 22 regulation.

The current supply contract with Chemtrade Corporation, will expire on December 31, 2018.

Thatcher Company of California has proposed a price of \$336.64 per dry ton which is 3.5% more than the current contract price. Thatcher Company of California supplied our aluminum sulfate prior to Chemtrade and met all Agency expectations. Therefore, staff recommends that the Board approve the issuance of a two-year contract to Thatcher Company of California. Under the proposed contract, pricing will be fixed at the aforementioned rate for an initial two-year period. Three potential one-year options are also provided for under the contract, provided that both parties can reach mutual agreement on option pricing.

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**Staff's Recommendation:**

1. Approve Contract No. 4600002660 to Thatcher Company of California, establishing a two-year contract for the supply of Aluminum Sulfate with options for three additional one-year extensions, for a potential contract term of five years; and
2. Authorize the General Manager to execute the contract with three potential contract extensions.

---

**Budget Impact** *Budgeted* (Y/N): Y *Amendment* (Y/N): N *Amount for Requested Approval:*

**Account/Project Name:**

Aluminum Sulfate expenditures will be funded from fiscal year Regional Wastewater Operations and Maintenance chemical budget for each individual water recycling facility.

**Fiscal Impact** (explain if not budgeted):

Full account coding (internal AP purposes only):

- - -  
- - -

Project No.:



**Prior Board Action:**

On November 16, 2016, the Board of Directors awarded a two-year contract to Chemtrade with options for three additional one-year extensions.

On October 19, 2011, the Board of Directors awarded a five-year contract to Thatcher Company of California.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

The contract supports the IEUA's Business Goal of Wastewater Management specifically the Water Quality Asset Management that IEUA will ensure that Agency systems are planned, constructed and managed to protect public health, the environment, and meet anticipated regulatory requirements.

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**Attachments:**

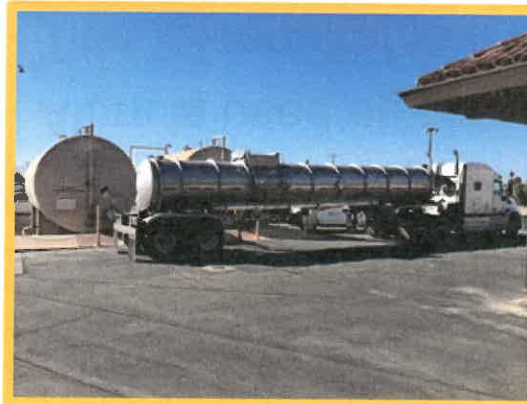
Attachment 1 - Powerpoint

Attachment 2 - Contract No. 4600002660

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# Attachment 1

# Contract Award for Aluminum Sulfate



# Filtration



- IEUA uses Aluminum Sulfate (Alum) to improve the efficiency of Tertiary filtration.
  - Alum is used as coagulation prior to Tertiary filtration.
  - Title 22 requirement for recycled water.
- The current contract expires in December 2018

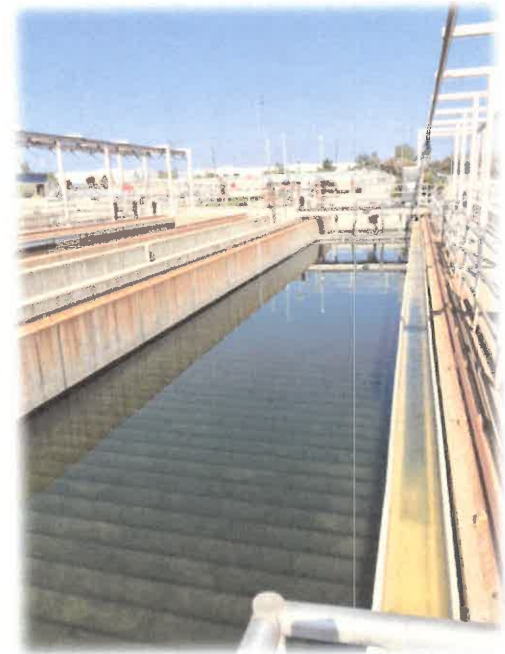
# Solicitation Process

- Request for Proposals were issued on November 5, 2018.
  - 39 Vendors were contacted
  - 2 bidders
  - 1 “No Bid” letter
- RFPs were evaluated on:
  - Proposed Price
  - Timely Delivery
  - Past Performance
  - Exceptions to the RFP
  - Proposal accuracy and completeness
- Thatcher Company of California was determined to provide the best value to the Agency



# Bid Results

Name	Price (\$\$/dry ton)
<b>Thatcher Co.</b>	<b>\$336.64</b>
<b>Chemtrade</b>	<b>\$485.00</b>
<b>Univar</b>	<b>Submitted a "No Bid" letter</b>



## Recommendation

- Approve Contract No. 4600002660 to Thatcher Company of California, establishing a two-year contract for the supply of Aluminum Sulfate with options for extensions up to three additional years, for a potential contract term of five years; and
- Authorize the General Manager to execute the contract with potential contract extensions.

*The supply of Aluminum Sulfate aligns with the Agency's Wastewater Management goal to maximize recycled water use and meeting Basin Plan and regulatory water quality standards in a fiscally prudent and environmentally sustainable manner.*

# Attachment 2





**CONTRACT NUMBER: 4600002660  
FOR  
SUPPLY OF ALUMINUM SULFATE**

This CONTRACT (Contract), is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2018, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to as Agency), and Thatcher Company of California of Sacramento, CA, (hereinafter referred to as Supplier), for supply of Aluminum Sulfate.

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties agree as follows:

- A. **PROJECT MANAGER ASSIGNMENT:** All technical direction related to this Contract shall come from the designated Project Manager. Details of the Agency's assignment are as follows, or as provided to the Supplier in writing at a future date:

Project Manager: Scott Oakden  
Deputy Manager of Operations  
Location: 6075 Kimball Avenue  
Chino, CA 91708  
Telephone: (909) 993-1922  
Fax: (909) 993-1987  
Email: [soakden@ieua.org](mailto:soakden@ieua.org)

- B. **SUPPLIER ASSIGNMENT:** Special inquiries related to this Contract and the effects of this Contract shall be referred to the following:

Supplier Representative: Michael Walker  
Address: 8625 Unsworth Avenue  
Sacramento, CA 95828  
Telephone: (916) 389-2517  
Facsimile: (916) 389-2516  
E-mail: [Michael.walker@tchem.com](mailto:Michael.walker@tchem.com)

- C. **ORDER OF PRECEDENCE:** The documents referenced below represent the Contract Documents. Where any conflicts exist between the general terms and conditions, addenda, attachment(s), or other contractual documents, the governing order of precedence shall be as follows:

1. Amendment(s) to Contract No. 4600002660.
2. Contract No. 4600002660 General Terms and Conditions.
3. Agency Request for Proposal No. RFP-SM-18-028
4. Supplier's Proposal dated November 14, 2018.

D. **SCOPE OF WORK:**

Supplier product, services, and responsibilities shall include and be in accordance with the following:

**PRODUCT REQUIREMENTS:** All aluminum sulfate supplied against this contract shall be of a minimum 48% solution. Additionally, all product delivered shall meet American Water Works Association (AWWA) standard specifications for Purified Liquid Aluminum Sulfate AWWA No. B403- 70 for wastewater treatment and shall comply in all respects with Federal, State, and local rules and regulations in effect at the time of delivery.

**ESTIMATED QUANTITIES:** The Supplier shall supply bulk aluminum sulfate to be used by the Agency during the term of any Contract entered into. The Agency estimates its aggregate annual usage of aluminum sulfate to be approximately 400 dry tons. Regardless, the Agency shall not be obligated to purchase any specific quantities and reserves the right to purchase either more or less product at the fixed unit price quoted.

**SHIPPING INSTRUCTIONS:** Shipments shall be made within three calendar days subsequent to receipt of either a verbal or written (e-mailed) shipping order from the Agency. Orders will be placed on an as-needed basis to suit the Agency's requirements throughout the Contract period. It is anticipated that deliveries will be made in loads ranging between 2 to 28 tons. The Agency may request to have loads split between Tertiary Treatment Plant No. 1 and Tertiary Treatment Plant No.4, as well as between Carbon Canyon Wastewater Facility and Regional Plant No. 5.

**DELIVERY LOCATIONS:** Aluminum Sulfate shall be delivered to the following locations:

<b><u>LOCATION</u></b>	<b><u>ESTIMATED ANNUAL USAGE</u></b>
Tertiary Plant No. 1 2662 E. Walnut Avenue Ontario, California 91761	260 Tons
Carbon Canyon Wastewater Recycling Facility 14950 Telephone Avenue Chino, CA 91708	35 Tons

Tertiary Plant No. 4  
12811 Sixth Street  
Rancho Cucamonga, California 91729

100 Tons

Regional Plant No. 5  
6063 Kimball Avenue  
Chino, CA 91708

5 Tons

The Agency reserves the right to add any additional locations as may be required. Any additional location shall receive the same product, service, pricing, etc. as required by this Contract.

**LOADING AND UNLOADING:** Upon arrival the delivery person will report to the Operations building receptionist, upon notification, an Agency operator will observe and approve all loading and unloading of shipments. The Supplier shall allow a reasonable period of time up to one-half hour, between notification of clerk and approval by Agency operators to unload shipment. Procedures for loading and unloading of all shipments shall comply with Cal-OSHA and AWWA Standards. Loading and unloading of all shipments will not commence without a Agency Operator present. The Supplier's delivery equipment must be fully compatible with Agency facilities and equipment. Deliveries shall be executed without any spillage of material. Any spilled material; however, minor, shall immediately be contained and properly removed by the Supplier. Any damage or disfigurement to Agency property caused by a spill shall be corrected by the Supplier immediately.

**PRODUCT SAMPLE:** The Agency will require, on an as-needed basis, that a sample of the product be collected by Agency personnel prior to unloading. The amount of sample required will be approximately one quart. Suppliers equipment must accommodate for the collection of the sample without causing the spilling or splashing of product.

**TERMINATION:** The Agency may reject delivery or terminate the Contract if the quality of the delivered aluminum sulfate does not meet the product specifications. In the event delivered product is rejected for failure to meet the product specifications, it shall be the sole responsibility of the Supplier to immediately remove said product and provide acceptable replacement product at the sole expense of the Supplier. The Agency may terminate the Contract should two or more deliveries of aluminum sulfate be rejected in a one-year period.

**EMERGENCY TELEPHONE NUMBER:** The Supplier shall provide a telephone number(s) where a representative may be contacted 24 hours a day, seven days a week in the event of an emergency.

**SAFETY DATA SHEETS:** The Supplier shall provide a copy of their product's Safety Data Sheet (SDS) to the Agency's Contract Administrator upon execution of any Contract entered into and whenever said document is revised or updated. Additionally, a copy of the product's SDS shall be submitted to the Agency's Operator that is present at the time of delivery.

**SAFETY TRAINING:** The selected Supplier may be requested to provide training in the safe and proper handling procedures for their product. If requested, training may be provided once per calendar year at each of the Agency's delivery destinations. This training shall be provided at no additional expense to the Agency.

E. **TERM OF CONTRACT / OPTIONS:** The initial term of this Contract shall run from January 1, 2019 through December 31, 2021 or as mutually agreed to between the Supplier and Agency in any written extension to said Contract. Additionally, upon both Parties reaching mutual agreement as to a revised unit price, this Contract may be extended in twelve month increments, for an additional period not-to-exceed 24 months; resulting in a total Contract term of five years. In the event the Agency desires to exercise one or both of the Contract extension options provided for in this Section, the Agency shall provide written notice of its desire to do so to the Supplier prior to the expiration of the original Contract term, or any extension thereof.

F. **PAYMENT, INVOICING AND COMPENSATION:** The Agency shall pay Supplier's properly executed invoice(s) within thirty (30) calendar days following receipt of the invoice. Payment will be withheld for any product which does not meet the requirements of this Contract or has proven unacceptable until such product is replaced and accepted by the Project Manager.

To expedite the payment of invoices email to [apgroup@ieua.org](mailto:apgroup@ieua.org) with a copy to the Agency's Project Manager.

As compensation for product provided under this Contract, the Agency shall pay the Supplier in accordance with the following price schedule:

<b>Full Load</b>	
<b>PRODUCT PRICE/GALLON (Delivered)</b>	<b>\$ 336.64/dry ton</b>
<b>Net Weight that constitutes full truck-load</b>	<b>46,000 Lbs</b>
<b>SALES TAX EXEMPT</b>	

<b>Less than Full Load</b>	
<b>PRODUCT PRICE/GALLON (Delivered)</b>	<b>\$ 860.00/dry ton</b>
<b>Freight Surcharge for Less than Full Load</b>	<b>\$125/Stop</b>
<b>SALES TAX EXEMPT</b>	

Aluminum Sulfate Product Weight Per Gallon: 11.09 Lbs/Gal

G. **FITNESS FOR DUTY:**

1. **Fitness:** Supplier and its Subcontract personnel on Agency property:
  - a. shall report for work in a manner fit to do their job;
  - b. shall not be under the influence of or in possession of any alcoholic beverages or of any controlled substance (except a controlled substance as prescribed by a physician so long as the performance or safety of the work is not affected thereby); and
  - c. shall not have been convicted of any serious criminal offense which, by its nature, may have a discernible adverse impact on the business or reputation of the Agency.
  
2. **Compliance:** Supplier shall advise all supplier and subcontractor personnel and associated third parties of the requirements of the Contract ("Fitness for Duty Requirements") before they enter on Agency property and shall immediately remove from Agency property any employee determined to be in violation of these requirements. Supplier shall impose these requirements on its Subcontractors. The Agency may cancel the Contract if Supplier violates these Fitness for Duty Requirements.

H. **REQUIRED INSURANCE:** During the term of this Contract, the Supplier shall maintain at the Supplier's sole expense, the following insurance.

1. **Minimum Scope of Insurance:** Coverage shall be at least as broad as:
  - a) Commercial General Liability ("CGL"): Insurance Services Office ("ISO") Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

If the Supplier utilizes a claims made policy they agree to maintain said policy or a tail on said policy, at the same limits of coverage as required pursuant to this document, for a period of three years after the expiration of, or any extensions to the Contract.
  - b) Automobile Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, covering hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.

- c) **Workers' Compensation and Employers Liability:** Workers' compensation limits as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
2. **Deductibles and Self-Insured Retention:** Any deductibles or self-insured retention must be declared to and approved by the Agency. At the option of the Agency, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Agency, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
3. **Other Insurance Provisions:** The insurance policies are to contain, or be endorsed to contain, the following provisions:
1. **Commercial General Liability and Automobile Liability Coverage**
    - a. **Additional Insured Status:** The Agency, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment supplied in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85; or **by either** CG 20 10, CG 20 26, CG 20 33, or CG 20 38 **and** CG 20 37 forms if later revisions are used).
    - b. **Primary Coverage:** The Contractor's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the Agency, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract with the Agency shall be excess of the Contractor's insurance and shall not contribute with it.
    - c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.
    - d. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

- e. The Contractor may satisfy the limit requirements in a single policy or multiple policies. Any additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

2. Workers' Compensation and Employers Liability Coverage

Contractor hereby grants to Agency a waiver of any right to subrogation which any insurer of the Contractor may acquire against the Agency by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the insurer.

3. All Coverages

Each insurance policy required by this Contract shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Agency pursuant to Section 14, page 12 of this Contract.

4. Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A minus:VII, and who are admitted insurers in the State of California.

5. Verification of Coverage: Contractor shall provide the Agency with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Agency before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The Agency reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

6. Submittal of Certificates: Contractor shall submit all required certificates and endorsements to the following:

Inland Empire Utilities Agency  
Attn: Angela Witte  
P.O. Box 9020  
Chino Hills, CA 91709

I. **LEGAL RELATIONS AND RESPONSIBILITIES:**

1. **Status Of Supplier:** The Supplier is retained as an independent Supplier only, for the sole purpose of providing product as described herein, and not an employee of the Agency.
2. **Observing Laws And Ordinances:** The Supplier or any Subcontractor shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the supply of any product, conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Supplier or any Subcontractor shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, the Agency, its officers, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Supplier or its employees.
3. **Subcontract Services:** Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Contract Administrator.
4. **Indemnification:** Consultant shall indemnify the Agency, its directors, employees and assigns, and shall defend and hold them harmless from all liabilities, demands, actions, claims, losses and expenses, including reasonable attorneys' fees, which arise out of or are related to the negligence, recklessness or willful misconduct of the Consultant, its directors, employees, agents and assigns, in the performance of work under this contract.
5. **Conflict Of Interest:** No official of the Agency who is authorized in such capacity and on behalf of the Agency to negotiate, make, accept or approve, or to take part in negotiating, making, accepting or approving this Contract, or any subcontract relating to services or tasks to be performed pursuant to this Contract, shall become directly or indirectly personally interested in this Contract.
6. **Equal Opportunity:** During the performance of this contract the Agency, the Supplier and any Subcontractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, marital status, national origin, or physical handicap.
7. **Disputes:**



- a. All disputes arising out of or in relation to this Contract shall be determined in accordance with this section. The Counsel shall pursue the work to completion in accordance with the instruction of the Agency's Contract Administrator notwithstanding the existence of dispute. By entering into this Contract, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Contract which remain unresolved after the exhaustion of the procedures provided herein, to independent arbitration. Except as otherwise provided herein, arbitration shall be conducted under California Code of Civil Procedure Sections 1280, et. seq., or their successor.
  
- b. Any and all disputes during the pendency of the work shall be subject to resolution by the Agency Contract Administrator and the Counsel shall comply, pursuant to the Agency Contract Administrator instructions. If the Counsel is not satisfied with any such resolution by the Agency Contract Administrator, they may file a written protest with the Agency Contract Administrator within seven (7) calendar days after receiving written notice of the Agency's decision. Failure by Counsel to file a written protest within seven (7) calendar days shall constitute waiver of protest, and acceptance of the Agency Contract Administrator's resolution. The Agency's Contract Administrator shall submit the Counsel's written protests to the Chief Executive Officer/General Manager (CEO/GM), together with a copy of the Agency Contract Administrator's written decision, for his or her consideration within seven (7) calendar days after receipt of said protest(s). The CEO/GM shall make his or her determination with respect to each protest filed with the Agency Contract Administrator within ten (10) calendar days after receipt of said protest(s). If Counsel is not satisfied with any such resolution by the CEO/GM, they may file a written request for arbitration with the Contract Administrator within seven (7) calendar days after receiving written notice of the CEO/GM's decision.
  
- c. In the event of arbitration, the parties hereto agree that there shall be a single neutral Arbitrator who shall be selected in the following manner:
  - (1) The Demand for Arbitration shall include a list of five names of persons acceptable to the Counsel to be appointed as Arbitrator. The Agency shall determine if any of the names submitted by Counsel are acceptable and, if so, such person will be designated as Arbitrator.
  
  - (2) In the event that none of the names submitted by Counsel are acceptable to the Agency, or if for any reason the Arbitrator

selected in Step (a) is unable to serve, the Agency shall submit to Counsel a list of five names of persons acceptable to the Agency for appointment as Arbitrator. The Counsel shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.

(3) If after Steps (a) and (b), the parties are unable to mutually agree upon a neutral Arbitrator, the matter of selection of an Arbitrator shall be submitted to the San Bernardino County Superior Court pursuant to Code of Civil Procedure Section 1281.6, or its successor. The costs of arbitration, including but not limited to reasonable attorneys' fees, shall be recoverable by the party prevailing in the arbitration. If this arbitration is appealed to a court pursuant to the procedure under California Code of Civil Procedure Section 1294, et. seq., or their successor, the costs of arbitration shall also include court costs associated with such appeals, including but not limited to reasonable attorneys' fees which shall be recoverable by the prevailing party.

d. Joinder in Mediation/Arbitration: The Agency may join the Counsel in mediation or arbitration commenced by a Counsel on the Project pursuant to Public Contracts Code Sections 20104 et seq. Such joinder shall be initiated by written notice from the Agency's representative to the Counsel.

J. **INFRINGEMENT**: Supplier represents and warrants that Work and Documentation shall be free of any claim of trade secret, trade mark, trade name, copyright, or patent infringement or other violation of any Proprietary Rights of any person.

Supplier shall defend, indemnify and hold harmless, Agency, its officers, directors, agents, employees, successors, assigns, servants, and volunteers free and harmless from any and all liability, damages, losses, claims, demands, actions, causes of action, and costs including reasonable attorneys' fees and expenses arising out of any claim that use of the Work or Documentation, to replace or modify the Work and Documentation infringes upon any trade secret, trade mark, trade name, copyright, patent, or other Proprietary Rights.

Supplier shall, at its expense and at Agency's option, refund any amount paid by Agency under the Contract, or exert its best efforts to procure for Agency the right to use the Work and Documentation, to replace or modify the Work and Documentation as approved by Agency so as to obviate any such claim of infringement, or to put up a satisfactory bond to permit Agency's continued use of the Work and Documentation.

- K. **TAXES, FEES, AND CHARGES:** The Supplier, and any of its Subcontractors, shall pay all sales, consumer, use and other similar taxes, and pay all charges and fees required to be paid by the Supplier, or any of its Subcontractors, in accordance with state, county, and local laws and ordinances.
- L. **NOTICES:** Any notice may be served upon either party by delivering it in person, or by depositing it in a United States Mail deposit box with the postage thereon fully prepaid, and addressed to the party at the address set forth below:

Agency: Warren T. Green  
Contracts & Procurement Manager  
Inland Empire Utilities Agency  
P.O. Box 9020  
Chino Hills, CA 91700

Supplier: Craig Thatcher  
President  
Thatcher Company of California  
8625 Unsworth Avenue  
Sacramento, CA 95828

Any notice given hereunder shall be deemed effective in the case of personal delivery, upon receipt thereof, or, in the case of mailing, at the moment of deposit in the course of transmission with the United States Postal Service.

- M. **INTEGRATION:** The Contract Documents represent the entire agreement between the Agency and the Supplier as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered, or amended except by written mutual agreement by the Agency and the Supplier. (Government Code Section 4154)
- N. **GOVERNING LAW:** This Contract is to be governed by and constructed in accordance with the laws of the State of California.
- O. **SUCCESSORS AND ASSIGNS:** All of the terms, conditions and provisions of this Contract shall inure to the benefit of and be binding upon the Agency, the Supplier, and their respective successors and assigns. Notwithstanding the foregoing, no assignment of the duties or benefits of the Supplier under this Contract may be assigned, transferred or otherwise disposed of without the prior written consent of the Contract Administrator and/or Agency; and any such purported or attempted assignment, transfer, or disposal without the prior written consent of the Contract Administrator and/or Agency shall be null, void, and of no legal effect whatsoever.
- P. **FORCE MAJEURE:** Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, acts of nature, etc.

- Q. **TERMINATION**: The Agency reserves the right to suspend, cancel, or terminate this Contract at any time upon ten calendar days written notice to the Supplier. In the event of such termination, the Agency shall pay Supplier for all authorized and Supplier-invoiced product, approved by the Contract Administrator, up to the date of such termination. (Government Code Section 4154).
- R. **CHANGES**: The Agency may, at any time, make changes to this Contract's Scope of Work; including additions, reductions, and other alterations to any or all of the work. However, such changes shall only be made via written, bi-laterally signed amendment to this Contract. The Contract Price and Work Schedule shall be equitably adjusted, if required, to account for such change and shall be set forth within the Contract Amendment.
- S. **FOB POINT**: The FOB point for all product delivered against this contract shall be destination.
- T. **PRICE ADJUSTMENT**: In the event the Agency exercises any of the Contract extensions provided for in Section E above, the pricing for said extension shall be calculated as follows:

Commencing on January 1, 2019 and continuing on each September 1 thereafter, those prices provided for in the Proposed Price Schedule of this Request for Proposal shall be adjusted plus or minus by a sum equal to the percentage change in the Consumer Price Index (CPI) for All Urban Consumers, in the Los Angeles-Anaheim-Riverside, California index area as provided for in this section. The bases for computing the adjustment to those prices provided for in the Proposed Price Schedule of this Request for Proposal shall be the percentage change for the twelve month period from January to January, starting with the period of January 2019 to January 2020, and continuing every twelve months thereafter. Despite any changes in the CPI for any given twelve month adjustment period, adjustments to those prices as provided for in the Proposed Price Schedule of this Request for Proposal shall increase or decrease more than 5 percent during any single twelve month adjustment period.

In the event the CPI is changed so that the base period differs from 1982-84=100, then the index applied as provided for above shall be corrected in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics, or their successor. If the CPI is discontinued or revised, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same results as would have obtained if the CPI had not been discontinued or revised.

U. **NOTICE TO PROCEED**: No services shall be performed or furnished under this Contract unless and until a fully executed Contract has been completed by all responsible parties and a Notice to Proceed has been issued by the Agency.

**(Remainder of Page Intentionally Left Blank)**

AS WITNESS HEREOF, the parties hereto have caused the Contract to be entered as of the day and year written above.

**INLAND EMPIRE UTILITIES AGENCY:**

**THATCHER COMPANY OF CALIFORNIA, INC:**

\_\_\_\_\_  
Halla Razak  
General Manager

\_\_\_\_\_  
Date

\_\_\_\_\_  
Craig Thatcher  
President

\_\_\_\_\_  
Date

**CONSENT  
CALENDAR  
ITEM**

**21**



**Date:** December 19, 2018

**To:** The Honorable Board of Directors

**From:** *H* Halla Razak, General Manager *HR*

**Committee:** Engineering, Operations & Water Resources

12/12/18

**Executive Contact:** Shaun Stone, Acting Executive Manager of Engineering/AGM

**Subject:** San Sevaine Basin Improvement - Conduit Installation Contract Award

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**Executive Summary:**

The Conduit Installation Project is part of the San Sevaine Basin Improvements which is funded equally with Chino Basin Watermaster. The basin improvements, which is a part of the Recharge Master Plan Update, will increase groundwater recharge with approximately 600 acre-feet of stormwater and 4,100 acre-feet of recycled water.

The new conduit provides the required infrastructure for Southern California Edison to deliver power to the recently constructed basin pump station. The construction is within the Flood Control District's property and connects to Southern California Edison's system on Banyan Street in Rancho Cucamonga. Originally, the existing General Contractor for the San Sevaine Project was to provide the installation services, but during construction Southern California Edison modified their design which resulted into a significant change. As a result, IEUA separated the work and sought competitive bids for the altered scope to ensure fair pricing for the project.

On November 15, 2018, IEUA received seven construction bids. The lowest, responsive and responsible was W.A. Rasic with a bid of \$108,800.

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**Staff's Recommendation:**

1. Award a construction contract for the San Sevaine Basin Improvement - Conduit Installation, Project No. EN13001, to W.A. Rasic Construction Co. Inc., in the amount of \$108,800; and
2. Authorize the General Manager to execute the construction contract, subject to non-substantive changes.

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**Budget Impact** *Budgeted (Y/N): Y* *Amendment (Y/N): N* *Amount for Requested Approval:*

*Account/Project Name:*

EN13001/San Sevaine Basin Improvement

*Fiscal Impact (explain if not budgeted):*

None.

**Prior Board Action:**

On September 20, 2017, the Board of Directors approved the construction contract for the basin improvements and the construction contract for the monitoring well installation to Gwinco Construction & Engineering, Inc. for \$3,873,029 and Yellow Jacket Drilling for \$607,470, respectively.

On May 20, 2015, the Board of Directors approved the consulting engineering services contract to Dudek for the not-to-exceed amount of \$358,828.

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**Environmental Determination:**

Negative Declaration

IEUA processed a Mitigated Negative Declaration for the San Sevaine Basin Improvement and a copy of the Initial Study's Environmental Checklist Form is attached for information. Mitigation measures were identified and must be implemented under the attached Mitigation Monitoring and Reporting Program.

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**Business Goal:**

The San Sevaine Improvements Project is consistent with the IEUA's Business Goal of Water Reliability specifically the Groundwater Recharge objective that IEUA will maximize groundwater recharge projects in the region through strategic, cost-effective partnerships, and development.

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**Attachments:**

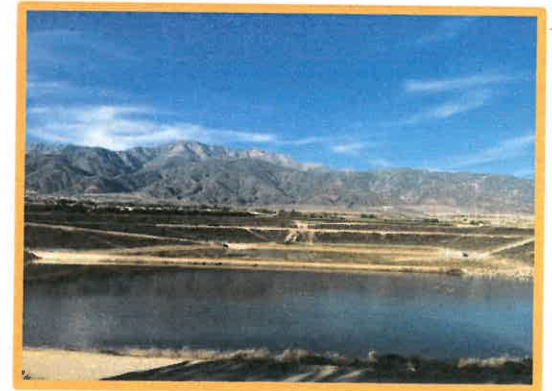
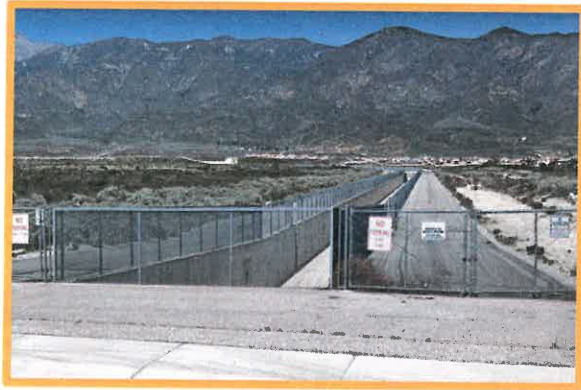
Attachment 1 - PowerPoint

Attachment 2 - Construction Contract



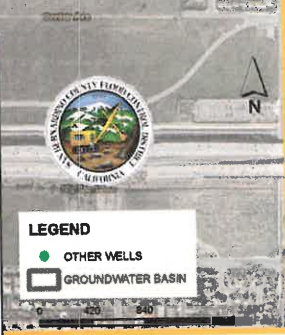
# **Attachment 1**

# San Sevaine Improvement- Conduit Installation Construction Contract Award Project No. EN13001



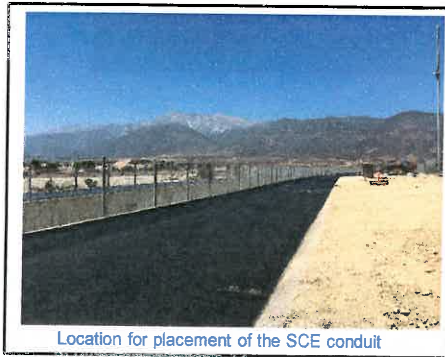
# Project Location

**Basin Locations:**  
City of Rancho Cucamonga  
North 15 and 210 Freeways



# Project Scope

- Conduit Installation:
  - Provides infrastructure for Southern California Edison (SCE) to deliver power to new pump station



Location for placement of the SCE conduit

Key Design Improvements	Benefits
Convey captured stormwater from the lower basin (Basin 5) to the uppers basins (1, 2, & 3). Provide delivery of recycled water for groundwater recharge to the upper basins during dry-seasons.	600 AFY Stormwater 4,100 AFY Recycled Water



# Contractor Selection

On November 15, 2018, seven bids were received:

Bidder's Name	Bid Amount
W.A. Rasic Construction Co. Inc.	\$ 108,800
M Brey Electric, Inc.	\$ 122,660
Power Pro Plus, Inc.	\$ 140,000
AToM, Engineering Construction, Inc.	\$ 176,398
Hot Line Const. Inc.	\$ 184,031
Gwinco Construction & Engineering, Inc.	\$ 277,500
Herman Weissker, Inc.	Non-Responsive
<b>Engineer's Estimate</b>	<b>\$140,000</b>

# Project Budget and Schedule

Description	Estimated Cost	Project Milestone	Date
<b>Design Services (Conduit)</b>	<b>\$4,000</b>	Construction Contract Award	December 2018
Edison Design Services	\$4,000	Construction Completion	May 2019
<b>Construction Services (Conduit)</b>	<b>\$14,400</b>		
IEUA Construction Services	\$14,400		
<b>Construction (Conduit)</b>	<b>\$118,800</b>		
Construction Contract	\$108,800		
Contingency (10%)	\$10,000		
<b>Conduit Installation</b>	<b>\$137,200</b>		
<b>Basin Monitoring Wells</b>	<b>\$456,823</b>		
<b>Basin Improvement</b>	<b>\$5,865,977</b>		
<b>Total Project Cost</b>	<b>\$6,460,000</b>		
<b>Total Project Budget</b>	<b>\$6,460,000</b>		
<b>Total Awarded Grant Funding</b>	<b>\$3,625,000</b>		
<b>IEUA/Watermaster Cost</b>	<b>\$2,835,000</b>		

# Recommendation

- Award the construction contract for the San Sevaine Basin Improvement – Conduit Installation, Project No. EN13001, to W.A. Rasic Co. Company Inc., in the amount of \$108,800; and
- Authorize the General Manager to execute the construction contract, subject to non-substantive changes.

The San Sevaine Improvements is consistent with the IEUA's Business Goal of **Water Reliability** specifically the Groundwater Recharge objective that IEUA will maximize groundwater recharge projects in the region through strategic, cost-effective partnerships, and development.

# **Attachment 2**



## CONTRACT

THIS CONTRACT, made and entered into this \_\_\_\_ day of December 2018, by and between W.A. Rasic Construction Company, Inc., hereinafter referred to as "CONTRACTOR," and The Inland Empire Utilities Agency, a Municipal Water District, located in San Bernardino County, California, hereinafter referred to as "IEUA".

### WITNESSETH:

That for and in consideration of the promises and agreements hereinafter made and exchanged, IEUA and the CONTRACTOR agree as follows:

- A. CONTRACTOR agrees to perform and complete in a workmanlike manner, all Work required under these Bid Documents FOR San Sevaine Basin – Edison Conduit Installation Project No. EN13001, in accordance with the Bid Documents, and to furnish at their own expense, all labor, materials, equipment, tools, and services necessary, except such materials, equipment, and services as may be stipulated in said Bid Documents to be furnished by IEUA, and to do everything required by this Contract and the said Bid Documents.
- B. For furnishing all said labor, materials, equipment, tools, and services, furnishing and removing all plant, temporary structures, tools and equipment, and doing everything required by this Contract and said Bid Documents; also for all loss and damage arising out of the nature of the Work aforesaid, or from the action of the elements, or from any unforeseen difficulties which may arise during the prosecution of the Work until its acceptance by IEUA, and for all risks of every description connected with the Work; also for all expenses resulting from the suspension or discontinuance of Work, except as in the said Bid Documents are expressly stipulated to be borne by IEUA; and for completing the Work in accordance with the requirements of said Bid Documents, IEUA will pay and said CONTRACTOR shall receive, in full compensation therefore, the price(s) set forth in this Contract.
- C. That IEUA will pay the CONTRACTOR progress payments and the final payment, in accordance with the provisions of the Contract Documents, with warrants drawn on the appropriate fund or funds as required, at the prices bid in the Bidding and Contract Requirements, Section C - Bid Forms and accepted by IEUA, and set forth in this below.

Total Bid Price \$108,800.00

One Hundred Eight Thousand Eight Hundred Dollars and Zero Cents.

- D. IEUA hereby employs the CONTRACTOR to perform the Work according to the terms of this Contract for the above-mentioned price(s), and agrees to pay the

same at the time, in the manner, and upon the conditions stipulated in the said Bid Documents; and the said parties for themselves, their heirs, executors, administrators, successors, and assigns, do hereby agree to the full performance of the covenants herein contained.

- E. The Notice Inviting Bids, Instructions to Bidders, Bid Forms, Information Required of Bidder, Performance Bond, Payment Bond, Contractor's License Declaration, Specifications, Drawings, all General Conditions Special Conditions and all Project Requirements, and all Addenda issued by IEUA with respect to the foregoing prior to the opening of bids, are hereby incorporated in and made part of this Contract, as if fully set forth.
- F. The CONTRACTOR agrees to commence Work under this Contract on or before the date to be specified in a written "Notice To Proceed" and to complete said Work to the satisfaction of IEUA one hundred twenty (120) calendar days after award of the Contract. All Work shall be completed before final payment is made.
- G. Time is of the essence on this Contract.
- H. CONTRACTOR agrees that in case the Work is not completed before or upon the expiration of the Contract Time, damage will be sustained by IEUA, and that it is and will be impracticable to determine the actual damage which IEUA will sustain in the event and by reason of such delay, and it is therefore agreed that the CONTRACTOR shall pay to IEUA the amounts as set forth in General Conditions, Section C – Changes to the Contract for each day of delay, which shall be the period between the expiration of the Contract Time and the date of final acceptance by IEUA, as liquidated damages and not as a penalty. It is further agreed that the amount stipulated for liquidated damages per day of delay is a reasonable estimate of the damages that would be sustained by IEUA, and the CONTRACTOR agrees to pay such liquidated damages as herein provided. In case the liquidated damages are not paid, the CONTRACTOR agrees that IEUA may deduct the amount thereof from any money due or that may become due to the CONTRACTOR by progress payments or otherwise under the Contract, or if said amount is not sufficient, recover the total amount.
- I. In addition to the liquidated damages, which may be imposed if the CONTRACTOR fails to complete the Work within the time agreed upon, IEUA may also deduct from any sums due or to become due to the CONTRACTOR, penalties and fines for violations of applicable local, state, and federal law.
- J. That the CONTRACTOR shall carry Workers' Compensation Insurance and require all subcontractors to carry Workers' Compensation Insurance as required by the California Labor Code.
- K. That the CONTRACTOR shall have furnished, prior to execution of the Contract, two bonds approved by IEUA, one in the amount of one hundred (100) percent of

the Contract Price, to guarantee the faithful performance of the Work, and one in the amount of one hundred (100) percent of the Contract Price to guarantee payment of all claims for labor and materials furnished.

- L. The CONTRACTOR hereby agrees to protect, defend, indemnify and hold IEUA and its employees, agents, officers, directors, servants and volunteers free and harmless from any and all liability, claims, judgments, costs and demands, including demands arising from injuries or death of persons (including employees of IEUA and the CONTRACTOR) and damage to property, arising directly or indirectly out of the obligation herein undertaken or out of the operations conducted by the CONTRACTOR, its employees agents, representatives or subcontractors under or in connection with this Contract to the extent permitted by law.

The CONTRACTOR further agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands or suit at the sole expense of the CONTRACTOR

IN WITNESS WHEREOF, The CONTRACTOR and the General Manager of Inland Empire Utilities Agency\*, thereunto duly authorized, have caused the names of said parties to be affixed hereto, each in duplicate, the day and year first above written.

- M. The CONTRACTOR, by signing the contract does swear under penalty of perjury that no more than one final unappeasable finding of contempt of court by a Federal court has been issued against the CONTRACTOR within the immediately preceding two year period because of the CONTRACTOR's failure to comply with an order of a Federal court which orders the CONTRACTOR to comply with an order of the National Labor Relations Board (Public Contract Code 10296).

Inland Empire Utilities Agency\*,  
San Bernardino County, California.

By \_\_\_\_\_  
General Manager

CONTRACTOR

By \_\_\_\_\_  
28 NOV 2018 3018-74  
Peter L. Rasic, President  
Title

\* A Municipal Water District

**CONSENT  
CALENDAR  
ITEM**

**2J**



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**Date:** December 19, 2018

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager *HR*

**Committee:** Engineering, Operations & Water Resources

12/12/18

**Executive Contact:** Randy Lee, Executive Manager of Operations/AGM

**Subject:** Contract Award for Regional Water Recycling Plant No. 1 Interior/Exterior Buildings and Structures Painting.

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**Executive Summary:**

The Agency owns numerous buildings and structures throughout our facilities that require protective coatings. Every five years these facilities and process areas require repainting to preserve aesthetics and prevent damage from environmental exposure. On October 10, 2018, a competitive Request for Proposal (RFP-SM-18-023) was issued to 46 prospective contractors through the PlanetBids Network to provide painting services at Regional Water Recycling Plant No. 1 (RP-1). This includes exterior painting to 38 building/structures and interior painting to two administrative buildings. Out of 15 potential contractors who participated in the mandatory job-walk, nine submitted proposals. The lowest, most comprehensive, and best value proposal was determined to be Tony Painting. They had the lowest bid, have been contracted with the Agency for three years performing similar work and continue to meet all Agency expectations.

The RP-1 Interior/Exterior Buildings and Structures Painting Contract No. 4600002659 to Tony Painting will be for a not-to-exceed amount of \$139,350.

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**Staff's Recommendation:**

1. Award a service contract for the RP-1 interior/exterior buildings and structures painting to Tony Painting, for a not-to-exceed amount of \$139,350; and
2. Authorize the General Manager to execute the service contract.

---

**Budget Impact** *Budgeted (Y/N): Y* *Amendment (Y/N): N* *Amount for Requested Approval:*

**Account/Project Name:**

Funds from Project No. FM19001, Agency Wide Roofing are not required for this fiscal year. These funds will be absorbed for the RP-1 Interior/Exterior Buildings and Structures Painting Project.

**Fiscal Impact** *(explain if not budgeted):*

**Prior Board Action:**

July 18, 2018 - Contract Award for Regional Water Recycling Plant No. 4 Process Painting.

August 16, 2017 - Contract Award for Process Painting for Regional Water Recycling Plant No. 5 (RP-5).

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**Environmental Determination:**

**Statutory Exemption**

The project is statutorily exempt on the CEQA General Rule found in Section 15061(b)(3) of the State CEQA Guidelines.

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**Business Goal:**

Asset Management - IEUA will ensure the regional sewer system and treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.

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**Attachments:**

Attachment 1 - PowerPoint

Attachment 2 - Contract No. 4600002659 to Tony Painting

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# Attachment 1

# Contract Award for RP-1 Interior/Exterior Buildings and Structures Painting





# Project Scope

- Facilities require repainting to preserve the aesthetics and functionality.
- Painting requirements will be evaluated every five years
- Paint 38 buildings/structures exteriors, metal roof, exterior doors, roll-up doors, etc.
- Paint two building interiors areas, offices, and rooms



Westside of Cucamonga Creek Channel  
Admin/Lab Building letter "A"



Westside of Cucamonga Creek Channel  
Admin/Lab Building letter "A"

# Contractor Selection

Nine proposals were received on October 30, 2018:

Bidder's Name	Total
Tony Painting, Inc.	\$ 139,350
Anemos Enterprises, Inc.	\$ 160,000
Polychrome	\$ 196,000
Astro Painting Company, Inc.	\$ 229,700
AJ Fistes Corporation	\$ 249,060
ISR Painting & Wallcovering	\$ 310,000
CTG Construction, Inc.	\$ 412,000
Color New Company	\$ 421,000
Signature Painting, Inc.	\$ 430,000

# Project Schedule

Project Milestone	Date
<b>Painting</b>	
Contract Award	December 2018
Completion	March 2019



Eastside of Cucamonga Creek Channel  
Warehouse Building letter "R"



## Recommendation

- Award a service contract for the RP-1 interior/exterior buildings and structures painting to Tony Painting for a not-to-exceed amount of \$139,350; and
- Authorize the General Manager to execute the service contract.

Asset Management – IEUA will ensure the regional sewer system and treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.

# Attachment 2



**CONTRACT NUMBER: 4600002659**

**FOR CONTRACTOR SERVICES**

**RP1 Interior/Exterior Buildings and Structures Painting**

THIS CONTRACT (the "Contract"), is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2018, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to as "Agency" or "IEUA"), and Tony Painting Inc., located in Garden Grove, CA (hereinafter referred to as "Contractor"), for RP1 Interior/Exterior Buildings and Structures Painting.

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties agree as follows:

1. AGENCY PROJECT MANAGER ASSIGNMENT: All technical direction related to this Contract shall come from the designated Project Manager. Details of the Agency's assignment are listed below.

Project Manager: Lucia Diaz  
Address: 6075 Kimball Ave  
CHINO, CA 92880  
Telephone: (909) 993-1631  
Facsimile: (909) 993-1987  
Email: ldiaz@ieua.org

2. CONTRACTOR ASSIGNMENT: Special inquiries related to this Contract and the effects of this Contract shall be referred to the following:

Contractor: Tony Painting Inc.  
Address: 7291 Garden Grove Blvd Suite A.  
Garden Grove, CA 92841  
Telephone: (714) 899-5303  
Facsimile: (714) 899-5305  
Email: tonyspaintingsb@yahoo.com

3. ORDER OF PRECEDENCE: The documents referenced below represent the Contract Documents. Where any conflicts exist between the General Terms and Conditions the governing order of precedence shall be as follows:
1. Amendments to Contract Number 4600002659
  2. Contract Number 4600002659 General Terms and Conditions.
  3. Agency Request For Proposal RFP-SM-18-023
  4. Contractor's Bid dated October 22, 2018 Exhibit A and mathematical error calculation dated November 6, 2018
4. SCOPE OF WORK AND SERVICES: Contractor services and responsibilities shall include and be in accordance with the following:
- A. The Scope of Work and Technical Specifications in accordance with Exhibit A.
  - B. Contractor shall provide Agency with a Schedule of Work and Services, documenting the anticipated completion of the work within the time-frame set forth in Subsection 4.A., above. The Schedule of Work and Services will be prepared and submitted, to the Project Manager, for review and approval.
  - C. Method of Inspection:
    1. Work performed under this Contract may be required to undergo inspections.
    2. The Project Manager will be responsible for performance of the inspections.
    3. If Contractor fails an inspection, the Project Manager will be responsible for providing a written notice to the Contractor explaining the error and a determination of the urgency for the correction of the error (herein referred to as a "Cure Notice").
  - D. Cure Procedure:
    1. For a Cure Notice deemed by the Agency to be **urgent**, Contractor shall correct any error of the Work within 3 calendar days after Contractor's receipt of a Cure Notice, as directed by the Project Manager.
    2. For a Cure Notice deemed by the Agency to be **important**, Contractor shall correct any error of the Work within 10 calendar days after Contractor's receipt of a Cure Notice, as directed by the Project Manager.
    3. If the Project Manager rejects all, or any part of, the Work as unacceptable and agreement to correct such Work cannot be

reached without modification to the Contract, Contractor shall notify the Project Manager, in writing, detailing the dispute and the reason(s) for the Contractor's position. Any dispute that cannot be resolved between the Project Manager and Contractor shall be resolved in accordance with the provisions of this Contract.

- E. The Agency may, at any time, make changes to this Contract's Scope of Work; including additions, reductions, and other alterations to any or all of the Work. However, such changes shall only be made via written amendment to this Contract. The Contract compensation and Schedule of Work and Services shall be equitably adjusted, if required, to account for such changes and shall be set forth within the mutually approved Contract Amendment.
- 5. **TERM:** The term of this Contract shall extend from date of Notice to Proceed, and terminate 03/31/2019 or until services are complete, whichever occurs first, unless agreed upon by both parties, reduced to writing, and amended to this Contract.
- 6. **PAYMENT, INVOICING, AND COMPENSATION:**
  - A. The Contractor may submit an invoice not more than once per month during the term of this Contract to the Agency's Accounts Payable Department. Agency shall pay Contractor's properly executed invoice, approved by the Project Manager, within thirty (30) days following receipt of the invoice.
  - B. As compensation for the Work performed under this Contract, Agency shall pay Contractor's monthly invoice, for a total contract price NOT-TO-EXCEED **\$139,350.00** for all services satisfactorily provided during the term of this Contract.
  - C. Additionally, to qualify for payment, the Contractor shall prominently display, on the first page of the invoice, both:
    - 1. The Contract Number – 4600002659, and;
    - 2. The Contract Release Purchase Order Number – TBD

If Contractor submits invoice by email, such invoice shall be submitted as follows:

[APGroup@ieua.org](mailto:APGroup@ieua.org)  
Scan the invoice as a PDF file.  
Attach the scanned file to an email.

If Contractor submits invoice by mail, such invoice shall be submitted as follows:



Inland Empire Utilities Agency  
Re: Contract Number: 4600002367  
P.O. Box 9020  
Chino Hills, CA 91709

- D. Concurrent with the submittal of the original invoice to the Agency's Accounts Payable Department, the Contractor shall forward (mail, fax, or email) a copy of the invoice to the designated Project Manager, identified in Section 1, on Page 1 of this Contract.
- E. No Additional Compensation: Nothing set forth in this Contract shall be interpreted to require payment by Agency to Contractor of any compensation specifically for the assignments and assurances required by the Contract, other than the payment of expenses as may be actually incurred by Contractor in complying with this Contract, as approved by the Project Manager.
- F. Contractor may request taking advantage of the Agency's practice of offering an expedited payment protocol to a Contractor who has proposed accepting an invoice amount reduction in exchange for early payment; (CONTRACTOR) has proposed, and the Agency has accepted, applying a (1%, 2%, or 5%) discount (invoice amount reduction) to monthly invoices in exchange for payment of all invoices within (20, 15, or 10) days, respectively, of the date the invoice is received at the Agency's [APGroup@ieua.org](mailto:APGroup@ieua.org) email address.
7. CONTROL OF THE WORK: The Contractor shall perform the Work in compliance with the Schedule of Work and Services. If performance of the Work falls behind schedule, the Contractor shall accelerate the performance of the Work to comply with the Schedule of Work and Services as directed by the Project Manager. If the nature of the Work is such that Contractor is unable to accelerate the Work, Contractor shall promptly notify the Project Manager of the delay, the causes of the delay, and submit a proposed revised Schedule of Work and Services.
8. INSURANCE: During the term of this Contract, the Contractor shall maintain, at Contractor's sole expense, the following insurance.
- A. Minimum Scope of Insurance: Coverage shall be at least as broad as:
1. Commercial General Liability ("CGL"): Insurance Services Office ("ISO") Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit

applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, covering hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
  3. Workers' Compensation and Employers Liability: Workers' compensation limits as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
  4. Payment Bond and Performance Bond: If Applicable, Shall be in a sum equal to the contract price. If the Performance Bond provides for a one-year warranty a separate Maintenance Bond is not necessary. Bonds shall be duly executed by a responsible corporate surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California.
- B. Deductibles and Self-Insured Retention: Any deductibles or self-insured retention must be declared to and approved by the Agency. At the option of the Agency, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Agency, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- C. Other Insurance Provisions: The insurance policies are to contain, or be endorsed to contain, the following provisions:
1. Commercial General Liability and Automobile Liability Coverage
    - a. Additional Insured Status: The Agency, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment supplied in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85; or **by either** CG 20 10, CG 20 26, CG 20 33, or CG 20 38 **and** CG 20 37 forms if later revisions are used).

- b. Primary Coverage: The Contractor's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the Agency, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract with the Agency shall be excess of the Contractor's insurance and shall not contribute with it.
- c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.
- d. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- e. The Contractor may satisfy the limit requirements in a single policy or multiple policies. Any additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.

## 2. Workers' Compensation and Employers Liability Coverage

Contractor hereby grants to Agency a waiver of any right to subrogation which any insurer of the Contractor may acquire against the Agency by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the insurer.

## 3. All Coverages

Each insurance policy required by this Contract shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Agency pursuant to Section 14, page 12 of this Contract.

- D. Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A minus:VII, and who are admitted insurers in the State of California.
- E. Verification of Coverage: Contractor shall provide the Agency with original certificates and amendatory endorsements or copies of the applicable policy

language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Agency before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The Agency reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

- F. Submittal of Certificates: Contractor shall submit all required certificates and endorsements to the following:

Inland Empire Utilities Agency  
Attn: Angela Witte  
P.O. Box 9020  
Chino Hills, CA 91709

9. FITNESS FOR DUTY:

- A. Fitness: Contractor and its Subcontractor personnel on the Jobsite:
1. Shall report to work in a manner fit to do their job;
  2. Shall not be under the influence of or in possession of any alcoholic beverages or of any controlled substance (except a controlled substance as prescribed by a physician so long as the performance or safety of the Work is not affected thereby); and
  3. Shall not have been convicted of any serious criminal offense which, by its nature, may have a discernible adverse impact on the business or reputation of the Agency.
- B. Compliance: Contractor shall advise all personnel and associated third parties of the requirements of this Contract ("Fitness for Duty Requirements") before they enter on the Jobsite and shall immediately remove from the Jobsite any employee determined to be in violation of these requirements. Contractor shall impose these requirements on its Subcontractors. Agency may cancel the Contract if Contractor violates these Fitness for Duty Requirements.

10. LEGAL RELATIONS AND RESPONSIBILITIES:

- A. Professional Responsibility: The Contractor shall be responsible, to the level of competency presently maintained by other practicing professionals performing the same or similar type of work.

- B. Status of Contractor: The Contractor is retained as an independent Contractor only, for the sole purpose of providing the services described herein, and is not an employee of the Agency.
- C. Observing Laws and Ordinances: The Contractor shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Contractor shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, the Agency, its officers, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Contractor, its employees, or subcontractors.
- D. Subcontract Services: Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Project Manager and shall comply with State of California, Department of Industrial Relations, SB 854 requirements.
- E. Hours of Labor: The Contractor shall comply with all applicable provisions of California Labor Code Sections 1810 to 1815 relating to working hours. The Contractor shall, as a penalty to the Agency, forfeit \$25.00 for each worker employed in the completion of the Contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code.
- F. Travel and Subsistence Pay: The Contractor shall make payment to each worker for travel and subsistence payments which are needed to complete the work and/or service, as such travel and subsistence payments are defined in an applicable collective bargaining agreements with the worker.
- G. Liens: Contractor shall pay all sums of money that become due from any labor, services, materials or equipment provided to Contractor on account of said services to be rendered or said materials to be provided under this Contract and that may be secured by any lien against the Agency. Contractor shall fully discharge each such lien at the time performance of the obligation secured matures and becomes due.
- H. Indemnification: Contractor shall indemnify the Agency, its directors, employees, and assigns, and shall defend and hold them harmless from all liabilities, demands, actions, claims, losses and expenses, including reasonable attorneys' fees, which arise out of, or are related to, the

negligence, recklessness or willful misconduct of the Contractor, its directors, employees, agents, and assigns, in the performance of work under this contract.

- I. Conflict of Interest: No official of the Agency, who is authorized in such capacity and on behalf of the Agency to negotiate, make, accept or approve, or to take part in negotiating, making, accepting or approving this Contract, or any subcontract relating to services or tasks to be performed pursuant to this Contract, shall become directly or indirectly personally interested in this Contract.
- J. Equal Opportunity: During the performance of this Contract, the Contractor shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin. The Agency is committed to creating and maintaining an environment free from harassment and discrimination.
- K. Disputes:
  1. All disputes arising out of or in relation to this Contract shall be resolved in accordance with this section. The Contractor shall pursue the work to completion in accordance with the instruction of the Agency's Project Manager notwithstanding the existence of a dispute. By entering into this Contract, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Contract which remain unresolved after the exhaustion of the procedures provided herein, to independent arbitration. Except as otherwise provided herein, arbitration shall be conducted under California Code of Civil Procedure Sections 1280, et seq., or their successor.
  2. Any and all disputes prior to the work starting shall be subject to resolution by the Agency's Project Manager; and the Contractor shall comply, with the Agency Project Manager instructions. If the Contractor is not satisfied with the resolution directed by the Agency Project Manager, they may file a written protest with the Agency Project Manager within seven (7) calendar days after receiving written directive of the Project Manager's decision. Failure by Contractor to file a written protest within seven (7) calendar days shall constitute waiver of protest, and acceptance of the Project Manager's resolution. The Project Manager shall submit the Contractor's written protests to the General Manager, together with a copy of the Project Manager's written decision, for his or her consideration within seven (7) calendar days after receipt of the protest-related documents. The General Manager shall make his or her determination with respect to each protest filed with the Project Manager within ten (10) calendar days after receipt of the protest-related documents. If Contractor is

not satisfied with any such resolution by the General Manager, they may file a written request for arbitration with the Project Manager within seven (7) calendar days after receiving written notice of the General Manager's decision.

3. In the event of arbitration, the parties to this contract agree that there shall be a single neutral Arbitrator who shall be selected in the following manner:
  - a. The Demand for Arbitration shall include a list of five names of persons acceptable to the Contractor to be appointed as Arbitrator. The Agency shall determine if any of the names submitted by Contractor are acceptable and, if so, such person will be designated as Arbitrator.
  - b. In the event that none of the names submitted by Contractor are acceptable to Agency, or if for any reason the Arbitrator selected in Step (a) is unable to serve, the Agency shall submit to Contractor a list of five names of persons acceptable to Agency for appointment as Arbitrator. The Contractor shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.
  - c. If after Steps (a) and (b), the parties are unable to mutually agree upon a neutral Arbitrator, the matter of selection of an Arbitrator shall be submitted to the San Bernardino County Superior Court pursuant to Code of Civil Procedure Section 1281.6, or its successor. The costs of arbitration, including but not limited to reasonable attorneys' fees, shall be recoverable by the party prevailing in the arbitration. If this arbitration is appealed to a court pursuant to the procedure under California Code of Civil Procedure Section 1294, et seq., or their successor, the costs of arbitration shall also include court costs associated with such appeals, including but not limited to reasonable attorneys' fees which shall be recoverable by the prevailing party.
4. Association in Mediation/Arbitration: The Agency may join the Contractor in mediation or arbitration commenced by a contractor on the Project pursuant to Public Contracts Code Sections 20104 et seq. Such association shall be initiated by written notice from the Agency's representative to the Contractor.
- L. Workers' Legal Status: For performance against this Contract, Contractor shall only utilize employees and/or subcontractors that are authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986.

- M. Prevailing Wage Requirements: Pursuant to Section 1770 and following, of the California Labor Code, the Contractor shall not pay less than the general prevailing wage rates, as determined by the Director of the State of California Department of Industrial Relations for the locality in which the work is to be performed and for each craft or type of worker needed to execute the work contemplated under the Contract. The Contractor or any subcontractor performing part of said work shall strictly adhere to all provisions of the Labor Code, including, but not limited to, minimum wages, work days, nondiscrimination, apprentices, maintenance and availability of accurate payroll records and any other matters required under all Federal, State and local laws related to labor.
- N. Contractor shall provide with their invoice certified payroll verifying that Contractor has paid prevailing wage requirements as stipulated in SB-854 (<http://www.dir.ca.gov/DIRNews/2014/2014-55.pdf>).
11. OWNERSHIP OF MATERIALS AND DOCUMENTS/CONFIDENTIALITY: The Agency retains ownership of any, and all, partial or complete reports, drawings, plans, notes, computations, lists, and/or other materials, documents, information, or data prepared by the Contractor and/or the Contractor's subcontractor(s) pertaining to this Contract. Said materials and documents are confidential and shall be available to the Agency from the moment of their preparation, and the Contractor shall deliver them to the Agency whenever requested to do so by the Project Manager and/or Agency representative. The Contractor agrees that all documents shall not be made available to any individual or organization, private or public, without the prior written consent of an Agency representative.
12. TITLE AND RISK OF LOSS:
- A. Documentation: Title to the Documentation shall pass to the Agency when prepared; however, a copy may be retained by Contractor for its records and internal use. Contractor shall retain such Documentation in a controlled access file, and shall not reveal, display, or disclose the contents of the Documentation to others without the prior written authorization of the Agency or for the performance of Work related to the Scope of Work described in this Contract.
- B. Material: Title to all Material, field or research equipment, and laboratory models, procured or fabricated under the Contract shall pass to the Agency when procured or fabricated, and such title shall be free and clear of any and all encumbrances. Contractor shall have risk of loss of any Material or Agency-owned equipment of which it has custody.



- C. Disposition: Contractor shall dispose of items to which the Agency has title as directed, in writing, by the Project Manager and/or an Agency representative.

13. PROPRIETARY RIGHTS:

- A. Rights and Ownership: Agency's rights to inventions, discoveries, trade secrets, patents, copyrights, and other intellectual property, including the Information and Documentation, and revisions thereto (hereinafter collectively referred to as "Proprietary Rights"), used or developed by Contractor in the performance of the Work, shall be governed by the following provisions:
1. Proprietary Rights conceived, developed, or reduced to practice by Contractor in the performance of the Work shall be the property of Agency, and Contractor shall cooperate with all appropriate requests to assign and transfer same to Agency.
  2. If Proprietary Rights conceived, developed, or reduced to practice by Contractor prior to the performance of the Work are used in and become integral with the Work, or are necessary for Agency to have complete control of the Work, Contractor shall grant to Agency a non-exclusive, irrevocable, royalty-free license, as may be required by Agency for the complete control of the Work, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy or dispose of any or all of the Work and grant sublicenses to others with respect to the Work.
  3. If the Work includes the Proprietary Rights of others, Contractor shall procure, at no additional cost to Agency, all necessary licenses regarding such Proprietary Rights so as to allow Agency the complete control of the Work, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy, or dispose of any or all of the Work; and to grant sublicenses to others with respect to the Work. All such licenses shall be in writing and shall be irrevocable and royalty-free to Agency.

14. NOTICES: Any notice may be served upon either party by delivering it in person, or by depositing it in a United States Mail deposit box with the postage thereon fully prepaid, and addressed to the party at the address set forth below:

Agency: Warren T. Green  
Manager of Contracts and Procurement  
Inland Empire Utilities Agency  
P.O. Box 9020  
Chino Hills, CA 91709

Contractor: Ante Marijanovic  
Tony Painting  
7291 Garden Grove Blvd  
Garden Grove, CA 92841

Any notice given pursuant to this section shall be deemed effective in the case of personal delivery, upon receipt thereof, or, in the case of mailing, at the moment of deposit in the course of transmission through the United States Postal Service.

15. SUCCESSORS AND ASSIGNS: All of the terms, conditions and provisions of this Contract shall take effect to the benefit of and be binding upon the Agency, the Contractor, and their respective successors and assigns. No assignment of the duties or benefits of the Contractor under this Contract may be assigned, transferred, or otherwise disposed of, without the prior written consent of the Agency; and any such purported or attempted assignment, transfer, or disposal without the prior written consent of the Agency shall be null, void, and of no legal effect whatsoever.
16. PUBLIC RECORDS POLICY: Information made available to the Agency may be subject to the California Public Records Act (Government Code Section 6250 et seq.) The Agency's use and disclosure of its records are governed by this Act. The Agency shall use its best efforts to notify Contractor of any requests for disclosure of any documents pertaining to this work. In the event of litigation concerning disclosure of information Contractor considers exempt from disclosure; (e.g., Trade Secret, Confidential, or Proprietary) Agency shall act as a stakeholder only, holding the information until otherwise ordered by a court or other legal process. If Agency is required to defend an action arising out of a Public Records Act request for any of the information Contractor has marked "Confidential," "Proprietary," or "Trade Secret," Contractor shall defend and indemnify Agency from all liability, damages, costs, and expenses, in any action or proceeding arising under the Public Records Act.
17. RIGHT TO AUDIT: The Agency reserves the right to review and/or audit all Contractor's records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to the Contractor. The Contractor shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.
18. INTEGRATION: The Contract Documents represent the entire Contract made and entered into by and between the Agency and the Contractor as to those matters contained in this contract. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered, or amended except by written mutual agreement by the Agency and the Contractor.

19. GOVERNING LAW: This Contract is to be governed by and constructed in accordance with the laws of the State of California, in the County of San Bernardino.
20. TERMINATION FOR CONVENIENCE: The Agency reserves and has the right to immediately suspend, cancel or terminate this Contract at any time upon written notice to the Contractor. In the event of such termination, the Agency shall pay Contractor for all authorized and Contractor-invoiced services up to the date of such termination, as approved by the Project Manager.
21. FORCE MAJEURE: Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etcetera.
22. NOTICE TO PROCEED: No services shall be performed or provided under this Contract unless and until this document has been properly signed by all responsible parties and a notice to proceed has been issued to the Contractor by the Project Manager.
23. AUTHORITY TO EXECUTE CONTRACT: The Signatories, below, each represent, warrant, and covenant that they have the full authority and right to enter into this Contract on behalf of the separate entities shown below.
24. DELIVERY OF DOCUMENTS: The Parties to this Contract and the individuals named to facilitate the realization of its intent, with the execution of the Contract, authorize the delivery of documents via facsimile, via email, and via portable document format (PDF) and covenant agreement to be bound by such electronic versions.

The parties hereto have caused the Contract to be entered as of the day and year written above.

**INLAND EMPIRE UTILITIES AGENCY:**  
*\*A MUNICIPAL WATER DISTRICT*

**TONY PAINTING, INC:**

\_\_\_\_\_  
 Halla Razak  
 General Manager

\_\_\_\_\_  
 (Date)

\_\_\_\_\_  
 Ante Marijanovic  
 President/CEO

\_\_\_\_\_  
 (Date)

**CONSENT  
CALENDAR  
ITEM**

**2K**



**Date:** December 19, 2018

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager

**Committee:** Engineering, Operations & Water Resources

12/12/18

**Executive Contact:** Shaun Stone, Acting Executive Manager of Engineering/AGM

**Subject:** Door Threshold and Railing Construction Contract Award

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**Executive Summary:**

This construction award is for two safety related projects:

1. A tripping injury initiated an assessment of door thresholds throughout IEUA. The assessment identified over 30 doorways that needed work to meet Cal-OSHA requirements.
2. Operations requested hand railing placed around the catwalks at the RP-1 Aeration Basins to minimize a potential falling hazard.

On November 8, 2018, IEUA received two construction bids. AToM Engineering was deemed to be the lowest responsive, responsible bidder with a bid of \$345,398.

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**Staff's Recommendation:**

1. Award a construction contract for the Door Threshold and Railing, Project Nos. EN19032.01/EN19040, to AToM Engineering Construction, Inc., in the amount of \$345,398;
2. Approve an increase in the budget allocation for FY 2018/19 and total project budget for the RO Safety, Project No. EN19032, in the amount of \$100,000; and
3. Authorize the General Manager to execute the budget amendment and contract, subject to non-substantive changes.

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**Budget Impact** Budgeted (Y/N): Y Amendment (Y/N): Y Amount for Requested Approval: \$ 100,000

**Account/Project Name:**

EN19032.01/Agency-Wide Threshold Improvements  
EN19040.00/RP-1 Aeration Basin Catwalk Safety Railing

**Fiscal Impact** (explain if not budgeted):

If approved, the RO Safety Improvements, Project No. EN19032, total project budget and FY 2018/19 budget allocation will increase from \$100,000 to \$350,000.

**Prior Board Action:**

None.

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**Environmental Determination:**

Statutory Exemption

The project is statutorily exempt based on the CEQA General Rule found in Section 15061(b)(3) of the State CEQA Guidelines.

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**Business Goal:**

The Door Threshold and Railing Project is consistent with IEUA's Business Goal of Wastewater Management and Work Environment specifically the Asset Management and Staff Safety objectives that IEUA will ensure the regional sewer system and treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, can accommodate changes in regional water use, and will promote and ensure a safe and healthy work environment, exceeding industry best practices.

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**Attachments:**

Attachment 1 - PowerPoint

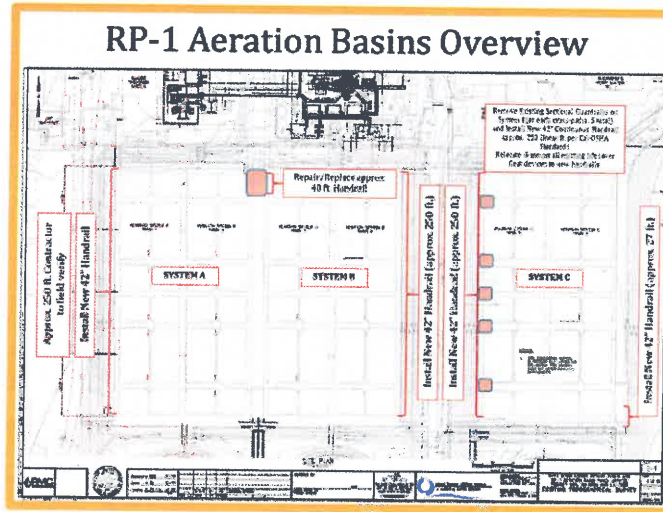
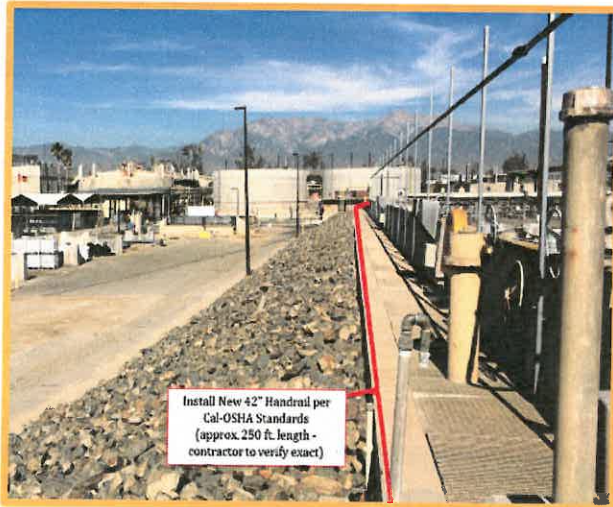
Attachment 2 - Construction Contract

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# **Attachment 1**

# Door Threshold and Railing

Project No. EN19032.01/EN19040





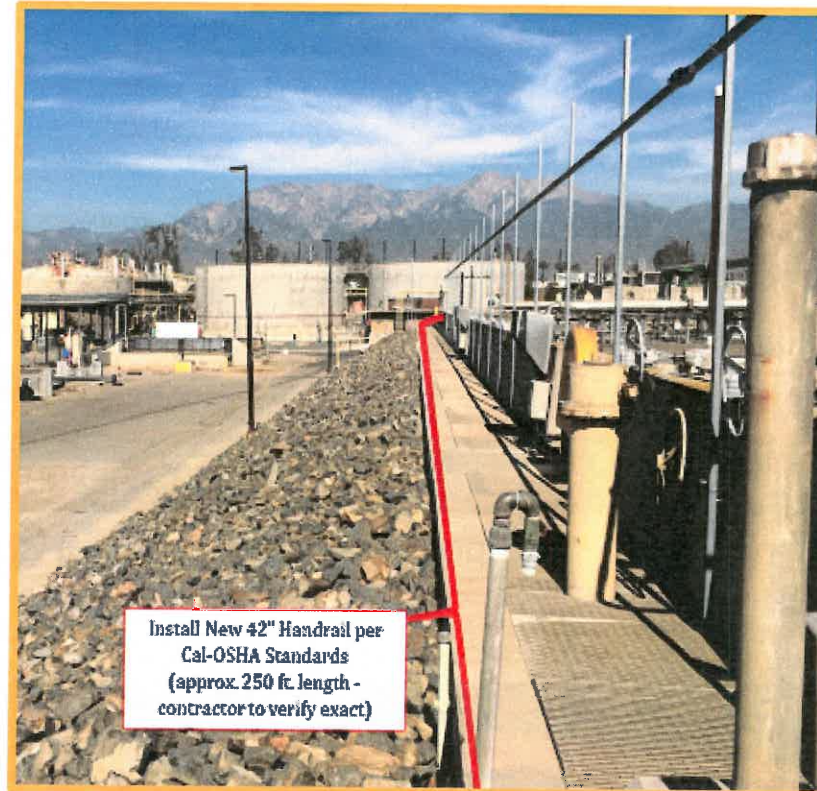
# Project Location

RP-1 Safety Railing & Threshold Locations



# The Project

- Safety Railing at Numerous Locations at RP-1
- Thresholds, Platforms, and Stairs at RP-1, RP-4, RP-5, and CCWRF
- Install Stair Safety Railing per Cal-OSHA



Example of Threshold

# Contractor Selection

On November 8, 2018, two bids were received:

Bidder's Name	Bid Price
AToM Engineering Construction, Inc.	*\$345,398
DBA Golden Gate Construction	\$379,007
<b>Engineer's (Non-Addendum 1) Estimate</b>	<b>\$208,000</b>

\*AToM Engineering corrected a mathematical error on their bid, taking it from \$348,398 to \$345,398

# Project Budget and Schedule

Description	Estimated Cost
<b>Design Services</b>	<b>\$6,000</b>
Design	\$6,000
<b>Construction Services</b>	<b>\$51,810</b>
IEUA Construction Services (~15%)	\$51,810
<b>Construction</b>	<b>\$397,208</b>
Construction Contract (this action)	\$345,398
Contingency (~15%)	\$51,810
<b>Total Combined Project Cost:</b>	<b>\$455,018</b>
<b>Total Combined Project Budget:</b>	<b>\$500,000</b>

Project Milestone	Date
<b>Construction</b>	
Construction Contract Award	December 2018
Construction Completion	June 2019

# Recommendation

- Award a construction contract for the Door Threshold Improvements and Railing, Project No.'s EN19032.01/EN19040, to AToM Engineering Construction, Inc., in the amount of \$345,398;
- Approve an increase in the budget allocation for FY 2018/19 and total project budget for the RO Safety, Project No. EN19032, in the amount of \$100,000; and
- Authorize the General Manager to execute the budget amendment and contract, subject to non-substantive changes.

The Door Threshold and Railing Project is consistent with the **IEUA's Business Goal of Wastewater Management and Work Environment** specifically the Asset Management and Staff Safety objectives that IEUA will ensure the regional sewer system and treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, can accommodate changes in regional water use, and will promote and ensure a safe and healthy work environment, exceeding industry best practices.

# **Attachment 2**



**CONTRACT NUMBER: 4600002655  
FOR  
AGENCY-WIDE THRESHOLD IMPROVEMENTS  
AND RP-1 RAILING ADDITIONS**

THIS CONTRACT (the "Contract"), is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to as "Agency" or "IEUA"), and AToM Engineering Construction, Inc., with offices located in Hemet, California (hereinafter referred to as "Contractor"), for construction services regarding project EN19032.01 Agency-Wide Threshold Improvements and RP-1 Railing Additions.

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties agree as follows:

1. **AGENCY PROJECT MANAGER ASSIGNMENT:** All technical direction related to this Contract shall come from the designated Project Manager. Details of the Agency's assignment are listed below.

Project Manager: Matthew Poeske, Project Manager  
Address: 6075 Kimball Avenue, Bldg. "B"  
Chino, CA 91708  
Telephone: 909-993-1723  
Facsimile: 909-993-1982  
Email: mpoeske@ieua.org

2. **CONTRACTOR ASSIGNMENT:** Special inquiries related to this Contract and the effects of this Contract shall be referred to the following:

Contractor: AToM Engineering Construction, Inc.  
Shellbi Gallemore, Project Manager  
Address: 40410 Vista Road  
Hemet, CA 92544  
Telephone: (951) 766-2806  
Facsimile: (951) 658-4937  
Email: estimating@atomengconst.com

3. **ORDER OF PRECEDENCE:** The documents referenced below represent the Contract Documents; each of which is hereby incorporated as an integral part of this Contract. Where any conflicts exist between the General Terms and Conditions, or addenda attached, then the governing order of precedence shall be as follows:
1. Amendments to Contract Number 4600002655 and Approved Change Orders
  2. Contract Number 4600002655 General Terms and Conditions.
  3. Addendum No. 1 - Invitation for Bid Number IFB-SS-18-009 Exhibit B
  4. Agency's Invitation for Bid Number IFB-SS-18-009 Exhibit A
  5. Contractor's Best and Final Offer dated – Exhibit C
  6. Contractor's Original Proposal dated November 8, 2018 – Exhibit D
4. **SCOPE OF WORK AND SERVICES:** Contractor services and responsibilities shall include and be in accordance with the following:
- A. Contractor shall install Agency-Wide Threshold Improvements and RP-1 Railing Additions per Agency's Invitation for Bid number IFB-SS-18-009 **Exhibit A and Addendum No. 1 Exhibit B**, and Contractor's Original Proposal **Exhibit D** dated November 8, 2018 and Contractor's Best and Final Offer Proposal **Exhibit C** dated November 14, 2018 which are incorporated herein, and made a part hereof by this reference.
  - B. Contractor shall provide Agency with a Schedule of Work and Services, documenting the anticipated completion of the work within the time-frame set forth in Subsection 4.A., above. The Schedule of Work and Services will be prepared and submitted, to the Project Manager, for review and approval.
  - C. Method of Inspection:
    1. Work performed under this Contract may be required to undergo monthly, weekly, or daily inspections.
    2. The Project Manager will be responsible for performance of the inspections.
    3. If Contractor fails an inspection, the Project Manager will be responsible for providing a written notice to the Contractor explaining the error and a determination of the urgency for the correction of the error (herein referred to as a "Cure Notice").
  - D. Cure Procedure:
    1. For a Cure Notice deemed by the Agency to be **urgent**, Contractor shall correct any error of the Work within three (3) calendar days after Contractor's receipt of a Cure Notice, as directed by the Project Manager.



2. For a Cure Notice deemed by the Agency to be **important**, Contractor shall correct any error of the Work within seven (7) calendar days after Contractor's receipt of a Cure Notice, as directed by the Project Manager.
  3. If the Project Manager rejects all, or any part of, the Work as unacceptable and agreement to correct such Work cannot be reached without modification to the Contract, Contractor shall notify the Project Manager, in writing, detailing the dispute and the reason(s) for the Contractor's position. Any dispute that cannot be resolved between the Project Manager and Contractor shall be resolved in accordance with the provisions of this Contract.
- E. The Agency may, at any time, make changes to this Contract's Scope of Work; including additions, reductions, and other alterations to any or all of the Work. However, such changes shall only be made via written amendment to this Contract. The Contract compensation and Schedule of Work and Services shall be equitably adjusted, if required, to account for such changes and shall be set forth within the mutually approved Contract Amendment.
5. **TERM:** The term of this Contract shall extend from the date of the Notice to Proceed, and terminate upon completion of the Work, or August 30, 2019, whichever occurs first, unless agreed upon by both parties, reduced to writing, and amended to this Contract.
  6. **PAYMENT, INVOICING, AND COMPENSATION:**
    - A. The Contractor may submit an invoice not more than once per month during the term of this Contract to the Agency's Accounts Payable Department. Agency shall pay Contractor's properly executed invoice, approved by the Project Manager, within thirty (30) days following receipt of the invoice.
    - B. As compensation for the Work performed under this Contract, Agency shall pay Contractor's monthly invoice, for a total contract price **NOT-TO-EXCEED MAXIMUM OF \$345,398.00** for all services satisfactorily provided during the term of this Contract.
      1. Invoicing shall be submitted electronically to [apgroup@ieua.org](mailto:apgroup@ieua.org). Payment shall be withheld for any service which does not meet the requirements of this Contract or the associated Task Order, until such service is revised, the invoice resubmitted, and accepted by the Project Manager.

Contractor shall submit certified payroll records (CPR's) to the Labor Commissioner using DIR's electronic certified reporting system and provide with their invoice certified payroll verifying that Contractor has paid prevailing wage in accordance with the DIR requirements as

stipulated in California Senate Bills 854 and 96 (<http://www.dir.ca.gov/public-works/certified-payroll-reporting.html>).

- C. Concurrent with the submittal of the original invoice to the Agency's Accounts Payable Department, the Contractor shall forward (mail, fax, or email) a copy of the invoice to the designated Project Manager, identified in Section 1, on Page 1 of this Contract.
  - D. No Additional Compensation: Nothing set forth in this Contract shall be interpreted to require payment by Agency to Contractor of any compensation specifically for the assignments and assurances required by the Contract, other than the payment of expenses as may be actually incurred by Contractor in complying with this Contract, as approved by the Project Manager.
7. **CONTROL OF THE WORK:** The Contractor shall perform the Work in compliance with the Schedule of Work and Services. If performance of the Work falls behind schedule, the Contractor shall accelerate the performance of the Work to comply with the Schedule of Work and Services as directed by the Project Manager. If the nature of the Work is such that Contractor is unable to accelerate the Work, Contractor shall promptly notify the Project Manager of the delay, the causes of the delay, and submit a proposed revised Schedule of Work and Service.
8. **INSURANCE:** During the term of this Contract, the Contractor shall maintain, at Contractor's sole expense, the following insurance.
- A. **Minimum Scope of Insurance:** Coverage shall be at least as broad as:
    - 1. Commercial General Liability ("CGL"): Insurance Services Office ("ISO") Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
    - 2. Automobile Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, covering hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
    - 3. Workers' Compensation and Employers Liability: Workers' compensation limits as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
    - 4. **Payment Bond and Performance Bond:** Shall be in a sum equal to the contract price. If the Performance Bond provides for a one-year

warranty a separate Maintenance Bond is not necessary. Bonds shall be duly executed by a responsible corporate surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California.

- B. Deductibles and Self-Insured Retention: Any deductibles or self-insured retention must be declared to and approved by the Agency. At the option of the Agency, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Agency, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- C. Other Insurance Provisions: The insurance policies are to contain, or be endorsed to contain, the following provisions:
1. Commercial General Liability and Automobile Liability Coverage
    - a. Additional Insured Status: The Agency, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment supplied in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85; or **by either** CG 20 10, CG 20 26, CG 20 33, or CG 20 38 **and** CG 20 37 forms if later revisions are used).
    - b. Primary Coverage: The Contractor's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the Agency, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract with the Agency shall be excess of the Contractor's insurance and shall not contribute with it.
    - c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.
    - d. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
    - e. The Contractor may satisfy the limit requirements in a single policy or multiple policies. Any additional policies written as

excess insurance shall not provide any less coverage than that provided by the first or primary policy.

2. Workers' Compensation and Employers Liability Coverage

Contractor hereby grants to Agency a waiver of any right to subrogation which any insurer of the Contractor may acquire against the Agency by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the insurer.

3. All Coverages

Each insurance policy required by this Contract shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Agency pursuant to Section 14, page 12 of this Contract.

D. Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A minus: VII, and who are admitted insurers in the State of California.

E. Verification of Coverage: Contractor shall provide the Agency with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Agency before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The Agency reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

F. Submittal of Certificates: Contractor shall submit all required certificates and endorsements to the following:

Inland Empire Utilities Agency  
Attn: Angela Witte, Risk Specialist  
P.O. Box 9020  
Chino Hills, CA 91709  
Email: [AWitte@ieua.org](mailto:AWitte@ieua.org)

9. FITNESS FOR DUTY:

A. Fitness: Contractor and its Subcontractor personnel on the Jobsite:

1. Shall report to work in a manner fit to do their job;
2. Shall not be under the influence of or in possession of any alcoholic beverages or of any controlled substance (except a controlled substance as prescribed by a physician so long as the performance or safety of the Work is not affected thereby); and
3. Shall not have been convicted of any serious criminal offense which, by its nature, may have a discernible adverse impact on the business or reputation of the Agency.

10. LEGAL RELATIONS AND RESPONSIBILITIES:

- A. Professional Responsibility: The Contractor shall be responsible, to the level of competency presently maintained by other practicing professionals performing the same or similar type of work.
- B. Status of Contractor: The Contractor is retained as an independent Contractor only, for the sole purpose of providing the services described herein, and is not an employee of the Agency.
- C. Observing Laws and Ordinances: The Contractor shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Contractor shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, the Agency, its officers, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Contractor, its employees, or subcontractors.
- D. Subcontract Services: Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Project Manager and shall comply with State of California, Department of Industrial Relations, SB 854 requirements.
- E. Hours of Labor: The Contractor shall comply with all applicable provisions of California Labor Code Sections 1810 to 1815 relating to working hours. The Contractor shall, as a penalty to the Agency, forfeit \$25.00 for each worker employed in the completion of the Contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and forty

(40) hours in any one calendar week in violation of the provisions of the Labor Code.

- F. Travel and Subsistence Pay: The Contractor shall make payment to each worker for travel and subsistence payments which are needed to complete the work and/or service, as such travel and subsistence payments are defined in an applicable collective bargaining agreements with the worker.
- G. Liens: Contractor shall pay all sums of money that become due from any labor, services, materials or equipment provided to Contractor on account of said services to be rendered or said materials to be provided under this Contract and that may be secured by any lien against the Agency. Contractor shall fully discharge each such lien at the time performance of the obligation secured matures and becomes due.
- H. Indemnification: Contractor shall indemnify the Agency, its directors, employees, and assigns, and shall defend and hold them harmless from all liabilities, demands, actions, claims, losses and expenses, including reasonable attorneys' fees, which arise out of, or are related to, the negligence, recklessness or willful misconduct of the Contractor, its directors, employees, agents, and assigns, in the performance of work under this contract.
- I. Conflict of Interest: No official of the Agency, who is authorized in such capacity and on behalf of the Agency to negotiate, make, accept or approve, or to take part in negotiating, making, accepting or approving this Contract, or any subcontract relating to services or tasks to be performed pursuant to this Contract, shall become directly or indirectly personally interested in this Contract.
- J. Equal Opportunity: During the performance of this Contract, the Contractor shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin. The Agency is committed to creating and maintaining an environment free from harassment and discrimination.
- K. Disputes:
  - 1. All disputes arising out of or in relation to this Contract shall be resolved in accordance with this section. The Contractor shall pursue the work to completion in accordance with the instruction of the Agency's Project Manager notwithstanding the existence of a dispute. By entering into this Contract, both parties are obligated, and hereby agree, to submit all disputes arising under or relating to the Contract which remain unresolved after the exhaustion of the procedures provided herein, to independent arbitration. Except as otherwise provided herein,

arbitration shall be conducted under California Code of Civil Procedure Sections 1280, et seq., or their successor.

2. Any and all disputes prior to the work starting shall be subject to resolution by the Agency's Project Manager; and the Contractor shall comply, with the Agency Project Manager instructions. If the Contractor is not satisfied with the resolution directed by the Agency Project Manager, they may file a written protest with the Agency Project Manager within seven (7) calendar days after receiving written directive of the Project Manager's decision. Failure by Contractor to file a written protest within seven (7) calendar days shall constitute waiver of protest, and acceptance of the Project Manager's resolution. The Project Manager shall submit the Contractor's written protests to the General Manager, together with a copy of the Project Manager's written decision, for his or her consideration within seven (7) calendar days after receipt of the protest-related documents. The General Manager shall make his or her determination with respect to each protest filed with the Project Manager within ten (10) calendar days after receipt of the protest-related documents. If Contractor is not satisfied with any such resolution by the General Manager, they may file a written request for arbitration with the Project Manager within seven (7) calendar days after receiving written notice of the General Manager's decision.
3. In the event of arbitration, the parties to this contract agree that there shall be a single neutral Arbitrator who shall be selected in the following manner:
  - a. The Demand for Arbitration shall include a list of five names of persons acceptable to the Contractor to be appointed as Arbitrator. The Agency shall determine if any of the names submitted by Contractor are acceptable and, if so, such person will be designated as Arbitrator.
  - b. In the event that none of the names submitted by Contractor are acceptable to Agency, or if for any reason the Arbitrator selected in Step (a) is unable to serve, the Agency shall submit to Contractor a list of five names of persons acceptable to Agency for appointment as Arbitrator. The Contractor shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.
  - c. If after Steps (a) and (b), the parties are unable to mutually agree upon a neutral Arbitrator, the matter of selection of an Arbitrator shall be submitted to the San Bernardino County Superior Court pursuant to Code of Civil Procedure Section 1281.6, or its successor. The costs of arbitration, including but

not limited to reasonable attorneys' fees, shall be recoverable by the party prevailing in the arbitration. If this arbitration is appealed to a court pursuant to the procedure under California Code of Civil Procedure Section 1294, et seq., or their successor, the costs of arbitration shall also include court costs associated with such appeals, including but not limited to reasonable attorneys' fees which shall be recoverable by the prevailing party.

4. Association in Mediation/Arbitration: The Agency may join the Contractor in mediation or arbitration commenced by a contractor on the Project pursuant to Public Contracts Code Sections 20104 et seq. Such association shall be initiated by written notice from the Agency's representative to the Contractor.
  - L. Workers' Legal Status: For performance against this Contract, Contractor shall only utilize employees and/or subcontractors that are authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986.
  - M. Prevailing Wage Requirements: Pursuant to Section 1770 and following, of the California Labor Code, the Contractor shall not pay less than the general prevailing wage rates, as determined by the Director of the State of California Department of Industrial Relations for the locality in which the work is to be performed and for each craft or type of worker needed to execute the work contemplated under the Contract. The Contractor or any subcontractor performing part of said work shall strictly adhere to all provisions of the Labor Code, including, but not limited to, minimum wages, work days, nondiscrimination, apprentices, maintenance and availability of accurate payroll records and any other matters required under all Federal, State and local laws related to labor.
11. OWNERSHIP OF MATERIALS AND DOCUMENTS/CONFIDENTIALITY: The Agency retains ownership of any, and all, partial or complete reports, drawings, plans, notes, computations, lists, and/or other materials, documents, information, or data prepared by the Contractor and/or the Contractor's subcontractor(s) pertaining to this Contract. Said materials and documents are confidential and shall be available to the Agency from the moment of their preparation, and the Contractor shall deliver them to the Agency whenever requested to do so by the Project Manager and/or Agency representative. The Contractor agrees that all documents shall not be made available to any individual or organization, private or public, without the prior written consent of an Agency representative.



12. TITLE AND RISK OF LOSS:

- A. Documentation: Title to the Documentation shall pass to the Agency when prepared; however, a copy may be retained by Contractor for its records and internal use. Contractor shall retain such Documentation in a controlled access file, and shall not reveal, display, or disclose the contents of the Documentation to others without the prior written authorization of the Agency or for the performance of Work related to the Scope of Work described in this Contract.
- B. Material: Title to all Material, field or research equipment, and laboratory models, procured or fabricated under the Contract shall pass to the Agency when procured or fabricated, and such title shall be free and clear of any and all encumbrances. Contractor shall have risk of loss of any Material or Agency-owned equipment of which it has custody.
- C. Disposition: Contractor shall dispose of items to which the Agency has title as directed, in writing, by the Project Manager and/or an Agency representative.

13. PROPRIETARY RIGHTS:

- A. Rights and Ownership: Agency's rights to inventions, discoveries, trade secrets, patents, copyrights, and other intellectual property, including the Information and Documentation, and revisions thereto (hereinafter collectively referred to as "Proprietary Rights"), used or developed by Contractor in the performance of the Work, shall be governed by the following provisions:
  - 1. Proprietary Rights conceived, developed, or reduced to practice by Contractor in the performance of the Work shall be the property of Agency, and Contractor shall cooperate with all appropriate requests to assign and transfer same to Agency.
  - 2. If Proprietary Rights conceived, developed, or reduced to practice by Contractor prior to the performance of the Work are used in and become integral with the Work, or are necessary for Agency to have complete control of the Work, Contractor shall grant to Agency a non-exclusive, irrevocable, royalty-free license, as may be required by Agency for the complete control of the Work, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy or dispose of any or all of the Work and grant sublicenses to others with respect to the Work.
  - 3. If the Work includes the Proprietary Rights of others, Contractor shall procure, at no additional cost to Agency, all necessary licenses regarding such Proprietary Rights so as to allow Agency the complete

control of the Work, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy, or dispose of any or all of the Work; and to grant sublicenses to others with respect to the Work. All such licenses shall be in writing and shall be irrevocable and royalty-free to Agency.

14. NOTICES: Any notice may be served upon either party by delivering it in person, or by depositing it in a United States Mail deposit box with the postage thereon fully prepaid, and addressed to the party at the address set forth below:

Agency: Warren T. Green  
Manager of Contracts and Procurement  
Inland Empire Utilities Agency  
P.O. Box 9020  
Chino Hills, CA 91709

Contractor: Shellbi Gallemore  
AToM Engineering Construction, Inc.  
40410 Vista Road  
Hemet, CA 92544

Any notice given pursuant to this section shall be deemed effective in the case of personal delivery, upon receipt thereof, or, in the case of mailing, at the moment of deposit in the course of transmission through the United States Postal Service.

15. SUCCESSORS AND ASSIGNS: All of the terms, conditions and provisions of this Contract shall take effect to the benefit of and be binding upon the Agency, the Contractor, and their respective successors and assigns. No assignment of the duties or benefits of the Contractor under this Contract may be assigned, transferred, or otherwise disposed of, without the prior written consent of the Agency; and any such purported or attempted assignment, transfer, or disposal without the prior written consent of the Agency shall be null, void, and of no legal effect whatsoever.
16. PUBLIC RECORDS POLICY: Information made available to the Agency may be subject to the California Public Records Act (Government Code Section 6250 et seq.) The Agency's use and disclosure of its records are governed by this Act. The Agency shall use its best efforts to notify Contractor of any requests for disclosure of any documents pertaining to this work. In the event of litigation concerning disclosure of information Contractor considers exempt from disclosure; (e.g., Trade Secret, Confidential, or Proprietary) Agency shall act as a stakeholder only, holding the information until otherwise ordered by a court or other legal process. If Agency is required to defend an action arising out of a Public Records Act request for any of the information Contractor has marked "Confidential," "Proprietary," or "Trade Secret," Contractor shall defend and indemnify Agency from all liability, damages, costs, and expenses, in any action or proceeding arising under the Public Records Act.

17. RIGHT TO AUDIT: The Agency reserves the right to review and/or audit all Contractor's records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to the Contractor. The Contractor shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.
18. INTEGRATION: The Contract Documents represent the entire Contract made and entered into by and between the Agency and the Contractor as to those matters contained in this contract. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered, or amended except by written mutual agreement by the Agency and the Contractor.
19. GOVERNING LAW: This Contract is to be governed by and constructed in accordance with the laws of the State of California, in the County of San Bernardino.
20. TERMINATION FOR CONVENIENCE: The Agency reserves and has the right to immediately suspend, cancel or terminate this Contract at any time upon written notice to the Contractor. In the event of such termination, the Agency shall pay Contractor for all authorized and Contractor-invoiced services up to the date of such termination, as approved by the Project Manager.
21. FORCE MAJEURE: Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etcetera.
22. NOTICE TO PROCEED: No services shall be performed or provided under this Contract unless and until this document has been properly signed by all responsible parties and a notice to proceed has been issued to the Contractor by the Project Manager.
23. AUTHORITY TO EXECUTE CONTRACT: The Signatories, below, each represent, warrant, and covenant that they have the full authority and right to enter into this Contract on behalf of the separate entities shown below.
24. DELIVERY OF DOCUMENTS: The Parties to this Contract and the individuals named to facilitate the realization of its intent, with the execution of the Contract, authorize the delivery of documents via facsimile, via email, and via portable document format (PDF) and covenant agreement to be bound by such electronic versions.

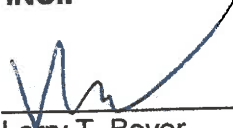
The parties hereto have caused the Contract to be entered as of the day and year written above.

**INLAND EMPIRE UTILITIES AGENCY:**  
*\*A MUNICIPAL WATER DISTRICT*

**ATOM ENGINEERING CONSTRUCTION,  
INC.:**

\_\_\_\_\_  
Halla Razak  
General Manager

\_\_\_\_\_  
(Date)

  
\_\_\_\_\_  
Larry T. Boyer  
Owner

11/29/18  
\_\_\_\_\_  
(Date)

**CONSENT  
CALENDAR  
ITEM**

**2L**



**Date:** December 19, 2018

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager

HHR

**Committee:** Engineering, Operations & Water Resources

12/12/18

**Executive Contact:** Randy Lee, Executive Manager of Operations/AGM

**Subject:** Purchase of New Vehicles

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**Executive Summary:**

The Agency's 111 fleet vehicles and rolling equipment are required for staff to conduct Agency-related business. To ensure Agency employee safety, fleet reliability, and the timely phase-in of replacement vehicles, the Agency's vehicle policy provides (as a guideline) for the replacement of vehicles after ten years or 100,000 miles of service. In accordance with this policy, staff has recommended that 13 Agency vehicles be replaced. The vehicles proposed to be replaced are mostly utility trucks and are between 12 to 16 years old.

The Agency has elected to participate in the national cooperative contract purchasing program with Sourcewell (formerly the National Joint Powers Alliance (NJPA)) for the National Auto Fleet Group that will provide the Agency the best overall supplier government pricing.

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**Staff's Recommendation:**

1. Authorize the purchase of 13 new fleet vehicles from National Auto Fleet Group for a not-to-exceed amount of \$500,000 (including tax and delivery); and
2. Authorize the General Manager to execute the purchase.

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**Budget Impact** Budgeted (Y/N): Y Amendment (Y/N): N Amount for Requested Approval:

Account/Project Name:

Project No. EP19004 Agency Wide Vehicle Replacement.

*Fiscal Impact (explain if not budgeted):*

**Prior Board Action:**

March 21, 2018 Board approved the purchase of 13 new fleet vehicles from National Auto Fleet Group for a not-to-exceed amount of \$500,000.

June 21, 2017 Board approved Project EP18004 Agency-wide Vehicle Replacement authorizing the purchase of replacement Agency vehicles through the standard procurement process.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

The purchase of the new vehicles aligns with the Agency's environmental stewardship goal to enhance and promote environmental sustainability.

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**Attachments:**

Attachment 1: PowerPoint

Attachment 1: Sourcewell's National Auto Fleet Group agreement

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# Attachment 1



# Purchase of New Vehicles

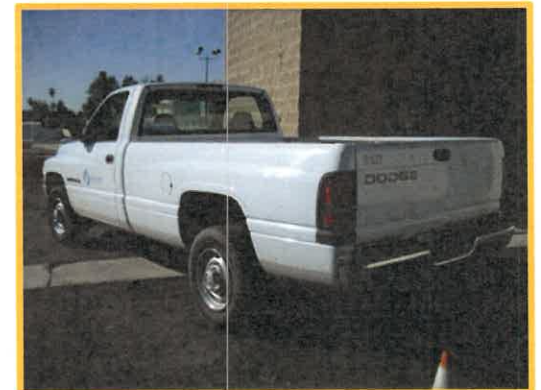


# Agency Fleet

- Fleet vehicles are required for staff to conduct Agency-related business
- Vehicles proposed to be replaced are 12 to 16 years old
  - 13 vehicles (F150 / F250 / Van / SUV)

## Current Fleet Inventory

Vehicles (Type)	Sedans	SUV	Trucks	Van	Total
Total # of each	9	7	87	8	111



# Sourcewell

- Participating in the national cooperative contract purchasing program
  - National Auto Fleet Group
  - Best overall supplier government pricing
  - Overall reduction of 20% to 25% in price
- Formerly National Joint Powers Alliance



# Recommendation

- Authorize the purchase of 13 new fleet vehicles from National Auto Fleet Group for a not-to-exceed amount of \$500,000 (including tax and delivery); and
- Authorize the General Manager to execute the purchase.

*The purchase of the new vehicles aligns with the Agency's environmental stewardship goal to enhance and promote environmental sustainability.*



# Attachment 2

**Form C**

**EXCEPTIONS TO PROPOSAL, TERMS, CONDITIONS,  
AND SOLUTIONS REQUEST**



Company Name: 72 Heat LLC, DBA National Auto Fleet Group

Any exceptions to the terms, conditions, specifications, or proposal forms contained in this RFP must be noted in writing and included with the Proposer's response. The Proposer acknowledges that the exceptions listed may or may not be accepted by NJPA or included in the final contract. NJPA will make reasonable efforts to accommodate the listed exceptions and may clarify the exceptions in the appropriate section below.

Section/page	Term, Condition, or Specification	Exception	NJPA ACCEPTS
<i>N/A</i>		<i>None taken</i>	

Proposer's Signature: *[Handwritten Signature]* Date: 12-5-16

NJPA's clarification on exceptions listed above:



Contract Award  
RFP #120716

FORM D



Formal Offering of Proposal  
(To be completed only by the Proposer)

VEHICLES, CARS, VANS, SUVs, AND LIGHT TRUCKS WITH RELATED EQUIPMENT, ACCESSORIES, AND SERVICES

In compliance with the Request for Proposal (RFP) for VEHICLES, CARS, VANS, SUVs, AND LIGHT TRUCKS WITH RELATED EQUIPMENT, ACCESSORIES, AND SERVICES, the undersigned warrants that the Proposer has examined this RFP and, being familiar with all of the instructions, terms and conditions, general and technical specifications, sales and service expectations, and any special terms, agrees to furnish the defined products and related services in full compliance with all terms and conditions of this RFP, any applicable amendments of this RFP, and all Proposer's response documentation. The Proposer further understands that it accepts the full responsibility as the sole source of solutions proposed in this RFP response and that the Proposer accepts responsibility for any subcontractors used to fulfill this proposal.

72 HOCH LLC, DBA  
Company Name: NATIONAL AUTO FLEET GROUP Date: 12-5-16  
Company Address: 490 AUTO CENTER DRIVE  
City: WATSONVILLE State: CA Zip: 95076  
Contact Person: JESSE COOPER Title: FLEET MANAGER  
Authorized Signature: [Signature] JESSE COOPER  
(Name printed or typed)

**FORM E**  
**CONTRACT ACCEPTANCE AND AWARD**



(Top portion of this form will be completed by NJPA if the vendor is awarded a contract. The vendor should complete the vendor authorized signatures as part of the RFP response.)


NJPA Contract #: 120716-NAF

Proposer's full legal name: 72 Hour LLC, dba National Auto Fleet Group

**Based on NJPA's evaluation of your proposal, you have been awarded a contract. As an awarded vendor, you agree to provide the products and services contained in your proposal and to meet all of the terms and conditions set forth in this RFP, in any amendments to this RFP, and in any exceptions that are accepted by NJPA.**

The effective date of the Contract will be January 17, 2017 and will expire on January 17, 2021 (no later than the later of four years from the expiration date of the currently awarded contract or four years from the date that the NJPA Chief Procurement Officer awards the Contract). This Contract may be extended for a fifth year at NJPA's discretion.

**NJPA Authorized Signatures:**

  
NJPA DIRECTOR OF COOPERATIVE CONTRACTS  
AND PROCUREMENT/CPO SIGNATURE

Jeremy Schwartz  
(NAME PRINTED OR TYPED)

  
NJPA EXECUTIVE DIRECTOR/CEO SIGNATURE

Chad Coquette  
(NAME PRINTED OR TYPED)

Awarded on January 16, 2017

NJPA Contract # 120716-NAF

**Vendor Authorized Signatures:**

The Vendor hereby accepts this Contract award, including all accepted exceptions and amendments.

Vendor Name 72 Hour LLC, National Auto Fleet Group

Authorized Signatory's Title Fleet Manager

  
VENDOR AUTHORIZED SIGNATURE

Jesse Coole  
(NAME PRINTED OR TYPED)

Executed on 1-16 2017

NJPA Contract # 120716-NAF



**PROPOSER ASSURANCE OF COMPLIANCE**



**Proposal Affidavit Signature Page**

**PROPOSER'S AFFIDAVIT**

The undersigned, authorized representative of the entity submitting the foregoing proposal (the "Proposer"), swears that the following statements are true to the best of his or her knowledge.

1. The Proposer is submitting its proposal under its true and correct name, the Proposer has been properly originated and legally exists in good standing in its state of residence, the Proposer possesses, or will possess before delivering any products and related services, all applicable licenses necessary for such delivery to NJPA members agencies. The undersigned affirms that he or she is authorized to act on behalf of, and to legally bind the Proposer to the terms in this Contract.
2. The Proposer, or any person representing the Proposer, has not directly or indirectly entered into any agreement or arrangement with any other vendor or supplier, any official or employee of NJPA, or any person, firm, or corporation under contract with NJPA, in an effort to influence the pricing, terms, or conditions relating to this RFP in any way that adversely affects the free and open competition for a Contract award under this RFP.
3. The Proposer has examined and understands the terms, conditions, scope, contract opportunity, specifications request, and other documents in this solicitation and affirms that any and all exceptions have been noted in writing and have been included with the Proposer's RFP response.
4. The Proposer will, if awarded a Contract, provide to NJPA Members the /products and services in accordance with the terms, conditions, and scope of this RFP, with the Proposer-offered specifications, and with the other documents in this solicitation.
5. The Proposer agrees to deliver products and services through valid contracts, purchase orders, or means that are acceptable to NJPA Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to NJPA Members under an awarded Contract.
6. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
7. The Proposer understands that NJPA will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statute §13.591, Subd. 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals generally become public data. Minnesota Statute §13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
8. The Proposer understands that it is the Proposer's duty to protect information that it considers nonpublic, and it agrees to defend and indemnify NJPA for reasonable measures that NJPA takes to uphold such a data designation.

**[The rest of this page has been left intentionally blank. Signature page below]**

By signing below, Proposer is acknowledging that he or she has read, understands, and agrees to comply with the terms and conditions specified above.

Company Name: 72 HOCT LLC, DBA NATIONAL ALTO FLEET GROUP

Address: 490 ALTO CENTER DRIVE

City/State/Zip: WATSONVILLE, CA 95076

Telephone Number: 855-289-6572

E-mail Address: JCOOPER@NATIONALALTOFLEETGROUP.COM

Authorized Signature: *Jesse Cooper*

Authorized Name (printed): JESSE COOPER

Title: FLEET MANAGER

Date: 12-2-16

**Notarized**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

Subscribed and sworn to before me this 2 day of December, 2016

Notary Public in and for the County of Los Angeles State of California

My commission expires: July 30, 2019

Signature: *[Signature]*





**Form P**

**PROPOSER QUESTIONNAIRE**

**Payment Terms, Warranty, Products and Services, Pricing and Delivery, and Industry-Specific Questions**

Proposer Name: National Auto Fleet Group

Questionnaire completed by: Jesse Cooper

**Payment Terms and Financing Options**

1) What are your payment terms (e.g., net 10, net 30)?

Net 30

2) Do you provide leasing or financing options, especially those options that schools and governmental entities may need to use in order to make certain acquisitions?

Absolutely. We provide both municipal financing and municipal leasing available to all NJPA members in every state. We use National Cooperative Leasing, Diversified Leasing and NAFG Provided leasing options to all NJPA Members.

3) Briefly describe your proposed order process. Please include enough detail to support your ability to report quarterly sales to NJPA. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the NJPA Members' purchase orders.

There are two methods. One is the electronic ordering process, where the member logs into our website located at [www.nationalautofleetgroup.com](http://www.nationalautofleetgroup.com), builds their desired vehicle to their specifications, and then electronically sends us a purchase order. The vehicle is delivered directly to the user's specified end-user address, then we FedEx the customer all the appropriate documentations.

The other method, should the customer not be comfortable with internet or the use of our website, is where the member calls our toll-free number at 1-855-289-6572 and is greeted by one of our sales associates, who then creates a quotation based on the customer's needs and either emails, faxes, or physically mails it to the customer. The customer then sends us a purchase order. We then process the purchase order and deliver the vehicle to the customer's specified location.

We have reported directly to NJPA for the last 22 consecutive quarters.

4) Do you accept the P-card procurement and payment process? If so, is there any additional cost to NJPA Members for using this process?

Yes, we do accept the P-card procurement and payment process, and there is no additional cost for using it.

## Warranty

- 5) Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may include in your response a copy of your warranties, but at a minimum please also answer the following questions.
- Do your warranties cover all products, parts, and labor?
  - Do your warranties impose usage restrictions or other limitations that adversely affect coverage?
  - Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?
  - Are there any geographic regions of the United States for which you cannot provide a certified technician to perform warranty repairs? How will NJPA Members in these regions be provided service for warranty repair?
  - Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?
  - What are your proposed exchange and return programs and policies?

The manufacturer's warranties are all written between the manufacturer and the NJPA member. Therefore, should a warranty repair be required, the member merely needs to take the vehicle to the closest manufacturer franchise (i.e. Ford, Toyota etc.) If the vehicle is not drivable, the customer can notify us through our toll-free number at 1-855-289-6572 and we will have it towed to the nearest facility. All this is done at no cost to the member. There are no conditions to qualify. Any new vehicle qualifies. The manufacturer's warranty does include labor and parts. Other than abuse, there are no restrictions or limitations that affect coverage. All warranty repairs are done in the manufacturer's facilities, thus there is no travel time for technicians. Warranty repairs are all performed in all 50 states, regardless of location. Any after-market accessories installed under our contract are covered by the written warranty for both parts and labor for the after-market installer, who provided them. There is no return policy. If a vehicle is no longer needed by the member, a 25% restocking charge can be imposed.

- 6) Describe any service contract options for the items included in your proposal.

We offer a multitude of service contracts and extended warranties, running all the way up to 250,000 miles. The cost, term, and coverage are determined by the mileage and term. Contact us directly for a quote.

## Pricing, Delivery, Audits, and Administrative Fee

- 7) Provide a general narrative description of the equipment/products and related services you are offering in your proposal.

All of our pricing, by manufacturer, is listed in the attached books 1-18, outlined in our price summary along with our after market equipment categories.

- 8) Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the NJPA discounted price) on all of the items that you want NJPA to consider as part of your RFP response. Provide a SKU for each item in your proposal. (Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract. See the body of the RFP and the Price and Product Change Request Form for more detail.)

Utilizing a Percentage Off MSRP / LIST method, NAFG can offer NJPA members discounts ranging from 25.86% down to 1% across the 15 manufacturers depending on model. Please

see Tab 2 as well as Attachment Book 2-18 for "Pricing." We detail the addition of All Factory Options and After Market Equipment.

- 9) Please quantify the discount range presented in this response. For example, indicate that the pricing in your response represents is a 50% percent discount from the MSRP or your published list.

The percentage will vary on the very same product from state to state as the discount structure passed onto us by the manufacturers can vary from state to state. Therefore, we have included in the 18 attachment A's / Books the exact manufacturer's list price and our price side by side. This fixed pricing makes it easy to do price validations. In addition, all factory installed options can be added at factory invoice + 3% and all after-market accessories are offered at the up fitter's municipal pricing level which varies from 1-30% off of retail prices.

All of our pricing is based on 2017 year model. Any subsequent year model in the contract will be a maximum of 3% more + any required governmental, safety, emissions requirement as mandated by the federal or Canadian government.

- 10) The pricing offered in this proposal is

- a. the same as the Proposer typically offers to an individual municipality, university, or school district.
- b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.
- c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.
- d. other than what the Proposer typically offers (please describe).

Our bid price is the most competitive price on the marketplace. It is far lower than any individual or other cooperatives have available to them. We leverage our entire company-wide purchasing power to the benefit to the NJPA member. Last year alone, company-wide, we delivered over 34,000 vehicles, which is the driving force that allows us to obtain deep discounts from all original equipment manufacturers and deliver the savings to the NJPA member. We don't think any other vendor can do that.

- 11) Describe any quantity or volume discounts or rebate programs that you offer.

They are all included in our bid price.

- 12) Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.

Included in our bid are the base prices for all vehicles. Factory options can be added at +10%. All sourced goods are offered at the up fitter's municipal pricing level which varies from 1-30% off of retail prices.

- 13) Identify any total cost of acquisition costs that are **NOT** included in the pricing submitted with your response. This cost includes all additional charges that are not directly identified as freight or shipping charges. For example, list costs for items like installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.

There are no hidden or undisclosed costs in our proposal. All costs are legitimate and fully disclosed to the NJPA member.

- 14) If delivery or shipping is an additional cost to the NJPA Member, describe in detail the complete shipping and delivery program.

There is no additional cost. All shipping is included in the original quote to the member.

- 15) Specifically describe those shipping and delivery programs for Alaska, Hawaii, Canada, or any offshore delivery.

Shipping to Alaska or Hawaii can be one of two ways. Either from the assembly point directly to the franchise dealer in Alaska or Hawaii, or if the NJPA member requires a lower 48 state specialized body installation, then freight is calculated from the Port of Long Beach, Port of Los Angeles, or the Port of Seattle, Washington. It is included in the original NJPA member quote.

- 16) Describe any unique distribution and/or delivery methods or options offered in your proposal.

To us, these are not unique. We have been doing this for years, and we continue to do this every day. Our competitors do not have that advantage.

- 17) Please specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with NJPA. This process includes ensuring that NJPA Members obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to NJPA.

We have an in-house financial administrator who monitors that on a daily basis. In addition, we bring in twice a year, Polmaris and Associates (an independent certified public accountant from Sacramento, California) to review all payments and disbursements.

- 18) Identify a proposed administrative fee that you will pay to NJPA for facilitating, managing, and promoting the NJPA Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See RFP Section 6.29 and following for details.)

- 1) 1% of the unit price is up to \$700.00 other than "related equipment" pass through items
- 2) Total amount in any 12-month period will not exceed \$4,500,000.00 in Administration Fees
- 3) NAFG reserves the right to waive all or in part the Admin Fee when faced with a large county of State competition and or faced with unusable circumstances.

### **Industry-Specific Questions**

- 19) Identify any features in your response that are different from your standard vehicle offering or that are unique to your proposal.

Our proposal is unique primarily in the fact that we are the only ones that have the order to deliver online system available exclusively for your members. None of the other bids you are reviewing today can state that.

- 20) Demonstrate your processes to handle vehicles on order with NJPA members that are subject to a recall or that have open service campaigns.

Our staff keeps a running list of open recalls by manufacturer. We cross check it on a weekly basis to try and ensure that none of your members receive a vehicle with an open outstanding recall or campaign.

- 21) Demonstrate your NJPA member communication processes from P.O. generation to the delivery of vehicle in order to meet member expectations.

After the PO is issued to NAFG we send our client an order confirmation with an estimated time of arrival for the purchase. We give members the option of how frequently they would like updates on their vehicles, as well as communicating any complications along the way. Our staff communicates through any form that customers feel comfortable with, whether it is faxes, calls, or emails. When the vehicle is ready to be delivered, we give the customers advance notice to ensure they are ready to receive the vehicle. All vehicle paperwork documents are sent out via UPS, and tracking numbers are provided to the client.

Signature: \_\_\_\_\_



Date: \_\_\_\_\_

12-6-16

**CONSENT  
CALENDAR  
ITEM**

**2M**





**Date:** December 19, 2018

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager

**Committee:** Engineering, Operations & Water Resources

HHR

12/12/18

**Executive Contact:** Randy Lee, Executive Manager of Operations/AGM

**Subject:** Master Services Contract Amendment for Superior Electric Motor Service, Inc.

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**Executive Summary:**

Equipment reliability is critical for the safe, compliant, and efficient operations of Agency facilities. To provide the required reliability, the Maintenance Department (MD) routinely sends out motors to a local shop for rebuild and repairs. These motors drive pumps, blowers, compressors, mixers, and other rotating equipment throughout the facilities. The Agency is currently under contract with Superior Electric Motor Service, Inc. (Superior) to provide motor rebuild and repair since 2015 through a competitive bid process. Staff has been satisfied with their service and has exercised the option to increase the contract amount and extend the services contract through June 30, 2019.

Since the beginning of the contract, the Agency has utilized Superior to rebuild more motors than it was first anticipated. As the MD reprioritized the preventive maintenance program and reinitiated the condition-based motoring (CBM) program, it is pro-actively monitoring motor conditions and preventing catastrophic motor failures. This effort reduces overall cost from purchasing replacement motors, damage to associated equipment, staff overtime, and equipment downtime. When MD staff determines a motor rebuild is necessary through CBM, the effort is planned and coordinated with Operations and Superior. Due to this pro-active approach, the contract requires an additional \$150,000, with a new not-to-exceed amount of \$670,000.

---

**Staff's Recommendation:**

1. Amend and increase the not-to-exceed amount of Contract No. 4600001868 to Superior Electric Motor Service, Inc. to provide repair, rebuild, or refurbishment services of rotating machinery for a total aggregate not-to-exceed amount of \$670,000 over the existing three-year period with a one-year option to extend; and
2. Authorize the General Manager to execute the amendment to the services contract.

---

**Budget Impact** *Budgeted (Y/N): Y* *Amendment (Y/N): Y* *Amount for Requested Approval:*

*Account/Project Name:*

Regional Operations and Maintenance (RO), Recycled Water (WC), and Non-Reclaimable Wastewater (NC) Funds, Professional Fees and Services Budget.

*Fiscal Impact (explain if not budgeted):*

Full account coding (internal AP purposes only):

- - -  
- - -

Project No.:

---

**Prior Board Action:**

1. May 20, 2015 - Awarded Contract No. 4600001868 to Superior Electric Motor Service, Inc.
2. March 15, 2017 - Approved amendment to Contract No. 4600001868 for an aggregate not-to-exceed amount of \$440,000.
3. August 6, 2018 and October 15, 2018 - As allowed per Procurement Ordinance 101, Amendment #003 and #004 to Contract No. 4600001868 for a not-to exceed amount of \$480,000 and \$520,000 respectively were approved by the Manager of Contracts.

---

**Environmental Determination:**

Statutory Exemption

CEQA exempts a variety of projects from compliance with the statute. This amendment qualifies for a Statutory Exemption as defined in Section 15262 of the State CEQA Guidelines. When the project is implemented, it will be subject to environmental evaluation.

---

**Business Goal:**

IEUA is committed to safeguarding the Agency's fiscal health to effectively support short term and long term needs, while providing the best value for our customers.

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**Attachments:**

Attachment 1 - Contract 4600001868 Amendment #005

# Attachment 1



**CONTRACT AMENDMENT NUMBER: 4600001868-005**  
**TO**  
**MASTER CONTRACT NUMBER 4600001868**  
**FOR PROVISION OF**  
**AS-NEEDED MECHANICAL EQUIPMENT REPAIR SERVICES**

THIS AMENDMENT, Number 4600001868-005, to Contract Number 4600001868 between the Inland Empire Utilities Agency and Superior Electric Motor Service, Inc., of Los Angeles, California, for as - needed provision of mechanical equipment repair services, revises the Contract as follows:

Within the last paragraph of **Article 6, PAYMENT, INVOICING, AND COMPENSATION**, replace the existing call-out of this Contract's "total-aggregate price not-to-exceed \$520,000.00 with the superseding call-out of "**total aggregate price not-to-exceed \$670,000.00.**" (This action represents a \$150,000.00 incremental increase to the not-to-exceed price limit of this Contract.).

ALL OTHER PROVISIONS OF CONTRACT NUMBER 4600001868 REMAIN UNCHANGED.

WITNESSETH, that the parties hereto have mutually covenanted and agreed as per the above amendment item(s), and in doing so have caused this document to become incorporated into the Contract Documents.

INLAND EMPIRE UTILITIES AGENCY:

SUPERIOR ELECTRIC MOTOR SERVICE, Inc:

\_\_\_\_\_  
Halla Razak  
General Manager

(Date)

  
\_\_\_\_\_  
Chris Marachelian  
Vice President

11/13/18  
(Date)

**CONSENT  
CALENDAR  
ITEM**

**2N**

**Date:** December 19, 2018

**To:** The Honorable Board of Directors

**Committee:** Audit

**From:**  Halla Razak, General Manager 

12/11/18

**Executive Contact:** Christina Valencia, Executive Manager of Finance & Administration/AGM

**Subject:** IEUA Fiscal Year (FY) 2017/18 Audited Comprehensive Annual Financial Report (CAFR)

---

**Executive Summary:**

The Comprehensive Annual Financial Report (CAFR) for fiscal year ended June 30, 2018 was prepared in conformity with generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and audited by Lance, Soll & Lunghard, LLP (LSL), the Agency's independent audit firm. Based on their audit and testwork results, LSL found the financial statements present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information as of June 30, 2018, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). LSL issued an unmodified opinion.

The Agency's statement of net position of \$647 million as of June 30, 2018 reflects an increase of \$67 million from the prior fiscal year. The increase is primarily driven by non-operating revenues that include wastewater and water connection fees, property taxes, and contributions from grant proceeds. Attached is the audited CAFR, in substantially final form, with a detailed explanation of significant revenues and expenses, asset and liabilities, and cash flows for Fiscal Year 2017/18.

---

**Staff's Recommendation:**

1. Approve the Inland Empire Utilities Agency Comprehensive Annual Financial Report for fiscal year ended June 30, 2018; and
2. Direct staff to distribute the report as appropriate, to the various federal, state, and local agencies, financial institutions, bond rating agencies, and other interested parties.

---

**Budget Impact** *Budgeted (Y/N):* N *Amendment (Y/N):* N *Amount for Requested Approval:*

*Account/Project Name:*

Not Applicable

*Fiscal Impact (explain if not budgeted):*

There is no impact on the Agency's FY 2018/19 Budget as a result of this item, since related audit service fees are budgeted in the Administrative Services Fund under Professional Services.

**Prior Board Action:**

On December 20, 2017, the Board of Directors approved the Agency's Comprehensive Annual Financial Report for FY 2016/17 reviewed by the Audit Committee & Finance and Administration Committee on December 13, 2018.

On March 16, 2016, the Board approved Contract No. 4600002079 with Lance, Soll & Lunghard LLP for financial auditing and single audit services, for three fiscal years beginning in FY 2015/16, with the option to extend two additional fiscal years.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

The IEUA FY 2017/18 Comprehensive Annual Financial Report is consistent with the Agency's Business Goal of Fiscal Responsibility in providing transparent communication of the Fiscal Year activity and the net position of the different programs of the Agency.

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**Attachments:**

Attachment 1 - Background

Exhibit A - FY 2017/18 Audited Comprehensive Annual Financial Report (in Substantive Completed Form) - <https://www.ieua.org/category/reports/cafr-reports/>

Exhibit B - PowerPoint

Exhibit C - LSL Financial Audit Results Presentation

## Background

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Subject: IEUA Fiscal Year (FY) 2017/18 Audited Comprehensive Annual Financial Report (CAFR)

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The Agency's Comprehensive Annual Financial Report (CAFR) for fiscal year ended June 30, 2018 was prepared in conformity with generally accepted accounting principles in the United States of America (GAAP), as set forth by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the presented data, and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Agency. To the best of staff's knowledge, the data presented is accurate in all material respects, and reported in a manner designed to fairly present the financial position and results of operations for the various Agency funds and account groups. Disclosures are included within the CAFR to enable the reader to gain an understanding of the Agency's financial activities. Exhibit A is a copy of the Agency CAFR in substantially final form.

### FY 2017/18 Financial Highlights

The Agency's statement of net position for fiscal year (FY) ended June 30, 2018, reflects \$647 million, an increase of \$67 million compared to the prior fiscal year. The gain is primarily due to an increase in non-operating revenues from a higher number of new connections to the regional wastewater and the regional water systems, as well as higher operating revenues from the multi-year rate adjustments adopted by the Board of Directors through FY 2019/20 necessary to establish rates and charges that fully recover the cost of service.

#### *Increase in the Wastewater and Water Connection Fees*

Connection fees to the regional water and wastewater systems were significantly higher than the prior fiscal year. Wastewater connections fees were \$32.8 million, with 5,233 new units compared to 5,189 units and \$30.5 million in the prior fiscal year. Water connection fees which took effect on January 1, 2016 were \$7.8 million in FY 2017/18 compared to \$5.4 million in FY 2016/17.

#### *Imported Water Pass-Through Sales and Purchases*

Imported water deliveries for FY 2017/18 were 67,977-acre feet (AF) compared to 47,848 AF reported in FY 2016/17, an increase of 20,129 AF. Following unprecedented water conservation and plentiful winter rain and snow, in May 2016 MWD lifted the Water Supply Allocation restrictions and penalty rates put in place in response to the Governor's Executive Order calling for statewide mandatory water reductions to reduce water usage across the State by 25 percent from 2013 levels. Governor Brown ended the drought state of emergency in April 2017. Higher imported water deliveries were also partly due to some member agencies unable to use local supplies due to contamination.



### *Funding of Employee Retirement Liabilities*

Consistent with the Board policy, funding of the other post-employment benefits (OPEB) and pension unfunded liabilities continued in FY 2017/18 with \$2.0 million and \$7.1 million, respectively. Since the inception of the funding plan, cumulative additional contributions toward the unfunded liabilities of \$13 million for OPEB and \$18 million for pension have been made through fiscal year ended June 30, 2018. As of June 30, 2018, the most recent actuarial valuation date, the OPEB plan is 71 percent funded with an unfunded actuarial accrued liability of \$4.9 million. The net pension liability measured as of June 30, 2017 using an annual actuarial valuation as of June 30, 2015 was 77.6 percent funded at \$43.2 million.

### *Construction Project Work in Progress (WIP)*

The number of open projects under the category of Work in Progress (WIP) increased by 29 percent in FY 2017/18 compared to FY 2016/17. WIP was also higher mainly due to the ongoing construction of the Water Quality Laboratory project slated for completion in September 2018, beginning of the design phase for the RP-5 Solids and Liquids Expansion and RP-1 Capacity Recovery projects.

### *Interfund transfers*

Inter-fund transfers are used to transfer funds between the different Agency Funds with the receiver fund recording an increase and sender fund recording a decrease in net position. The individual transactions offset one another and do not impact the overall net position of the Agency.

In FY 2017/18, inter-fund transfers of \$8.9 million were made to support debt service requirements, the Agency's pro-rata share of groundwater recharge O&M costs, and the allocation of water and wastewater connection fees to support capital project costs based upon information defined in 2015 rate and fee studies. The following tables summarize the Transfers In (Table 1) and Transfer Out (Table 2) by type and between Major and Non-Major funds.

**Table 1. FY 2017/18 Transfers In**

	Transfers In								TOTAL
	Major Funds				Non Major Funds				
	Wastewater Capital	Wastewater Operations	Recycled Water	Water Resources	Admin. Services	Groundwater Recharge	Non-Reclaimable Wastewater		
<b>Debt Service</b>			\$2.4			\$0.5		\$2.9	
<b>Total Capital Contributions</b>	\$1.8		\$0.0	\$0.3	\$2.7	\$0.0	\$0.1	\$4.9	
<b>Operation Support</b>	\$-	\$-	\$-	\$-	\$0.7	\$0.4	\$-	\$1.1	
<b>TOTAL</b>	\$1.8	\$-	\$2.4	\$0.3	\$3.4	\$0.9	\$0.1	\$8.9	

Table 2. FY 2017/18 Transfers Out

	Transfers Out							TOTAL
	Major Funds				Non Major Funds			
	Wastewater Capital	Wastewater Operations	Recycled Water	Water Resources	Admin. Services	Groundwater Recharge	Non-Reclaimable Wastewater	
<b>Debt Service</b>	\$2.9							\$2.9
<b>Total Capital Contributions</b>	\$2.5	\$1.8	\$0.5				\$0.1	\$4.9
<b>Operation Support</b>	\$-	\$0.6	\$0.5	\$-	\$-	\$-	\$0.0	\$1.1
<b>TOTAL</b>	\$5.4	\$2.4	\$1.0	\$-	\$-	\$-	\$0.1	\$8.9

### Debt Service Interfund Transfer \$2.9 million

The Agency issues debt as a single system, pledging consolidated sources of funds to obtain better financing terms. The projects included in the debt financing support different programs and funds. Debt service costs (repayment of principal and interest) are allocated to programs and funds proportionate to the debt proceeds allocated to support respective capital projects. Since the sources of funds may not always match the debt service requirements in an individual fund, debt financing needs are evaluated and an interfund transfer is used to support debt service are recorded in the corresponding funds.

For Fiscal Year 2017/18, Wastewater Capital fund supported bond debt service for the 2008B Variable Rate Bonds recorded in the Groundwater Recharge fund, as well as the 2010A and 2017A Bonds in the Recycled Water fund.

### Capital Contributions \$4.9 million

Capital contributions represent the support for capital projects among different funds. This support is determined by the nature of the project, various funding sources and actual expenditures during the fiscal year.

Projects are assigned to the fund that will benefit from the investment. In some cases, a project will benefit multiple funds. In this case, the project is assigned to a single fund to effectively track and monitor project budget and costs throughout its lifecycle. For these projects, actual expenditures are allocated amongst the funds based on their benefit share at the end of the fiscal year. In Fiscal Year 2017/18, interfund transfers from the Wastewater Operations fund to the Wastewater Capital fund recorded its share of cost for projects such as the Carbon Canyon Water Recycling Facility Headworks and Odor Control and the RP-5 Liquid Expansion and Solids Handling facility.

Additionally, capital projects that support common Agency-wide activities are recorded in the Administrative Services fund. For Fiscal year 2017/18 interfund transfers to the Administrative Service fund from the Wastewater Capital, Recycled Water, and Non-Reclaimable Wastewater funds supported projects, including; improvements to the conference rooms audiovisual equipment, headquarters roof replacement, RP-1 training room, replacement of fleet vehicles, records management projects, an enhancement to the Agency's network infrastructure and cybersecurity.

The 2015 connection fee rate studies for both water and wastewater included the allocation of fees amongst the various funds. Interfund transfers are used to allocation connection fees amongst the various funds based on actual expenditures and funding sources associated to the project.

In Fiscal Year 2017/18 water connection fees collected in the Recycled Water fund supported projects like the Water Bank and water planning documents recorded in the Water Resources fund, as well as a small portion of projects in the Update Recharge Master Plan and Administrative Services funds.

Wastewater connection fees supported projects of similar nature in the Administrative Services and the Non-Reclaimable Wastewater fund.

### **Operation Support \$1.1 million**

Operation support transfers are limited to certain non-capital projects in the Administrative Service fund, such as the Agency's pro rata share of the groundwater recharge basin of operating and maintenance costs, per agreement with Chino Basin Watermaster.

In Fiscal Year 2017/18 Wastewater Operations, Recycled Water, and Non-Reclaimable funds supported Administrative services O&M projects like Agency wide coatings, and the Recycled Water fund supported the Agency pro rata share of O&M cost recorded in the Groundwater Recharge fund.

### External Auditors' Independent Audit

The Agency's independent audit firm, Lance, Soll & Lunghard, LLP (LSL) performed the annual financial audit. LSL issued an unmodified ("clean") opinion over the financial statements for the Fiscal Year ended June 30, 2018, indicating that the financial statements are presented fairly and in accordance with GAAP and free of material misstatements. LSL found no material deficiency in internal controls over financial reporting.

LSL also completed the Single Audit Report for all billing activity for FY 2017/18 to be processed by the Federal Clearing House by March 2019. Federal Expenditures of \$4.4 million were comprised of United States Bureau of Reclamation programs \$0.6 million, and \$3.8 million from the Water State Revolving Fund, these figures are subject to change. No findings in the Single Audit were noted by LSL.

Fiscal Year 2017/18 is the third audit completed by LSL in accordance to the contract approved by the Board of Directors on March 16, 2016 for three fiscal years beginning in FY 2015/16, including the option to extend the contract two fiscal years. The agreement covers the audit of the Inland Empire Utilities Agency (Agency) financial statements, review of the annual appropriations limit calculation, and audit of the Agency's federal awards in accordance with Office of Management and Budget (Single Audit).

### Internal Audit Department Review

Internal Audit staff performed an additional quality control check/review of the draft financial statements with emphasis on; overall mathematical accuracy, validation of the MD&A, notes, and

statistical sections, including continued disclosure compliance as required by bond covenants, to the financial statements or to other supporting information.

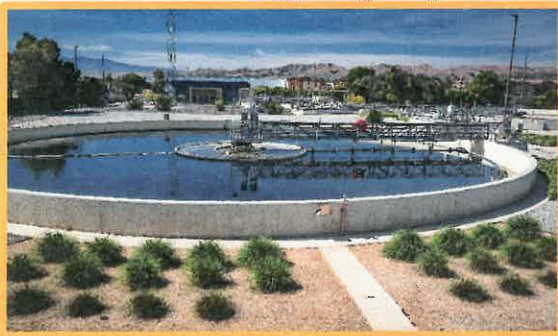
Internal Audit staff's review did not include tests of transactions, or tests of the reliability of the totals and amounts included in the various categories, accounts, funds, statements, etc. Staff relies on the work of the external auditors to test the reliability of the financial information reported. Staff's review is only one of an additional quality control to ensure a professional presentation, consistent with prior years.

Government Financial Officers Association (GFOA) CAFR Award

For the past nineteen years, the Agency has applied for and received the GFOA CAFR Award for excellence in financial reporting. The deadline to submit the FY 2017/18 CAFR is December 31, 2018.

*The IEUA FY 2017/18 Comprehensive Annual Financial Report is consistent with the Agency's Business Goal of Fiscal Responsibility in providing transparent communication of the Fiscal Year activity and the net position of the different programs of the Agency.*

# Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2018

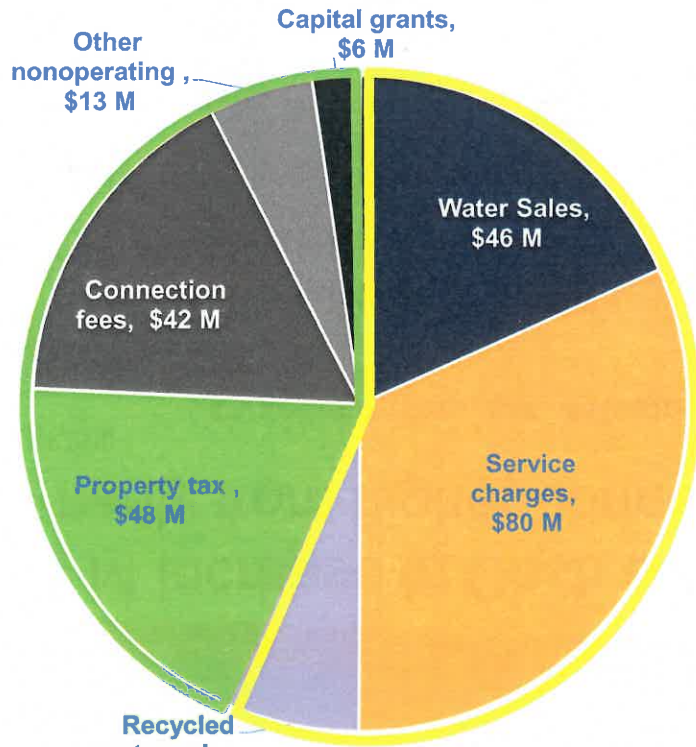


# FY 2017/18 Highlights

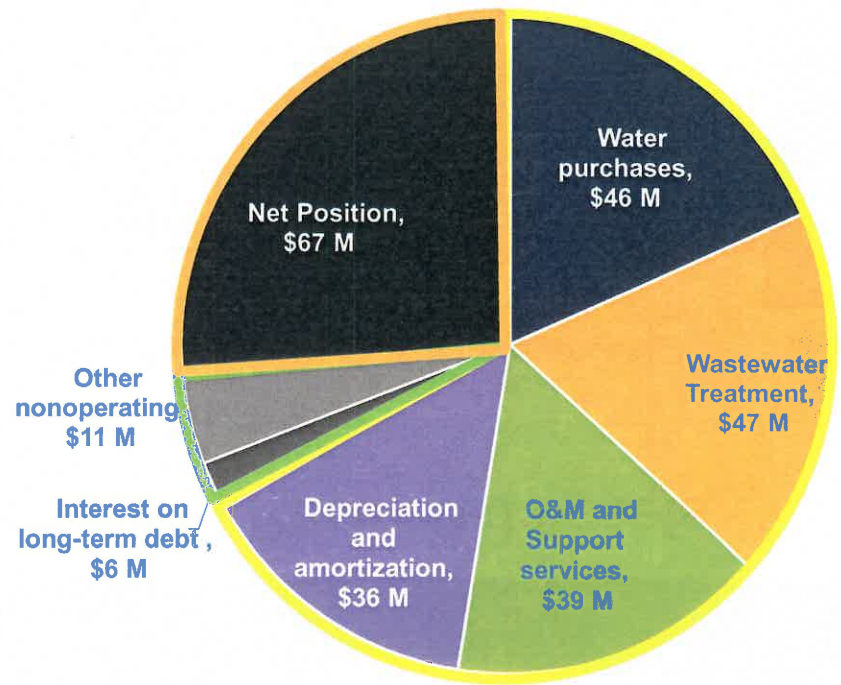
- **Increased total net position by \$67 million:**
  - Operating activities: (\$25) million
  - Non-operating activities: \$92 million
- **Total net position as of 6/30/18 \$647 million:**
  - \$395 million net investment in capital assets
  - \$99 million restricted assets
  - \$153 million designated / unrestricted assets
- **Interfund transfers \$8.9 million (Note 15 to Financial Statements):**
  - \$2.9 million Debt service support
  - \$4.9 million Capital support
  - \$1.1 million Operations and maintenance support

# FY 2017/18 Highlights

**Total Revenue \$252 Million**

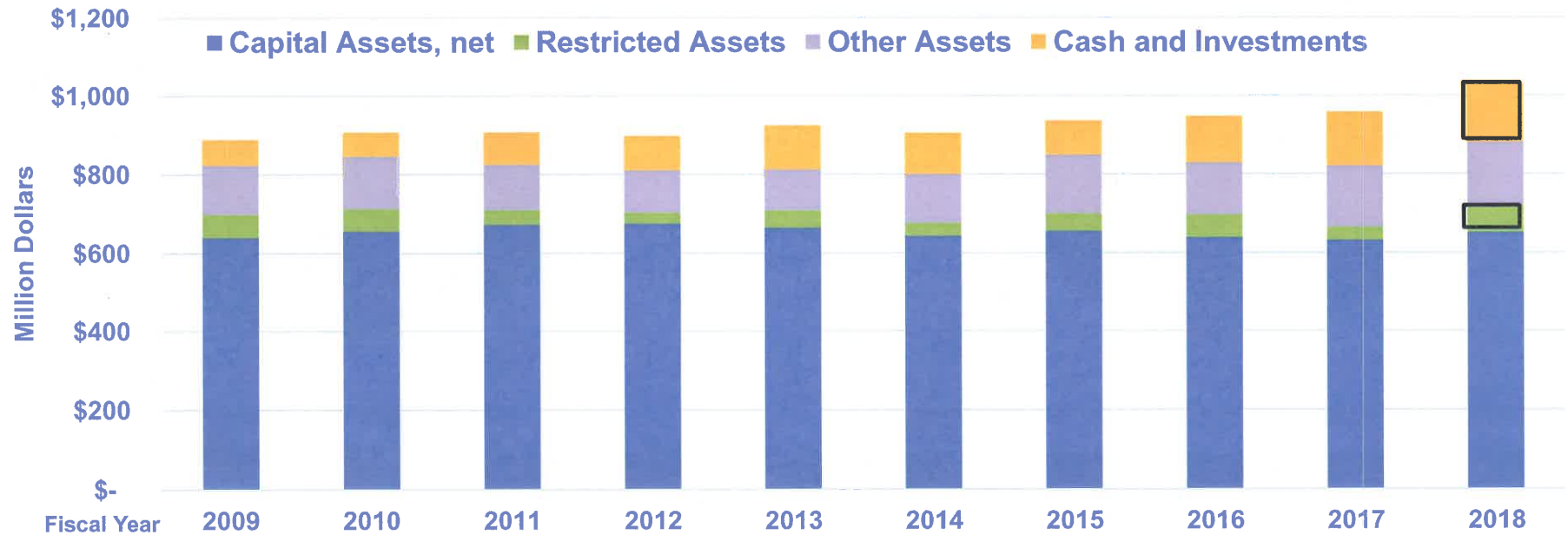


**Total Expenses & Net Position change \$252 Million**



# Total Assets

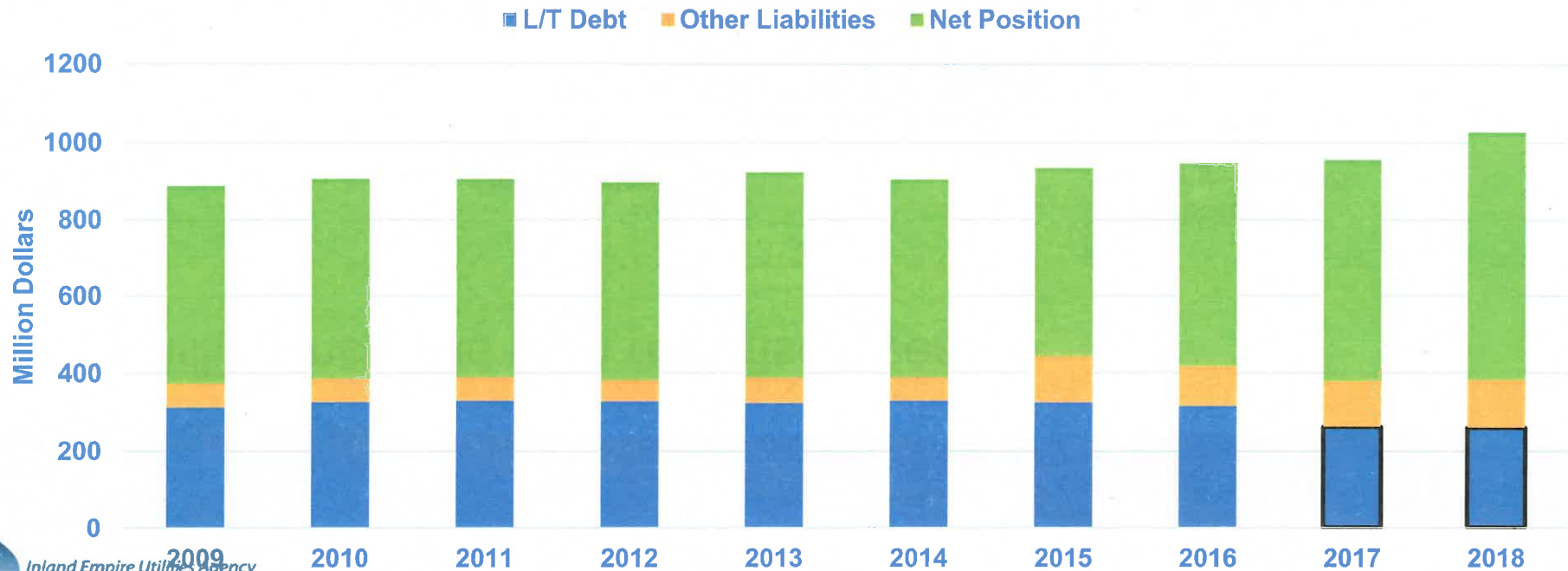
- \$45 M Increase in Cash & Investments and Restricted Assets primarily from higher connection fees





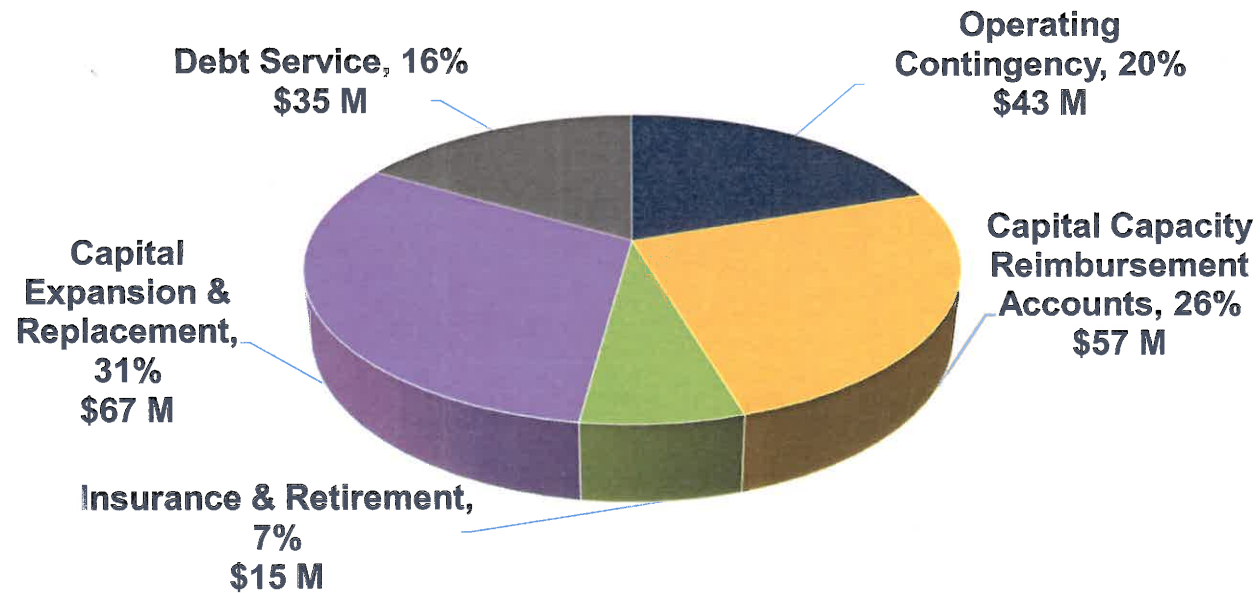
# Total Liabilities and Net Position

- \$ 56.3 M decrease in Long Term Debt in last two fiscal years
- \$ 67.0 M increase in Net Position



# FY 2017/18 Ending Cash Position \$217 Million

- \$45 million increase from prior fiscal year



## Recommendation

1. Approve the Inland Empire Utilities Agency Comprehensive Annual Financial Report for fiscal year ended June 30, 2018; and
2. Direct staff to distribute the report as appropriate, to the various federal, state, and local agencies, financial institutions, bond rating agencies, and other interested parties.

# Questions



The comprehensive annual financial report is consistent with the Agency's business goal of fiscal responsibility



INLAND EMPIRE UTILITIES AGENCY  
FISCAL YEAR ENDED JUNE 30, 2018  
FINANCIAL AUDIT RESULTS



*Inland Empire Utilities Agency*

**A MUNICIPAL WATER DISTRICT**

Focused  
on YOU



## HIGHLIGHTS FROM LAST MEETING

- Met last with auditors June 11, 2018
- Discussed our planning and audit approach
- Met with audit committee outside of management
- Audit fieldwork planned to begin September 28, 2018



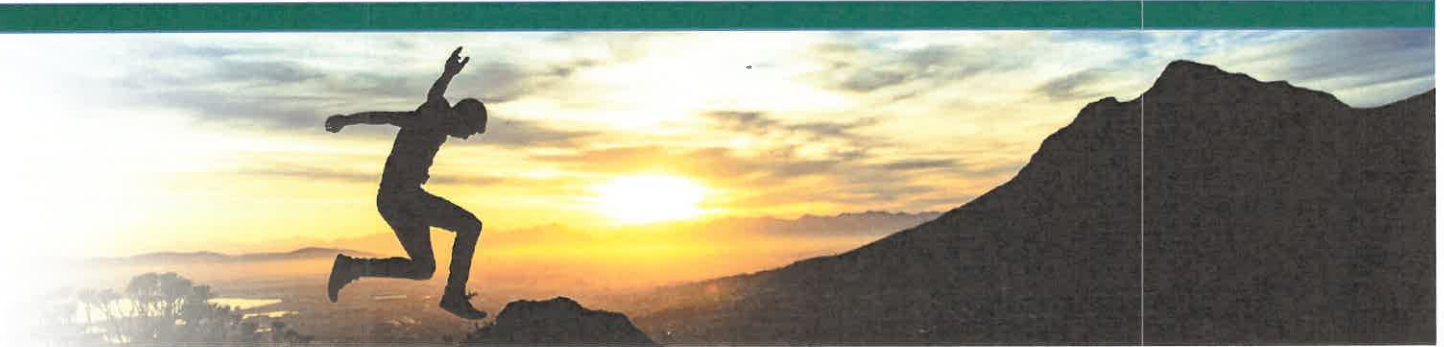
## FY 2018 Audit Communication Results

### Financial Audit

- Opinion Letter
- Report on Internal Control and Other Matters
- Audit Communication Letter (SAS 114 – **conclusion**)

### Single Audit

- Schedule of Expenditures of Federal Awards
- Report on Internal Control over Compliance



## Opinion Letter

- **Unmodified Opinion**
  - Based on our audit of significant transactions, our understanding of the Agency's policies and procedures, and our testwork results, we have issued an Opinion that the financials statements are free of material misstatements at June 30, 2018.





## Report on Internal Control over Financial Reporting and on Compliance and Other Matters

- In planning and performing the audit, we consider the Agency's Internal Controls over Financial Reporting specific to giving an opinion of the Financial Statements, but this is not the purpose of the audit.
- No opinion is expressed on the internal controls
- During our course of audit procedures weaknesses may come to our attention and communicated to Management and to you in this letter. None to report at this time.



## Audit Communication Letter (SAS 114 – conclusion)

- Significant Audit Findings
  - Accounting Practices
    - Significant and Appropriate Estimates: OPEB and Pension Liabilities
  - No Difficulties Encountered in Performing the Audit
  - No Disagreements with Management to disclose
  - Management Representation includes a letter to the auditors regarding their acceptance of responsibilities and disclosures of no known errors or fraudulent activities to communicate to auditors



## Audit Communication Letter (SAS 114 – conclusion)

- FUTURE YEAR – New Accounting Pronouncements
- 2019
  - Asset Retirement Obligations (GASB 83)
  - New disclosures relating to debt (GASB 88)
- 2020
  - Fiduciary Activity changes (GASB 84)
- 2021
  - Lease reporting (GASB 87)



## Single Audit

- Federal Expenditures of \$4.4 million.
  - Water Conservation Field Services \$338 thousand
  - Water State Revolving Fund \$3.8 Million
- No findings noted



Thank you

- Contact information:
  - [Deborah.harper@lslcpas.com](mailto:Deborah.harper@lslcpas.com)
  - 714-672-0022
- Any Questions



*Inland Empire Utilities Agency*  
A MUNICIPAL WATER DISTRICT

**CONSENT  
CALENDAR  
ITEM**

**20**



**Date:** December 19, 2018

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager *[Signature]*

**Committee:** Engineering, Operations & Water Resources

12/12/18

**Executive Contact:** Randy Lee, Executive Manager of Operations/AGM

**Subject:** Agency-Wide HVAC Equipment Service Contract

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**Executive Summary:**

Heating, ventilation, and air conditioning (HVAC) systems are required to heat or cool the buildings to provide staff and visitors a safe and comfortable work environment. HVAC is also critically important to a reliable operation of the Agency's electrical intensive assets such as motor control centers and other industrial applications. The Agency currently owns and maintains approximately 172 HVAC equipment such as air handlers, system air conditioning units, package air conditioning units, and evaporator coolers that periodically require maintenance such as inspections, coil cleaning, filter and fan belt replacements, etc. Having a contract with a reputable and highly qualified service provider ensures that the majority of the contract terms are established up front, which will ensure timely service and repair process.

The Agency has elected to participate in the national cooperative contract purchasing program with Sourcewell (formerly National Joint Powers Alliance) that will provide the Agency the best overall supplier government pricing. All contracts available have been competitively solicited.

The Agency Wide HVAC Equipment Service Contract Number 460002664 to Carrier Corporation will be for a not-to-exceed amount of \$750,000.

---

**Staff's Recommendation:**

1. Award a two-year service contract with three, one-year options to Carrier Corporation, for an Agency-Wide HVAC Equipment Service Contract for a not-to-exceed amount of \$750,000; and
2. Authorize the General Manager to execute the service contract, subject to non-substantive changes.

---

**Budget Impact** *Budgeted* (Y/N): Y *Amendment* (Y/N): N *Amount for Requested Approval:*

*Account/Project Name:*

Regional Operations and Maintenance Fund, Professional Fees & Services for IEUA, Inland Empire Regional Composting Facility (IERCF), and Chino Desalter Authority (CDA)

*Fiscal Impact (explain if not budgeted):*

**Prior Board Action:**

April 15, 2015 - Board approved an Agency-Wide HVAC Equipment Service Contract to AMP Mechanical Inc.

---

**Environmental Determination:**

Statutory Exemption

The project is statutorily exempt based on the CEQA General Rule found in Section 15061(b)(3) of the State CEQA Guidelines.

---

**Business Goal:**

The Agency-Wide HVAC Equipment Service Contract is consistent with IEUA's Business Goal of Wastewater Management, specifically the Asset Management objective that IEUA will ensure the regional sewer system and treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.

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**Attachments:**

Attachment 1: PowerPoint

Attachment 2: Sourcewell's Carrier Corporation Contract 030817-CAR

Attachment 3: Contract No. 4600002664 to Carrier Corporation

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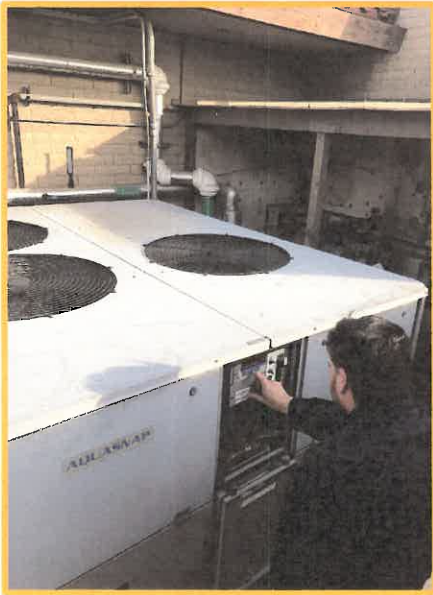


# Attachment 1

# Agency Wide HVAC Equipment Service Contract



# Agency-Wide HVAC Equipment



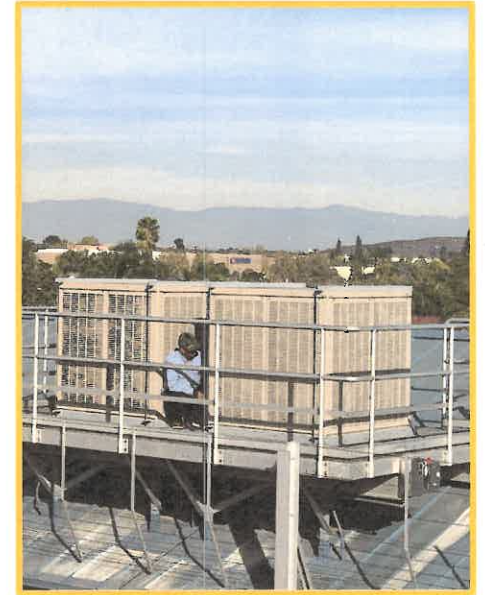
Chiller



Boiler



Air Handler



Evaporative Coolers

# Agency-Wide HVAC Equipment

Major HVAC Equipment by Type and Facility

Major Equipment	RP-1	RP-2	RP-4	RP-5	CCWRF	HQ	TOTAL
Package A/C Units	35	9	15	11	10	9	89
Split System A/C Units	12	2	6	1	3	2	26
Cabinet A/C Units	13	4	7	1	2		27
Evaporative Coolers	8		2		3		13
Chillers	2	1			1		4
Cooling Tower	3	1					4
Air Dyer			1	1	1		3
Air Handler	2				2	2	6
Total Equipment	75	17	31	14	22	13	172



# HVAC Maintenance

- HVAC equipment provides environmental and temperature control for critical electronic equipment across all Agency facilities
- Maintenance includes:
  - Operating inspections
  - Unit coil cleaning
  - Change out of filters
  - Change out of fan belts



Package A/C unit

# Sourcewell

- Participating in the national cooperative contract purchasing program
- Formerly National Joint Powers Alliance (NJPA)
- Contracts available have been competitively solicited
- IEUA is a member
  - No fees to use contracts
  - No obligation
  - No commitment



Package Unit

# Recommendation

- Award a two-year service contract with three, one-year options to Carrier Corporation, for an Agency-Wide HVAC Equipment Service Contract for a not-to-exceed amount of \$750,000; and
- Authorize the General Manager to execute the service contract, subject to non-substantive changes.

The Agency Wide HVAC Equipment Service Contract, is consistent with **IEUA's Business Goal of Wastewater Management** specifically the Asset Management objective that IEUA will ensure the regional sewer system and treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.

# Attachment 2



**Form C**


**EXCEPTIONS TO PROPOSAL, TERMS, CONDITIONS,  
AND SOLUTIONS REQUEST**



Company Name: Carrier Corporation

Any exceptions to the terms, conditions, specifications, or proposal forms contained in this RFP must be noted in writing and included with the Proposer's response. The Proposer acknowledges that the exceptions listed may or may not be accepted by NJPA or included in the final contract. NJPA will make reasonable efforts to accommodate the listed exceptions and may clarify the exceptions in the appropriate section below.

Section/page	Term, Condition, or Specification	Exception	NJPA ACCEPTS
6.26	Subcontractors	Remove entire section	See below.
7.5	Performance Bond	Remove entire section	See below.
6.23.1.2	Each Occurance	Replace 1,500,000 with 1,000,000	See below.

Proposer's Signature:  Date: 3-7-17

**NJPA's clarification on exceptions listed above:**

6.26: Exception not accepted. Per Form D, awarded vendors assume full responsibility for any subcontractor used to fulfill the obligations agreed upon in the vendor's proposal including insurance coverage requirements.

7.5: Exception is not accepted. NJPA seeks to retain the option for Members to request performance bonds as may be desired or required per the Member's needs.

6.23.1.2: Exception is not accepted. The per occurrence liability amount of \$1,500,000.00 corresponds with the statutory limitations of liability applicable to NJPA as a Minnesota entity.



Contract Award  
RFP #03080





**FORM D**

**Formal Offering of Proposal**  
(To be completed only by the Proposer)

**HVAC SYSTEMS, INSTALLATION, AND SERVICE WITH RELATED PRODUCTS AND SUPPLIES**

In compliance with the Request for Proposal (RFP) for HVAC SYSTEMS, INSTALLATION, AND SERVICE WITH RELATED PRODUCTS AND SUPPLIES, the undersigned warrants that the Proposer has examined this RFP and, being familiar with all of the instructions, terms and conditions, general and technical specifications, sales and service expectations, and any special terms, agrees to furnish the defined products and related services in full compliance with all terms and conditions of this RFP, any applicable amendments of this RFP, and all Proposer's response documentation. The Proposer further understands that it accepts the full responsibility as the sole source of solutions proposed in this RFP response and that the Proposer accepts responsibility for any subcontractors used to fulfill this proposal.

Company Name: Carrier Corporation Date: 3-6-2017  
Company Address: 5900-B Northwoods Business Pkwy  
City: Charlotte State: NC Zip: 28269  
Contact Person: Alex Relf Title: National Accounts Manager  
Authorized Signature:    
(Name printed or typed)

**FORM E**  
**CONTRACT ACCEPTANCE AND AWARD**



(Top portion of this form will be completed by NJPA if the vendor is awarded a contract. The vendor should complete the vendor authorized signatures as part of the RFP response.)

NJPA Contract #: 030817-CAR

Proposer's full legal name: Carrier Corporation

**Based on NJPA's evaluation of your proposal, you have been awarded a contract. As an awarded vendor, you agree to provide the products and services contained in your proposal and to meet all of the terms and conditions set forth in this RFP, in any amendments to this RFP, and in any exceptions that are accepted by NJPA.**

The effective date of the Contract will be May 8, 2017 and will expire on May 8, 2021 (no later than the later of four years from the expiration date of the currently awarded contract or four years from the date that the NJPA Chief Procurement Officer awards the Contract). This Contract may be extended for a fifth year at NJPA's discretion.

**NJPA Authorized Signatures:**

Jeremy Schwartz  
NJPA DIRECTOR OF COOPERATIVE CONTRACTS  
AND PROCUREMENT/CPO SIGNATURE

Jeremy Schwartz  
(NAME PRINTED OR TYPED)

[Signature]  
NJPA EXECUTIVE DIRECTOR/CEO SIGNATURE

Chad Coquette  
(NAME PRINTED OR TYPED)

Awarded on May 8, 2017

NJPA Contract # 030817-CAR

**Vendor Authorized Signatures:**

The Vendor hereby accepts this Contract award, including all accepted exceptions and amendments.

Vendor Name Carrier Corporation

Authorized Signatory's Title Director of Sales

[Signature]  
VENDOR AUTHORIZED SIGNATURE

Scott W. Moore  
(NAME PRINTED OR TYPED)

Executed on 5/25, 2017

NJPA Contract # 030817-CAR

**PROPOSER ASSURANCE OF COMPLIANCE**



**Proposal Affidavit Signature Page**

**PROPOSER'S AFFIDAVIT**

The undersigned, authorized representative of the entity submitting the foregoing proposal (the "Proposer"), swears that the following statements are true to the best of his or her knowledge.

1. The Proposer is submitting its proposal under its true and correct name, the Proposer has been properly originated and legally exists in good standing in its state of residence, the Proposer possesses, or will possess before delivering any products and related services, all applicable licenses necessary for such delivery to NJPA members agencies. The undersigned affirms that he or she is authorized to act on behalf of, and to legally bind the Proposer to the terms in this Contract.
2. The Proposer, or any person representing the Proposer, has not directly or indirectly entered into any agreement or arrangement with any other vendor or supplier, any official or employee of NJPA, or any person, firm, or corporation under contract with NJPA, in an effort to influence the pricing, terms, or conditions relating to this RFP in any way that adversely affects the free and open competition for a Contract award under this RFP.
3. The Proposer has examined and understands the terms, conditions, scope, contract opportunity, specifications request, and other documents in this solicitation and affirms that any and all exceptions have been noted in writing and have been included with the Proposer's RFP response.
4. The Proposer will, if awarded a Contract, provide to NJPA Members the /products and services in accordance with the terms, conditions, and scope of this RFP, with the Proposer-offered specifications, and with the other documents in this solicitation.
5. The Proposer agrees to deliver products and services through valid contracts, purchase orders, or means that are acceptable to NJPA Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to NJPA Members under an awarded Contract.
6. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
7. The Proposer understands that NJPA will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statute §13.591, Subd. 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals generally become public data. Minnesota Statute §13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
8. The Proposer understands that it is the Proposer's duty to protect information that it considers nonpublic, and it agrees to defend and indemnify NJPA for reasonable measures that NJPA takes to uphold such a data designation.

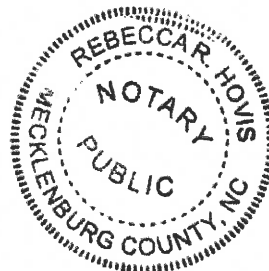
**[The rest of this page has been left intentionally blank. Signature page below]**

By signing below, Proposer is acknowledging that he or she has read, understands, and agrees to comply with the terms and conditions specified above.

Company Name: Carrier Corporation  
Address: 5900-B Northwoods Business Pkwy  
City/State/Zip: Charlotte, N.C. 28269  
Telephone Number: 888-535-7278  
E-mail Address: Alex.l.relf@carrier.utc.com  
Authorized Signature: [Signature]  
Authorized Name (printed): Scott H. Moore  
Title: National Sales Lead  
Date: 3-7-17

Notarized

Subscribed and sworn to before me this 7 day of March, 20 17  
Notary Public in and for the County of Mecklenburg State of N.C.  
My commission expires: 3.23.2021  
Signature: Rebecca R. Housi



**Form P**



**PROPOSER QUESTIONNAIRE**

**Payment Terms, Warranty, Products and Services, Pricing and Delivery, and Industry-Specific Questions**

Proposer Name: Carrier Corporation

Questionnaire completed by: Alex Relf

**Payment Terms and Financing Options**

- 1) What are your payment terms (e.g., net 10, net 30)? Net 30.
- 2) Do you provide leasing or financing options, especially those options that schools and governmental entities may need to use in order to make certain acquisitions? No.
- 3) Briefly describe your proposed order process. Please include enough detail to support your ability to report quarterly sales to NJPA. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the NJPA Members' purchase orders.

Rather than utilize a dealer network, Carrier Corp directly employs its sales and service force. Carrier will custom tailor reporting data to the needs of the customer. Monthly, quarterly or yearly reporting is available, or as requested by the customer.

- 4) Do you accept the P-card procurement and payment process? If so, is there any additional cost to NJPA Members for using this process? Yes, and at no additional costs.

**Warranty**

- 5) Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may include in your response a copy of your warranties, but at a minimum please also answer the following questions.
  - Do your warranties cover all products, parts, and labor?

Carrier warrants that all equipment manufactured by Carrier Corporation and all Carrier equipment, parts or components supplied hereunder will be free from defects in material and workmanship. Carrier shall at its option repair or replace, F.O.B. point of sale, any equipment, part or component sold by Carrier and determined to be defective within one (1) year from the date of initial operation or eighteen (18) months from date of shipment, whichever is earlier. Carrier does not warrant products not manufactured by Carrier Corporation, but it does pass on to Customer any available **manufacturer's warranty for those products. Carrier warrants that all service provided by Carrier hereunder shall be performed** in a workmanlike manner. In the event any such service is determined to be defective within ninety (90) days of completion of that service, Carrier shall at its option re-perform or issue a credit for such service, **Carrier's obligation to repair or replace any defective equipment, parts or components during the warranty period shall be Customer's exclusive remedy. Carrier shall not be responsible for labor charges** for removal or reinstallation of defective equipment, parts or components, for charges for transportation, handling and shipping or refrigerant loss, or for repairs or replacement of such equipment, parts or components, required as a consequence of faulty installation, misapplication, vandalism, abuse, exposure to chemicals, improper servicing, unauthorized alteration or improper operation by persons other than Carrier.

- Do your warranties impose usage restrictions or other limitations that adversely affect coverage? **No**
- Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs? **Yes**
- Are there any geographic regions of the United States for which you cannot provide a certified technician to perform warranty repairs? How will NJPA Members in these regions be provided service for warranty repair? **No**
- Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?  
Carrier will warranty products per the manufacturer's guidelines.
- What are your proposed exchange and return programs and policies?

No items will be accepted for return without prior written authorization. Returned goods may be subject to a restocking charge. Special order and non-stock items cannot be returned.

6) Describe any service contract options for the items included in your proposal.

Carrier offers its customers long-term service agreements providing them with knowledge on new cost-saving and environmental technologies, preventive maintenance, and recommendations on current controls systems. In addition, Carrier has a unique remote diagnostic monitoring tool that can detect potential service problems before they occur.

Carrier seeks to reduce the clients operating costs through equipment optimization, equipment baseline analysis, building management solutions, energy savings replacement solutions. Other key resources include: Field service engineers, standard work instructions, expedited parts availability and CarrierROLE®, remote online experts

**Pricing, Delivery, Audits, and Administrative Fee**

7) Provide a general narrative description of the equipment/products and related services you are offering in your proposal.

Carrier Corporation is a provider of HVAC Equipment, Preventative Maintenance, Repair Services, Replacement Installation, Controls, Energy Management (NORESCO), Chiller Rentals (Carrier Rental Systems, Inc.).

8) Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the NJPA discounted price) on all of the items that you want NJPA to consider as part of your RFP response. Provide a SKU for each item in your proposal. (Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract. See the body of the RFP and the Price and Product Change Request Form for more detail.) See pricing appendix.

9) Please quantify the discount range presented in this response. For example, indicate that the pricing in your response represents is a 50% percent discount from the MSRP or your published list. See pricing appendix.

10) The pricing offered in this proposal is

- a. the same as the Proposer typically offers to an individual municipality, university, or school district.
- b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.
- c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.
- d. other than what the Proposer typically offers (please describe).

11) Describe any quantity or volume discounts or rebate programs that you offer. **None**

12) Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request. **Sourced Parts are generally marked up using a pre-negotiated Markup schedule**

13) Identify any total cost of acquisition costs that are **NOT** included in the pricing submitted with your response. This cost includes all additional charges that are not directly identified as freight or shipping charges. For example, list costs for items like installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer. **Trip charges and consumable charges apply to every visit.**

14) If delivery or shipping is an additional cost to the NJPA Member, describe in detail the complete shipping and delivery program. **All shipping is handled FOB.**

All shipments shall be F.O.B. shipping point, freight prepaid and allowed to the job site. Shipment dates quoted are approximate. Carrier does not guarantee a particular date for shipment or delivery.

Carrier shall have the right to ship any portion of the equipment included in this Agreement and invoice Customer for such partial shipment.

15) Specifically describe those shipping and delivery programs for Alaska, Hawaii, Canada, or any offshore delivery.

**Same as above.**

16) Describe any unique distribution and/or delivery methods or options offered in your proposal.

**Any Unique requirements will be discussed on a customer by customer basis.**

17) Please specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with NJPA. This process includes ensuring that NJPA Members obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to NJPA.

**Carrier Corporation utilizes a pricing tool that is pre-loaded with NJPA's pre-negotiated rates, and markups. This ensures that users are compliant while creating competitive bids for NJPA members. A National Account Manager will review all bids prior to submission to ensure consistency, and correctness.**

18) Identify a proposed administrative fee that you will pay to NJPA for facilitating, managing, and promoting the NJPA Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See RFP Section 6.29 and following for details.) **2%**



## **Industry-Specific Questions**

- 19) For the solutions that you are proposing in your response, what is your market share relating to NJPA's specific member sectors (i.e., governmental, educational, or not-for-profit entities)? If you are unable to cite reasonably accurate data or credible estimates, please state this.

Carrier is a leading manufacturer of HVAC equipment in both North America and globally. Specific market share information is confidential. Please refer to our website for HVAC applications and installation.

- 20) Detail your ongoing training programs for your service/installation technicians, including the training frequency and time requirements.

Our technicians are certified as Carrier Specialists or Masters - each trained on our products, customer service, and thoroughly tested to our standards. Carrier's Tech360 Certification Program is the most progressive learning program in the industry. As Carrier's own servicing entity, we have access to the latest engineering advancements and the most advanced technical servicing tools. Minimum Training Requirements for Service Technicians include completing a 5-year apprentice school with the United Association of Steamfitters and Pipefitters. This training provides each journeyman technician with a strong educational learning experience in HVAC installation, troubleshooting, maintenance and repair of equipment and controls (both theoretical and hands on experience).

- 21) Describe and demonstrate what specifically differentiates you from your key competitors in the areas of organizational structure and product/service offerings.

Carrier, the world leader in heating, air-conditioning and refrigeration solutions, is part of UTC Climate, Controls & Security, and a unit of United Technologies Corporation (UTC). UTC is a diversified company that provides a broad range of high-technology products and services to the global aerospace and building systems industries. Ensuring your equipment's peak performance and longevity dictates a commitment to preventive, predictive and proactive maintenance programs. Making that commitment now to safeguard your equipment by choosing Carrier, brings with it the security of having forged a true partnership with the HVAC industry's foremost servicing and technology leader. Your investment has brought you over 110 years of Carrier innovation and with it our extraordinary culture of values and ethics. No one knows more about air conditioning than we do.

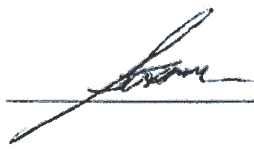
- 22) In addition to the general narrative of equipment/products and related services requested in Form P, question 7, describe in detail what is included within your response in terms of installation, maintenance, and turn-key services.

With the largest "factory owned" HVAC service organization in the U.S. and over 400 domestic parts outlets, Carrier becomes uniquely qualified to deal with any HVAC need from the installation to service to replacement. Each of our sales and service locations deals with retail facilities every day. They are knowledgeable of all aspects of HVAC indoor air quality, environmental and hazardous waste related issues. They are well equipped to provide facility HVAC total system solutions, including: system analysis, improvement recommendations, engineering design, project financing solutions, turnkey project management and installation services, equipment/system commissioning, warranty support, maintenance and repair services. Carrier is positioned, and committed, with personnel resources across the U.S. to support any type or size customer, for any number of individual locations.

23) Which industry-specific quality management system certifications (if any) does your company hold? You may also include applicable ISO certifications in your answer.

Key certifications held by Carrier Corp include ISO 9001:2000, cULus listed (UL 1995), (UL compliant for both U.S. and Canada), GAMA listed (gas-fired equipment), ASHRAE, ARI certified, and ETL, in addition to Carrier's own ACE (Achieving Competitive Excellence) quality program.

Signature: \_\_\_\_\_



Date: \_\_\_\_\_

3-7-17

# Attachment 3



**CONTRACT NUMBER: 4600002664  
(NJPA Contract # 030817 – CAR)  
FOR  
HVAC MAINTENANCE AND REPAIR SERVICES  
SERVICES AT IEUA**

THIS CONTRACT (the "Contract"), is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2018\_\_, by and between the Inland Empire Utilities Agency, a Municipal Water District, organized and existing in the County of San Bernardino under and by virtue of the laws of the State of California (hereinafter referred to as "Agency" or "IEUA"), and Carrier Commercial Service with an office located in the City of Industry, CA existing in Los Angeles County (hereinafter referred to as "Contractor"), for provision of HVAC maintenance and repair Services.

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties agree as follows:

1. **AGENCY PROJECT MANAGER ASSIGNMENT:** All technical direction related to this Contract shall come from the designated Project Manager. Details of the Agency's assignment are listed below.

Project Manager: Dan Erro  
Inland Empire Utilities Agency  
Address: 6075 Kimball Avenue  
Chino, CA 91708  
Telephone: (909) 993-1600  
Facsimile:  
Email: derro@ieua.org  
Cell: (909) 229-2730

2. **CONTRACTOR ASSIGNMENT:** Special inquiries related to this Contract and the effects of this Contract shall be referred to the following:

Contractor: Joel Martinez  
Carrier Commercial Service  
Address: 2478 Peck Road  
City of Industry, CA 90601  
Telephone: (800) 942-1844  
Facsimile: (860) 660-6338  
Email: joel.martinez@carrier.utc.com  
Cell: (818) 652-9184

3. ORDER OF PRECEDENCE: The documents referenced below represent the Contract Documents. Where any conflicts exist between the General Terms and Conditions the governing order of precedence shall be as follows:
1. Amendments to Contract Number 4600002664.
  2. Contract Number 4600002664 General Terms and Conditions including Exhibit A – Statement of Work and Attachment A – List of Equipment
  3. NJPA Contract Number 030817-CAR
  4. Contractor’s Proposal dated November 8, 2018
4. SCOPE OF WORK AND SERVICES: Contractor services and responsibilities shall include and be in accordance with the following:
- A. Agency Scope of Work and Technical Specifications, Exhibit A
- B. Method of Inspection:
1. Work performed under this Contract may be required to undergo monthly, weekly, or daily inspections.
  2. The Project Manager will be responsible for performance of the inspections.
  3. If Contractor fails an inspection, the Project Manager will be responsible for providing a written notice to the Contractor explaining the error and a determination of the urgency for the correction of the error (herein referred to as a “Cure Notice”).
- C. Cure Procedure:
1. For a Cure Notice deemed by the Agency to be **urgent**, Contractor shall correct any error of the Work within three (03) calendar days after Contractor’s receipt of a Cure Notice, as directed by the Project Manager.
  2. For a Cure Notice deemed by the Agency to be **important**, Contractor shall correct any error of the Work within ten (10) calendar days after Contractor’s receipt of a Cure Notice, as directed by the Project Manager.
  3. If the Project Manager rejects all, or any part of, the Work as unacceptable and agreement to correct such Work cannot be reached without modification to the Contract, Contractor shall notify the Project Manager, in writing, detailing the dispute and the reason(s) for the Contractor’s position. Any dispute that cannot be resolved between the

Project Manager and Contractor shall be resolved in accordance with the provisions of this Contract.

- D. The Agency may, at any time, make changes to this Contract's Scope of Work; including additions, reductions, and other alterations to any or all of the Work. However, such changes shall only be made via written amendment to this Contract. The Contract compensation and Schedule of Work and Services shall be equitably adjusted, if required, to account for such changes and shall be set forth within the mutually approved Contract Amendment.
5. **TERM:** The term of this Contract shall extend from January 01, 2019 and terminate December 31, 2021, or until services are completed whichever occurs first, unless agreed upon by both parties, reduced to writing, and amended to this Contract. This contract may be extended for a total of Thirty-Six (36) months in three (3) twelve (12) month increments for a total of five (5) years.
6. **PAYMENT, INVOICING, AND COMPENSATION:**
- A. The Contractor may submit an invoice not more than once per month during the term of this Contract to the Agency's Accounts Payable Department. Agency shall pay Contractor's properly executed invoice, approved by the Project Manager, within thirty (30) days following receipt of the invoice. **The Total Not-To-Exceed amount is \$750,000.00.**
- B. Contractor's invoices shall be formulated consistent with the below-listed sites
- Administrative Headquarters
  - Carbon Canyon
  - RP - 1
  - RP - 2
  - RP - 4
  - RP - 5
- C. Additionally, to qualify for payment, the Contractor shall prominently display, on the first page of the invoice, both:
1. The Contract Number – 4600002664, and;
  2. The Contract Release Purchase Order Number – TBD

If Contractor submits invoice by email, such invoice shall be submitted as follows:

[APGroup@ieua.org](mailto:APGroup@ieua.org)  
Scan the invoice as a PDF file.  
Attach the scanned file to an email.

If Contractor submits invoice by mail, such invoice shall be submitted as follows:

Inland Empire Utilities Agency  
Re: Contract Number: 4600002664  
P.O. Box 9020  
Chino Hills, CA 91709

- D. Concurrent with the submittal of the original invoice to the Agency's Accounts Payable Department, the Contractor shall forward (mail, fax, or email) a copy of the invoice to the designated Project Manager, identified in Section 1, on Page 1 of this Contract.
  - E. **No Additional Compensation:** Nothing set forth in this Contract shall be interpreted to require payment by Agency to Contractor of any compensation specifically for the assignments and assurances required by the Contract, other than the payment of expenses as may be actually incurred by Contractor in complying with this Contract, as approved by the Project Manager.
  - F. Contractor may request taking advantage of the Agency's practice of offering an expedited payment protocol to a Contractor who has proposed accepting an invoice amount reduction in exchange for early payment.
7. **CONTROL OF THE WORK:** The Contractor shall perform the Work in compliance with the Schedule of Work and Services. If performance of the Work falls behind schedule, the Contractor shall accelerate the performance of the Work to comply with the Schedule of Work and Services as directed by the Project Manager. If the nature of the Work is such that Contractor is unable to accelerate the Work, Contractor shall promptly notify the Project Manager of the delay, the causes of the delay, and submit a proposed revised Schedule of Work and Services.
8. **PRICE ADJUSTMENT:** In the event the Agency exercises any of the Contract extensions provided for in Section E above, the pricing for said extension shall be calculated as follows:

Commencing on January 1, 2019 and continuing on each January 1 thereafter, those prices provided for in the Proposed Price Schedule of this Request for Proposal shall be adjusted plus or minus by a sum equal to the percentage change in the Consumer Price Index (CPI) for All Urban Consumers, in the Los Angeles-Anaheim-Riverside,

California index area as provided for in this section. The bases for computing the adjustment to those prices provided for in the Proposed Price Schedule of this Request for Proposal shall be the percentage change for the twelve month period from January to January, starting with the period of January 2019 to January 2020, and continuing every twelve months thereafter. Despite any changes in the CPI for any given twelve month adjustment period, adjustments to those prices as provided for in the Proposed Price Schedule of this Request for Proposal shall increase or decrease more than 3 percent during any single twelve month adjustment period.

In the event the CPI is changed so that the base period differs from 1982-84=100, then the index applied as provided for above shall be corrected in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics, or their successor. If the CPI is discontinued or revised, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same results as would have obtained if the CPI had not been discontinued or revised.

9. **INSURANCE:** During the term of this Contract, the Contractor shall maintain, at Contractor's sole expense, the following insurance.

A. **Minimum Scope of Insurance:** Coverage shall be at least as broad as:

1. **Commercial General Liability ("CGL"):** Insurance Services Office ("ISO") Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, covering hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation and Employers Liability:** Workers' compensation limits as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. **Professional Liability (Errors and Omissions):** Insurance appropriate to the Contractor's profession, with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.



- B. Deductibles and Self-Insured Retention: Any deductibles or self-insured retention must be declared to and approved by the Agency. At the option of the Agency, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Agency, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- C. Other Insurance Provisions: The insurance policies are to contain, or be endorsed to contain, the following provisions:
1. Commercial General Liability and Automobile Liability Coverage
    - a. Additional Insured Status: The Agency, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment supplied in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85; or **by either** CG 20 10, CG 20 26, CG 20 33, or CG 20 38 **and** CG 20 37 forms if later revisions are used).
    - b. Primary Coverage: The Contractor's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the Agency, its officer, officials, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, officials, employees, volunteers, property owners or engineers under contract with the Agency shall be excess of the Contractor's insurance and shall not contribute with it.
    - c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.
    - d. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
    - e. The Contractor may satisfy the limit requirements in a single policy or multiple policies. Any additional policies written as excess insurance shall not provide any less coverage than that provided by the first or primary policy.
  2. Workers' Compensation and Employers Liability Coverage

Contractor hereby grants to Agency a waiver of any right to subrogation which any insurer of the Contractor may acquire against the Agency by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the insurer.

3. All Coverages

Each insurance policy required by this Contract shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Agency pursuant to Section 14, page 12 of this Contract.

- D. Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A minus:VII, and who are admitted insurers in the State of California.
- E. Verification of Coverage: Contractor shall provide the Agency with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Agency before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The Agency reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
- F. Submittal of Certificates: Contractor shall submit all required certificates and endorsements to the following:

Inland Empire Utilities Agency  
Attn: Angela Witte  
P.O. Box 9020  
Chino Hills, CA 91709

10. FITNESS FOR DUTY:

- A. Fitness: Contractor and its Subcontractor personnel on the Jobsite:
1. Shall report to work in a manner fit to do their job;
  2. Shall not be under the influence of or in possession of any alcoholic beverages or of any controlled substance (except a controlled

substance as prescribed by a physician so long as the performance or safety of the Work is not affected thereby); and

3. Shall not have been convicted of any serious criminal offense which, by its nature, may have a discernible adverse impact on the business or reputation of the Agency.

- B. Compliance: Contractor shall advise all personnel and associated third parties of the requirements of this Contract ("Fitness for Duty Requirements") before they enter on the Jobsite and shall immediately remove from the Jobsite any employee determined to be in violation of these requirements. Contractor shall impose these requirements on its Subcontractors. Agency may cancel the Contract if Contractor violates these Fitness for Duty Requirements.

#### 11. LEGAL RELATIONS AND RESPONSIBILITIES:

- A. Professional Responsibility: The Contractor shall be responsible, to the level of competency presently maintained by other practicing professionals performing the same or similar type of work.
- B. Status of Contractor: The Contractor is retained as an independent Contractor only, for the sole purpose of providing the services described herein, and is not an employee of the Agency.
- C. Observing Laws and Ordinances: The Contractor shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the conduct of any services or tasks performed under this Contract, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. The Contractor shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, the Agency, its officers, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by the Contractor, its employees, or subcontractors.
- D. Subcontract Services: Any subcontracts for the performance of any services under this Contract shall be subject to the written approval of the Project Manager and shall comply with State of California, Department of Industrial Relations, SB 854 requirements.
- E. Grant Funded Projects: This is/is not a grant funded project.
- F. Hours of Labor: The Contractor shall comply with all applicable provisions of California Labor Code Sections 1810 to 1815 relating to working hours. The

Contractor shall, as a penalty to the Agency, forfeit \$25.00 for each worker employed in the completion of the Contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code.

- G. Travel and Subsistence Pay: The Contractor shall make payment to each worker for travel and subsistence payments which are needed to complete the work and/or service, as such travel and subsistence payments are defined in an applicable collective bargaining agreements with the worker.
- H. Liens: Contractor shall pay all sums of money that become due from any labor, services, materials or equipment provided to Contractor on account of said services to be rendered or said materials to be provided under this Contract and that may be secured by any lien against the Agency. Contractor shall fully discharge each such lien at the time performance of the obligation secured matures and becomes due.
- I. Indemnification: Contractor shall indemnify the Agency, its directors, employees, and assigns, and shall defend and hold them harmless from all liabilities, demands, actions, claims, losses and expenses, including reasonable attorneys' fees, which arise out of, or are related to, the negligence, recklessness or willful misconduct of the Contractor, its directors, employees, agents, and assigns, in the performance of work under this contract.
- J. Conflict of Interest: No official of the Agency, who is authorized in such capacity and on behalf of the Agency to negotiate, make, accept or approve, or to take part in negotiating, making, accepting or approving this Contract, or any subcontract relating to services or tasks to be performed pursuant to this Contract, shall become directly or indirectly personally interested in this Contract.
- K. Equal Opportunity: During the performance of this Contract, the Contractor shall not unlawfully discriminate against any employee or employment applicant because of race, color, religion, sex, age, marital status, ancestry, physical or mental disability, sexual orientation, veteran status or national origin. The Agency is committed to creating and maintaining an environment free from harassment and discrimination.
- L. Disputes:
  - 1. All disputes arising out of or in relation to this Contract shall be resolved in accordance with this section. The Contractor shall pursue the work to completion in accordance with the instruction of the Agency's Project Manager notwithstanding the existence of a dispute. By entering into this Contract, both parties are obligated, and hereby agree, to submit

all disputes arising under or relating to the Contract which remain unresolved after the exhaustion of the procedures provided herein, to independent arbitration. Except as otherwise provided herein, arbitration shall be conducted under California Code of Civil Procedure Sections 1280, et seq., or their successor.

2. Any and all disputes prior to the work starting shall be subject to resolution by the Agency's Project Manager; and the Contractor shall comply, with the Agency Project Manager instructions. If the Contractor is not satisfied with the resolution directed by the Agency Project Manager, they may file a written protest with the Agency Project Manager within seven (7) calendar days after receiving written directive of the Project Manager's decision. Failure by Contractor to file a written protest within seven (7) calendar days shall constitute waiver of protest, and acceptance of the Project Manager's resolution. The Project Manager shall submit the Contractor's written protests to the General Manager, together with a copy of the Project Manager's written decision, for his or her consideration within seven (7) calendar days after receipt of the protest-related documents. The General Manager shall make his or her determination with respect to each protest filed with the Project Manager within ten (10) calendar days after receipt of the protest-related documents. If Contractor is not satisfied with any such resolution by the General Manager, they may file a written request for arbitration with the Project Manager within seven (7) calendar days after receiving written notice of the General Manager's decision.
3. In the event of arbitration, the parties to this contract agree that there shall be a single neutral Arbitrator who shall be selected in the following manner:
  - a. The Demand for Arbitration shall include a list of five names of persons acceptable to the Contractor to be appointed as Arbitrator. The Agency shall determine if any of the names submitted by Contractor are acceptable and, if so, such person will be designated as Arbitrator.
  - b. In the event that none of the names submitted by Contractor are acceptable to Agency, or if for any reason the Arbitrator selected in Step (a) is unable to serve, the Agency shall submit to Contractor a list of five names of persons acceptable to Agency for appointment as Arbitrator. The Contractor shall, in turn, have seven (7) calendar days in which to determine if one such person is acceptable.
  - c. If after Steps (a) and (b), the parties are unable to mutually agree upon a neutral Arbitrator, the matter of selection of an

Arbitrator shall be submitted to the San Bernardino County Superior Court pursuant to Code of Civil Procedure Section 1281.6, or its successor. The costs of arbitration, including but not limited to reasonable attorneys' fees, shall be recoverable by the party prevailing in the arbitration. If this arbitration is appealed to a court pursuant to the procedure under California Code of Civil Procedure Section 1294, et seq., or their successor, the costs of arbitration shall also include court costs associated with such appeals, including but not limited to reasonable attorneys' fees which shall be recoverable by the prevailing party.

4. **Association in Mediation/Arbitration:** The Agency may join the Contractor in mediation or arbitration commenced by a contractor on the Project pursuant to Public Contracts Code Sections 20104 et seq. Such association shall be initiated by written notice from the Agency's representative to the Contractor.
  
- M. **Workers' Legal Status:** For performance against this Contract, Contractor shall only utilize employees and/or subcontractors that are authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986.
  
- N. **Prevailing Wage Requirements:** Pursuant to Section 1770 and following, of the California Labor Code, the Contractor shall not pay less than the general prevailing wage rates, as determined by the Director of the State of California Department of Industrial Relations for the locality in which the work is to be performed and for each craft or type of worker needed to execute the work contemplated under the Contract. The Contractor or any subcontractor performing part of said work shall strictly adhere to all provisions of the Labor Code, including, but not limited to, minimum wages, work days, nondiscrimination, apprentices, maintenance and availability of accurate payroll records and any other matters required under all Federal, State and local laws related to labor.
  
- O. Contractor shall provide with their invoice certified payroll verifying that Contractor has paid prevailing wage requirements as stipulated in SB-854 (<http://www.dir.ca.gov/DIRNews/2014/2014-55.pdf>).
  
12. **OWNERSHIP OF MATERIALS AND DOCUMENTS/CONFIDENTIALITY:** The Agency retains ownership of any, and all, partial or complete reports, drawings, plans, notes, computations, lists, and/or other materials, documents, information, or data prepared by the Contractor and/or the Contractor's subcontractor(s) pertaining to this Contract. Said materials and documents are confidential and shall be available to the Agency from the moment of their preparation, and the Contractor shall deliver them to the Agency whenever requested to do so by the Project

Manager and/or Agency representative. The Contractor agrees that all documents shall not be made available to any individual or organization, private or public, without the prior written consent of an Agency representative.

13. TITLE AND RISK OF LOSS:

- A. Documentation: Title to the Documentation shall pass to the Agency when prepared; however, a copy may be retained by Contractor for its records and internal use. Contractor shall retain such Documentation in a controlled access file, and shall not reveal, display, or disclose the contents of the Documentation to others without the prior written authorization of the Agency or for the performance of Work related to the Scope of Work described in this Contract.
- B. Material: Title to all Material, field or research equipment, and laboratory models, procured or fabricated under the Contract shall pass to the Agency when procured or fabricated, and such title shall be free and clear of any and all encumbrances. Contractor shall have risk of loss of any Material or Agency-owned equipment of which it has custody.
- C. Disposition: Contractor shall dispose of items to which the Agency has title as directed, in writing, by the Project Manager and/or an Agency representative.

14. PROPRIETARY RIGHTS:

- A. Rights and Ownership: Agency's rights to inventions, discoveries, trade secrets, patents, copyrights, and other intellectual property, including the Information and Documentation, and revisions thereto (hereinafter collectively referred to as "Proprietary Rights"), used or developed by Contractor in the performance of the Work, shall be governed by the following provisions:
  - 1. Proprietary Rights conceived, developed, or reduced to practice by Contractor in the performance of the Work shall be the property of Agency, and Contractor shall cooperate with all appropriate requests to assign and transfer same to Agency.
  - 2. If Proprietary Rights conceived, developed, or reduced to practice by Contractor prior to the performance of the Work are used in and become integral with the Work, or are necessary for Agency to have complete control of the Work, Contractor shall grant to Agency a non-exclusive, irrevocable, royalty-free license, as may be required by Agency for the complete control of the Work, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy or dispose of any or all of the Work and grant sublicenses to others with respect to the Work.

3. If the Work includes the Proprietary Rights of others, Contractor shall procure, at no additional cost to Agency, all necessary licenses regarding such Proprietary Rights so as to allow Agency the complete control of the Work, including the right to reproduce, correct, repair, replace, maintain, translate, publish, use, modify, copy, or dispose of any or all of the Work; and to grant sublicenses to others with respect to the Work. All such licenses shall be in writing and shall be irrevocable and royalty-free to Agency.
  4. Contractor's intellectual property includes, but is not limited to, pre-existing methodologies, processes, techniques, ideas, concepts, trade concepts, trade secrets and know-how including, but not limited to, patent, copyright, trademark and other intellectual property rights, including derivatives thereto. The parties acknowledge that performance of this Agreement will not result in any transfer of Contractor's or others' Proprietary Rights, nor in the discovery, creation or development of drawings, designs, combinations, machines, methods, formulae, techniques, processes, improvements, derivatives, software designs, computer programs, strategies, patents, copyrights, trademarks, customer specific know-how, data and original works of authorship ("Work Product"). The parties acknowledge Contractor's intellectual property may not be distributed or licensed for use by others, and may not be used by the Agency on other projects".
15. NOTICES: Any notice may be served upon either party by delivering it in person, or by depositing it in a United States Mail deposit box with the postage thereon fully prepaid, and addressed to the party at the address set forth below:

Agency: Warren T. Green  
Manager of Contracts and Procurement  
Inland Empire Utilities Agency  
P.O. Box 9020  
Chino Hills, CA 91709

Contractor: Joel Martinez  
Carrier Commercial Services  
2478 Peck Road  
City of Industry, CA 90601

Any notice given pursuant to this section shall be deemed effective in the case of personal delivery, upon receipt thereof, or, in the case of mailing, at the moment of deposit in the course of transmission through the United States Postal Service.

16. SUCCESSORS AND ASSIGNS: All of the terms, conditions and provisions of this Contract shall take effect to the benefit of and be binding upon the Agency, the Contractor, and their respective successors and assigns. No assignment of the



duties or benefits of the Contractor under this Contract may be assigned, transferred, or otherwise disposed of, without the prior written consent of the Agency; and any such purported or attempted assignment, transfer, or disposal without the prior written consent of the Agency shall be null, void, and of no legal effect whatsoever.

17. PUBLIC RECORDS POLICY: Information made available to the Agency may be subject to the California Public Records Act (Government Code Section 6250 et seq.) The Agency's use and disclosure of its records are governed by this Act. The Agency shall use its best efforts to notify Contractor of any requests for disclosure of any documents pertaining to this work. In the event of litigation concerning disclosure of information Contractor considers exempt from disclosure; (e.g., Trade Secret, Confidential, or Proprietary) Agency shall act as a stakeholder only, holding the information until otherwise ordered by a court or other legal process. If Agency is required to defend an action arising out of a Public Records Act request for any of the information Contractor has marked "Confidential," "Proprietary," or "Trade Secret," Contractor shall defend and indemnify Agency from all liability, damages, costs, and expenses, in any action or proceeding arising under the Public Records Act.
18. RIGHT TO AUDIT: The Agency reserves the right to review and/or audit all Contractor's records related to the Work. The option to review and/or audit may be exercised during the term of the Contract, upon termination, upon completion of the Contract, or at any time thereafter up to twelve (12) months after final payment has been made to the Contractor. The Contractor shall make all records and related documentation available within three (3) working days after said records are requested by the Agency.
19. INTEGRATION: The Contract Documents represent the entire Contract made and entered into by and between the Agency and the Contractor as to those matters contained in this contract. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by the Contract Documents. This Contract may not be modified, altered, or amended except by written mutual agreement by the Agency and the Contractor.
20. GOVERNING LAW: This Contract is to be governed by and constructed in accordance with the laws of the State of California, in the County of San Bernardino.
21. TERMINATION FOR CONVENIENCE: The Agency reserves and has the right to immediately suspend, cancel or terminate this Contract at any time upon written notice to the Contractor. In the event of such termination, the Agency shall pay Contractor for all authorized and Contractor-invoiced services up to the date of such termination, as approved by the Project Manager.
22. FORCE MAJEURE: Neither party shall hold the other responsible for the effects of acts occurring beyond their control; e.g., war, riots, strikes, natural disasters, etcetera.

- 23. LIQUIDATED DAMAGES: There are no liquidated damages.
- 24. NOTICE TO PROCEED: No services shall be performed or provided under this Contract unless and until this document has been properly signed by all responsible parties and a notice to proceed has been issued to the Contractor by the Project Manager.
- 25. AUTHORITY TO EXECUTE CONTRACT: The Signatories, below, each represent, warrant, and covenant that they have the full authority and right to enter into this Contract on behalf of the separate entities shown below.
- 26. DELIVERY OF DOCUMENTS: The Parties to this Contract and the individuals named to facilitate the realization of its intent, with the execution of the Contract, authorize the delivery of documents via facsimile, via email, and via portable document format (PDF) and covenant agreement to be bound by such electronic versions.

The parties hereto have caused the Contract to be entered as of the day and year written above.

**INLAND EMPIRE UTILITIES AGENCY:**  
*\*A MUNICIPAL WATER DISTRICT*

**Carrier Commercial Services:**

\_\_\_\_\_  
 Halla Razak  
 General Manager

\_\_\_\_\_  
 (Date)

\_\_\_\_\_  
 Joel Martinez  
 General Manager

\_\_\_\_\_  
 (Date)

**CONSENT  
CALENDAR  
ITEM**

**2P**



**Date:** December 19, 2018

**To:** The Honorable Board of Directors

**From:** Halla Razak, General Manager

HHR

**Committee:** Engineering, Operations & Water Resources

12/12/18

**Executive Contact:** Shaun Stone, Acting Executive Manager of Engineering/AGM

**Subject:** RP-1 Headworks Upgrades Project Construction Change Order

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**Executive Summary:**

On October 18, 2017, the Board of Directors awarded a construction contract to Myers & Sons Construction, LLC to perform rehabilitation within the headworks and primary influent channel. The rehabilitation work required a bypass pump system to convey all flow around the headworks to the primary settling tanks. During bypass operation, critical isolation gates were identified by the contractor to be leaking beyond reasonable expectations outlined in the contract documents.

This change order is the cost for maintaining the bypass pump system in stand-by while the leaking gates were being mitigated by the contractor and IEUA team. The mitigation allowed Myers and Sons to complete the rehabilitation of concrete surface affected by the leaking gates and proceed with the project.

Staff request approval of this construction change order with Myers & Sons in the amount of \$893,006, increasing the contract from \$5,827,984 to \$6,720,990.

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**Staff's Recommendation:**

1. Approve a construction change order for the RP-1 Headworks, Primary, and Secondary Upgrades, Project No. EN14019, to Myers & Sons, for the not-to-exceed amount of \$893,006; and
2. Authorize the General Manager to execute the change order, subject to non-substantive changes.

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**Budget Impact** *Budgeted* (Y/N): Y *Amendment* (Y/N): N *Amount for Requested Approval:*

*Account/Project Name:*

EN14019.00/RP-1 Headworks, Primary and Secondary Upgrades

*Fiscal Impact (explain if not budgeted):*

None.

**Prior Board Action:**

On October 18, 2017, the Board of Directors awarded a construction contract to Myers & Sons for the not-to-exceed amount of \$5,690,000.

On January 18, 2017, the Board of Directors approved a contract amendment for additional engineering services to RMC for the not-to-exceed amount of \$68,204.

On January 20, 2016, the Board of Directors approved an engineering services contract to RMC for the not-to-exceed amount of \$723,151.

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**Environmental Determination:**

**Categorical Exemption**

CEQA identifies certain categories of projects as exempt from more detailed environmental review because these categories have been deemed to have no potential for significant impact on the environment. This project qualifies for a Categorical Exemption Class 1 as defined in Section 15301(b) of the State CEQA Guidelines.

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**Business Goal:**

The RP-1 Headworks, Primary and Secondary Upgrades Project is consistent with IEUA's Business Goal of Wastewater Management specifically the Asset Management objective that IEUA will ensure the treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.

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**Attachments:**

Attachment 1 - PowerPoint

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# **Attachment 1**

# RP-1 Headworks Upgrades Construction Change Order Project No. EN14019



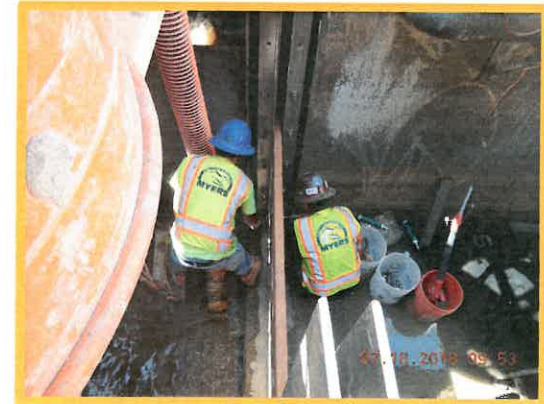
# Project Location





# The Project

- Construction Contract Award on October 2017
  - Contractor: Myers & Sons Construction, LLC
  - Contract Value: \$5,690,000
- Current headworks was constructed in 1982
- Headworks channel was drained in May 2018
  - Contactor notified IEUA of excessive gate leakage
  - Installation of bulkheads (mitigation of leaks)
- Experienced delays due to leaking isolation gates and mitigation plan
  - Required extended bypass operation



Installation of Isolation Bulkhead



Contractor attempting to manage Leakage

# Project Budget and Schedule

Description	Estimated Cost
<b>Design Services</b>	<b>\$1,062,755</b>
Design	\$832,939
IEUA Design Services	\$229,816
<b>Construction Services</b>	<b>\$795,058</b>
Engineering Services During Construction (~%)	\$510,558
IEUA Construction Services (~%)	\$284,500
<b>Construction</b>	<b>\$7,151,006</b>
Construction Cost	\$6,258,000
Change Order (this action)	\$893,006
<b>Total Project Cost</b>	<b>\$9,008,819</b>
<b>Total Project Budget</b>	<b>\$9,750,000</b>

Project Milestone	Date
<b>Construction</b>	
Construction Completion	February 2019

# Recommendation

- Approve a construction change order for the RP-1 Headworks, Primary, and Secondary Upgrades, Project No. EN14019, to Myers & Sons., for the not-to-exceed amount of \$893,006; and
- Authorize the General Manager to execute the change order.

The RP-1 Headworks, Primary, and Secondary Upgrades Project is consistent with **IEUA's Business Goal of Wastewater Management**, specifically the Asset Management objective that IEUA will ensure the treatment facilities are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use.