

AGENDA MEETING OF THE INLAND EMPIRE UTILITIES AGENCY* BOARD OF DIRECTORS

WEDNESDAY, JUNE 15, 2022 10:00 A.M.

AGENCY HEADQUARTERS
BOARD ROOM
6075 KIMBALL AVENUE, BUILDING A
CHINO, CALIFORNIA 91708
VIEW THE MEETING LIVE ONLINE AT IEUA.ORG
TELEPHONE ACCESS: (415) 856-9169 / Conf Code: 885 499 122#

PURSUANT TO AB361 AND RESOLUTION NO. 2022-5-6, ADOPTED BY THE IEUA BOARD OF DIRECTORS ON MAY 18, 2022, IEUA BOARD AND COMMITTEE MEETINGS WILL CONTINUE TO BE CONDUCTED THROUGH TELECONFERENCE IN AN EFFORT TO PROTECT PUBLIC HEALTH AND PREVENT THE SPREAD OF COVID-19. THERE WILL BE NO PUBLIC LOCATION AVAILABLE FOR ATTENDING THE MEETING IN PERSON.

The public may participate and provide public comment during the meeting by dialing the number provided above. Comments may also be submitted by email to the Board Secretary/Office Manager Denise Garzaro at dgarzaro@ieua.org prior to the completion of the Public Comment section of the meeting. Comments will be distributed to the Board of Directors.

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

FLAG SALUTE

PUBLIC COMMENT

Members of the public may address the Board on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) of Section 54954.2 of the Government Code. Those persons wishing to address the Board on any matter, whether or not it appears on the agenda, are requested to email the Board Secretary/Office Manager prior to the public comment section or request to address the Board during the public comments section of the meeting. Comments will be limited to three 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.

NEW, PROMOTED AND RECLASSIFIED EMPLOYEE INTRODUCTIONS

PRESENTATION

RECOGNITION OF 2022 SOLAR CUP TEAMS

1. 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. <u>MINUTES</u>

Approve minutes of the May 18, 2022 Board Meeting.

- B. ADOPTION OF RESOLUTION NO. 2022-6-10, MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING SPECIAL RULES FOR CONDUCTING MEETINGS THROUGH TELECONFERENCE

 Staff recommends that the Board adopt Resolution No. 2022-6-10, making certain findings and determinations regarding special rules for conducting meetings through teleconference.
- C. REPORT ON GENERAL DISBURSEMENTS (Finance & Admin)
 Staff recommends that the Board approve the total disbursements for the month of April 2022, in the amount of \$17,315,824.
- D. FY 2022/23 ANNUAL AUDIT PLAN (Audit)

Staff recommends that the Committee/Board:

- 1. Approve the FY 2022/23 Annual Audit Plan; and
- 2. Direct the Manager of Internal Audit to implement the FY 2022/23 Annual Audit Plan.
- E. ADOPTION OF RESOLUTION NO. 2022-6-9, ESTABLISHING PLAN CHECK AND INSPECTION FEES (Eng/Ops/WR) (Finance & Admin)

 Staff recommends that the Board adopt Resolution No. 2022-6-9, establishing the fee for IEUA's services for review of applications, plans and inspections of construction for development connections.
- F. CCWRF 12KV BACKUP GENERATOR CONTROL CIRCUIT IMPROVEMENTS CONSTRUCTION CONTRACT AWARD (Eng/Ops/WR)
 Staff recommends that the Board:
 - Award a construction contract for the CCWRF 12kV Backup Generator Control Circuit Improvements, Project No. EN17006.01, to Southern Contracting Co. for the amount of \$1,027,480; and
 - 2. Authorize the General Manager to execute the contract, subject to non-substantive changes.

G. RP-1 SOLIDS THICKENING PROJECT SKID-MOUNTED ROTARY DRUM THICKENER PROCUREMENT (Eng/Ops/WR)

Staff recommends that the Board:

- 1. Authorize the procurement of a skid-mounted rotary drum thickener system as a single source according to the proposal dated May 6, 2022, in the amount of \$712,932; and
- 2. Authorize the General Manager to execute the contract, subject to non-substantive changes.

H. MASTER SERVICES CONTRACT AMENDMENT FOR PROJECT CONTROLS SERVICES (Eng/Ops/WR)

Staff recommends that the Board:

- 1. Approve contract amendments for the Project Control Master Services Contracts to CAPO Projects Group and KRD Management Consulting, LLC for an aggregate amount of \$1,750,000, increasing the contract from \$1,250,000 to \$3,000,000 (a 140% increase) with a four-year term extension through June 2026; and
- 2. Authorize the General Manager to contract, subject to nonsubstantive changes.

I. <u>PURCHASE OF AGENCY-WIDE INSURANCE FOR FISCAL YEAR</u> 2022/23 (Finance & Admin)

Staff recommends that the Board authorize the purchase of Agency-wide insurance policies providing coverage through Fiscal Year 2022/23, for the total not-to-exceed insurance budget amount of \$1,862,000 for the following policies:

- a. Excess General Liability insurance (Projected \$755,000);
- b. Property, Boiler & Machinery insurance (Projected \$930,000); and
- c. Excess Workers' Compensation insurance (Actual \$109,685).

J. <u>FISCAL YEAR 2022/23 PROPOSED BUDGET AMENDMENT AND RATE RESOLUTIONS</u> (Finance & Admin)

Staff recommends that the Board:

- 1. Approve the amendments to the FY 2022/23 Adopted Budget; and
- 2. Adopt Rate Resolutions Nos. 2022-6-1 through 2022-6-7.

K. ADOPTION OF RESOLUTION NO. 2022-6-8, ESTABLISHING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2022/23 (Finance & Admin)

Staff recommends that the Board adopt Resolution No. 2022-6-8 establishing the appropriations limit for Fiscal Year 2022/23.

2. ACTION ITEMS

- A. CALIFORNIA SPECIAL DISTRICTS ASSOCIATION 2022 BOARD OF DIRECTORS ELECTION FOR SEAT B, SOUTHERN NETWORK

 Staff recommends that the Board determine the Agency's vote for the California Special Districts Association 2022 Board of Directors' election for Seat B, Southern Network by selecting one candidate.
- B. ADOPTION OF THE FISCAL YEARS 2022/23 2031/32 TEN-YEAR CAPITAL IMPROVEMENT PLAN & TEN-YEAR FORECAST

 Staff recommends that the Board adopt the Fiscal Years 2022/23 2031/32 Ten-Year Capital Improvement Plan and Ten-Year Forecast.

3. INFORMATION ITEMS

- A. <u>WATER STORAGE INVESTMENT PROGRAM/CHINO BASIN</u> PROGRAM UPDATE (ORAL)
- B. <u>CONSTRUCTION TRENDS (POWERPOINT)</u>

RECEIVE AND FILE INFORMATION ITEMS

- C. <u>FY 2021/22 FINANCIAL AUDIT ENGAGEMENT COMMUNICATIONS</u> (WRITTEN/POWERPOINT) (Audit)
- D. <u>ACCOUNTS PAYABLE OPERATIONAL AND INTERNAL CONTROL</u>
 <u>AUDIT REPORT REVIEW OF PROCURE TO PAY PROCESSES FOR PROFESSIONAL SERVICES PLANNING & RESOURCES (WRITTEN/POWERPOINT) (Audit)</u>
- E. <u>INTERIM AUDIT REPORT: ACCOUNTS PAYABLE OPERATIONAL AND INTERNAL CONTROL AUDIT REPORT REVIEW OF PROCURE TO PAY PROCESSESS FOR MATERIALS AND SUPPLIES (WRITTEN/POWERPOINT)</u> (Audit)
- F. PROGRESS UPDATE FOR ALL PROCURE TO PAY AUDIT RECOMMENDATIONS (WRITTEN/POWERPOINT) (Audit)
- G. REPORT OF OPEN AUDIT RECOMMENDATIONS (WRITTEN/POWERPOINT) (Audit)
- H. <u>INTERNAL AUDIT DEPARTMENT QUARTERLY STATUS REPORT</u> FOR JUNE 2022 (WRITTEN) (Audit)
- I. FEDERAL LEGISLATIVE REPORT AND MATRIX FROM INNOVATIVE FEDERAL STRATEGIES (WRITTEN) (Community & Leg)
- J. STATE LEGISLATIVE REPORT AND MATRIX FROM WEST COAST ADVISORS (WRITTEN) (Community & Leg)
- K. PUBLIC OUTREACH AND COMMUNICATION (WRITTEN) (Community & Leg)

- L. <u>RECYCLED WATER GROUNDWATER RECHARGE UPDATE</u> (POWERPOINT) (Eng/Ops/WR)
- M. $\frac{SARS-COV-2}{(Eng/Ops/WR)}$ WASTEWATER SAMPLING (POWERPOINT)
- N. <u>ANNUAL REPORT OF THE PRADO BASIN HABITAT SUSTAINABILITY COMMITTEE (WRITTEN)</u> (Eng/Ops/WR)
- O. REGIONAL WATER USE EFFICIENCY BUSINESS PLAN UPDATE (WRITTEN/POWERPOINT) (Eng/Ops/WR)
- P. <u>FY 2022/23 ADOPTED BUDGET FOR THE INLAND EMPIRE</u>
 <u>REGIONAL COMPOSTING AUTHORITY (WRITTEN/POWERPOINT)</u>
 (Finance & Admin)
- Q. <u>FISCAL YEAR 2021/22 THIRD QUARTER BUDGET VARIANCE,</u> <u>PERFORMANCE UPDATES, AND BUDGET TRANSFERS</u> (WRITTEN/POWERPOINT) (Finance & Admin)
- R. <u>TREASURER'S REPORT OF FINANCIAL AFFAIRS (WRITTEN/POWERPOINT)</u> (Finance & Admin)

4. AGENCY REPRESENTATIVES' REPORTS

A. <u>SANTA ANA WATERSHED PROJECT AUTHORITY REPORT</u> (WRITTEN)

June 7, 2022 SAWPA Commission meeting

B. <u>METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA</u>
<u>REPORT (WRITTEN)</u>

June 14, 2022 MWD Board meeting

C. REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT (WRITTEN)

June 2, 2022 Regional Sewerage Program Policy Committee meeting

- D. <u>CHINO BASIN WATERMASTER REPORT (WRITTEN)</u> May 26, 2022 Chino Basin Watermaster Board meeting
- E. CHINO BASIN DESALTER AUTHORITY REPORT (WRITTEN)
 June 2, 2022 Special CDA Board meeting
- F. <u>INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY REPORT</u> (WRITTEN)

June 6, 2022 Special IERCA Board meeting

- 5. **GENERAL MANAGER'S REPORT (WRITTEN)**
- 6. BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS

7. <u>DIRECTORS' COMMENTS</u>

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.

8. CLOSED SESSION

- A. <u>PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION</u>
 - Kaiser vs. IEUA. Case No. CIVDS 1933655
- B. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(2)(e)1
 CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION
 Four Cases

ADJOURN

Declaration of Posting

I, Denise Garzaro, CMC, Board Secretary/Office Manager of the Inland Empire Utilities Agency*, a Municipal Water District, hereby certify that, per Government Code Section 54954.2, a copy of this agenda has been posted at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA and on the Agency's website at www.ieua.org at least seventy-two (72) hours prior to the meeting date and time above.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Secretary at (909) 993-1736 or dgarzaro@ieua.org, 48 hours prior to the scheduled meeting so that IEUA can make reasonable arrangements to ensure accessibility.

CONSENT CALENDAR ITEM

1A



MINUTES MEETING OF THE INLAND EMPIRE UTILITIES AGENCY BOARD OF DIRECTORS

WEDNESDAY, MAY 18, 2022 10:00 A.M.

DIRECTORS PRESENT:

Steven J. Elie, President Michael Camacho, Vice President Marco Tule, Secretary/Treasurer

DIRECTORS PRESENT via Video/Teleconference:

Jasmin A. Hall, Director Paul Hofer, Director

STAFF PRESENT:

Shivaji Deshmukh, P.E., General Manager Christiana Daisy, P.E., Deputy General Manager Javier Chagoyen-Lazaro, Acting Assistant General Manager Joshua Aquilar, Senior Engineer Adham Almasri, P.E., Principal Engineer Tony Arellano, Safety Officer Jerry Burke, Director of Engineering Pietro Cambiaso, Acting Director of Planning & Resources Andy Campbell, Groundwater Recharge Coordinator/Hydrogeologist Michael Dias, Operations Supervisor Lucia Diaz, Manager of Facilities & Water System Programs Lisa Dye, Director of Human Resources Denise Garzaro, Board Secretary/Office Manager Elizabeth Hurst, Chino Basin Program Manager Randy Lee, Director of Operations & Maintenance Scott Lening, Manager of Operations Eddie Lin, Senior Engineer Liza Munoz, Senior Engineer Travis Sprague, Principal Engineer Wilson To, Technology Specialist II

STAFF PRESENT via Video/Teleconference:

Brian Wilson, P.E., CCM, Senior Engineer

Andrea Carruthers, Communications Officer
Robert Delgado, Manager of Operations & Maintenance
Warren Green, Manager of Contracts & Procurement
Don Hamlett, Director of Information Technology
Jennifer Hy-Luk, Administrative Assistant II
Nolan King, Network Administrator

Ryan Love, Deputy Manager of Operations
Kanes Pantayatiwong, Manager of Information Technology
Jesse Pompa, Manager of Grants
Sushmitha Reddy, Manager of Laboratories
Jeanina Romero, Executive Assistant
Victoria Salazar, Associate Engineer
James Simpson, Engineering Consultant
Frank Sotomayor, Facilities Program Supervisor
Yvonne Taylor, Administrative Assistant II
Teresa Velarde, Manager of Internal Audit
Jeff Ziegenbein, Manager of Regional Compost Authority

OTHERS PRESENT:

Chris Berch, Jurupa Community Services District Jean Cihigoyenetche, JC Law Firm Kaitlyn Dodson-Hamilton, Tom Dodson & Associates Tom Dodson, Tom Dodson & Associates Edgar Tellez Foster, Chino Basin Watermaster John McClendon, Leibold McClendon & Mann

OTHERS PRESENT via Video/Teleconference:

Alexander Bugbee, Carollo Engineers
Scott Burton, City of Ontario
Martin Cihigoyenetche, JC Law Firm
Debra Dorst-Porada, City of Ontario
Cris Fealy, Fontana Water Company
Garrett Rapp, West Yost Associates
Randall Reed, Cucamonga Valley Water District
Ryan Shaw, Western Municipal Water District
Deven Upadhyay, Metropolitan Water District of Southern California

A meeting of the Board of Directors of the Inland Empire Utilities Agency* was held at the office of the Agency, 6075 Kimball Avenue, Building A, Chino, California and via video/teleconference on the above date.

President Elie called the meeting to order at 10:00 a.m. Senior Internal Auditor Sapna Nangia led the Pledge of Allegiance. Board Secretary/Office Manager Denise Garzaro took roll call and established a quorum.

PUBLIC COMMENT

There were no public comments.

ADDITIONS TO THE AGENDA

There were no changes/additions/deletions to the agenda.

NEW, PROMOTED AND RECLASSIFIED EMPLOYEE INTRODUCTIONS

The following staff member from the Engineering Department was recognized:

 Victoria Salazar, Senior Associate Engineer, reclassified April 17, 2022, Engineering

The following staff member from the External & Government Affairs Department was introduced:

• Nicole Slavin, External Affairs Specialist I, hired May 15, 2022, External Affairs

The following staff member from the Finance Department was introduced:

Annie Wu, Financial Analyst I, hired May 16, 2022, Finance

The following staff members from the Operations & Maintenance Department were hired and recognized:

- Jeffrey Hyder, Electrical & Instrumentation Technician IV, promoted May 1, 2022, Maintenance
- Juan Barajas, Electrical & Instrumentation Technician II, hired May 16, 2022, Organics Management

The Board of Directors welcomed Ms. Slavin, Ms. Wu, and Mr. Barajas to the IEUA team. The Board of Directors congratulated Ms. Salazar and Mr. Hyder on their reclassification and promotion.

President Elie stated that Action Item 3B would be taken out of order and heard first since there were several requests to comment on the item.

3. ACTION ITEM

B. ADOPTION OF RESOLUTION NO. 2022-5-1, CERTIFYING THE FINAL CHINO BASIN PROGRAM ENVIRONMENTAL IMPACT REPORT

The following individuals provided oral public comment on Agenda Item No. 3B: Deven Upadhyay, Metropolitan Water District of Southern California

Randall Reed, Cucamonga Valley Water District

Scott Burton, Ontario Municipal Utilities Company

Ryan Shaw, Western Municipal Water District

Cris Fealy, Fontana Water Company Water Resources Manager

Debra Dorst-Porada, City of Ontario

Chris Berch, Jurupa Community Services District

Written public comments received from:

Paul Leon, City of Ontario

Courtney Jones, City of Ontario

Michael R. Markus, Orange County Water District

Chino Basin Program Manager Elizabeth Hurst provided the staff presentation. CEQA Consultant Tom Dodson provided additional details on the CEQA process and provided responses to the comment letter received from Orange County Water

District (OCWD). Discussion ensued regarding the OCWD letter. CEQA Special Counsel John McClendon provided additional information on the CEQA process.

CEQA Consultant Kaitlyn Dodson-Hamilton provided responses to the comments received from the City of Ontario. Discussion ensued regarding the items raised in the correspondence from the City of Ontario.

The Board of Directors took a brief recess at 11:23 a.m. The meeting resumed at 11:28 a.m.

Discussion continued regarding the environmental impact report and the recommended action for the Board's consideration.

MOVED BY DIRECTOR CAMACHO, SECONDED BY DIRECTOR TULE, THE BOARD ADOPTED RESOLUTION NO. 2022-5-1, CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE CHINO BASIN PROGRAM, ADOPTING THE MITIGATION MONITORING AND REPORTING PLAN, ADOPTING FINDINGS OF FACT, AND STATEMENT OF OVERRIDING ADOPTING CONSIDERATIONS: AND AUTHORIZED THE FILING OF THE NOTICE OF DETERMINATION WITH THE COUNTY CLERK AND THE STATE CLEARINGHOUSE, GOVERNOR'S OFFICE OF PLANNING AND RESEARCH, SUBJECT TO NON-SUBSTANTIVE CHANGES, BY THE FOLLOWING VOTE:

Ayes: Camacho, Elie, Hall, Hofer, Tule

Noes: None

Absent: None

1. PUBLIC HEARING

A. CONSIDER THE ADOPTION OF RESOLUTION NO. 2022-5-7, DECLARING A WATER SHORTAGE EMERGENCY CONDITION AND ADOPTING THE FRAMEWORK OF AN EMERGENCY WATER CONSERVATION PROGRAM Senior Engineer Joshua Aguilar provided the staff presentation. The Board discussed the implications of the framework adopted by Metropolitan Water District (MWD). Deputy General Manager Christiana Daisy provided details on staff's efforts which ultimately led to MWD adopting a method that provides two pathways for compliance.

President Elie opened the public hearing. Hearing no public comments, President Elie closed the public hearing.

MOVED BY DIRECTOR TULE, SECONDED BY DIRECTOR CAMACHO, THE BOARD ADOPTED RESOLUTION NO. 2022-5-7, DECLARING A WATER SHORTAGE EMERGENCY CONDITION,

IMPLEMENTING THE AGENCY'S WATER SHORTAGE CONTINGENCY PLAN AT LEVEL 3 AND ADOPTING AN EMERGENCY WATER CONSERVATION PROGRAM FRAMEWORK, BY THE FOLLOWING VOTE:

Ayes: Camacho, Elie, Hall, Hofer, Tule

Noes: None

Absent: None

2. CONSENT ITEMS

Director Hall requested to pull Item 2G for discussion.

A. MINUTES

- B. ADOPTION OF RESOLUTION NO. 2022-5-6, MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING SPECIAL RULES FOR CONDUCTING MEETINGS THROUGH TELECONFERENCE
- C. REPORT ON GENERAL DISBURSEMENTS (Finance & Admin)
- D. ANTI-STRUVITE CHEMICAL CONTRACT AWARD (Eng., Ops & WR)
- E. RP-1 AND RP-4 GENERATOR RETROFITS CONSTRUCTION CONTRACT AWARD (Eng., Ops & WR)
- F. CONTRACT AWARD FOR RP-3 BASINS INFILTRATION RESTORATION (Eng. Ops & WR)

MOVED BY DIRECTOR CAMACHO, SECONDED BY DIRECTOR TULE, AGENDA ITEM NOS. 2A THROUGH 2F WERE APPROVED AS RECOMMENDED BELOW, BY THE FOLLOWING VOTE:

Ayes: Camacho, Elie, Hall, Hofer, Tule

Noes: None

Absent: None

- o Approved the minutes of the April 6 and April 20, 2022 Board Meeting.
- Adopted Resolution No. 2022-5-6, making certain findings and determinations regarding special rules for conducting meetings through teleconference.
- Approved the total disbursements for the month of March 2022, in the amount of \$25,677,180.30.

- Approved a two-year contract, with three one-year renewal options, with Polydyne, Inc. for the supply of anti-struvite chemical (Flosperse 30S), for a potential total contract term of five years; and authorized the General Manager to execute the contract.
- Awarded a construction contract for the RP-1 and RP-4 Generator Retrofits, Project No. EN22034, to Big Sky Electric, Inc., in the amount of \$175,100; and authorized the General Manager to execute the contract, subject to nonsubstantive changes.
- Approved the award of Contract 460003133 to Jeremy Harris Construction, Inc. for the RP-3 Basins Infiltration Restoration Services for a not-to-exceed amount of \$166,733.00; and authorized the General Manager to execute the contract, subject to non-substantive changes.

G. IEUA – METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA TERM SHEET FOR THE CHINO BASIN PROGRAM WATER STORAGE INVESTMENT PROGRAM ENVIRONMENTAL WATER EXCHANGE (Eng. Ops & WR)

General Manager Deshmukh provided the staff report. Discussion ensued regarding the Chino Basin Program and associated agreements.

MOVED BY DIRECTOR CAMACHO, SECONDED BY DIRECTOR TULE, THE BOARD APPROVED THE IEUA – METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA TERM SHEET FOR THE CBP WSIP ENVIRONMENTAL EXCHANGE; AND AUTHORIZED THE GENERAL MANAGER TO NEGOTIATE TERMS AND CONDITIONS CONSISTENT WITH THE WATER EXCHANGE AGREEMENT TERMS FOR THE DEVELOPMENT OF A FINAL AGREEMENT, BY THE FOLLOWING VOTE:

Ayes: Camacho, Elie, Hall, Hofer, Tule

Noes: None

Absent: None

3. ACTION ITEMS (CONTINUED)

A. <u>RP-5 EXPANSION PROJECT CHANGE ORDER TO REPLACE EXISTING BURIED</u> 30" AIR LOW PRESSURE PIPELINE

Senior Engineer Brian Wilson, P.E., provided the staff presentation.

MOVED BY DIRECTOR CAMACHO, SECONDED BY DIRECTOR HOFER, THE BOARD RATIFIED A CONSTRUCTION CHANGE ORDER FOR THE RP-5 EXPANSION, PROJECT NO. EN19001 TO W.M. LYLES CO., FOR THE NOT-TO-EXCEED AMOUNT OF \$614,623 INCREASING THE CONTRACT FROM \$332,936,737 TO

\$333,551,360 (AN APPROXIMATELY 0.19% INCREASE); AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE THE CHANGE ORDER, SUBJECT TO NON-SUBSTANTIVE CHANGES, BY THE FOLLOWING VOTE:

Ayes: Camacho, Elie, Hall, Hofer, Tule

Noes: None

Absent: None

B. ADOPTION OF RESOLUTION NOS. 2022-5-2 THROUGH 2022-5-5 ESTABLISHING REGIONAL WASTEWATER RATES AND EXTRA-TERRITORIAL SEWER SERVICE CHARGES FOR FY 2022/23 AND REGIONAL RECYCLED WATER RATES FOR FY 2022/23 THROUGH FY 2024/25 (Finance & Admin)

Acting Assistant General Manager Javier Chagoyen-Lazaro provided the staff presentation.

MOVED BY DIRECTOR TULE, SECONDED BY DIRECTOR CAMACHO, THE BOARD ADOPTED RESOLUTION NOS. 2022-5-2 REIMBURSEMENT PAYMENT PER EDU (WASTEWATER CONNECTION FEE) FOR FY 2022/23; 2022-5-3 ESTABLISHING SERVICE RATES IMPROVEMENT DISTRICT C (MONTHLY SEWER RATE) FOR FY 2022/23; 2022-5-4 EXTRA-TERRITORIAL SEWER SERVICE CHARGES FOR FY 2022/23; AND 2022-5-5 ESTABLISHING RATES COVERING THE SALE OF RECYCLED WATER FOR FY 2022/23 THROUGH FY 2024/25, BY THE FOLLOWING VOTE:

Ayes: Camacho, Elie, Hall, Hofer, Tule

Noes: None

Absent: None

4. INFORMATION ITEMS

The following items were received and filed by the Board.

- A. FY 2022/23 PROPOSED BUDGET AMENDMENT FOR ADMINISTRATIVE SERVICES, NON-RECLAIMABLE WASTEWATER, RECHARGE WATER, AND WATER RESOURCES PROGRAMS (Finance & Admin)
- B. ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT UPDATES (Eng., Ops & WR)

- C. <u>FEDERAL LEGISLATIVE REPORT AND MATRIX FROM INNOVATIVE FEDERAL STRATEGIES</u> (Comm & Leg Affairs)
- D. <u>STATE LEGISLATIVE REPORT AND MATRIX FROM WEST COAST ADVISORS</u> (Comm & Leg Affairs)
- E. PUBLIC OUTREACH AND COMMUNICATION (Comm & Leg Affairs)
- F. RP-5 EXPANSION PROJECT UPDATE: MAY 2022 (Eng., Ops & WR)
- G. TREASURER'S REPORT OF FINANCIAL AFFAIRS (Finance & Admin)

5. <u>AGENCY REPRESENTATIVES' REPORTS</u>

A. SANTA ANA WATERSHED PROJECT AUTHORITY REPORT

Director Tule reported that at the May 17 Board meeting, the Commission approved an extension to the Middle Santa Ana River Total Maximum Daily Loads (TMDL) Task Force Agreement through June 2027, authorized the General Manager to submit a WaterSMART Applied Science Grant Application to the US Bureau of Reclamation for the Cloud Seeding Technology Validation Protocol, and approved the replacement of the manual gate at the SAWPA entrance with an automated gate.

B. METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA REPORT

Vice President Camacho reported that at the May 10 Board meeting, the MWD Board authorized the General Manager to express support for developing the Voluntary Agreement approach as an alternative in the State Board's Bay-Delta Water Quality Control Plan Update. This is an important policy development in that, if successful, the Voluntary Agreements would provide a pathway for improving fish populations in the Bay-Delta with approaches other than just high flows. Lower flow requirements in the Bay Delta potentially offer IEUA improved State Water Project deliveries. The Board also adopted a Climate Action Plan (CAP), establishing a greenhouse gas (GHG) reduction target allowing MWD to achieve carbon neutrality (zero emissions) by 2045, as required by law. The CAP also includes 39 proposed GHG emissions reduction measures to further reduce emissions. Metropolitan's GHG emissions have already declined by 71% between 1990 and 2017 despite Metropolitan's increasing service population.

C. REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT

Director Tule asked General Manager Deshmukh to provide the report. General Manager Deshmukh noted that at the May 5 Special Regional Sewerage Program Policy Committee meeting, the Committee approved the FY 2022/23 Proposed Budget Amendment for Regional Wastewater and Recycled Water Programs and Proposed Rates/Fees.

D. CHINO BASIN WATERMASTER REPORT

President Elie reported that there were no business items considered at the April 28 Chino Basin Watermaster Board meeting. He added that at the May Board meeting, the Board is expected to discuss the next fiscal year budget and storage and recovery.

E. CHINO BASIN DESALTER AUTHORITY REPORT

The Chino Basin Desalter Authority Report was inadvertently skipped.

F. INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY REPORT

Director Hofer reported that at the May 2 IERCA meeting, the Board reauthorized holding meetings remotely under AB 361 conditions.

6. **GENERAL MANAGER'S REPORT**

General Manager Deshmukh stated that May is Internal Audit Awareness Month. He invited everyone to join the Internal Audit team for cake in the HQA break room to celebrate.

7. BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS

There were no requested future agenda items.

8. <u>DIRECTORS' COMMENTS AND CONFERENCE REPORTS</u>

Vice President Camacho stated he attended the ACWA Spring Conference from May 3 through May 5.

Director Hall stated she attended the 3rd Infraday California on April 26; the ACWA Spring Conference from May 3 through May 5; and the San Bernardino Valley Water Conservation District 90th Anniversary Gala on May 11.

Director Tule stated he attended the RP-5 Expansion Project Tour with Monte Vista Water District staff and Board President Sandra Rose on April 28. Director Tule expressed his appreciation for the robust discussion at the Board meeting.

President Elie stated that he attended the ACWA Spring Conference from May 3 through May 5; and the San Bernardino Valley Water Conservation District 90th Anniversary Gala on May 11.

9. CLOSED SESSION

The Board recessed to Closed Session at 1:15 p.m.:

A. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

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

B. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(2)(e)1 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Two Cases

The meeting resumed at 1:47 p.m., and General Counsel Jean Cihigoyenetche stated that the Board did not take any reportable action in Closed Session.

ADJOURNMENT

President Elie adjourned the meeting at 1:48 p.m. in memory of City of Rancho Cucamonga City Councilman Sam Spagnolo.

Marco Tule, Secretary/Treasurer	
APPROVED: JUNE 15, 2022	

CONSENT CALENDAR ITEM

1B



Date: June 15, 2022

To: The Honorable Board of Directors From: Shivaji Deshmukh, General Manager

Committee:

Staff Contact: Shivaji Deshmukh, General Manager

Subject: Adopt Resolution No. 2022-6-10, Making Certain Findings and Determinations Regarding Special Rules for Conducting Meetings through Teleconference

Executive Summary:

On March 4, 2020, Governor Newsom declared a state of emergency pursuant to Government Code 8625 due to the COVID-19 pandemic and recommended, together with local officials, measures for social distancing to assist in abating the spread of COVID-19; and on March 17, 2020, the Governor issued Executive Order N-29-20 which, among other things, suspended certain Brown Act rules governing the use of teleconferencing for local agency board meetings. Executive Order N-29-20 expired on September 30, 2021. In response to the ongoing COVID-19 pandemic, the California legislature enacted, and the Governor signed into law, AB 361 amending portions of Government Code 54953, allowing for the continued use of teleconferencing for local agency board meetings while suspending the conditions and restrictions of Government Code 54953(b)(3) if the legislative body of the local agency makes certain findings. The legislative body must make these findings every 30 days to continue the use of teleconferencing.

Staff is recommending that the Board of Directors makes the necessary findings and determinations and Adopt Resolution No. 2022-6-10 to continue to conduct meetings through teleconference for a period of 30 days.

Staff's Recommendation:

Adopt Resolution No. 2022-6-10, Making Certain Findings and Determinations Regarding Special Rules for Conducting Meetings through Teleconference.

Budget Impact Budgeted (Y/N): Y Amendment (Y/N): N Amount for Requested Approval: Account/Project Name:

Fiscal Impact (explain if not budgeted):

None.

Prior Board Action:

The Board adopted Resolution No. 2021-10-1 on Oct. 6, 2021. On Oct. 2, 2021, Nov. 3, 2021, Nov. 17, 2021, Dec. 8, 2021, Jan. 5, 2022, Feb. 2, 2022, March 2, 2022, April 6, 2022 and May 18, 2022 the Board adopted Resolution Nos. 2021-10-1, 2021-11-6, 2021-11-1, 2021-12-1, 2022-1-1, 2022-2-1, 2022-3-1, 2022-4-7, and 2022-5-6 respectively, making continued findings and determinations regarding special rules for conducting meetings through teleconference.

Environmental Determination:

Not Applicable

Business Goal:

The Adoption of a Resolution to make findings for conducting meetings through teleconference is consistent with the IEUA's commitment to applying ethical, fiscally responsible, transparent and environmentally sustainable principles to all aspects of business and organizational conduct.

Attachments:

Attachment 1 - Resolution No. 2022-6-10

Board-Rec No.: 22151

RESOLUTION NO. 2022-6-10

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING SPECIAL RULES FOR CONDUCTING MEETINGS THROUGH TELECONFERENCE

WHEREAS, Inland Empire Utilities Agency ("IEUA") is a municipal water district established pursuant to Section 71000 et seq. of the California Water Code; and

WHEREAS, all meetings of the Board of Directors of IEUA are conducted in open and public settings in compliance with the Ralph M. Brown Act (Brown Act) so that any member of the public may attend, participate and watch the Agency's Board of Directors conduct their business; and

WHEREAS, on March 4, 2020, the Governor declared a state of emergency pursuant to Government Code 8625 due to the COVID-19 pandemic and has recommended, together with local officials, measures for social distancing to assist in abating the spread of COVID-19; and

WHEREAS, on March 17, 2020, the Governor issued Executive Order N-29-20 which, among other things, suspended certain Brown Act rules governing the use of teleconferencing of local agency board meetings; and

WHEREAS, the California legislature has enacted, and the Governor has signed into law, AB 361 amending portions of Government Code 54953, allowing for the continued use of teleconferencing for local agency board meetings while suspending the conditions and restrictions of Government Code 54953(b)(3) if the legislative body of the local agency makes certain findings; and

WHEREAS, On October 6, 2021 the Board of Directors of the Inland Empire Utilities Agency approved Resolution 2021-10-1 making certain factual findings, and authorizing the continued use of teleconferencing for IEUA Board meetings for an effective period of 30 days; and

WHEREAS, On November 3, 2021 the Board of Directors of the Inland Empire Utilities Agency approved Resolution 2021-11-6 again making certain factual findings, and authorizing the continued use of teleconferencing for IEUA Board meetings for an effective period of 30 days; and

WHEREAS, On November 17, 2021 the Board of Directors of the Inland Empire Utilities Agency approved Resolution 2021-11-1 again making certain factual findings, and authorizing the continued use of teleconferencing for IEUA Board meetings for an effective period of 30 days; and

WHEREAS, On December 8, 2021 the Board of Directors of the Inland Empire Utilities Agency approved Resolution 2021-12-1 again making certain factual findings, and authorizing the continued use of teleconferencing for IEUA Board meetings for an effective period of 30 days; and

WHEREAS, On January 5, 2022 the Board of Directors of the Inland Empire Utilities Agency approved Resolution 2022-1-1 again making certain factual findings, and authorizing the continued use of teleconferencing for IEUA Board meetings for an effective period of 30 days; and

WHEREAS, On February 2, 2022 the Board of Directors of the Inland Empire Utilities Agency approved Resolution 2022-2-1 again making certain factual findings, and authorizing the continued use of teleconferencing for IEUA Board meetings for an effective period of 30 days; and

WHEREAS, On March 2, 2022 the Board of Directors of the Inland Empire Utilities Agency approved Resolution 2022-3-1 again making certain factual findings, and authorizing the continued use of teleconferencing for IEUA Board meetings for an effective period of 30 days; and

WHEREAS, On April 6, 2022 the Board of Directors of the Inland Empire Utilities Agency approved Resolution 2022-4-7 again making certain factual findings, and authorizing the continued use of teleconferencing for IEUA Board meetings for an effective period of 30 days; and

WHEREAS, On May 18, 2022 the Board of Directors of the Inland Empire Utilities Agency approved Resolution 2022-5-6 again making certain factual findings, and authorizing the continued use of teleconferencing for IEUA Board meetings for an effective period of 30 days; and

WHEREAS, the Board of Directors must now determine whether to extend the effective period of Resolution No. 2022-6-10 for an additional 30 days, making the appropriate factual findings in support thereof;

Resolution No. 2022-6-10 Page 3 of 5

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Inland Empire Utilities Agency hereby make the following findings and determinations:

SECTION 1. The Governor has proclaimed a state of emergency on March 4, 2020 which continues.

SECTION 2. The Governor and local officials have promoted the use of social distancing as a method to abate the spread of COVID-19 within the community. The Board of Directors finds that conducting in person meetings of the IEUA Board of Directors would be inimical to social distancing and would present imminent risks to the health or safety of the attendees and conducting meetings by teleconference would diminish that risk.

SECTION 3. The Board of Directors will continue to conduct Board meetings by teleconference in compliance with Government Code 54953(e) until such time as the Governor has terminated the state of emergency and the risk to health and safety of meeting attendees is sufficiently diminished or as otherwise required by law. Notice of meetings and posted agendas will contain information which allows members of the public to access the meeting and address the Board of Directors and offer public comment including an opportunity for all persons to attend via a call-in option or an internet-based service option.

SECTION 4. This Resolution shall take effect immediately upon its adoption and shall be effective for 30 days or until such time as the Board of Directors adopts a subsequent resolution in accordance with Government Code 54953(e)(3) to extend the time during which meetings of the Board of Directors may be conducted by teleconference without compliance with Government Code 54953(3)(b).

ADOPTED this 15th day of June, 2022.

Steven J. Elie, President of the Inland Empire Utilities Agency* and of the Board of Directors thereof Resolution No. 2022-6-10 Page 4 of 5

ATTEST:

Marco Tule, Secretary/Treasurer of the Inland Empire Utilities Agency* and of the Board of Directors thereof

Resolution No. 2022-6-10 Page 5 of 5
STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
I, Marco Tule, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing Resolution being No. 2022-6-10, was adopted at
a regular meeting on June 15, 2022, of said Agency by the following vote:
AYES:
NOES:
ABSTAIN:
ABSENT:
Marco Tule, Secretary/Treasurer of the Inland Empire Utilities Agency* and of the Board of Directors thereof
(SEAL)
*A Municipal Water District

CONSENT CALENDAR ITEM

1C



Date: June 15, 2022

To: The Honorable Board of Directors From: Shivaji Deshmukh, General Manager

Committee: Finance & Administration 06/08/22

Staff Contact: Javier Chagoyen-Lazaro, Acting Assistant General Manager

Subject: Report on General Disbursements

Executive Summary:

Total disbursements for the month of April 2022 were \$17,315,824.00. Disbursement activity included check payments of \$1,447,071.12 to vendors and \$10,703.06 for worker's compensation related costs. Electronic payments included the Automated Clearing House (ACH) of \$11,682,012.47 and wire transfers (excluding payroll) of \$2,384,905.75. The total payroll was \$1,783,468.85 for employees and \$7,662.75 for the Board of Directors.

Staff's Recommendation:

Approve the total disbursements for the month of April 2022 in the amount of \$17,315,824.00.

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

Fiscal Impact (explain if not budgeted):

Prior Board Action:

On May 18, 2022 the Board of Directors approved the March 2022 Report on General Disbursements totaling \$25,677,180.30.

Environmental Determination:

Not Applicable

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.

Attachments:

Attachment 1 - Background

Attachment 2 - Details of General Disbursements

Attachment 3 - PowerPoint

Board-Rec No.: 22147



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	\$ 1,447,071.12
2B	Workers' Comp Checks	\$ 10,703.06
2C	Vendor ACHs	\$ 11,682,012.47
2D	Vendor Wires (excludes Payroll)	\$ 2,384,905.75
2E	Payroll-Net Pay-Directors	\$ 7,662.75
2F	Payroll-Net Pay-Employees	\$ 1,783,468.85
	Total Disbursements	\$17,315,824.00

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

Vendor	Amount	Description
WM LYLES COMPANY	\$ 6,224,269.31	Professional Svc's for EN18006 RP-1 Flare Improvements; EN19001- RP-5 Expansion to 30 mgd.
PERS	\$ 1,129,632.29	04/22 Health Ins; P/R 05, 06, 07, 08 Def Comp; 2022 Replacement Benefit Contribution; 2014 Arrears Admin Fee
INTERNAL REVENUE SERVICE	\$ 773,024.73	P#07, #08, #107, #205; Dir PP# 04 Taxes
SO CALIF EDISON	\$ 675,292.96	01/31/22 – 03/30/22 Electricity
CHARLES KING COMPANY INC	\$ 602,339.74	Professional Svc's for EN19027 - NRW Pipeline Relining Along Cucamonga Creek
CAROLLO ENGINEERS	\$ 586,043.55	Professional Svc's for EN11039 - RP-1 Disinfection Pump Improvements; EN17110 - RP-4 Process Improvements; EN24001 - RP-1 Liquid Treatment Capacity Recovery; EN24002 - RP-1 Solids Treatment Expansion; Recycled Water System Cost of Service Study

Attachment 2A

Vendor Checks

Inland Empire Util.Agency Chino, CA Company code 1000

Check Register CBB Disbursement Account -April '22

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CBB CITIZENS BUSINESS BANK QNTARIO CA 917610000

Bank Key 122 Acct number CHB	234149 CK 231	1167641				
Check						
Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
235050	2200121006	04/05/2022	USD		MCFADDEN-DALE INDUSTRIAL HARDWCORONA CA	04/14/2022
235051	2200121076	04/07/2022	USD		APPLIED INDUSTRIAL TECHNOLOGIEPASADENA CA	04/11/2022
235052	2200121081	04/07/2022	USD	1,477.68	CINTAS CORPORATION ONTARIO CA	04/13/2022
235053	2200121079	04/07/2022	USD		CINIAS FIRST AID & SAFETY LOCCINCINNATI OH	04/18/2022
235054	2200121086	04/07/2022	USD	12,943.80	DENALI WATER SOLUTIONS LLC SAN BERNARDINO CA	04/15/2022
235055		04/07/2022		16,540.71	DXP ENTERPRISES INC DALLAS TX	04/12/2022
235056	2200121077	04/07/2022	USD	8,968.10	ENTENMANN-ROVIN CO LOS ANGELES CA	04/20/2022
235057	2200121089	04/07/2022	USD	81.50	FRANCHISE TAX BOARD SACRAMENTO CA	04/20/2022
235058	2200121078	04/07/2022	USD	1,334.00	IDEAL GLASS TINTING RANCHO CUCAMONGA CA	04/18/2022
- 235059	2200121085	04/07/2022	USD	1,570.87	IDEXX DISTRIBUTION INC WESTBROOK ME	04/14/2022
235060	2200121080	04/07/2022	USD	4,609.18	JPR SYSTEMS INC BREA CA	04/14/2022
235061		04/07/2022		2,250.35	POWERFLO PRODUCTS INC CYPRESS CA	04/18/2022
235062	2200121087	04/07/2022	USD	6,325.50	POWERHOUSE COMBUSTION AND MECHSANIA ANA CA	04/27/2022
235063	2200121088	04/07/2022	USD	7,349.58	ROCHESTER MAILBOXES INC SPENSERPORT NY	04/21/2022
235064	2200121083	04/07/2022	USD	375.26	THERMO FISHER SCIENTIFIC LLC ASHEVILLE NC	04/13/2022
235065	2200121090	04/07/2022	USD	300.00	STATE OF CALIFORNIA SAN BERNARDINO CA	
235066	2200121117	04/11/2022	USD	1,410.00	ABSOLUTE STANDARDS INC HAMDEN CT	04/20/2022
235067	2200121119	04/11/2022	USD	188.02	AMERICAN HERITAGE LIFE INSURANDALLAS TX	04/19/2022
235068	2200121122	04/11/2022	USD	2,545.68	FIDELITY SECURITY LIFE INSURANCINCINNATI OH	04/19/2022
235069	2200121118	04/11/2022	USD	1,090.60	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	04/19/2022
235070		04/11/2022	1	465.01	HARINGA COMPRESSOR INC ONTARIO CA	04/15/2022
235071		04/11/2022	!		PERS LONG TERM CARE PROGRAM PASADENA CA	04/15/2022
235072		04/11/2022		140.00	SAN BERNARDINO COUNTY RECORDERSAN BERNARDINO CA	04/21/2022
235073		04/11/2022		23,216,05	U S BANK ST LOUIS MO	04/19/2022
235074		04/11/2022			VERIZON WIRELESS DALLAS TX	04/21/2022
235075		04/11/2022		25.00	WILCO LIFE INSURANCE COMPANY CHARLOTTE NC	04/26/2022
235076		04/11/2022			YRC INC PASADENA CA	04/14/2022
235077		04/14/2022	!	2,077.46	BRAX COMPANY INC VALLEY CENTER CA	04/20/2022
235078	1	04/14/2022	1	,	BRI COMMUNICATIONS LA QUINTA CA	05/05/2022
235079		04/14/2022		!	CALIF DEPT OF FISH AND WILDLIFONIARIO CA	04/20/2022
235080		04/14/2022		!	CINTAS CORPORATION ONTARIO CA	04/21/2022
235081		04/14/2022	1		CITY OF FONIANA FONIANA CA	04/22/2022
235082		04/14/2022	4		CLIFTONLARSONALLEN LLP IRVINE CA	04/19/2022
235083		04/14/2022		!	CUCAMONGA VALLEY WATER DISTRICLOS ANGELES CA	04/20/2022
235084		04/14/2022			ENVIRONMENTAL EXPRESS CHARLESTON SC	04/20/2022
235085		04/14/2022			FONTANA WATER COMPANY FONTANA CA	04/21/2022
235086		04/14/2022			PHELPS INDUSTRIAL PRODUCTS INCLAUREL MD	04/20/2022
235087		04/14/2022			POWERHOUSE COMBUSTION AND MECHSANIA ANA CA	04/27/2022
235088	2200121133	04/14/2022	USD		VECTORUSA TORRANCE CA	04/18/2022
235089	2200121214	04/19/2022	USD		CALIF ASSOC OF SANITATION AGENSACRAMENTO CA	
235090		04/19/2022			FONTANA HERALD NEWS FONTANA CA	04/26/2022
235090		04/19/2022			FRONTIER COMMUNICATIONS CORP CINCINNATI OH	04/26/2022
235092	,	04/19/2022	1		LAW OFFICES OF MARK R MCKINNISCULVER CITY CA	05/17/2022
235092		04/19/2022			THE NEW HOME COMPANY IRVINE CA	04/22/2022
233073	2200121210	101,1012022	000	1 2,0,5.00		

Inland Empire Util.Agency Chino, CA Company code 1000

Check Register CBB Disbursement Account -April '22

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ONTARIO CA 917610000 CITIZENS BUSINESS BANK Bank CBB

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Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca
235094	2200121278	04/21/2022	USD		AIRGAS WEST INC PASADENA CA	04/2
235095	2200121277	04/21/2022	USD	2,590.46	APPLIED INDUSTRIAL TECHNOLOGIEPASADENA CA	04/2
235096	2200121280	04/21/2022	USD	1,131.50	CALIF DEPT OF FISH AND WILDLIFONTARIO CA	04/2
235097	2200121284	04/21/2022	USD	2,254.20	CHINO HILLS FORD CHINO CA	04/2
235098		04/21/2022			CINTAS CORPORATION ONTARIO CA	04/2
235099		04/21/2022		1,686.82	CINTAS FIRST AID & SAFETY LOCCINCINNATI OH	04/2
235100		04/21/2022			DXP ENTERPRISES INC DALLAS TX	04/2
235101		04/21/2022			FRANCHISE TAX BOARD SACRAMENTO CA	05/1
235102		04/21/2022			voided by SHEATH - Lost Check	05/0
235102		04/21/2022	USD	330 70	INTERSTATE BATTERY SYSTEM ALTA LOMA CA	04/2
35103		04/21/2022			LITTLE SISTER'S TRUCK WASH, INFONIANA CA	05/1
35104		04/21/2022			ONTARIO MUNICIPAL UTILITIES COONTARIO CA	04/2
	2200121292	04/21/2022	TICT		OUINN COMPANY CITY OF INDUSTRY CA	04/2
35106		04/21/2022			ROCKWELL ENGINEERING & EQUIPMETUSTIN CA	04/2
35107		04/21/2022			SAN BERNARDINO COUNTY SAN BERNARDINO CA	05/0
35108					U S POSTAL SERVICE CHINO HILLS CA	04/2
35109		04/21/2022			ZONES CORPORATE SOLUTIONS SEATILE WA	04/2
35110		04/21/2022				04/2
235111		04/26/2022			AIRGAS WEST INC PASADENA CA	05/0
235112		04/26/2022			BEE REMOVERS WALNUT CA	05/0
235113		04/26/2022		602,339.74	CHARLES KING COMPANY INC SIGNAL HILL CA	05/0
235114		04/26/2022			CITY OF CHINO CHINO CA	05/0
235115		04/26/2022	!		SPC SOLAR CLEANING ONTARIO CA	05/0
235116		04/28/2022			APPLIED INDUSTRIAL TECHNOLOGIEPASADENA CA	
235117	2200121581	04/28/2022	USD		BANK OF AMERICA, N.A. CHARLOTTE NC	04/2
235118	2200121577	04/28/2022	USD		BIA SOUTHERN CALIFORNIA IRVINE CA	05/0
235119	2200121586	04/28/2022	USD		BURRTEC WASTE INDUSTRIES INC FONIANA CA	05/0
235120	2200121572	04/28/2022	USD		CAPPO SOQUEL CA	05/2
235121	2200121579	04/28/2022	USD	416.89	CINIAS CORPORATION ONTARIO CA	05/0
235122		04/28/2022		100.00	Cuevas, Ayla Fontana	05/1
235123	2200121582	04/28/2022	USD	1,786.72	DXP ENTERPRISES INC DALLAS TX	05/0
235124	2200121574	04/28/2022	USD		FONTANA CHAMBER OF COMMERCE FONTANA CA	05/0
235125	2200121587	04/28/2022	USD	2,599.56	FRONTIER COMMUNICATIONS CORP CINCINNATI OH	05/0
235126		04/28/2022		15,000.00	KP PUBLIC AFFAIRS LLC SACRAMENTO CA	05/1
235127		04/28/2022	:		Nordstrom, Scott Etiwanda	05/0
235128		04/28/2022	•		SCAP ENCINITAS CA	05/0
235128		04/28/2022			SPORT PINS INTERNATIONAL INC UPLAND CA	05/0
235129	2200121500	04/28/2022	USD	i .	STUMP FENCE CO GLENDORA CA	05/0
235131		04/28/2022			VERIZON BUSINESS ALBANY NY	05/0
235131	2200121505	04/28/2022	TISD		VERIZON WIRELESS DALLAS TX	05/0
235132	2200121573	04/28/2022	TISD		WM CORPORATE SERVICES INC LOS ANGELES CA	05/0
235133 235134	2200121573	04/28/2022	TISD	,	WORLDWIDE EXPRESS PASADENA CA	05/0

Total of all entries

Check Register CBB Disbursement Account -April '22

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Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
**			USD	1,447,071.12		

Attachment 2B

Workers' Comp Checks

Inland Empire Util.Agency Chino, CA Company code 1000

Check Register CBB Workers Compensation Account-Apr'22

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Bank	CBB C	TTIZENS BUSI	NESS B	ANK	ONTARIO CA 9	17610000
Bank Key Acct number	122234149 WCCM2 23	31159290				
Checks created manual	ly					
Check number from to	Payment	Pmnt date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./voi
100047	2200121870	04/06/2022	USD	37.00	SEDGWICK CLAIMS MANAGEMENT SVCMEMPHIS IN	04/08/2022
100048	220012187	1 04/13/2022	USD	847.60	SEDOWICK CLAIMS MANAGEMENT SVOMEMPHIS IN	04/19/2022
100049	2200121872	2 04/13/2022	USD	80.00	SEDOWICK CLAIMS MANAGEMENT SVOMEMPHIS TN	04/21/2022
100050	2200121875	5 04/13/2022	USD		SEDOWICK CLAIMS MANAGEMENT SVOMEMPHIS IN	04/15/2022
100051		5 04/20/2022			SEDGWICK CLAIMS MANAGEMENT SVOMEMPHIS TN	04/28/202
100052	220012187	7 04/20/2022	USD		SEDOWICK CLAIMS MANAGEMENT SVOMEMPHIS TN	04/26/202
100053	2200121878	8 04/20/2022	USD		SEDOWICK CLAIMS MANAGEMENT SVOMEMPHIS IN	04/26/202
100054		9 04/20/2022			SEDOWICK CLAIMS MANAGEMENT SVOMEMPHIS IN	04/28/202
100055		0 04/20/2022			SEDGWICK CLAIMS MANAGEMENT SVOMEMPHIS IN	04/28/202
100056		1 04/20/2022		1 '	SEDGNICK CLAIMS MANAGEMENT SVOMEMPHIS IN	04/28/202
100057		2 04/20/2022		1	SEDOWICK CLAIMS MANAGEMENT SVOMEMPHIS IN	04/28/202
100058		3 04/20/2022		l .	SEDGWICK CLAIMS MANAGEMENT SVOMEMPHIS IN	04/28/202
100059		4 04/20/2022			SEDOWICK CLAIMS MANAGEMENT SVOMEMPHIS IN	04/28/202
100060		5 04/20/2022			SEDOWICK CLAIMS MANAGEMENT SVOMEMPHIS IN	
100061		5 04/20/2022			SEDGWICK CLAIMS MANAGEMENT SVOMEMPHIS IN	04/27/202
100062	220012188	7 04/20/2022	USD		SEDOWICK CLAIMS MANAGEMENT SVOMEMPHIS IN	04/22/202
100063		8 04/27/2022			SEDGWICK CLAIMS MANAGEMENT SVOMEMPHIS IN	
100064		9 04/27/2022			SEDOWICK CLAIMS MANAGEMENT SVOMEMPHIS IN	
100065		0 04/27/2022			SEDOWICK CLAIMS MANAGEMENT SVOMEMPHIS IN	
100066	220012189	1 04/27/2022	USD		SEDGWICK CLAIMS MANAGEMENT SVOMEMPHIS TN	
100067	220012189	2 04/27/2022	USD		SEDOWICK CLAIMS MANAGEMENT SVOMEMPHIS IN	
100068	220012189	3 04/27/2022	USD		SEDGWICK CLAIMS MANAGEMENT SVOMEMPHIS IN	
100069	220012189	5 04/27/2022	USD	74.00	SEDGWICK CLAIMS MANAGEMENT SVCMEMPHIS IN	04/29/2022
* Payment method Check	s created manually	y.	USD	10,703.06		

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	10,703.06		

Attachment 2C

Vendor ACHs

Report	: ZFIR_TREASURER	Inland Empire Utiliti	les Agency	,	Page 1
-	/01/2022 ~ 04/30/2023	2 Treasurer Report			Date 05/24/2022
Check	Payee / Description				Amount
ACH	GWR-Cultivator, Flow GWR-Prybar, Wrench, 2 GWR-Concrete Mix, Sto	Gal Buckets&Lids,Clam Control,Concrete Mix Gal Buckets&Lids,Cre eel Wire Sheets,5 Gal ric Cement Mixer Mixer Rental	8010416 9522438 8011430 7902655 7902705		46.99 152.65 91.89 86.19 50.00 8.92
		HOME DEPOT CREDIT SER	RVICES	\$	436.64
ACH	ROYAL INDUSTRIAL SO: Installed Base Eval		6441-1039	873	3,800.00
		ROYAL INDUSTRIAL SOLU	JTIONS	\$	3,800.00
ACH	GRAINGER INC RP1Mnt-Blade Set, Who	eel Brushes	923634854	.7	61.65
		GRAINGER INC		\$	61.65
ACH	ENVIRONMENTAL RESOU Lab Volatiles, Neutr Lab Semivolatiles, P	als, Solids, Oil & Grea	995043 995868		3,928.03 2,152.00
		ENVIRONMENTAL RESOURCE	CES ASSOC	\$	6,080.03
ACH	CAROLLO ENGINEERS EN17110 Feb Prof. EN24001/EN24002 IEU	Serv. A RP-1 Liquid/Solids	FB18607 FB19264		5,143.41 259,351.08
		CAROLLO ENGINEERS		\$	264,494.49
ACH	BABCOCK LABORATORIE Oil & Grease	s, INC	CC20458-2	2045	116.86
		BABCOCK LABORATORIES	, INC	\$	116.86
ACH	HACH COMPANY Nitrate, Ammonia, db Equitransferrant PH DPD Free Refill Via Sensor Cap Replacem Nitrate	7 Buffer 1	12775420 12776923 12779691 12791537 12809224		1,194.04 280.65 309.94 500.03 3,364.77
		HACH COMPANY		\$	5,649.43
ACH	PFM FINANCIAL ADVIS 2022 WIFIA Loan Fin	ORS LLC ancial Advisory Svcs	119399		45,000.00
		PFM FINANCIAL ADVISOR	RS LLC	\$	45,000.00
ACH	PFM ASSET MANAGEMEN 2/1-2/28 Investment		13116024		6,755.50
		PFM ASSET MANAGEMENT	LLC	\$	6,755.50
ACH	ALLIED UNIVERSAL SE January 2022 Monthl	CURITY SERV y Patrol Service	12113195		11,976.42

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	RP1-Jan 2022 Monthl March 2022 Monthly		12339717 12365236		5,748.04 11,976.42
		ALLIED UNIVERSAL SEC	URITY SERV\$		29,700.88
ACH	THE SOLIS GROUP EN18006.00 1/1-1/31	/22 Prof Svcs	8342		1,893.00
		THE SOLIS GROUP	\$		1,893.00
ACH	ACT, A DIVISION OF 7/21 Water Treamen	CCI CHEMICA t Serv. Plant 1 2 5	0368442-IN		445.00
		ACT, A DIVISION OF C	CI CHEMICA\$		445.00
ACH	B & K VALVES & EQUI Swing Flex Check Va		1554.1-1		6,397.72
		B & K VALVES & EQUIP	MENT INC \$		6,397.72
ACH	1630EPmpStn-2/16-3/1 MWDCB14/20-2/16-3/1 MWDTrnt18-2/16-3/17 VctrBsn/MWDCB11-2/1 MntclSpltBx-2/16-3/	.7 5752 East Ave/475 1 7 13400 Betsy Ross Ct .7-3/20 Victoria St/Ba 717 11294 Roswell Ave 8/17 16400 El Prado Rd	8000414223 3, 0478658163 3, 8000136547 3, 0228789092 3, 8000629815 3,	/ / / /	135,809.19 38,131.02 143.90 36.62 127.80 83.53 4,066.55 21.39
		SO CALIF EDISON	\$	1	L78,420.00
ACH	AQUA BEN CORPORATION DAFT-4,600 Lbs Hydr		44033		6,493.02
		AQUA BEN CORPORATION	\$		6,493.02
ACH	J G TUCKER & SON IN RP1-Cylinders-Hydro	IC ogen,Sulfide,Nitrogen	17211		436.90
		J G TUCKER & SON INC	\$		436.90
ACH	PERKINELMER HEALTH RF Load Coil Assemb		5304913466		910.77
		PERKINELMER HEALTH S	CIENCES IN\$		910.77
ACH	ROYAL INDUSTRIAL SO RP-1 Florescent Lam Lamps Connector, Fluoresce	np	6441-1049128 6441-1047338 6441-1049127		67.82 32.00 1,154.26
		ROYAL INDUSTRIAL SOL	UTIONS \$		1,254.08
ACH	UNIVAR SOLUTIONS US TP1-8,335 Lbs Sodia		50091918		3,349.90
		UNIVAR SOLUTIONS USA	INC \$		3,349.90

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ACH	WAXIE SANITARY SUPPLY Clorox Bleach, Waxie t-paper WAXIE SANITARY S	80735585 SUPPLY \$	1,475.01 1,475.01
ACH	PETE'S ROAD SERVICE 2 Tires f/VQUI1802 PETE'S ROAD SERV	567888-00 /ICE \$	1,023.89 1,023.89
ACH	Accentng-Lankford, S-W /E 02/12/22 Accentng-Lankford, S-W /E 02/05/22 Accentng-Lankford, S-W /E 01/29/22 Accentng-Lankford, S-W /E 01/22/22 Accentng-Lankford, S-W /E 01/15/22	39.50 01-6214694 40 Ho 01-6207225 40 Ho 01-6198670 40 Ho 01-6191745 40 Ho 01-6182973 40 H 01-6177560 LO Ho 01-6163174	1,640.04 1,660.80 1,660.80 1,660.80 1,660.80 743.04
	APPLEONE EMPLOY	MENT SERVICES \$	10,687.08
ACH	CDM SMITH INC EN19024-11/2021 Professional Service EN17006-1/9-2/5 Prof Svcs	90144624	16,925.10 8,373.75
	CDM SMITH INC	\$	25,298.85
ACH	DELL MARKETING L P RP1 Performance Dock RP1 Precision Workstation, Dock, Back RP1 Thunderbolt Dock RP1 24" Monitor RP1 Thunderbolt Dock RP1 Precision Workstation, Dock, Back 20 Docks 30 Power Adapters 65W	10559359621 10557883075 10558128785	616.69 4,515.46 8,168.85 5,175.89 5,631.66 4,515.46 6,551.20 1,454.63
	DELL MARKETING :	L P \$	36,629.84
ACH	CHINO BASIN WATER CONSERVATION WR21015-Residential Landscape Progra CHINO BASIN WAT	am Cl 434 ER CONSERVATION\$	250.00 250.00
ACH	E H WACHS CO RP1 Wall Charger, Vehicle Charger	INV199618	195.82
	E H WACHS CO	\$	195.82
ACH	KONICA MINOLTA BUSINESS SOLUTI 11/27-11/30/21 Lease Copier	9008248075	22.99
	KONICA MINOLTA	BUSINESS SOLUTI\$	22.99
ACH	CAROLLO ENGINEERS EN24001-EN24002 Prof. Srvs - 01/31/	22 FB20296	309,464.54
	CAROLLO ENGINEE	RS \$	309,464.54

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ACH	MIDPOINT BEARING RP1 598-2T 80HO/L AME B48-BAN MIDPOINT BEARING	96507294 96506000 96506071 \$	- -	353.00 9.05 48.40 410.45
ACH	ATMAA INC RP1-Analysis Reduced Sulfur Compounds Analysis reduce sulfur	37540 37268		220.00
	ATMAA INC	\$		440.00
ACH	HACH COMPANY Metalized Calibration Bags Door Assy Kit Fiber Wiper Process Vial (Seal) Nitrite 50 MG/L Calibr Std Soln 10 MG/L NH4-N Std Soln 10 MG/L NH4-N Std Soln 50 MG/L Calibr Std Soln	12890030 12924928 12822250 12812764 12833037 12812719 12809372 12829487		169.32 1,526.63 72.81 2,725.00 199.90 93.51 187.01 102.57
	HACH COMPANY	\$		5,076.75
ACH	INNOVATIVE FEDERAL STRATEGIES 01/2021 Prof Svcs 3/2022 Prof Svcs INNOVATIVE FEDERAL	022022 032022 STRATEGIES \$		7,200.00 7,200.00 14,400.00
ACH	SHI INTERNATIONAL CORP 3/22-3/24 Sonic Wall Gold Support	B14882417		930.07
	SHI INTERNATIONAL C	CORP \$	200 000	930.07
ACH	RSD Gripnotch Belt BX-55,AX-55	55355891-00		738.97
	RSD	\$		738.97
ACH	OLIN CORP TP1- Sodium Hypochlorite 4,814 TP1 4,820 Gals. Sodium Hypochlorite Sodium Hypochlorite 4,878 LB TP1- Sodium Hypochlorite 4,914 RP4 Sodium Hypochlorite 4,970	3000083049 3000083881 3000084368 3000085094 3000084370		4,404.81 4,410.30 4,463.37 4,496.31 4,547.55
	OLIN CORP	\$		22,322.34
ACH	GK & ASSOCIATES 46-2849-1/22 Prof Svcs 46-2849-1/22 Prof Svcs	22-002 22-001		44,494.00
	GK & ASSOCIATES	\$		58,774.00
ACH	CRB SECURITY SOLUTIONS RP1-Walnut Gate Camera Repair	17503		607.50

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		CRB SECURITY SOLUTION	ns \$		607.50
ACH	JB'S POOLS & PONDS : 2/22 Pond Maint Svc	INC	2266760200		1,194.85
		JB'S POOLS & PONDS I	NC \$		1,194.85
ACH	ALLIED UNIVERSAL SEC Feb 2022 Patrol Srvo		12247227		11,976.42
		ALLIED UNIVERSAL SEC	URITY SERV\$		11,976.42
ACH	SAP AMERICA INC BIS-2/28-3/4 Trng-G	T-HR306	201800116380		4,090.00
		SAP AMERICA INC	\$		4,090.00
ACH		vcs,Motor parts ir Svcs 7 Wall Pack Units ch. Parts and Servic enance			2,295.00 552.50 733.00 2,178.72 2,115.00 490.00
		CARRIER CORPORATION	\$		8,364.22
ACH	ELECTRO-CHEMICAL DE RP1 Electrode PH Ge	VICES INC n Purpose Radel Two T	73096		2,855.14
		ELECTRO-CHEMICAL DEV	ICES INC \$		2,855.14
ACH	HARPER & ASSOCIATES EN17110.03-1/22 Pro		ENG-7639		7,744.00
		HARPER & ASSOCIATES	ENGINEERIN\$		7,744.00
ACH	MICROAGE Sophos Software Web	server Protection	2203059		945.19
		MICROAGE	\$		945.19
ACH	THERMO ELECTRON NOR EGC 500 KOH Cartrid Lab Guard Column		9021203754 9021200541		3,781.88 548.32
		THERMO ELECTRON NORT	H AMERICA \$		4,330.20
ACH	MANAGED MOBILE INC Repair Parts/Labor	F-Veh 0713	IN00-0235965		1,055.88
		MANAGED MOBILE INC	\$		1,055.8
ACH	ECOTECH SERVICES IN 2/22 Res. Home Pres		2222		19,981.5
		ECOTECH SERVICES INC	\$		19,981.5

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	4600002851-1/1-1/29/	/22 Prof Svcs	2022-30505777	1	21,559.50
	, ,	MWH CONSTRUCTORS INC	\$		21,559.50
A CILI	AMARON DISCINICO	TAME CONDITIONED LINE	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~		21,333.30
ACH	AMAZON BUSINESS Measuring Spoons		1CKM-17QV-GNR	2	13.22
		AMAZON BUSINESS	\$		13.22
ACH	THE SOLIS GROUP EN17082-7/1-7/31 Pro	of Svcs	7426		1,882.00
		THE SOLIS GROUP	\$		1,882.00
ACH	TRAJAN SCIENTIFIC AN Syringes 2 500UL Syringe Syringe	MERICAS INC	10064948AA 10064948AB 10064948		62.28 122.41 148.71
		TRAJAN SCIENTIFIC AME	ERICAS INC\$		333.40
ACH	CAPO PROJECTS GROUP RW15003.06 Jurupa Pr EN18006 Prof. Srvs.	rof. Srvs. 02/16	5483 5482		435.00
		CAPO PROJECTS GROUP I	LLC \$		1,015.00
ACH	STAPLES CONTRACT & C Keyboard, Mouse, Post- Labels, Binder Clips, Name Badges, Dater, Toner, Copy holders	-its , Pens,Notebooks,Note	3502488815 3502488819 3502488820 3502488821		52.12 93.00 56.5 198.42
		STAPLES CONTRACT & CO	OMMERCIAL \$		400.1
ACH	MULTIVISTA EN19001,EN19006 12/2	21-1/20/21 RP5 Expans	1827		3,507.3
		MULTIVISTA	\$		3,507.3
ACH	LIBERTY LANDSCAPING RP1 Tree Trim/Remova RP1 Installation/Ren	al	105889 105851		2,880.06 6,620.5
		LIBERTY LANDSCAPING	INC \$		9,500.5
ACH	FLEETISTICS GEOTAB Solar asset	Track Feb 2022	98126		2,873.4
		FLEETISTICS	\$		2,873.4
ACH	East End Flow Meter	G AND Process Improvements Replacement (PW) Replacement (PW)	24897 24903 24756	• -	3,454.5 2,928.0 650.0
		CONSTRUCTION TESTING	AND \$		7,032.5

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	2/2022 Wtr Treatment 12/2021 Wtr Treatment 1/2022 Wtr Treatment	Svc f/RP5,RP2,RP1,	0379825-	IN		690.00 445.00 690.00
	P	ACT, A DIVISION OF CO	CI CHEMIC	'A\$		1,825.00
ACH	HORIZONS CONSTRUCTION RP1-Gate & Operator F		45000392	99		1,755.10
	ŀ	HORIZONS CONSTRUCTION	CO INT'	L\$		1,755.10
ACH	SO CALIF EDISON 930RsvrPrjct-2/23-3/2 SnSvnRW-2/24-3/24 600	23 2950 Galloping Hi 30 Cherry Ave	80017758 80001410	17 3/ 55 3/		153.97 52.23
	S	SO CALIF EDISON		\$		206.20
ACH	IEUA EMPLOYEES' ASSOC P/R DIR 4 4/8/22 Empl P/R 7 4/8/22 Employee	loyee Ded	HR 01 HR 01	.05100 .05300		12.00 174.00
	1	IEUA EMPLOYEES' ASSOC	CIATION	\$		186.00
ACH	IEUA SUPERVISORS UNIC P/R 7 4/8/22 Employee		HR 01	.05300		330.00
		IEUA SUPERVISORS UNIC	ON ASSOCI	A\$		330.00
ACH	IEUA GENERAL EMPLOYER P/R 7 4/8/22 Employee		HR 01	.05300		981.60
		IEUA GENERAL EMPLOYE	es associ	A\$		981.60
ACH	INLAND EMPIRE UNITED P/R 7 4/8/22 Employee		HR 01	.05300		21.00
		INLAND EMPIRE UNITED	WAY	\$		21.00
ACH	IEUA PROFESSIONAL EMP P/R 7 4/8/22 Employee		HR 01	L05300		624.00
	:	IEUA PROFESSIONAL EMI	PLOYEES A	\ S\$		624.00
ACH	WEX HEALTH INC P/R 7 4/8/22 Cafeter:	ia Plan	HR 0	L05300		4,634.53
	7	WEX HEALTH INC		\$		4,634.53
ACH	CITY EMPLOYEES ASSOC P/R 7 4/8/22 Employee		HR 0	L05300		342.00
		CITY EMPLOYEES ASSOC	IATES	\$		342.00
ACH	NOEL, STEVE MlgReim-1/22 Call Out MlgReim-1/21 Call Out	t-Noel,S t-Noel,S	MLG 1/2: MLG 1/2:			29.25 29.25
	1	NOEL, STEVE		\$		58.50

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ACH	MCSHANE, JAMES MlgReim-2/4 Call Out-McShane,J MlgReim-12/3 Call Out-McShane,J	MLG 2/4 MLG 12/3		49.14 47.04
	MCSHANE, JAMES	\$		96.18
ACH	SIANPOUR, SIAMAK MlgReim-2/16,18,23 Call Outs-Sianpour,S MlgReim-1/8,9 Call Out-Sianpour,S	MLG 2/16,18,2 MLG 1/8,9		57.04 59.92
	SIANPOUR, SIAMAK	\$		116.96
ACH	MARTINEZ, ARNOLDO MlgReim-11/24 Call Out-Martinez,A MlgReim-10/25 Call Out-Martinez,A	MLG 11/24 MLG 10/25	=	32.48 32.48
	MARTINEZ, ARNOLDO	\$		64.96
ACH	ZAMORANO, JUAN MlgReim-1/14 Call Out-Zamorano,J MlgReim-1/15 Call Out-Zamorano,J	MLG 1/14 MLG 1/15		35.10 35.10
	ZAMORANO, JUAN	\$		70.20
ACH	SANTA ANA WATERSHED November 2021 Truck Discharge November 2021 Service December 2021 Truck Discharge December 2021 Service January 2022 Truck Discharge January 2022 Service In-N-Out Chino Dist Ctr Permit Fee	9997 10003 10012 10019 10025 10032		17,872.38 75,573.31 17,535.34 74,293.19 18,036.42 71,622.02 600.00
	SANTA ANA WATERSHED	\$		275,532.66
ACH	SIGMA-ALDRICH INC Perfluorooctanoic Acid, Heptafluorohexano			404.44
	SIGMA-ALDRICH INC	\$		404.44
ACH	AGILENT TECHNOLOGIES Base, Purgeable Standard	122793679		540.51
	AGILENT TECHNOLOGIES	\$		540.51
ACH	LIEBERT CASSIDY WHITMORE 21/22 Personnel Policies Audit 2/22 General Legal 2/15-2/16 ADA Training	214551 213652 213529		1,138.00 151.00 3,700.00
	LIEBERT CASSIDY WHIT	MORE \$		4,989.00
ACH	MCCROMETER INC Single Point Insertion Mag	558438 RI		6,443.04
	MCCROMETER INC	\$		6,443.04
ACH	CASC ENGINEERING AND CONSULTIN EN20040-1/22 Prof Svcs	0045734		10,209.62

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		CASC ENGINEERING AND	CONSULTIN	1\$	 10,209.62
ACH	ATMAA INC Analysis Reduced Sul	lfur Compounds	37924		 240.00
		ATMAA INC		\$	240.00
ACH	GRISWOLD INDUSTRIES Rp-1 E&I Rebuild Kit RP1 Rebuilt Main Val	t lve and Pilot	837024 832514		 1,962.53 1,784.73
		GRISWOLD INDUSTRIES		\$	3,747.26
ACH	CARRIER CORPORATION Service Agreement Ma	aintenance	90178020		 23,202.00
		CARRIER CORPORATION		\$	23,202.00
ACH	CONSERV CONSTRUCTION WR22019/WR21019-2/20	N INC 022 Prof Svcs-Smll St	1848		 56,134.40
		CONSERV CONSTRUCTION	INC	\$	56,134.40
ACH	ATKINSON, ANDELSON, 2/22 General Labor A		645862		102.00
		ATKINSON, ANDELSON, I	LOYA,	\$	102.00
ACH	DORGAN LEGAL SERVICE 1/22 & 2/22 General 1/22 & 2/22 General 1/22 & 2/22 General	Labor Advice Labor Advice	594 603 602		8,619.12 10,203.60 660.00
		DORGAN LEGAL SERVICES	S LLP	\$	19,482.72
ACH	AMAZON BUSINESS Cable Weights,Float	Switch Weights	16FK-FRTI	K-4T1	 276.44
		AMAZON BUSINESS		\$	276.44
ACH	5/27-12/16 General 12/7-12/23 EFJA Non 12/15-12/23 EFJA No	ndustrial Consulting	002314 002313 002312		 3,110.00 315.00 1,365.00 775.00 210.00
		SHAW HR CONSULTING I	NC	\$	 5,775.00
ACH	WOOD ENVIRONMENT & 11/27-12/31/21 Proj		S4983503	9	 15,130.00
		WOOD ENVIRONMENT & I	NFRASTRUC'	r\$	15,130.00
ACH	FLEETISTICS GEOTAB Materials		99273		2,873.46
	0_0_				

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ACH	Trnr3&4-3/1-3/29 91 TrnrBsnRW-3/1-3/29 8thStBsn-2/28-3/28	1063 Turner Ave 1180 8th St 14950 Telephone Av 28 1530 6th St	8001265279 3/ 8004601423 3/ 8000035339 3/ 8003543714 3/ 8004881955 3/	10	,365.12 59.26 22.22 66.92 70.20 ,082.38
ACH	WESTERN DENTAL PLAN	SO CALIF EDISON	\$	76	,666.10
ACII	3/22 Agency Dental		3/22		,932.10 ,932.10
ACH	COLONIAL LIFE & ACC		Υ	<u></u>	, , , , , , , , , , , , , , , , , , , ,
	4/22 Disability, Can	cer,Universal/Term Li			229.57
		COLONIAL LIFE & ACCI	DENT INSUR\$		229.57
ACH	WEX HEALTH INC February 2022 Admin	Fees	0001485415-IN		280.25
		WEX HEALTH INC	\$		280.25
ACH	LEGALSHIELD 3/22 Employee Prepa	id Legal Services	3/22		179.40
		LEGALSHIELD	\$		179.40
ACH	AQUA BEN CORPORATIO RP1-18,400 Lbs Hydr DAFT-4,600 Lbs Hydr	ofloc 750A ofloc 748E	44066 44065	* 6 	,359.88 ,493.02
2.077	DDOLDI AND GALDUMI I	AQUA BEN CORPORATION	\$	33	,852.90
ACH	BROWN AND CALDWELL 1/28-2/24 Prof Svcs		12437557		,719.13
		BROWN AND CALDWELL	\$,719.13
ACH	FISHER SCIENTIFIC Lab-Sodium Salicyla PTFE/SI Septa Unitary Wash Bottle Gls Fibrt Filt,Syri Eppendorf Pipette T Room TMP Rcrdng Chr Eptps 200UL NS Bulk	s ng Filt,Chloroform,So ips t Ppr	7202841 7130381 1933817 8308371 1395031 9162771 7442639		513.90 ,696.10 159.94 ,582.40 241.86 565.00 403.57
		FISHER SCIENTIFIC	\$	9	,162.77
ACH	Elbows, Coupleings, Nylon Outlet , Wate Tape, Scraper, Pato	Plugs , Blk & Wht Con 120Ft. Stell Fish rproff Assort Cable	4063186 4612573 9622194		178.07 79.64 120.11 25.57 345.89

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	Globes, 40LB Pool Salt Flex Conduct, Husky Ratchet, 10 Ft, Blk Conduct. Connector and Blk and Wht Plug GWR-Concrete Mix-90 Lb Bags Maple Board, Luber Fee Angle Slt Zinc, Lop Rake, Head Lamp, Lumen Rechargable Cleaner, Hand Wash, Rubber Strap, Wrench Yellow and Red string 500Ft each Flex Coupling Cupling Sheilded, Cap, Flex CPLGs, Cement Tool bag, Ratchet Wrench, Brush, Knifes Rebar Wire Diable, Makita Diamond Blade Vinyl tubes Angel and Straigth Grinder and Disk Rapid set Cement 40LBS Salt Nexgrill 5 Burner gas Brushes, SQ Box Cover Caster Rubber, washer, sovel, schotch Hvydt	1527105 7170878 1012550 2130267 7624034 2060360 9614358 5511988 1513992 8613378 3627587 2527058 8023502 1272281 3623156 2515668	57.39 1,029.59 431.53 20.59 200.12 146.37 607.79 152.28 38.62 156.18 192.36 281.07 50.77 204.62 129.82 27.40 300.62 41.91 121.63
	HOME DEPOT CREDIT SE	RVICES \$	4,939.94
ACH	ROYAL INDUSTRIAL SOLUTIONS RP1-Freq Drv,Remote 120V Photocontrol	6441-1050141 6441-1049981	
	ROYAL INDUSTRIAL SOLU	JTIONS \$	3,493.12
ACH	UNIVAR SOLUTIONS USA INC PradoLS-12,180 Lbs Sodium Bisulfite TP1-12,345 Lbs Sodium Bisulfite UNIVAR SOLUTIONS USA	50080240 50076573	4,895.23 4,961.55 9,856.78
ACH	SHANLEY PUMP & EQUIPMENT INC		2,7000
ACH	Bushings	0049746-IN	890.08
	SHANLEY PUMP & EQUIP	MENT INC \$	890.08
ACH	GRAINGER INC RP1-Filter RP1Mnt-Fork Extns RP1Mnt-Multimeters, Cases, Test Leads RP1Mnt-Valve, Gloves Abrasive Rolls, Smoke Candles Liquid LVL Switch Vertical RP1Mnt-Immersion Probes Screw Extractor Set RP1Mnt-Rope Clip & Thumble Kit, Cable RP1Mnt-Tape, Glasses, Valves RP1Mnt-Hydraulic Filter Element	9247178008 9249100257 9248564149 9248564156 9238203005 9236120060 9249684078 9228749967 9248564131 9248648777 9250213163	1,228.27 398.63 1,403.28 187.20 2,116.57 39.68 53.36 123.40 160.24 548.24 906.26
	GRAINGER INC	\$	7,165.13
ACH	ENVIRONMENTAL RESOURCES ASSOC Lab Base/Neutrals, Acids Lab Per- & Polyfluoroalkyl Substa Lab PFAS Ground Water & Surface W PFAS Drinking Water	997641 993604 992949 987950	479.58 518.94 548.92 505.07

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		ENVIRONMENTAL RESOURCE	CES ASSOC \$	 2,052.51
ACH	APPLEONE EMPLOYMENT Gardner, J/Magalit, R- Gardner, J/Magalit, R- Magalit, R-WE 01/01/2 Gardner, J/Magalit, R- Gardner, J/Magalit, R- Gardner, J/Magalit, R- Gardner, J/Lankford, S Gardner, J/Magalit, R- Gardner, J/Magalit, R-	-WE 02/19/22 -WE 01/15/22 22 -WE 01/22/22 -WE 01/29/22 -WE 02/05/22 S/Magalit,R-WE 12/18/	01-6214695	 2,665.81 2,886.32 1,059.16 2,734.24 2,664.54 2,658.20 4,884.96 2,658.20
ACH	CDM SMITH INC EN17006-2/2022 Profe	essional Services	90147192	28,870.70
		CDM SMITH INC	\$	 28,870.70
ACH	DELL MARKETING L P Dell Workstation, Doo	ck	10567438252	 4,391.79
		DELL MARKETING L P	\$	 4,391.79
ACH	METTLER-TOLEDO Preventive Maintena	nce, Jack & Grease METTLER-TOLEDO	655043794 \$	 3,137.88
ACH	CHINO BASIN WATER CO WR21022-2 Design-La		438	225.50
		CHINO BASIN WATER COI	NSERVATION\$	 225.50
ACH	CAROLLO ENGINEERS IEUA Recycled Water	System Cost of Servi	FB21199	 2,194.50
		CAROLLO ENGINEERS	\$	2,194.50
ACH	INDUSTRIAL SUPPLY Control of the Drill, Bits	0	6275	 259.62
		INDUSTRIAL SUPPLY CO	\$	259.62
ACH	TELEDYNE ISCO Replacement Pump As	aya	S020526407	 1,358.73
		TELEDYNE ISCO	\$	1,358.73
ACH	MCR TECHNOLOGIES IN RP1-Strainer Assemb		40595	 124.99
		MCR TECHNOLOGIES INC	\$	124.99
ACH	HACH COMPANY Stablcal Vial Forma	zin Solns	12939918	 948.94
		HACH COMPANY	\$	948.94

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ACH	INSIDE PLANTS INC Indor Plant Maint. N	March-22 INSIDE PLANTS INC	88458	NOT TO	667.50 667.50
ACH	RSD RP1-Aerosol Spray, Se Condenser Pad, Regula Cartridge Filters, S:	ator, Spray, Pump	6272593-00 55361949-00 55362067-00		181.20 469.66 432.66
		RSD	\$		1,083.52
ACH	ZASIO ENTERPRISES IN 5/1-4/30 Versatile I	NC Retention Support&Cit	20098672		2,485.00
		ZASIO ENTERPRISES INC	C \$		2,485.00
ACH	ABATIX CORPORATION Coverall ChemMax		8236934		533.80
		ABATIX CORPORATION	\$		533.80
ACH		N INC vcs - Lrg Lndscp Rtrf Svcs-Tune-up Program			13,309.38 49,430.22
		CONSERV CONSTRUCTION	INC \$		62,739.60
ACH	EUROFINS EATON ANALY 2/15/22 Recycle Wate 2/07/22 Water Sample 2/8 Water Sample Ana	er From RP1/RP4 e Analysis	L0617921 L0617908 L0617003		400.00 1,500.00 200.00
		EUROFINS EATON ANALY	TICAL LLC \$		2,100.00
ACH	ELECTRO-CHEMICAL DE RP1 Simulation Resi RP1 Electrolyte Ref	stor	73073 73092		225.37 365.45
		ELECTRO-CHEMICAL DEV	ICES INC \$		590.82
ACH	POWER ENGINEERING S EN22040 1/29/22 Arc EN22040 1/29/22 Arc	Flash Study	11554 11555		3,040.00 1,705.00
		POWER ENGINEERING SE	RVICES INC\$		4,745.00
ACH	CALIFORNIA WATER TE RP1-16,683 Lbs Ferr RP2-17,876.52 Lbs F	CHNOLOGIES ic Chloride Solution erric Chloride Soluti	41542 41581		5,622.98 6,025.26
		CALIFORNIA WATER TEC	HNOLOGIES \$		11,648.24
ACH	V3IT CONSULTING INC SAP BASIS JAN 2021		V3IT2022IEUA()	6,184.00
		V3IT CONSULTING INC	\$		6,184.00

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ACH	EVOQUA WATER TECHNO PM Contract 2/1/22-		905237728	2,139	.70
		EVOQUA WATER TECHNOL	OGIES LLC \$	2,139	.70
ACH	JEREMY HARRIS CONST SnSvnBsn-Weed Clean		3270	4,690	.00
		JEREMY HARRIS CONSTR	RUCTION, IN\$	4,690	.00
ACH	MANAGED MOBILE INC Repair/Labor Veh 08	10	IN00-0238668	567	.34
		MANAGED MOBILE INC	\$	567	.34
ACH	JC LAW FIRM 2/22 Regional Contr 2/22 Romero vs IEUA 2/22 General Legal 2/22 RCA Legal 2/22 Ortiz vs IEUA 2/22 Kaiser vs CBWC 2/22 Watermaster		1061 1065 1066 1060 1064 1063	7,140 2,400 21,450 3,120 150 1,170 13,050	.00
		JC LAW FIRM	\$	48,480	.00
ACH	AMAZON BUSINESS Wrench & Plier Sets Hardhats	,Slotted Sets,Tool Ki	1D9R-VHXH-TY 1WQY-1376-4T		.94
ACH	WATER SYSTEMS CONSU RP4 EN22042 Prof Sv RP4 EN22042-1/22 Pr	cs 11/1/21-12/31/21	6365 6459	38,260 6,945 45,205	.00
ACH	TRAJAN SCIENTIFIC A Syringes		10064948AC	112	
		TRAJAN SCIENTIFIC AM	MERICAS INC\$	112	.48
ACH	MSA SAFETY SALES LL 1 A-ULTX-SENS 38-2-		962324429	1,882	.90
		MSA SAFETY SALES LLC	\$	1,882	.90
ACH	STAPLES CONTRACT & Copy Paper Pens, Keyboards, Mous	es	3502958877 3502958879	98	.87 .91
		STAPLES CONTRACT & C	COMMERCIAL \$	145	.78
ACH	LIBERTY LANDSCAPING Clean-up homeless e		105925	392	.77
		LIBERTY LANDSCAPING	INC \$	392	.77

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ACH	ACT, A DIVISION OF 3/2022 Wtr Treatmen	CCI CHEMICA t Svc f/RP5,RP2,RP1,C ACT, A DIVISION OF C			690.00 690.00
ACH	ADAM'S FALCONRY SER 2/22 Bird Control S Prof. Servs for Feb 3/2022 Bird Control	cvs 16- Feb 28	16614 16651 16687 ICE LLC \$	en 44	2,860.00 3,380.00 3,900.00 10,140.00
ACH	PHENOMENEX INC 3 Strata PFAS		CIUS-2201899		1,227.14
		PHENOMENEX INC	\$		1,227.14
ACH	CLAREMONT GRADUATE Leadership Training		HIML-111021		3,000.00
		CLAREMONT GRADUATE U	NIVERSITY \$		3,000.00
ACH	SHELL ENERGY NORTH RP1/RP2/RP5/CCWRP-2	AMERICA LP /1-2/28 Power Usage	202202		197,101.27
		SHELL ENERGY NORTH A	MERICA LP \$		197,101.27
ACH	COUNTY SANITATION D 20/21 Wastewater Fl	ISTRICTS OF ow Charges-Etiwanda L	35168		7,305.41
		COUNTY SANITATION DI	STRICTS OF\$		7,305.41
ACH	STANDARD & POOR'S CBRFA-Analytical Sv	rcs WIFIA Loan 2022	11432850		61,250.00
		STANDARD & POOR'S	\$		61,250.00
ACH	ACCUSTANDARD INC Lab Acetone,Cold Pk	g Material	956534		194.49
		ACCUSTANDARD INC	\$		194.49
ACH	CAROLLO ENGINEERS EN11039 Prof Svcs		FB21006		9,890.02
		CAROLLO ENGINEERS	\$		9,890.02
ACH	CASC ENGINEERING AN EN22027 RP1/TP1 10/		0045127		4,710.10
		CASC ENGINEERING AND	CONSULTIN\$		4,710.10
ACH	HACH COMPANY Turbidimeter		12930436		588.86
		HACH COMPANY	\$		588.86
ACH	CS-AMSCO Actuator		17562		8,879.27

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		CS-AMSCO	\$		8,879.27
ACH	MAUREEN ERBEZNIK ANI WR20026-8/1-2/28 Pro		IEUA_FY2022_4		26,000.00
		MAUREEN ERBEZNIK AND	ASSOCIATE\$		26,000.00
ACH	MICROSOFT CORPORATION 2/1-2/28 Microsoft 2	ON Azure Standard	G008822545		5,044.25
		MICROSOFT CORPORATION	N \$		5,044.25
ACH	DOWNS ENERGY RP1-Clear Disel Fue	l,Red Dyed Disel Fuel	0294117-IN		9,659.10
		DOWNS ENERGY	\$		9,659.10
ACH	AUTOZONE PARTS INC Whse. Gloves L and	XL	5618547074		3,317.62
		AUTOZONE PARTS INC	\$		3,317.62
ACH	CONTROLWORKS INC Service of Energy M	anagement System	1589-8		1,300.00
		CONTROLWORKS INC	\$		1,300.00
ACH	NAVEX GLOBAL INC 4/22-4/23 US Hotlin	e/Subscription Renewa	INV-648028		1,671.72
		NAVEX GLOBAL INC	\$		1,671.72
ACH	PRIORITY BUILDING S HQ B November 2021 Dec. 2021 Janitoria	Day Porter Clng & San	80058 80599		8,400.22 8,400.22
		PRIORITY BUILDING SE	RVICES LLC\$		16,800.44
ACH	VIRAMONTES EXPRESS RP1-6/14/21-6/18/21 RP1 Biosolids Hauli		122753 123105		5,691.67 2,944.34
		VIRAMONTES EXPRESS I	NC \$		8,636.01
ACH	REDWOOD ENERGY STOR 2/22 RP1/RP5/CCWRP	AGE LLC Energy Storage System	1020		10,458.33
		REDWOOD ENERGY STORA	GE LLC \$		10,458.33
ACH	REDWOOD ENERGY STOR 2/22 RP4 Energy Sto		2020		27,708.33
		REDWOOD ENERGY STORA	GE II LLC \$		27,708.33
ACH	CAPO PROJECTS GROUP EN17110 RP4 Prof. EN17110.00-12/21 Pr	Srvs. 02/16	5481 5389		145.00 435.00

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	CAPO PROJECTS GROUP LL	C \$	580.00
ACH	RP1StLts-3/1-3/31 34 Phila 8 ZnRsvr-3/8-4/5 12749 6th St 8 RP1/RP5/8thStBsn-3/3-3/31 8865 Kimball/1 0 DclzBsn-3/4-4/3 13978 Phila 8 RP2MntLnchRm-3/1-3/31 16400 El Prado Rd 8 RP1-3/1-3/31 2450 Phila St 8 PrdDchlStn-3/2-3/30 34 Johnson-Pine 8 RP4-3/8-4/5 12811 6th St 8 RP2MntLnchRm-3/1-3/31 16400 El Prado Rd 8	002283946 3/ 000703247 3/ 000389509 3/ 000932049 3/ 000598564 3/	77.23 24.17 171.06 71.23 29.09 263.84 112.98 839.33 314.42 14,031.70 272.66
	SO CALIF EDISON	\$	16,207.71
ACH	HOLGUIN, GABRIEL Reim-Home Depot and Sam's Club Purchases 1 HOLGUIN, GABRIEL	.0/5 CK REQ 1 \$	 145.11 145.11
ACH	ALVARADO, NICOLAS F DEPIEROLA Depierola Alverado, N-OT Meal Reim 8/15/2 1 Depierola Alverado, N-OT Meal Reim 10/12/ 1	.0/12/21 OT M	9.79
	ALVARADO, NICOLAS F DE	PIEROLA \$	19.79
ACH		4101 4100	 27,359.88
	AQUA BEN CORPORATION	\$	 33,852.90
ACH	Maxi Pipet Tips Precision Balance N-Hexane, Gls Fibr Filters, Gloves, Acetoni 4 Flask Filteing, Syringe Fliters Water Sample, Pot Sulfate, Sulvuric Acid, P MS Snoop 1 Gal Earplugs	755874	42.56 461.04 876.38 8,078.56 2,197.34 2,077.59 98.61 466.33 625.17
	FISHER SCIENTIFIC	\$	14,923.58
ACH	HOME DEPOT CREDIT SERVICES Grabel Concrete, Glue, Flashligh, Cables, Levera	9013381 9513845	29.09 168.80
	HOME DEPOT CREDIT SERV	TICES \$	 197.89
ACH	NAPA GENUINE PARTS COMPANY Air Filters	1584-364116	101.5
			 101.5

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	Flats,Flat Bars		4380767	106.94
		PATTON SALES CORP	\$	 106.94
			۲	100.94
ACH	ROYAL INDUSTRIAL SC Control Mod Panel,Door,Hub,Clam Coil,Heater RP1-LED Twin Head Led Driver OT Punch		6441-1043414 6441-1050787 6441-1050455 6441-1050454 6441-1049471 6441-1048632	 411.04 1,464.83 493.35 293.08 159.47 181.40
		ROYAL INDUSTRIAL SOLU	JTIONS \$	3,003.17
ACH	UNIVAR SOLUTIONS US RP5-12,500 Lbs Sodi		50099223	 5,023.84
		UNIVAR SOLUTIONS USA	INC \$	5,023.84
ACH	PETE'S ROAD SERVICE Flat Repair f/Veh 1		569000-00	 187.54
		PETE'S ROAD SERVICE	\$	187.54
ACH	GRAINGER INC Half Mask Respirate Hydraulic Filter El RP1Mnt-Liquid Opera General Purpose Rel Return Batteries - Battery, Garden Hose	ement Ited Maintenance ay	9238143227 9258070276 9253096144 9253498175 9198191737 9177482115	754.77 1,103.84 3,556.94 48.01 565.04 677.27
		GRAINGER INC	\$	 5,575.79
ACH	DELL MARKETING L P 3 Backpacks, Worksta	ition	10572006015	 4,197.51
		DELL MARKETING L P	\$	 4,197.51
ACH	O RINGS & THINGS Bernell Repaired Cy	vlinder	124389	 1,182.63
		O RINGS & THINGS	\$	1,182.63
ACH	GENESIS CONSTRUCTION EN22015-3/22 Pay Es	st 1	PE 1-EN22015 PE 1-EN22014	59,470.00 18,833.75
		GENESIS CONSTRUCTION	\$	78,303.79
ACH	MCMASTER-CARR SUPPI Tube Fitting Pliers Set RP1 V-Belt	TA CO	75397613 75296335 75562084	 115.7° 155.7° 480.8°
		MCMASTER-CARR SUPPLY	CO \$	 752.29
ACH	MIDPOINT BEARING RP1-Bearings		96517066	418.22

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			MIDPOINT BEARING	\$	418.22
	ACH	INDUSTRIAL SUPPLY CO Screwdriver		6282	28.49
			INDUSTRIAL SUPPLY CO	\$	28.49
	ACH	JDV EQUIPMENT CORP RP1-Wear Liners		4887-SP	3,110.00
			JDV EQUIPMENT CORP	\$	3,110.00
	ACH	W A RASIC CONSTRUCTI EN20040-3/22 Pay Est EN20008-3/22 Pay Est	2	PE 2-EN20040 PE 2-EN20008	36,976.85 181,577.77
			W A RASIC CONSTRUCTION	ON CO INC \$	218,554.62
	ACH	PONTON INDUSTRIES IN Flow Meter	1C	24241-44628	1,986.34
			PONTON INDUSTRIES INC	C \$	1,986.34
	ACH	PARSONS WATER & INFE EN19001/EN19006 1/29	RASTRUCTURE 9-2/25 Prof Svcs	2203A197	341,044.40
			PARSONS WATER & INFRA	ASTRUCTURE\$	341,044.40
	ACH	HACH COMPANY StablCal Verf Soln	Vials	12944077	829.44
			HACH COMPANY	\$	829.44
	ACH	O S T S INC 3/15 CPR/First Aid/A 3/24 CPR/First Aid/A 3/14 RCRA Trng f/2	AED/BBP Oxygen Trng f AED/BBP Oxygen Trng f	56516 56517 56762	1,200.00 1,200.00 300.00
			OSTS INC	\$	2,700.00
	ACH	W M LYLES COMPANY EN19001-3/22 Pay Est EN19006-3/22 Pay Est EN17110-3/22 Pay Est	t 1 7	PE 17-EN19001 PE 17-EN19006 PE 24-EN17110	3,712,332.57
			W M LYLES COMPANY	\$	6,148,723.41
	ACH	RSD Pleated Filters Meter Bag,Mol. Trans Mol.Transformer Sub	sformer Sub Cooler Cooler,Duct Tape	55361956-00 55359740-00 55359740-01	912.33 59.21 202.54
			RSD	\$	1,174.08
	ACH	PEST OPTIONS INC Weed Control March	2022	396439	4,098.18
			PEST OPTIONS INC	\$	4,098.18

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ACH	GEI CONSULTANTS INC PL19005-1/29-2/25 Prof Svcs	3106998	26,751.00
	GEI CONSULTANTS INC	\$	26,751.00
ACH	QED ENVIRONMENTAL SYSTEMS INC Controller Repair Parts/Labor	0000295546	1,138.45
	QED ENVIRONMENTAL SY	STEMS INC \$	1,138.45
ACH	OLIN CORP 4,810 Gals. Sodium Hypochlorite RP5 4,904 Sodium Hypochlorite CCWW-4,942 Gals Sodium Hypochlorite RP5-4,892 Gals Sodium Hypochlorite RP5 4,882 Gals. Sodium Hypochlorite CCWRP-3988 Gals Sodium Hypochlorite CCWW-3,956 Gals Sodium Hypochlorite TP1 4,840 Gals. Sodium Hypochlorite TP1-4,922 Gals Sodium Hypochlorite TP1-4,900 Gals Sodium Hypochlorite TP1-4,936 Gals Sodium Hypochlorite TP1-4,800 Gals Sodium Hypochlorite TP1-4,868 Gals Sodium Hypochlorite TP1-4,868 Gals Sodium Hypochlorite TP1-4,816 Gals Sodium Hypochlorite TP1-4,816 Gals Sodium Hypochlorite TP1-4,816 Gals Sodium Hypochlorite RP4 4,842 Gals. Sodium Hypochlorite RP5 4,844 Gals. Sodium Hypochlorite RP5 4,844 Gals. Sodium Hypochlorite	3000072810 3000088324 3000086759 3000086390 3000085972 3000083048 3000085512 3000089907 3000089315 3000088784 3000088784 30000887103 3000087103 3000087024 3000085973 3000085973 3000085974 3000085511 3000074229	4,401.15 4,487.16 4,521.93 4,476.18 4,467.03 3,884.31 3,853.14 4,428.60 4,503.63 4,483.50 4,516.44 4,492.65 4,675.20 4,454.22 4,406.64 4,426.77 4,430.43 4,406.64 4,432.26
ACH	DOWNS ENERGY RP2-500.1 Gals Red Dyed Diesel Fuel	0294317-IN	2,766.49
	DOWNS ENERGY	\$	2,766.49
ACH	TRICO CORPORATION Watchdog Desiccant Breathers	201107	966.50
7.077	TRICO CORPORATION	\$ 	966.50
ACH	ENVIRONMENTAL SCIENCE ASSOCIAT D202000275.03-1/1-1/31 Prof Svcs	172049	290.97
	ENVIRONMENTAL SCIENC	E ASSOCIAT\$	290.97
ACH	CALIFORNIA WATER TECHNOLOGIES RP1-41,560 lbs Ferric Chloride Solution PhilLS-18,029.44 lbs Ferric Chloride Phills-17371.90LBs Ferric Chloride Solut PhilLS-16,858.66 lbs Ferric Chloride PhilLS-18,241.40 lbs Ferric Chloride Sol PhilLS-17,230.36 lbs Ferric Chloride Sol 17,449.60 Lbs Ferric Chloride Solution 17,449.60 Lbs Ferric Chloride Solution 16,544.44 Lbs Ferric Chloride Solution	41585 41546 41486 41438 41398 41320	5,841.22 6,076.81 5,855.18 5,682.19 6,148.24 5,807.48 5,881.36 5,881.36 5,576.28

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	17,338.64 Lbs Ferric Chloride Solution RP2-17,288.18 DP Ferric Chloride RP2-41,880 lbs Ferric Chloride Solution RP1-43,860 lbs Ferric Chloride	41358	5,843.96 5,826.96 5,914.44 6,208.84
	CALIFORNIA WATER	TECHNOLOGIES \$	76,544.32
ACH	THERMO ELECTRON NORTH AMERICA RP1 KOH Cartridges	9021210106	3,703.50
	THERMO ELECTRON N	NORTH AMERICA \$	3,703.50
ACH	MANAGED MOBILE INC Repair Parts/Labor F/Veh 1102 Repair Parts/Labor F/Veh 0817	IN00-0239457 IN00-0239458	775.29 625.09
	MANAGED MOBILE IN	7C \$	1,400.38
ACH	STOTZ EQUIPMENT 175HP Tracto	W27420	589.64
	STOTZ EQUIPMENT	\$	589.64
ACH	THE SOLIS GROUP EN20056.00-2/1-2/28 Prof Svcs	8490	1,500.00
	THE SOLIS GROUP	\$	1,500.00
ACH	BUCKNAM INFRASTRUCTURE GROUP I RP-1 Pavement Rehabilitation Design S	Srvs 358.04.02	1,574.48
	BUCKNAM INFRASTRU	JCTURE GROUP I\$	1,574.48
ACH	LUTZ JESCO AMERICA CORPORATION Metering Pump 1/3 HP	15026069	4,738.30
	LUTZ JESCO AMERIC	CA CORPORATION\$	4,738.30
ACH	STAPLES CONTRACT & COMMERCIAL Cubicle Hooks Calculators, Laptop Risers	3503499441 3503499436	2.26 245.10
	STAPLES CONTRACT	& COMMERCIAL \$	247.36
ACH	MULTIVISTA EN19001-3/22 Professional Services	1829	3,507.36
	MULTIVISTA	\$	3,507.36
ACH	SO CALIF GAS CCWRP/TP-2/2-3/4 14950 Telephone Ave RP4-2/18-3/22 12811 6th St TP5-3/2-3/31 6075 Kimball Ave RP1Cmplx-1/31-3/3 2450 Phila St RP1Cmplx-3/3-4/1 2450 Phila St RP2Dg-3/1-4/1 16400 El Prado Rd RP2Dg-2/1-3/1 16400 El Prado Rd MntBldg/Whs-2/22-3/23 2604 Walnut St TP1-2/22-3/23 2564 Walnut St	10605111 3/2 15579076 3/2 12140888 2/2 12140888 3/2 14944655 3/2 14944655 2/2	2 39.53 2 22.61 2 52.20 2 47.53 2 291.02 2 245.31 2 528.08

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	RP1-3/1-4/1 2450 Ph: RP1-2/1-3/1 2450 Ph: RP1-3/1-4/1 2450 Ph: RP1-3/1-4/1 2450 Ph: RP1-2/1-3/1 2450 Ph: TP5-1/31-3/2 6075 K: RP5-3/2-3/31- 6075 K: Lab-3/3-4/1 2450 Ph: Lab-2/1-3/3 2450 Ph: Lab-12/31-2/1 2450 I HQA/B-3/2-3/31 6075 HQA/B-1/31-3/2 6075 CCWRP/TP-3/4-4/4 1450	ila St ila St ila St ila St imball Ave Kimball Ave imball Ave ila St ila St Phila St Kimball Ave	530051 155790 136193 136193 155777 155777 157297 157297	.97 3/22 .97 2/22 .0 3/22 .0 2/22 .076 2/22 .05 3/22 .805 2/22 .783 3/22 .783 1/22 .783 3/22 .783 3/22 .783 3/22 .783 3/22		50.35 50.00 3,783.61 3,434.43 24.31 2,689.89 2,986.29 14.30 14.79 15.78 134.20 132.67 21.49
		SO CALIF GAS		\$		14,676.70
ACH	IEUA EMPLOYEES' ASSO P/R 8 4/21/22 Employ		HR	0105400		174.00
		IEUA EMPLOYEES! ASSO	CIATIO	1 \$		174.00
ACH	IEUA SUPERVISORS UN P/R 8 4/21/22 Employ		HR	0105400		330.00
		IEUA SUPERVISORS UNIC	ON ASSO	DCIA\$		330.00
ACH	IEUA GENERAL EMPLOY P/R 8 4/21/22 Employ		HR	0105400		981.60
		IEUA GENERAL EMPLOYE	es asso	DCIA\$		981.60
ACH	INLAND EMPIRE UNITED P/R 8 4/21/22 Employ		HR	0105400		21.00
		INLAND EMPIRE UNITED	WAY	\$		21.00
ACH	IEUA PROFESSIONAL E P/R 8 4/21/22 Employ		HR	0105400		624.00
		IEUA PROFESSIONAL EM	PLOYEE:	S AS\$		624.00
ACH	WEX HEALTH INC P/R 8 4/21/22 Cafet	eria Plan	HR	0105400	 -	4,634.53
		WEX HEALTH INC		\$		4,634.53
ACH	CITY EMPLOYEES ASSO P/R 8 4/21/22 Employ		HR	0105400		342.00
		CITY EMPLOYEES ASSOC	IATES	\$		342.00
ACH	PETE'S ROAD SERVICE 4 Tires f/Veh JD CV		57195	6-00		7,638.64
		PETE'S ROAD SERVICE		\$		7,638.64
ACH	PALM AUTO DETAIL IN 3/22 Carwash Svcs f	C /Agency Fleet Vehicle	22399	-2		2,405.00

	: ZFIR TREASURER /01/2022 ~ 04/30/2023			Page 23 Date 05/24/202
Check	Payee / Description			Amour
		PALM AUTO DETAIL INC	\$	2,405.00
ACH	PEST OPTIONS INC 3/22 Agency Wide We February 2021 GWR W Jan 2022 Weed Abate	eed Control Svcs	396495 394595 392678	9,055.11 9,055.11 9,055.11
		PEST OPTIONS INC	\$	27,165.33
ACH	SO CALIF EDISON HckryDm-3/9-4/6 134 RP5/TP5/HQA/B-3/2-3 JrpBsn-3/9-4/6 1345 RP4/TP4/RCA-3/8-4/5 MntclLS-3/11-4/10 3- PhilLS-3/9-4/6 1818 ElyBsn-3/9-4/6 1665	/30 6075 Kimball Ave 0 Jurupa 12811 6th St 4 Palmetto-Phila Phila St	8000257085 3/ 8002326317 3/ 8000401711 3/ 8000036690 3/ 8000031789 3/ 8000031143 3/ 8000057558 3/	151,470.66 2,463.87 240,608.75 1,393.50 7,754.39
		SO CALIF EDISON	\$	403,792.95
ACH	CITY RENTALS INC RP1 10/14/21 Cut-of	f Saw,Concrete-saw-bl	90631	461.50
		CITY RENTALS INC	\$	461.50
ACH	6pK of Copper and Hollow Poly, Compact Inflator, Coupler, H Hand Seamer LigthsCordsStencils Swiffer Sweeper an	Fuel and Tank Combo. Black Batteries. Lsr Level, Lithium Pose Hanger, TotesPlug, Extention Cord, saw,	9081974 7544900 2080926 1070840	144.28 22.62 133.0° 424.79 37.68 232.70 81.19 274.80
		HOME DEPOT CREDIT SE	RVICES \$	1,351.2
ACH	SHANLEY PUMP & EQUI Progressive Cavity	PMENT INC Pump	0049915-IN	23,895.0
		SHANLEY PUMP & EQUIP	MENT INC \$	
ACH	GENESIS CONSTRUCTIO EN17110.03-3/22 Pay		PE 20-EN17110	271,405.5
		GENESIS CONSTRUCTION	\$	271,405.5
ACH	J F SHEA CONSTRUCTI PA17006.03-3/22 Pay		PE 6-PA17006.	212,093.2
		J F SHEA CONSTRUCTIO	N INC \$	212,093.2
ACH	ASSOC SAN BERNARDIN Hall,J-4/18/22 Spec	O CNTY SPEC tial District Morshp M	4/18 ASBCSD M	40.0
		ASSOC SAN BERNARDINO	CNTY SPEC\$	40.0
ACH	W M LYLES COMPANY EN18006-3/22 Pay Es	st 20	PE 20-EN18006	75,545.9

o1 .	D					7
Check	Payee / Description					Amou
		W M LYLES COMPANY		\$	75	 ,545.9
ACH	SOUTHWEST VALVE & EQRP1 Pratt Butterfly	QUIPMENT Valve Refurbishing,P	7932		4	,716.2
		SOUTHWEST VALVE & EQ	UIPMENT	\$	4	 ,716.2
ACH	MNR CONSTRUCTION INCRW15003.06-3/22 Pay		PE 8-RW15	003.	371	,841.4
		MNR CONSTRUCTION INC		\$	371	 ,841.4
ACH	PhilLfStn-17,139.20	c Chloride Solution ic Chloride erric Chloride Soluti Lbs Ferric Chloride c Chloride Solution	41624 41640		5 5 5 	,034.7 ,988.0 ,982.7 ,776.7 ,777.9
		CALIFORNIA WATER TEC	HNOLOGIES	\$	29	,560.2
ACH	FRESNO FIRST BANK EN18006-3/22 Pay Est	t 20	PE 20-EN1	.8006	3	,976.1
		FRESNO FIRST BANK		\$	3	,976.1
ACH	FERREIRA COASTAL COI EN20065-3/22 Pay Es		PE 11-EN2	0065	20	,167.1
		FERREIRA COASTAL CON	STRUCTION	\$	20	,167.1
ACH	THE SOLIS GROUP EN19027-2/1-2/28 Pro	of Svcs	8491		1	,677.0
		THE SOLIS GROUP		\$	1	,677.0
ACH	BANNER BANK EN17110.03-3/22 Pay	Est 20	PE 20-EN1	.7110		,284.5
		BANNER BANK		\$	14	,284.5
ACH	METRO BUILDERS & EN RW15003.05-3/22 Pay		PE 7-RW15	5003.	9	,238.7
		METRO BUILDERS & ENG	INEERS GRE	\$	9	,238.7
ACH	LOGO JOE'S Dry Fit Polos With	Logo	33317		1	,380.6
		LOGO JOE'S		\$	1	,380.6
ACH	EN22019.02-1/24-1/2 EN22019.02-1/26 Ver EN22019.02-Centerin EN22019.02-Centerin	7 Vertical Conveyor R 7 Vertical Conveyor R tical Conveyor Repair g Shaft Replacement F g Shaft Replacement R Vertical Conveyor Re	8 61428284 6 61428368 6 61428275 6 64128230		7 1 1 1	,532.9 ,696.2 ,205.0 ,414.9 ,425.8

Check	Payee / Description				Amoun
		Vertical Conveyor Re	61428735		5,154.60
	,	SCHWING BIOSET INC	\$		28,584.24
ACH	LEVEL 3 COMMUNICATION	ONS LLC			
	4/2022 993-1600		993-1600 4/2	2	936.62
		LEVEL 3 COMMUNICATION	IS LLC \$		936.62
ACH	GARCIA, CHRISTOPHER Reim-12/7 Wtr Use Ef	fficiency Program Ref	REIM CKREQ#	2	12.95
		GARCIA, CHRISTOPHER	\$		12.95
ACH	100% Split for IEUA- 50% Cost Sharing -PE 50% Cost Sharing - E 67% Cost Sharing - E 100% Split for IEUA- 50% Cost Sharing - E 67% Cost Sharing - E 67% Cost Sharing - E 50% Cost Sharing - E 67% Cost Sharing - E	del Meetings, Technic WEI Inv# 2048175 BHSP WEI Inv# 2048177 del Meetings, Technic PBHSP I Inv# 2048515 WEI Inv# 2048517 PBHSP WEI Inv# 20485 I Inv# 2048173 del Meetings, Technic PBHSP I Invoice 2047064 I Inv# 2047480 WEI Invoice 2047482 PBHSP	2022-01-D 2022-01-F 2022-02-A 2022-02-C 2022-02-D 2022-02-F 2022-01-C 2021-11-A 2021-11-B 2021-11-C 2021-12-C1 2021-11-D 2022-01-B		100.87 5,884.25 7,400.88 1,779.75 7,389.63 248.67 4,982.25 8,316.63 8,106.59 338.00 1,261.88 12,715.85 2,695.70 13,884.50 4,913.00
		CHINO BASIN WATERMAS	TER \$		80,018.49
ACH	BREIG, ANNA Reim Monthly Health	Prem	HEALTH PREM		153.53
		BREIG, ANNA	\$		153.53
ACH	ESTRADA, JIMMIE J Reim Monthly Health	Prem	HEALTH PREM		456.0
		ESTRADA, JIMMIE J	\$		456.0
ACH	HORNE, WILLIAM Reim Monthly Health	Prem	HEALTH PREM		456.06
		HORNE, WILLIAM	\$		456.00
ACH	LICHTI, ALICE Reim Monthly Health	Prem	HEALTH PREM	_	153.5
		LICHTI, ALICE	\$		153.53
ACH	NOWAK, THEO T Reim Monthly Health	Prem	HEALTH PREM		442.0

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Check	Payee / Description			Amount
	Reim Monthly Health	Prem	HEALTH PRE	M 153.53
		DYKSTRA, BETTY	\$	153.53
ACH	MUELLER, CAROLYN Reim Monthly Health	Dram	HEALTH PREI	M 153.53
	Reim Monding Hearth	MUELLER, CAROLYN	\$	153.53
ACH	CANADA, ANGELA	rionnii, catonii	۳	
11011	Reim Monthly Health	Prem	HEALTH PREI	153.53
		CANADA, ANGELA	\$	153.53
ACH	CUPERSMITH, LEIZAR Reim Monthly Health	Prem	HEALTH PREI	M 153.53
	-	CUPERSMITH, LEIZAR	\$	153.53
ACH	DELGADO-ORAMAS JR, S			
	Reim Monthly Health		HEALTH PRE	
		DELGADO-ORAMAS JR, C	JOSE \$	302.53
ACH	GRANGER, BRANDON Reim Monthly Health	Prem	HEALTH PRE	M 147.76
		GRANGER, BRANDON	\$	147.76
ACH	GADDY, CHARLES L Reim Monthly Health	Prem	HEALTH PRE	M 147.76
		GADDY, CHARLES L	\$	147.76
ACH	WEBB, DANNY C Reim Monthly Health	Prem	HEALTH PRE	M 149.00
		WEBB, DANNY C	\$	149.00
ACH	HUMPHREYS, DEBORAH Reim Monthly Health		HEALTH PRE	M 151.27
		HUMPHREYS, DEBORAH	E \$	151.27
ACH	MOUAT, FREDERICK W Reim Monthly Health		HEALTH PRE	M 151.27
		MOUAT, FREDERICK W	\$	151.27
ACH	MORGAN, GARTH W Reim Monthly Health	Prem	HEALTH PRE	M 149.00
		MORGAN, GARTH W	\$	149.00
ACH	ALLINGHAM, JACK Reim Monthly Health	Prem	HEALTH PRE	M 2.27
		ALLINGHAM, JACK	\$	2.27

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Check	Payee / Description			Amou
ACH	MAZUR, JOHN Reim Monthly Health	Prem MAZUR, JOHN	HEALTH PREM	511.1 511.1
ACH	HAMILTON, MARIA Reim Monthly Health	Prem HAMILTON, MARIA	HEALTH PREM	149.0 149.0
ACH	RAMOS, CAROL Reim Monthly Health	Prem RAMOS, CAROL	HEALTH PREM	2.2
ACH	FISHER, JAY Reim Monthly Health	Prem FISHER, JAY	HEALTH PREM	149.0 149.0
ACH	KING, PATRICK Reim Monthly Health	Prem KING, PATRICK	HEALTH PREM	2.2
ACH	DIETZ, JUDY Reim Monthly Health	Prem DIETZ, JUDY	HEALTH PREM	149.0 149.0
ACH	MONZAVI, TAGHI Reim Monthly Health	Prem MONZAVI, TAGHI	HEALTH PREM	2.2
ACH	PETERSEN, KENNETH Reim Monthly Health	Prem PETERSEN, KENNETH	HEALTH PREM	153.5 153.5
ACH	TRAUTERMAN, HELEN Reim Monthly Health	Prem TRAUTERMAN, HELEN	HEALTH PREM	153.5 153.5
ACH	TIEGS, KATHLEEN Reim Monthly Health	Prem TIEGS, KATHLEEN	HEALTH PREM	456.0 456.0
ACH	DIGGS, GEORGE Reim Monthly Health	Prem DIGGS, GEORGE	HEALTH PREM	456.(456.(
ACH	HAYES, KENNETH Reim Monthly Health	Prem HAYES, KENNETH	HEALTH PREM	456.0 456.0

For 04	$/01/20\overline{2}2$ ~ $04/30/2022$	Inland Empire Utilit: 2 Treasurer Report			Date	05/24/202
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ACH	RODRIGUEZ, LOUIS Reim Monthly Health	Prem RODRIGUEZ, LOUIS	HEALTH	PREM \$		151.27 151.27
ACH	VARBEL, VAN Reim Monthly Health		HEALTH		<u>.</u> -	302.53 302.53
ACH	CLIFTON, NEIL Reim Monthly Health	Prem CLIFTON, NEIL	HEALTH	PREM \$		302.53 302.53
ACH	WELLMAN, JOHN THOMAS Reim Monthly Health		HEALTH	PREM \$	es 70	302.53 302.53
ACH	TROXEL, WYATT Reim Monthly Health	Prem TROXEL, WYATT	HEALTH	PREM \$		153.53 153.53
ACH	CORLEY, WILLIAM Reim Monthly Health	Prem CORLEY, WILLIAM	HEALTH	PREM \$		302.53 302.53
ACH	LESNIAKOWSKI, NORBEI Reim Monthly Health		HEALTH T	PREM \$		146.52 146.52
ACH	VER STEEG, ALLEN J Reim Monthly Health	Prem VER STEEG, ALLEN J	HEALTH	PREM \$		147.76 147.76
ACH	HACKNEY, GARY Reim Monthly Health	Prem HACKNEY, GARY	HEALTH	PREM \$	one ==	511.16 511.16
ACH	TOL, HAROLD Reim Monthly Health	Prem TOL, HAROLD	HEALTH	PREM \$		153.53 153.53
ACH	BANKSTON, GARY Reim Monthly Health	Prem BANKSTON, GARY	HEALTH	PREM \$		153.53 153.53
ACH	ATWATER, RICHARD Reim Monthly Health	Prem	HEALTH	PREM		149.00

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Check	Payee / Description			Amount
		ATWATER, RICHARD	\$	149.00
ACH	FIESTA, PATRICIA Reim Monthly Health	Prem	HEALTH PREM	302.53
		FIESTA, PATRICIA	\$ 	302.53
ACH	CARAZA, TERESA Reim Monthly Health	Prem	HEALTH PREM	2.27
		CARAZA, TERESA	\$	2.27
ACH	ANDERSON, JOHN L Reim Monthly Health	Prem	HEALTH PREM	456.06
		ANDERSON, JOHN L	\$	456.06
ACH	SANTA CRUZ, JACQUELY Reim Monthly Health	YN Prem	HEALTH PREM	727.09
		SANTA CRUZ, JACQUELI	YN \$	727.09
ACH	HECK, ROSELYN Reim Monthly Health	Prem	HEALTH PREM	2.27
		HECK, ROSELYN	\$	2.27
ACH	SOPICKI, LEO Reim Monthly Health	Prem	HEALTH PREM	295.52
		SOPICKI, LEO	\$	295.52
ACH	GOSE, ROSEMARY Reim Monthly Health	Prem	HEALTH PREM	149.00
		GOSE, ROSEMARY	\$	149.00
ACH	KEHL, BARRETT Reim Monthly Health	Prem	HEALTH PREM	149.00
		KEHL, BARRETT	\$	149.00
ACH	RITCHIE, JANN Reim Monthly Health	Prem	HEALTH PREM	149.00
		RITCHIE, JANN	\$	149.00
ACH	LONG, ROCKWELL DEE Reim Monthly Health	Prem	HEALTH PREM	362.16
		LONG, ROCKWELL DEE	\$	362.16
ACH	FATTAHI, MIR Reim Monthly Health	Prem	HEALTH PREM	149.00
		FATTAHI, MIR	\$	149.00
ACH	VERGARA, FLORENTINO Reim Monthly Health	Prem	HEALTH PREM	302.53

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Check	Payee / Description			Amour
		VERGARA, FLORENTINO	\$	302.53
ACH	WALL, DAVID Reim Monthly Health	Prem	HEALTH PREM	359.89
		WALL, DAVID	\$	359.89
ACH	CHUNG, MICHAEL Reim Monthly Health	Prem	HEALTH PREM	151.2
		CHUNG, MICHAEL	\$	151.2
ACH	ADAMS, PAMELA Reim Monthly Health	Prem	HEALTH PREM	2.2
		ADAMS, PAMELA	\$	2.2
ACH	BLASINGAME, MARY Reim Monthly Health	Prem	HEALTH PREM	570.78
		BLASINGAME, MARY	\$	570.78
ACH	ANDERSON, KENNETH Reim Monthly Health	Prem	HEALTH PREM	151.2
		ANDERSON, KENNETH	\$	151.2
ACH	MOE, JAMES Reim Monthly Health	Prem	HEALTH PREM	2.2
		MOE, JAMES	\$	2.2
ACH	POLACEK, KEVIN Reim Monthly Health	Prem	HEALTH PREM	719.7
		POLACEK, KEVIN	\$	719.7
ACH	ELROD, SONDRA Reim Monthly Health	Prem	HEALTH PREM	151.2
		ELROD, SONDRA	\$	151.2
ACH	FRAZIER, JACK Reim Monthly Health	Prem	HEALTH PREM	2.2
		FRAZIER, JACK	\$	2.2
ACH	HOAK, JAMES Reim Monthly Health	Prem	HEALTH PREM	149.0
		HOAK, JAMES	\$	149.0
ACH	DEZHAM, PARIVASH Reim Monthly Health	Prem	HEALTH PREM	2.2
		DEZHAM, PARIVASH	\$	2.2

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Check	Payee / Description			Amoun
	Reim Monthly Health	Prem	HEALTH PREM	210.89
		FOLEY III, DANIEL J.	\$	210.89
ACH	CLEVELAND, JAMES Reim Monthly Health	Prem	HEALTH PREM	149.00
	real resizing manager	CLEVELAND, JAMES	\$	149.00
ACH	LANGNER, CAMERON			
	Reim Monthly Health	Prem	HEALTH PREM	708.06
		LANGNER, CAMERON	\$	708.06
ACH	HAMILTON, LEANNE Reim Monthly Health	Prem	HEALTH PREM	2.27
		HAMILTON, LEANNE	\$	2.27
ACH	HOOSHMAND, RAY Reim Monthly Health	Prem	HEALTH PREM	149.00
	Retin Monenty mearen	HOOSHMAND, RAY	\$	149.00
ACH	SCHLAPKOHL, JACK	·		
	Reim Monthly Health	Prem	HEALTH PREM	149.00
		SCHLAPKOHL, JACK	\$	149.00
ACH	POOLE, PHILLIP Reim Monthly Health	Prem	HEALTH PREM	210.89
		POOLE, PHILLIP	\$	210.89
ACH	ADAMS, BARBARA Reim Monthly Health	Prem	HEALTH PREM	147.76
	*	ADAMS, BARBARA	\$	147.76
ACH	RUESCH, GENECE	Decom		152 53
	Reim Monthly Health		HEALTH PREM	153.53 153.53
		RUESCH, GENECE	\$	153.53
ACH	VANDERPOOL, LARRY Reim Monthly Health	Prem	HEALTH PREM	568.24
		VANDERPOOL, LARRY	\$	568.24
ACH	AMBROSE, JEFFREY Reim Monthly Health	Prem	HEALTH PREM	302.53
		AMBROSE, JEFFREY	\$	302.53
ACH	MERRILL, DIANE	_	TIEDAT COTT DOTTER	FCO 40
	Reim Monthly Health		HEALTH PREM	569.48
		MERRILL, DIANE	\$	569.48

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ACH	HOUSER, ROD Reim Monthly Health	Prem HOUSER, ROD	HEALTH PREM	717.24 717.24
ACH	RUSSO, VICKI Reim Monthly Health	Prem RUSSO, VICKI	HEALTH PREM	210.89 210.89
ACH	HUSS, KERRY Reim Monthly Health	Prem HUSS, KERRY	HEALTH PREM	989.95 989.95
ACH	BINGHAM, GREGG Reim Monthly Health	Prem BINGHAM, GREGG	HEALTH PREM	362.16 362.16
ACH	CHARLES, DAVID Reim Monthly Health	Prem CHARLES, DAVID	HEALTH PREM	149.00 149.00
ACH	YEBOAH, ERNEST Reim Monthly Health	Prem YEBOAH, ERNEST	HEALTH PREM	149.00 149.00
ACH	ALVARADO, ROSEMARY Reim Monthly Health	Prem ALVARADO, ROSEMARY	HEALTH PREM	153.53 153.53
ACH	BARELA, GEORGE Reim Monthly Health	Prem BARELA, GEORGE	HEALTH PREM	149.00 149.00
ACH	FETZER, ROBERT Reim Monthly Health	Prem FETZER, ROBERT	HEALTH PREM	719.78 719.78
ACH	SPAETH, ERIC Reim Monthly Health	Prem SPAETH, ERIC	HEALTH PREM	2.27 2.27
ACH	DAVIS, MARTHA Reim Monthly Health	Prem DAVIS, MARTHA	HEALTH PREM	2.27 2.27
ACH	BRULE, CHRISTOPHER Reim Monthly Health	Prem BRULE, CHRISTOPHER	HEALTH PREM	210.89 210.89

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Check	Payee / Description			Amount
ACH	ROOS, JAMES Reim Monthly Health	Prem ROOS, JAMES	HEALTH PREM	362.16 362.16
ACH	MULLANEY, JOHN Reim Monthly Health	Prem MULLANEY, JOHN	HEALTH PREM	359.89 359.89
ACH	VALENZUELA, DANIEL Reim Monthly Health	Prem VALENZUELA, DANIEL	HEALTH PREM	570.78 570.78
ACH	PACE, BRIAN Reim Monthly Health	Prem PACE, BRIAN	HEALTH PREM	570.78 570.78
ACH	KING, JOSEPH Reim Monthly Health	Prem KING, JOSEPH	HEALTH PREM	149.00 149.00
ACH	VILLALOBOS, HECTOR Reim Monthly Health	Prem VILLALOBOS, HECTOR	HEALTH PREM	210.89 210.89
ACH	BAXTER, KATHLEEN Reim Monthly Health	Prem BAXTER, KATHLEEN	HEALTH PREM	210.89 210.89
ACH	PENMAN, DAVID Reim Monthly Health	Prem PENMAN, DAVID	HEALTH PREM	570.78 570.78
ACH	ANGIER, RICHARD Reim Monthly Health	Prem ANGIER, RICHARD	HEALTH PREM	570.78 570.78
ACH	MERRILL, DEBORAH Reim Monthly Health	Prem MERRILL, DEBORAH	HEALTH PREM	153.53 153.53
ACH	O'DEA, KRISTINE Reim Monthly Health	Prem O'DEA, KRISTINE	HEALTH PREM	151.27 151.27
ACH	OAKDEN, LISA Reim Monthly Health	Prem	HEALTH PREM	935.72

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Check	Payee / Description			Amoun
		OAKDEN, LISA	\$	935.72
ACH	LAUGHLIN, JOHN Reim Monthly Health	Prem	HEALTH PREM	149.00
		LAUGHLIN, JOHN	\$	149.00
ACH	HUGHBANKS, ROGER Reim Monthly Health	Prem	HEALTH PREM	210.89
		HUGHBANKS, ROGER	\$	210.89
ACH	SPENDLOVE, DANNY Reim Monthly Health	Prem	HEALTH PREM	151.27
		SPENDLOVE, DANNY	\$	151.27
ACH	HOULIHAN, JESSE Reim Monthly Health	Prem	HEALTH PREM	210.89
		HOULIHAN, JESSE	\$	210.89
ACH	WARMAN, EVELYN Reim Monthly Health	Prem	HEALTH PREM	2.27
		WARMAN, EVELYN	\$	2.27
ACH	HERNANDEZ, DELIA Reim Monthly Health	Prem	HEALTH PREM	210.89
		HERNANDEZ, DELIA	\$	210.89
ACH	GUARDIANO, GARY Reim Monthly Health	Prem	HEALTH PREM	151.27
		GUARDIANO, GARY	\$	151.27
ACH	POMERLEAU, THOMAS Reim Monthly Health	Prem	HEALTH PREM	2.27
		POMERLEAU, THOMAS	\$	2.27
ACH	BARRER, SATURNINO Reim Monthly Health	Prem	HEALTH PREM	359.89
		BARRER, SATURNINO	\$	359.89
ACH	LACEY, STEVEN Reim Monthly Health	Prem	HEALTH PREM	786.72
		LACEY, STEVEN	\$	786.72
ACH	MILLS, JOHN Reim Monthly Health	Prem	HEALTH PREM	2.2
		MILLS, JOHN	\$	2.2
ACH	REED, RANDALL Reim Monthly Health	Prem	HEALTH PREM	719.7

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		REED, RANDALL		\$		719.78
ACH	RAMIREZ, REBECCA Reim Monthly Health	Prem	HEALTH	PREM		359.89
		RAMIREZ, REBECCA		\$		359.89
ACH	RAZAK, HALLA Reim Monthly Health	Prem	HEALTH	PREM		149.0
		RAZAK, HALLA		\$		149.0
ACH	OSBORN, CINDY L Reim Monthly Health	Prem	HEALTH	PREM		359.8
		OSBORN, CINDY L		\$		359.8
ACH	FESTA, GARY Reim Monthly Health	Prem	HEALTH	PREM		279.5
		FESTA, GARY		\$		279.5
ACH	MENDEZ, DAVID G Reim Monthly Health	Prem	HEALTH	PREM		362.1
		MENDEZ, DAVID G		\$		362.1
ACH	DELGADO, FLOR MARIA Reim Monthly Health		HEALTH	PREM		149.0
		DELGADO, FLOR MARIA		\$		149.0
ACH	GROENVELD, NELLETJE Reim Monthly Health	Prem	HEALTH	PREM		210.8
		GROENVELD, NELLETJE		\$		210.8
ACH	BATONGMALAQUE, CHAR Reim Monthly Health		HEALTH	PREM		362.1
		BATONGMALAQUE, CHARL	IE L	\$		362.1
ACH	BOBBITT, JOHN Reim Monthly Health	Prem	HEALTH	PREM		149.0
		BOBBITT, JOHN		\$		149.0
ACH	NEIGHBORS, CLAUDIA Reim Monthly Health	Prem	HEALTH	PREM		210.8
		NEIGHBORS, CLAUDIA		\$		210.8
ACH	CHENG, TINA Y Reim Monthly Health	Prem	HEALTH	PREM		153.5
		CHENG, TINA Y		\$		153.5

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Amour					Payee / Description	Check
151.27		PREM	HEALTH	Prem	Reim Monthly Health	
151.27		\$		JACKSON, PATRICIA M		
149.00		PREM	HEALTH	Prem	GIBSON, CONSTANCE A Reim Monthly Health	ACH
149.00		\$		GIBSON, CONSTANCE A	TOTAL TIOTOTTY TIOCTOTT	
		· ·		<u> </u>	GU, JASON	ACH
151.2		PREM	HEALTH	Prem	Reim Monthly Health	
151.2		\$		GU, JASON		
2.2		PREM	HEALTH	Prem	KOPP, LINDA L Reim Monthly Health	ACH
2.2		\$		KOPP, LINDA L		
250.0				_	SCHERCK, JOHN	ACH
359.89			HEALTH		Reim Monthly Health	
359.85		\$		SCHERCK, JOHN		
210.8		PREM	HEALTH	Prem	WOODRUFF, APRIL F Reim Monthly Health	ACH
210.8		\$		WOODRUFF, APRIL F		
420.4		DREM	HEALTH	Dram	ELEBY, CRYSTAL Reim Monthly Health	ACH
420.4		\$	111111111111	ELEBY, CRYSTAL	Reim Policity Heatelf	
					BUCHANAN, JAMES S	ACH
149.0		PREM	HEALTH	Prem	Reim Monthly Health	11011
149.0		\$		BUCHANAN, JAMES S		
149.0		PREM	HEALTH	Prem	LUCAS, LARRY Reim Monthly Health	ACH
149.0		\$		LUCAS, LARRY	,	
					LOPEZ, MARK A	ACH
359.8			HEALTH	Prem	Reim Monthly Health	
359.8		\$		LOPEZ, MARK A		
578.0		PREM	HEALTH	Prem	SANTA CRUZ, VICTOR Reim Monthly Health	ACH
578.0		\$		SANTA CRUZ, VICTOR	_	
350.0		DDT*	1112 - 1112		TRAUGOTT, JEFFREY P	ACH
359.8 359.8			HEALTH		Reim Monthly Health	
-		PREM \$	HEALTH		Reim Monthly Health	

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Check	Payee / Description			Amoun
ACH	RIVERA, VINCENT J Reim Monthly Health	Prem RIVERA, VINCENT J	HEALTH PREM	719.78 719.78
ACH	DOAN, KHANH V Reim Monthly Health	Prem DOAN, KHANH V	HEALTH PREM	719.78 719.78
ACH	ARGUELLES, ALEX Reim Monthly Health	Prem ARGUELLES, ALEX	HEALTH PREM	786.72 786.72
ACH	PROCTOR, CRAIG Reim Monthly Health	Prem PROCTOR, CRAIG	HEALTH PREM	786.72 786.72
ACH	STONE, VICTORIA L Reim Monthly Health	Prem STONE, VICTORIA L	HEALTH PREM	570.78 570.78
ACH	KREIMEYER, CARL L Reim Monthly Health	Prem KREIMEYER, CARL L	HEALTH PREM	359.89 359.89
ACH	CHAVEZ, NESTOR Reim Monthly Health	Prem CHAVEZ, NESTOR	HEALTH PREM	359.89 359.89
ACH	CUNNINGHAM, RICHARD Reim Monthly Health		HEALTH PREM	151.2' 151.2'
ACH	MCCHRISTY, KAREN Reim Monthly Health	Prem MCCHRISTY, KAREN	HEALTH PREM	151.2° 151.2°
ACH	ROSALES, TIMOTEO P Reim Monthly Health	Prem ROSALES, TIMOTEO P	HEALTH PREM	719.76 719.76
ACH	PELLY, GARY Reim Monthly Health	Prem PELLY, GARY	HEALTH PREM	569.4 569.4
ACH	GUTIERREZ, MICHAEL Reim Monthly Health		HEALTH PREM	153.5

Report For 04	Report: ZFIR TREASURER Inland Empire Utilities Agency For 04/01/2022 ~ 04/30/2022 Treasurer Report			Page Date	38 05/24/2022
Check	Payee / Description				Amoun
ACH	ROBISON, JOHN Reim Monthly Health		HEALTH PREM		149.00
		ROBISON, JOHN	\$		149.00
ACH	DELZER, HARLAN D Reim Monthly Health	Prem	HEALTH PREM	I 	302.53
		DELZER, HARLAN D	\$		302.53
ACH	OAKDEN, SCOTT A Reim Monthly Health	Prem	HEALTH PREM	Ι	786.72
		OAKDEN, SCOTT A	\$		786.72
ACH	HEIN, DAVID J Reim Monthly Health	Prem	HEALTH PREM	ī	210.89
		HEIN, DAVID J	\$		210.89
ACH	VALENCIA, CHRISTINA Reim Monthly Health	Prem	HEALTH PREM	1	210.89
		VALENCIA, CHRISTINA	\$		210.89
ACH	FRESQUEZ, ADRIAN Reim Monthly Health	Prem	HEALTH PREM	1	359.89
		FRESQUEZ, ADRIAN	\$		359.89
ACH	MALDONADO, ARTHUR Reim Monthly Health	Prem	HEALTH PREM	1	2.27
		MALDONADO, ARTHUR	\$		2.27
ACH	SARMIENTO, JESSICA Reim Monthly Health	Prem	HEALTH PREM	1	210.89
		SARMIENTO, JESSICA	\$		210.89
ACH	VANBREUKELEN, ALBER' Reim Monthly Health		HEALTH PREM	1	149.00
		VANBREUKELEN, ALBERT	\$		149.00
ACH	O'BRIEN, MICHELLE Reim Monthly Health	Prem	HEALTH PREM	4	204.01
		O'BRIEN, MICHELLE	\$	_	204.03
ACH	AVILA, GLORIA Reim Monthly Health	Prem	HEALTH PRE	М	1,439.56
		AVILA, GLORIA	\$		1,439.56
ACH	HOBBS, GARY B Reim Monthly Health	Prem	HEALTH PREI	M	460.59

	: ZFIR TREASURER Inland Empire Utilit /01/2022 ~ 04/30/2022 Treasurer Report	res waleuch		39 05/24/202
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	HOBBS, GARY B	\$		460.59
ACH	AQUA BEN CORPORATION DAFT-4,600 Lbs Hydrofloc 748E	44123		6,493.02
	AQUA BEN CORPORATION	\$		6,493.02
ACH	CITY RENTALS INC Inv-Bal of Inv Due-Equip. Rental 460-276 Late Fee on Invoice 5775 Late Fee on Invoice 5674 Late Fee on Invoice 5731	F5775 F5674 F5731		0.33 60.55 31.78 60.55
	CITY RENTALS INC	\$	_1.	153.21
ACH	J G TUCKER & SON INC RP1Mnt-Cylinders-Aluminum,Valve Assy	17489		1,364.12
	J G TUCKER & SON INC	\$		1,364.12
ACH	JENSEN INSTRUMENT CO Thermometer	14398		368.13
	JENSEN INSTRUMENT CO	\$		368.13
ACH	SOUTHWEST ALARM SERVICE 3/22 Agency-Wide Monthly Monitoring Ser RP1 Oct, Nov, Dec 2021 Alarm Service Chary 4/22 Agency-Wide Monthly Monitoring Ser 1/22 Agency Wide Alarm Svc Calls 2/22 Agency Wide Alarm Svc Calls 3/22 Agency Wide Alarm Svc Calls RP5 Office Trlr 3/22 Monthly Monitoring RP5 Office Trlr 4/22 Monthly Monitoring	7 075943 7 076646 076531 076532 076820 076524		4,852.00 3,096.93 4,852.00 654.00 1,570.66 2,542.10 50.00
	SOUTHWEST ALARM SER	VICE \$		17,667.6
ACH	UNIVAR SOLUTIONS USA INC CCWRP-12,305 Lbs Sodium Bisulfite TP1-12,615 Lbs Sodium Bisulfite TP1-12,385 Lbs Sodium Bisulfite	50068639 50060988 50032595		4,945.48 5,069.90 4,977.63
	UNIVAR SOLUTIONS US	A INC \$		14,993.0
ACH	WAXIE SANITARY SUPPLY Bar-Top Furniture Polish	80800076		48.0
	WAXIE SANITARY SUPP	LY \$		48.0
ACH	PETE'S ROAD SERVICE Replace 4 Tires f/Veh 1010	576255-00		1,211.4
	PETE'S ROAD SERVICE	\$		1,211.4
ACH	GRAINGER INC Screw Extractor Set RP1 Pin & Sleeve Plug RP1-Faceshields, Gloves RP1Mnt-Tool Case	9265544958 9267067594 9264301152 9260994646		79.1 348.4 193.6 213.5

For 04	: ZFIR TREASURER /01/2022 ~ 04/30/2022	Inland Empire Utiliti 2 Treasurer Report		Page Date	05/24/2022
Check	Payee / Description				Amount
	RP1Mnt-Rubber Hose RP1Mnt-Fuses RP1Mnt-Glass Fuses		9260994638 9260994620 9261312764		43.10 33.16 50.28
		GRAINGER INC	\$		961.30
ACH	CHINO BASIN WATER CO WR21002-2 SFR Audits		437		714.00
		CHINO BASIN WATER CON	NSERVATION\$		714.00
ACH	AGILENT TECHNOLOGIES Internal Standard, To EPA Standard Tert-Butanol Std Custom Inorganic Sta Quality Control Star Poroshell, UHPLC	oxaphene andard	123074397 123074398 123115462 123133733 123115463 122562561		372.81 64.05 420.23 1,349.57 293.08 1,841.45
		AGILENT TECHNOLOGIES	\$		4,341.19
ACH	AMERICAN WATER WORKS 3/22/22-3/31/23 Ages		7002010568		23,203.00
		AMERICAN WATER WORKS	ASSOC \$		23,203.00
ACH	MCMASTER-CARR SUPPLY RP1 Boxes, Shelves Rain Jackets RP1-Rain Jacket	Y CO	75827654 75468926 75539336		2,275.81 310.25 494.37
0		MCMASTER-CARR SUPPLY	CO \$		3,080.43
ACH	STATE WATER RESOURCE LwrDyBsn-4/22-3/23 MntclrBsn-4/22-3/23 Wnvll&JrpBsns-4/22-	Annual Permit Fees	SW-0240137 SW-0240141 SW-0240148		912.00 756.00 5,020.00
		STATE WATER RESOURCE	S CNTRL BR\$		6,688.00
ACH	INDUSTRIAL SUPPLY Co Anchor Drill Bits	0	6340 6290		348.03 88.94
		INDUSTRIAL SUPPLY CO	\$		436.97
ACH	TELEDYNE ISCO Replacement Refrige	ration Assys	S020529082		3,436.15
		TELEDYNE ISCO	\$		3,436.15
ACH	INLAND EMPIRE REGIO	NAL Rebate Refund-RES I/I	RES I/II 2/1	5	96,627.93
		INLAND EMPIRE REGION	AL \$		96,627.93
ACH	O S T S INC 3/30 Yard Hostler T	raining f/6	56334		2,160.00

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		OSTS INC	\$	2,160.00
ACH	INSIDE PLANTS INC FcltyMgt/Lab-4/22 I	ndoor Plant Care	88864	 673.50
		INSIDE PLANTS INC	\$	 673.50
ACH	GWR 3/7/22 Potty Res 3/30-4/26 Holding To 3/1-3/29 Holding Ta	ty/Handicap Potty/Sin ntal ank Rental	6474829 6500759 6467036	994.80 161.63 290.78 376.98 994.80
		NATIONAL CONSTRUCTION	n rentals \$	2,818.99
ACH	RSD Pleated Filters Actuator,Worklight,	Headlamp	55357720-00 55354671-00	 912.33 188.14
		RSD	\$	1,100.47
ACH	ROGERS, PETER J 4/5/22 Policy Cmmtt	Fee-Rogers,P	RPC-4/5/22	 100.00
		ROGERS, PETER J	\$	 100.00
ACH	OLIN CORP TP1-4,818 Gals Sodi: TP1-4,734 Gals Sodi: TP1-4,942 Gals Sodi: CCWWRP-4,002 Gals Sc CCWRP-4,938 Gals So RP4 4,940 Gals. Sod RP5-4,896 Gals Sodi: RP5 Sodium Hypochlo	um Hypochlorite um Hypochlorite odium Hypochlorite dium Hypochlorite ium Hypochlorite um Hypochlorite	3000083475 3000092344 3000092467 3000087852 3000090428 3000092158 3000091668 3000090935	4,408.4° 4,610.9° 4,521.9° 3,897.9° 4,518.2° 4,520.1° 4,479.8° 4,428.6°
		OLIN CORP	\$	 35,386.08
ACH	REED, RANDALL J 4/5/22 Policy Cmmtt	Fee-Reed,R	RPC-4/5/22	 100.00
		REED, RANDALL J	\$	100.00
ACH	INDUSTRIAL RUBBER & Water Suction Hose	SUPPLY INC	53670	 1,502.9
		INDUSTRIAL RUBBER &	SUPPLY INC\$	1,502.9
ACH	BIOTAGE LLC Hydrophilic Solutio	n,Atlantic Fast Flow	155970	 614.3
		BIOTAGE LLC	\$	614.3
ACH	ULLOA, EUNICE M 4/5/22 Policy Cmmtt	Fee-Ulloa,E	RPC-4/5/22	 100.0
		ULLOA, EUNICE M	\$	 100.0

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ACH	DORST-PORADA, DEBRA 4/5/22 Policy Cmmtt		RPC-4/5/22	100.00
		DORST-PORADA, DEBRA	\$	100.00
ACH	SIEMENS INDUSTRY IN RP1 Sensor RP1 Transmitter	C SIEMENS INDUSTRY INC	5606818724 5606822973 \$	1,838.22 2,111.90 3,950.12
ACH	ABATIX CORPORATION	DIMMO INDODICE INC	۳	3,330.12
11011	Hooded MicroMax Coc	ol Suits	8240675	452.30
		ABATIX CORPORATION	\$	452.30
ACH	TRICO CORPORATION Re-Circulation Kits Oil Analysis Oil Analysis Oil Analysis Oil Analysis	,Filters,Adaptors	201357 P62020 P62022 P61999 P61992	2,543.52 608.00 96.00 288.00 960.00
		TRICO CORPORATION	\$	4,495.52
ACH	MICROAGE 2 Thin Client	MICDONGE	2206720	1,585.68
		MICROAGE	\$	1,585.68
ACH	POWER ENGINEERING S EN22040 Jan 30-Mar EN22040 Jan 30-Mar EN22040 Jan 30-Mar	26 2022 Prof Svcs 26 2022 Prof Svcs	11580 11579 11578	5,005.00 7,700.00 570.00
		POWER ENGINEERING SE	RVICES INC\$	13,275.00
ACH	D & H WATER SYSTEMS Peristaltic Pump	INC	I2022-0472	577.08
		D & H WATER SYSTEMS	INC \$	577.08
ACH	WEST COAST ADVISORS Prof. Servs for Apr		13253	9,500.00
		WEST COAST ADVISORS	\$	9,500.00
ACH	PACIFIC COURIERS IN March 2022 Courier Feb Courier Service	Service	22-03-2007 22-03-2008	2,813.2 3,096.4
		PACIFIC COURIERS INC	\$	5,909.6
ACH	PRIORITY BUILDING S Mar 2022 Janitorial		82302	21,404.23
		PRIORITY BUILDING SE	RVICES LLC\$	21,404.23
ACH	ECOTECH SERVICES IN			

D					
For 04	: ZFIR TREASURER /01/2022 ~ 04/30/2022	Inland Empire Utiliti 2 Treasurer Report	es Agency	Page Date	43 05/24/2022
Check	Payee / Description				Amount
	3/22 Res. Home Press	sure Reg. Prog. Prof.	2252		22,175.98
		ECOTECH SERVICES INC		\$	22,175.98
ACH	YORKE ENGINEERING LI EC-11/21-12/21 Air (LC Quality-Source Test S	24441		3,045.00
		YORKE ENGINEERING LLC	2	 \$	3,045.00
ACH		NDUSTRIAL PLASTICS LL R WORKS SUPPLY CO	220012122	9	8,584.25 7,780.95
		U S BANK - PAYMENT PL	JUS	\$ 	16,365.20
ACH	PRO-CRAFT CONSTRUCTI RP1 Men's Shower Reb		21163-1		13,589.03
		PRO-CRAFT CONSTRUCTION	ON INC	\$	13,589.03
ACH	MEANS CONSULTING LLC PL19005- 3/22 Prof.		IE-5644		6,480.00
		MEANS CONSULTING LLC		\$	6,480.00
ACH	TRAJAN SCIENTIFIC AN Syringe Syringes	MERICAS INC TRAJAN SCIENTIFIC AME	10064948A 10064948A ERICAS INC	D	114.64 62.28 176.92
ACH	SMARTCOVER SYSTEMS 2/9/22 Repair E-Dot 3/16/22 "E-Box" Syst	Antenna tem control for satel	21423 21424		290.00
		SMARTCOVER SYSTEMS		\$	620.00
ACH	COTHRAN JR, PHILLIP 4/5/22 Policy Cmmtt	WAYNE Fee-Cothran,P	RPC-4/5/2	:2	100.00
		COTHRAN JR, PHILLIP V	WAYNE	\$	100.00
ACH	RADAR ENVIRONMENTAL March 2022 HazMat D	INC isposal Svcs AgencyWi	1577		833.59
		RADAR ENVIRONMENTAL	INC	\$	833.59
ACH	CASAMAR GROUP LLC EN19001/EN19006 RP5	Prof Svcs 3/22	13024		9,761.75
		CASAMAR GROUP LLC		\$	9,761.75
ACH	DUTREY, JAVIER J 4/5/22 Policy Cmmtt	Fee-Dutrey,J	RPC-4/5/2	22	100.00
ACH		Fee-Dutrey,J DUTREY, JAVIER J	RPC-4/5/2	\$	100.00

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		ADAM'S FALCONRY SERV	ICE LLC \$		4,160.00
ACH	VELTO, BILL 4/5/22 Policy Cmmtt	Fee-Velto,B	RPC-4/5/22		100.00
		VELTO, BILL	\$		100.00
ACH	HORIZONS CONSTRUCTION COMP-Mnt Bldg Rest	ON CO INT'L room Sewer Repair	12212021 - IE		15,056.35
		HORIZONS CONSTRUCTION	N CO INT'L\$		15,056.35
ACH	FRESQUEZ, ADRIAN Reim-9/18/21 OT Mea Reim-11/11 & 11/13		9/18/21 OT ME 11/11,11/13 O		10.00
		FRESQUEZ, ADRIAN	\$		30.00
ACH	SWEZEY, TOM Swezey,T-ExpEpt-2/2	1-25 Lone Star Repair	2/21-25 LONES		87.33
		SWEZEY, TOM	\$		87.33
ACH	GREEN, WARREN Reim 3/29,31 CAP Na	tl Procurement Lunch	3/29,31 LNCH		135.6
		GREEN, WARREN	\$		135.6
ACH	LENING, SCOTT Reim-Viscosity Test Reim-Staff Lunch RP	Unit 4-Reducing Sdm Hypchl	CK REQ # 2114 CK REQ # 2156		167.03 108.73
		LENING, SCOTT	\$		275.7
ACH	CAMPOS, JESSE MlgReim-10/18 Call MlgReim-1/9 Call Ou MlgReim-1/8 Call Ou MlgReim-1/7 Call Ou MlgReim-11/14 Call MlgReim-11/13 Call	t-Campos,J t-Campos,J t Campos,J Out-Campos,J	MLG 10/18 MLG 1/9 MLG 1/8 MLG 1/7 MLG 11/14 MLG 11/13		17.9: 18.7: 18.7: 18.7: 17.9: 17.9:
		CAMPOS, JESSE	\$		109.9
ACH	CAMACHO, MICHAEL Camacho,M-ExpRpt-4/ Camacho,M-ExpRpt-12	7-4/8 P3 Water Summit /14-12/16 CRUWA 2021	4/7-8 P3 WTR 12/14-16 CRUW	1	557.8 725.3
		CAMACHO, MICHAEL	\$		1,283.1
ACH	POMPA, JESSE Pompa,J-ExpRpt-3/6-	3/9 WateReuse Sym	3/6-3/9 WTRS		793.8
		POMPA, JESSE	\$		793.8
ACH	ALVARADO, NICOLAS F Reim-12/27/2021 Ove	DEPIEROLA	12/27/21 OT M	Ī	10.0

Report: ZFIR TREASURER Inland Empire Utilities Agency For 04/01/2022 ~ 04/30/2022 Treasurer Report					45 05/24/2022
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		ALVARADO, NICOLAS F	DEPIEROLA \$		10.00
ACH	FRANCIS, SCOTT Reim-OT Meal 1/3/22		1/3/22 OT MEA		9.05
		FRANCIS, SCOTT	\$		9.05
ACH	DESHMUKH, SHIVAJI Reim 3/31 Dinner Mt	g w/Directors Tule &	3/31 DNNR DRC		125.00
		DESHMUKH, SHIVAJI	\$		125.00
ACH	REDDY, SUSHMITHA Reddy,S-ExpRpt-1/17	-1/20 NELAC Forum	1/17-20 NELAC		1,121.86
		REDDY, SUSHMITHA	\$		1,121.86
ACH	107780 SUPERIOR ELE	PLUS R WORKS SUPPLY CO CTRIC MOTOR SERVICE I NDUSTRIAL PLASTICS LL US BANK - PAYMENT P	2200120991 2200121123		3,679.67 1,707.73 4,142.01 9,529.41
ACH	EMPOWER RETIREMENT P/R 7 4/8/22 Deferr	ed Comp	HR 0105300		81,901.85
		EMPOWER RETIREMENT	\$		81,901.85

Grand Total Payment Amount: \$ 11,682,012.47

Attachment 2D

Vendor Wires (excludes Payroll)

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Wire	PUBLIC EMPLOYEES RE P/R 5 3/11 PERS Adj P/R 105 3/10/22 Def P/R 5 3/11/22 PERS		P/R ! HR HR	5 3/11 PE 0104200 0104500	1,501.42
		PUBLIC EMPLOYEES RET	TREME	NT SY\$	204,914.86
Wire	STATE BOARD OF EQUA 3/22 Sales Tax Depo		23784	4561 3/22	10,584.00
		STATE BOARD OF EQUAL	LIZATI	ON \$	10,584.00
Wire	PUBLIC EMPLOYEES RE P/R 6 3/25 PERS Adj P/R 6 3/25/22 PERS		PR 6 HR	3/25 ADJ 0104600	0.01- 202,343.22
		PUBLIC EMPLOYEES RET	CIREME	NT SY\$	202,343.21
Wire	STATE DISBURSEMENT P/R 7 4/8/22	UNIT	HR	0105300	2,360.81
		STATE DISBURSEMENT U	JNIT	\$	2,360.81
Wire	EMPLOYMENT DEVELOPM P/R 7 4/8/22 Taxes P/R DIR 4 4/8/22 Ta P/R 7 4/8/22 Taxes P/R 107 4/8/22 Vac P/R 107 4/8/22 Vac	xes Buy Back Taxes	HR HR HR HR	0105300 0105100 0105300 0105200 0105200	451.31 71,221.65 1,632.16
		EMPLOYMENT DEVELOPM	ENT DE	PARTM\$	97,046.60
Wire	INTERNAL REVENUE SE P/R 107 4/8/22 Vac P/R 7 4/8/22 Taxes P/R DIR 4 4/8/22 Ta	Buy Back Taxes	HR HR HR	0105200 0105300 0105100	385,936.93
		INTERNAL REVENUE SE	RVICE	\$	433,701.34
Wire	PUBLIC EMPLOYEES RE P/R 7 4/8 PERS Adj P/R 7 4/8/22 PERS	CTIREMENT SY		4/8 ADJ 0105300	
		PUBLIC EMPLOYEES RE	TIREME	NT SY\$	202,769.58
Wire	2022 Replacement Be 4/22 Health Ins-Boa	33 Admin Fee (Arrears enefit Contribution	1675 1674	7014	500.00 5,494.41 5,713.59 305,378.42
		PUBLIC EMPLOYEES' R	ETIREM	ENT S\$	317,086.42
Wire	METROPOLITAN WATER February 2022 Water		1069	9	214,068.90
		METROPOLITAN WATER	DISTRI	CT \$	214,068.90

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Wire	EMPLOYMENT DEVELOPMENT P/R 8 4/21/22 Taxes P/R 8 4/21/22 Taxes	ENT DEPARTM	HR HR	0105400 0105400		60,127.26 14,180.78
		EMPLOYMENT DEV	ELOPMENT DE	PARTM\$		74,308.04
Wire	INTERNAL REVENUE SEP P/R 8 4/21/22 Taxes	RVICE	HR	0105400	-	339,323.39
		INTERNAL REVEN	JE SERVICE	\$		339,323.39
Wire	STATE DISBURSEMENT UP/R 8 4/21/22	JNIT	HR	0105400		2,360.81
		STATE DISBURSE	MENT UNIT	\$		2,360.81
Wire	PUBLIC EMPLOYEES REP P/R 8 4/22 Emp (er) P/R 8 4/21/22 PERS	FIREMENT SY	PR 8 HR	4/22 ADJ 0105400		0.02- 202,518.24
		PUBLIC EMPLOYE	ES RETIREME	INT SY\$		202,518.22
Wire	EMPOWER RETIREMENT P/R 8 4/21/22 Defer	red Comp	HR	0105400		81,519.57
		EMPOWER RETIRE	MENT	\$		81,519.57

Grand Total Payment Amount: \$ 2,384,905.75

Attachment 2E

Payroll-Net Pay-Directors

INLAND EMPIRE UTILITIES AGENCY

Ratification of Board of Directors

Payroll for April 8 ,2022 Presented at Board Meeting on June 15, 2022

DIRECTOR NAME	GROSS PAYROLL	NET PAYROLL
Jasmin Hall	\$3,368.71	\$2,103.63
Marco A. Tule	\$3,512.30	\$2,188.01
Michael Camacho	\$4,652.76	\$1,695.10
Steven J. Elie	\$4,277.79	\$1,676.01
Paul Hofer	\$0.00	\$0.00
TOTALS	\$15,811.56	\$7,662.75

	Count	Amount
TOTAL EFTS PROCESSED	4	\$7,662.75
TOTAL CHECKS PROCESSED	0	\$0.00
CHECK NUMBERS USED	N/A	

DIRECTOR PAYSHEET IEUA/MWD SAWPA (alternate) 1 of 2

MICHAEL CAMACHO EMPLOYEE NO.: 1140

ACCOUNT NO.: 10200-120100-100000-501010

MARCH 2022

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
3/2/2022	IEUA - IEUA Board Workshop via MS Teams	Yes	\$260.00
3/3/2022	IEUA-Southern Coalition/Inland Caucus Mtg Conference Call	Yes	\$260.00
3/7/2022	MWD - Committee Meetings via Zoom	Yes	\$260.00
3/8/2022	MWD - Committee Meetings & Board Meeting via Zoom	Yes	\$260.00
3/9/2022	IEUA- IEUA Community & Legislative Affairs Committee & Eng. Ops, & Water Resources Committee Meetings In-person	Yes	\$260.00
3/14/2022	IEUA – CBP Ad Hoc Committee Meeting via MS Teams	Yes	\$260.00
3/16/2022	IEUA – IEUA & CBRFA Board Meetings via MS Teams	Yes	\$260.00
3/21/2022	IEUA - Association of San Bernardino County Special Districts Dinner in Chino	Yes	\$260.00
3/22/2022	MWD - Committee and Special Board Meetings via Zoom	Yes	\$260.00
3/22/2022	IEUA - Meeting w/Redistricting Partners, Board Secretary Garzaro, and Business Analyst Gary Te re Agency Redistricting effort at IEUA Headquarters	Yes (same day)	\$0.00
3/29/2022	MWD - Special Board Meeting via Zoom	Yes	\$260.00
3/29/2022	IEUA - Upland State of the City	Yes (same day)	\$0.00

TOTAL REIMBURSEMENT \$2,600.00
TOTAL MEETINGS ATTENDED 12

TOTAL MEETINGS PAID

10

Director's Signature

Michael Camacho, Vice President

Approved by: Shivaji Deshmukh

DIRECTOR PAYSHEET IEUA/MWD SAWPA (alternate) 2 of 2

NOTE:

IEUA/MWD/IERCA

Up to 10 days of service per month per Ordinance No. 107, including MWD meetings at \$260.00 (eff. 07/01/19). IEUA pays both primary and alternate for attendance.

<u>SAWPA</u>

Up to 10 days of service per month per Ordinance No. 107 (i.e., \$20.00 – difference between SAWPA (\$240.00 (eff. 2/2022) and Agency meetings \$260.00 (eff. 7/01/19), including MWD meetings. SAWPA pays both primary and alternate for attendance, including mileage.

DIRECTOR PAYSHEET IEUA/CBWM/CBWB CDA/Regional Policy Cte (alternate) 1 of 2

STEVEN J. ELIE

EMPLOYEE NO.: 1175

ACCOUNT NO.: 10200-120100-100000-501010

MARCH 2022

DATE	E TYPE OF MEETING ATTENDANCE		TOTAL COMPENSATION
3/1/2022	IEUA - WNA Leadership Council Meeting via Zoom	Yes	\$260.00
3/1/2022	IEUA - Meeting w/Zeb Wellborn of Chino Valley Chamber of Commerce	Yes (same day)	\$0.00
3/2/2022	IEUA - IEUA Board Workshop In-Person	Yes	\$260.00
3/7/2022	IEUA - IEUA Audit Committee meeting via MS Teams	Yes	\$260.00
3/8/2022	IEUA - NWRI Officer's Meeting via MS Teams	Yes	\$260.00
3/9/2022	IEUA- IEUA Community & Legislative Affairs Committee Meeting via MS Teams	Yes	\$260.00
3/11/2022	IEUA - Board Meeting Agenda Review with GM Deshmukh	Yes (staff)	\$0.00
3/14/2022	IEUA- CBP Ad Hoc Committee Meeting via MS Teams	Yes	\$260.00
3/15/2022	IEUA - NWRI Board Meeting via MS Teams	Yes (same day)	\$0.00
3/15/2022	IEUA – Presentation re IEUA and drought to Rancho Del Chino Rotary Club	Yes	\$260.00
3/16/2022	IEUA – IEUA Board Meeting In-person	Yes	\$260.00
3/16/2022	IEUA – Ontario State of the City	Yes (same day)	\$0.00
3/21/2022	IEUA - Association of San Bernardino County Special Districts Dinner in Chino	Yes	\$260.00
3/23/2022	IEUA - Chino Valley Chamber Salute to Public Safety - presented recognitions on behalf of IEUA	Yes	\$260.00
3/24/2022	IEUA - Swearing in Ceremony for Chino Valley Fire Chief Dave Williams - presented recognition on behalf of IEUA	Yes (10 mtg max)	\$0.00
3/24/2022	CBWM - Chino Basin WaterMaster Meeting In- Person	Yes (decline payment)	\$0.00
3/29/2022	IEUA - Meeting w/City of Montclair Mayor Dutrey and City of Ontario Councilmember Porada	Yes (10 mtg max)	\$0.00

DIRECTOR PAYSHEET IEUA/CBWM/CBWB CDA/Regional Policy Cte (alternate) 2 of 2

	3/31/2022	IEUA - Meeting w/Director Tule and GM Deshmukh	Yes (staff)	\$0.00
ı	3/31/2022	IEOA - Meeting w/Director rule and Givi Desilindkii	res (stair)	\$0.00

TOTAL REIMBURSEMENT

\$2,600.00

TOTAL MEETINGS ATTENDED

18

TOTAL MEETINGS PAID

10

Director's Signature

5 1. Else

Steven J. Elie, President

Approved by: Shivaji Deshmukh

Shing Deshmulh

NOTE:

IEUA

Up to 10 days of service per month per Ordinance No. 107, including MWD meetings at \$260.00 (eff. 07/01/19). IEUA pays both primary and alternate for attendance.

CBWM

Up to 10 days of service per month per Ordinance No. 107, including MWD meetings at \$260.00 (eff. 7/01/19). IEUA pays both primary and alternate for attendance. (i.e., \$135.00 - difference between Watermaster \$125.00 and Agency meetings \$260.00 (eff. 7/01/19). 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.

CDA

Up to 10 days of service per month per Ordinance No. 107, (i.e., \$120.00 - difference between CDA (\$150 and Agency meetings \$260.00 (eff. 7/01/19), including MWD meetings. CDA pays directly to IEUA. Record full amount on timesheet. CDA pays both primary and alternate for attendance.

CBWB

Up to 10 days of service per month per Ordinance No. 107 (i.e., \$160.00 - difference between CBWB (\$100.00 and Agency meetings \$260.00 (eff. 7/01/19)), including MWD meetings. CBWB pays directly to IEUA. Record full amount on timesheet.

Regional Policy Committee

Up to 10 days of service per month per Ordinance No. 107, including MWD meetings at \$260.00 (eff. 07/01/19.) IEUA pays Regional Policy Committee members (total amount of \$260.00, should reflect on timesheet).

*Decline IEUA portion of CBWM

IEUA DIRECTOR PAYSHEET IEUA\IERCA CBWB (alternate) 1 of 2

JASMIN A. HALL EMPLOYEE NO.: 1256

ACCOUNT NO.: 10200-120100-100000-501010

MARCH 2022

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION	
3/1/2022	IEUA - CASA Washington D.C. Forum In-person	Yes	\$260.00	
3/1/2022	IEUA - IEWorks Leadership Meeting via Zoom	Yes (same day)	\$0.00	
3/3/2022	IEUA - Building Inclusive Workplaces: Cultivating a Culture of Care via Zoom	Yes	\$260.00	
3/3/2022	IEUA - Meeting w/Rick Callender, Valley Water re Followup to Board Meeting	Yes (same day)	\$0.00	
3/7/2022	IEUA - Biosolids 101 - Regulations and Their Basis via Zoom	Yes (same day)	\$0.00	
3/7/2022	IEUA - IERCA Special Board Meeting via Zoom	Yes	\$260.00	
3/7/2022	7/2022 IEUA - CASA Board Meeting Agenda Review Meeting Yes (same day)		\$0.00	
3/10/2022	IEUA - ACWA 2022 Virtual Legislative Symposium via Zoom	ve Symposium via Yes		
3/10/2022	IEUA - CASA Board of Directors meeting via Zoom	Yes (same day)	\$0.00	
3/15/2022	IEUA - IEWorks Leadership Meeting via Zoom	Yes	\$260.00	
3/15/2022	IEUA - Meeting w/GM Deshmukh re IE Works	Yes (staff)	\$0.00	
3/16/2022	IEUA - CBRFA Commission Meeting via MS Teams	Yes (same day)	\$0.00	
3/16/2022	IEUA - IEUA Board Meeting via MS Teams	Yes	\$260.00	
3/21/2022	IEUA - SCWC Legislative Task Force Meeting via MS Teams	Yes	\$260.00	
3/22/2022	IEUA - CAAWEF Successful Operations Discussion via Zoom	Yes	\$260.00	
3/22/2022	IEUA - AWWE World Water Day: Water Equity in CA via Zoom	Yes (same day)	\$0.00	
3/23/2022	IEUA - Meeting w/City of Ontario CM Dorst-Porada, GM Scott Burton and Director Hofer via MS Teams	Yes	\$260.00	
3/24/2022	CASA – CASA Air Quality, Climate Change, & Energy (ACE) Workgroup via Zoom	Yes	\$260.00	

IEUA DIRECTOR PAYSHEET IEUA\IERCA CBWB (alternate) 2 of 2

3/24/2022	IEUA - IEWorks Board Meeting vla Zoom	Yes (same day)	\$0.00
3/29/2022	IEUA - Insights on State and Federal Funding	Yes (10 mtgs	\$0.00
3, 20, 2022	Opportunities for Wastewater Agencies via Zoom	max)	
3/29/2022	IEUA - IEWorks Leadership Meeting via Zoom	Yes (10 mtgs	\$0.00
3/23/2022	IEOA IEVORO ECUCIONIP MCCCING VIA ECOM	max)	70.00
2/20/2022 IELIA - CAAM/E	IEUA - CAAWEF Board Meeting via Zoom	Yes (10 mtgs	\$0.00
3/30/2022	IEOA - CAAWEF BOATU Meeting via 20011	max)	\$0.00

TOTAL REIMBURSEMENT

\$2,600.00

TOTAL MEETINGS ATTENDED

22

TOTAL MEETINGS PAID

10

Director's Signature

Jasmin A. Hall, Director

Jaspan a. Hall

-

Approved by: Shivaji Deshmukh, General Manager

Deshmalk

NOTE:

IEUA/IERCA

Up to 10 days of service per month per Ordinance No. 107, including MWD meetings at \$260.00 (eff. 07/01/19). IEUA pays both primary and alternate for attendance.

CBWB

Up to 10 days of service per month per Ordinance No. 107 (i.e., \$160.00 - difference between CBWB (\$100.00 and Agency meetings \$260.00 (eff. 7/01/19)), including MWD meetings. CBWB pays directly to IEUA. Record full amount on timesheet.

DIRECTOR PAYSHEET IEUA/IERCA 1 of 1

PAUL HOFER

EMPLOYEE NO.: 1349

ACCOUNT NO.: 10200-120100-100000-501010

MARCH 2022

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
3/2/2022	IEUA - IEUA Board Workshop via MS Teams	Yes	\$0.00
3/7/2022	IEUA - IEUA Audit Committee Meeting via MS Teams		\$0.00
3/7/2022	IERCA - IERCA Special Board Meeting via MS Teams	Yes (same day)	\$0.00
3/9/2022	IEUA - IEUA Finance & Administration Committee Meeting via MS Teams	Yes	\$0.00
3/16/2022	IEUA - CBRFA Commission Meeting via MS Teams	Yes	\$0.00
3/16/2022	IEUA - IEUA Board Meeting via MS Teams	Yes (same day)	\$0.00
3/23/2022	IEUA - Meeting w/City of Ontario - Councilmember Porada, GM Scott Burton and Director Hall via MS Teams	Yes	\$0.00

TOTAL REIMBURSEMENT \$0.00
TOTAL MEETINGS ATTENDED 7
TOTAL MEETINGS PAID 0

NOTE:

IEUA/IERCA

Up to 10 days of service per month per Ordinance No. 107, including MWD meetings at \$260.00 (eff. 07/01/19). IEUA pays both primary and alternate for attendance.

Director Hofer has waived all stipend payments.

Director's Signature

3 Depart

Paul Hofer, Director

Shiring Deshmath Approved by:

DIRECTOR PAYSHEET IEUA/CDA/SAWPA/Regional Policy Cte IERCA/CBWM (alternate) 1 of 2

MARCO TULE

EMPLOYEE NO.: 1520

ACCOUNT NO.: 10200-120100-100000-501010

MARCH 2022

DATE	TYPE OF MEETING	ATTENDANCE	TOTAL COMPENSATION
3/1/2022	SAWPA - SAWPA Commission Workshop via Zoom	Yes (decline payment)	\$0.00
3/1/2022	IEUA - IEWorks Leadership Meeting via Zoom	Yes (same day)	\$0.00
3/1/2022	IEUA - Follow-up Meeting w/City of Ontario CM Porada, GM Burton via Zoom	Yes	\$260.00
3/2/2022	IEUA - IEUA Board Workshop In-Person	Yes	\$260.00
3/3/2022	IEUA - Regional Sewerage Program Policy Committee Meeting via MS Teams	Yes	\$260.00
3/8/2022	IEUA - Meeting w/President Elie and GM Deshmukh	Yes	\$260.00
3/9/2022	IEUA- IEUA Engineering, Operations & Water Resources Committee Meeting via MS Teams	Yes	\$260.00
3/14/2022	IEUA - SAWPA Meeting Prep w/Senior Policy Advisor Cathleen Pieroni via MS Teams	Yes (staff)	\$0.00
3/14/2022	122 IEUA - Monthly Meeting w/City of Ontario Councilmember Porada and GM Burton via Zoom Yes		\$260.00
3/15/2022	SAWPA - SAWPA Commission Meeting via Zoom	AWPA Commission Meeting via Zoom Yes (decline payment)	
3/15/2022	IEUA - IEWorks Leadership Meeting via Zoom	Yes (decline payment)	\$0.00
3/16/2022	IEUA - CBRFA Commission Meeting In-Person	Yes (same day)	\$0.00
3/16/2022	IEUA - IEUA Board Meeting In-Person	Yes	\$260.00
3/21/2022	IEUA - Meeting w/Chino Mayor Ulloa	Yes (same day)	\$0.00
3/21/2022	IEUA - Association of San Bernardino County Special Districts Dinner in Chino	Yes	\$260.00
3/25/2022	IEUA - Meeting w/Peter Kavounas at CBWM	Yes	\$260.00
3/29/2022	IEUA - Meeting w/City of Ontario CM Porada, GM 3/29/2022 Burton, City Mgr Ochoa and GM Deshmukh via Zoom		\$260.00
3/30/2022	IEUA - Meet w/Montclair Mayor J. Dutrey in Montclair	Yes (10 mtgs max)	\$0.00

DIRECTOR PAYSHEET IEUA/CDA/SAWPA/Regional Policy Cte IERCA/CBWM (alternate) 2 of 2

3/31/2022	IEUA - Meet w/President Elie and GM Deshmukh in Chino	Yes (staff)	\$0.00
		. REIMBURSEMENT	\$2,600.00
	TOTAL ME	ETINGS ATTENDED	19
Director's Sig		AL MEETINGS PAID	10
	Shir	v Deshmul	K.
Marco Tule, I			
	• • • • • • • • • • • • • • • • • • • •	eshmukh, General I	Manager

NOTE:

IEUA/IERCA

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CBWM Up to 10

days of service per month per Ordinance No. 107, including MWD meetings at \$260.00 (eff. 7/01/19). IEUA pays both primary and alternate for attendance. (i.e., \$135.00 - difference between Watermaster \$125.00 and Agency meetings \$260.00 (eff. 7/01/19). 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. 107, 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 respreseantive and the alternate representative to said body if they both attend said meeting. Record full amount on timesheet for attendance by alternates.

Attachment 2F

Payroll-Net Pay-Employees

PP 7 Checks	PP 7 EFTs	PP 8 Checks	PP 8 EFTs	April
\$0.00	\$979,861.28	\$0.00	\$803,607.57	\$1,783,468.85

INLAND EMPIRE UTITLIES AGENCY

Payroll for April 8, 2022

Presented at Board Meeting on June 15, 2022

GROSS PAYROLL COSTS			\$1,720,034.60
DEDUCTIONS			(\$740,173.32)
NET PAYROLL			979,861.28
NET PAYROLL BREAKDOWN	CHECKS	EFT	TOTAL
CHECKS USED			
TRANSACTION PROCESSED	0	409	409
AMOUNT	\$0.00	\$979,861.28	\$979,861.28

INLAND EMPIRE UTITLIES AGENCY

Payroll for April 22, 2022

Presented at Board Meeting on June 15, 2022

GROSS PAYROLL COSTS			\$1,450,360.48
DEDUCTIONS			(\$646,752.91)
NET PAYROLL			803,607.57
NET PAYROLL BREAKDOWN	CHECKS	EFT	TOTAL
CHECKS USED			
TRANSACTION PROCESSED	0	378	378
AMOUNT	\$0.00	\$803,607.57	\$803,607.57





Staff's Recommendation

• Approve the total disbursements for the month of April 2022 in the amount of \$17,315,824.00.

The Report on General Disbursements is consistent with *IEUA's Business Goal under Fiscal Responsibility*, specifically safeguarding the Agency's fiscal health to effectively support short-term and long-term needs, while providing the best value for our customers.

CONSENT CALENDAR ITEM

1D



Date: June 15, 2022

To: The Honorable Board of Directors From: Teresa Velarde, Manager of Internal Audit

Tereja Octarda.

Committee: Audit 06/06/22

Manager Contact: Teresa Velarde, Manager of Internal Audit

Subject: FY 2022/23 Annual Audit Plan

Executive Summary:

The Board-approved Audit Committee Charter requires the Audit Committee to approve a flexible Annual Audit Plan of proposed audit projects and recommend the plan and periodic updates to the Board of Directors for review and approval. The Annual Audit Plan of proposed projects intends to objectively review and evaluate the Agency's processes and business activities depending on the assessed risk, level of priority, and/or specific requests and make recommendations for improvements and efficiencies.

The Internal Audit Department Charter and the Institute of Internal Auditors (IIA) audit standards require that periodic risk assessments be performed to ensure information captured is relevant, timely, and aligned with the Agency's changing environment, goals, and objectives. IA performs the required risk assessment, prepares the Annual Audit Plan, and submits quarterly status reports and amendments, as required. The main audit projects proposed for FY 2022/23 include: Accounts Payable Operational and Internal Control Audit, specifically the completion of additional Procure to Pay audits, Information Technology Physical Inventory Audit and follow-up reviews to evaluate the implementation status of prior recommendations provided. Additionally, IA is available to assist with questions related to Agency policies, processes, compliance, and efficiencies and to participate in various meetings, committees and discussions.

Staff's Recommendation:

- 1. Approve the FY 2022/23 Annual Audit Plan; and
- 2. Direct the Manager of Internal Audit to implement the FY 2022/23 Annual Audit Plan.

Budget Impact Budgeted (Y/N): N Amendment (Y/N): Y Amount for Requested Approval: Account/Project Name:

Fiscal Impact (explain if not budgeted):

Only when additional outside auditing or consulting services are required to provide assistance to IA or fulfill the responsibilities of the Audit Committee for appropriate action. Additionally, some audit projects are intended to identify opportunities for cost containment.

Full account coding (internal AP purposes only): - - - Project No.:

Prior Board Action:

On December 8, 2021, the Board of Directors reconfirmed the approved Audit Committee and the Internal Audit Department Charters. Both Charters require the Manager of IA to annually complete and present the Annual Audit Plan.

Environmental Determination:

Not Applicable

Business Goal:

The Annual Audit Plan is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment, and Business Practices by proposing for completion audits that evaluate and promote a strong internal control and ethical environment, evaluate efficiencies and effectiveness of processes and operations, and make recommendations to assist management in achieving compliance with required policies to achieve organizational goals and objectives.

Attachments:

Attachment 1 - FY 2022/23 Internal Audit Department Annual Audit Plan

Attachment 2 - PowerPoint

Board-Rec No.: 22122



Fiscal Year 2022-2023

Internal Audit Department Annual Audit Plan

Submitted by: Teresa V. Velarde Manager of Internal Audit June 6, 2022 The Annual Audit Plan is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment, and Business Practices by proposing for completion audits that evaluate and promote a strong internal control and ethical environment, evaluate efficiencies and effectiveness of processes and operations, and make recommendations to assist management in achieving compliance with required policies to achieve organizational goals and objectives.

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Risk Assessment Strategy & Audit Universe	12
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Internal Audit Department Annual Audit Plan For Fiscal Year 2022/23 Page 3 of 13

Purpose of the Internal Audit Department

According to the Board-approved Charter, the purpose of the Internal Audit Department (IA) is to assist the Board of Directors and the Audit Committee in fulfilling their oversight responsibilities for reporting, internal controls, and compliance with legal and regulatory requirements applicable to the Inland Empire Utilities Agency (Agency) operations.

The purpose of the IA Department is also to provide objective assurance, consulting services, analyses, recommendations, and information concerning the operations of the Agency, as a service to management and as a way of adding value to improve the operations of the Agency. IA assists management and staff in achieving organizational goals and objectives by providing recommendations and advisory services based on results of analysis of the Agency's processes, procedures, governance, internal controls, financial reporting, and compliance with applicable laws, and regulations.

The Internal Audit Department follows the guidance of the globally accepted *International Standards for the Professional Practice of Internal Auditing (Standards)* as documented in the International Professional Practices Framework (IPPF) and the Code of Ethics issued by the Institute of Internal Auditors (IIA) (https://theiia.org). This guidance is also documented in the Internal Audit Department Charter, and it is a requirement in the Internal Audit Department Standard Operating Procedures (SOPs), and all IEUA internal auditors are required to follow.

The IA Department reports directly to the Board of Directors through the Audit Committee. The Internal Audit Department has a dotted line reporting relationship to the General Manager (GM) and works in cooperation with the Leadership and Management teams to coordinate audit projects and resources. As described in the Charter and according to the IIA *Standards* and best practices, Internal Audit is an independent function from Agency management, to provide objective analysis and recommendations, as a value-added service for the Board and Agency Management. Independence is essential to the effectiveness of internal auditing and is emphasized by the Institute of Internal Auditors (IIA). The authority and responsibilities of the IA Department are specifically defined in the IA Department Charter approved each year by the Board of Directors.

Mission Statement

The Internal Audit Department seeks to improve the operations of the Agency by providing unbiased and objective assessments 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 accountability and integrity, improve operations, and instill confidence among its employees and the citizens it serves by:

- Promoting a sound control environment.
- Providing independent, objective assurance, and consulting services.
- Improving Agency risk management, control, and governance.
- Promoting the Agency's vision and mission with a high degree of professionalism.

Internal Audit Department Values

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

Independence

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

Integrity

The Internal Audit Department staff are required to maintain the highest degree of integrity in handling information and conducting their audit work.

Professionalism

The IA Department will always perform its work with a high degree of professionalism and participate in continuing professional development to stay informed of new audit trends.

Collaboration

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

Internal Audit Department Annual Audit Plan For Fiscal Year 2022/23 Page 5 of 13

Purpose of the Annual Audit Plan

The Annual Audit Plan (Audit Plan) has been prepared in accordance with recommendations and best practices provided by the Institute of Internal Auditors (IIA). The Audit Plan allows the Manager of Internal Audit to carry out the responsibilities of the IA Department by prioritizing projects and allocating necessary resources where audit efforts are deemed appropriate and necessary. The Audit Plan is created to assist management and the Board in achieving organization goals and objectives.

The Audit Plan is a flexible plan of internal audit activities and was developed using an appropriate risk-based methodology, including any risks or control concerns identified or communicated by Management, the Internal Audit Department, External Auditors, the Audit Committee's Independent Advisor, the Audit Committee, or the Board. Additionally, IA discussed with the Agency's legal counsel information that came through the Agency's anonymous hotline, Ethics-Point, to determine if any of the reported items are under the responsibility and scope of IA's activities or should be considered in planning audit projects. The overall objective of the Annual Audit Plan is to develop a plan consistent with the Agency's goals and objectives, to address the highest risk areas within the Agency and to evaluate and contribute to the improvement of risk management, control, and governance processes, additionally the Audit Plan adds value by recommending opportunities for improvements to increase effectiveness and efficiency of operations.

To provide practical guidance and an authoritative framework for the development of the Annual Audit Plan, the IA Department recognizes the following items: Achieving one hundred percent audit coverage each year is not practical or achievable. It should be noted that audit resources are limited; therefore, a system for prioritizing audits has been employed. The Annual Audit Plan must be a flexible plan and should be amended periodically as deemed necessary to reprioritize areas that require attention. In preparing the Annual Audit Plan, consideration is given to the work performed by other auditors, regulatory authorities, established rules, laws and ordinances, and the Agency's system of controls. Auditable areas are ranked by knowledge of known or perceived areas of risk and understanding of the systems of internal controls. It should be noted that there are inherent risks, residual risks, and limitations with any methodology applied when prioritizing risks and ranking audit projects; risk factors exist with any system of controls.

As stated in the Internal Audit Department Charter, the Manager of Internal Audit will set audit frequencies, select the subjects, and set objectives, determine the scope of work, and apply the techniques required to accomplish the audit objectives. The Manager of Internal Audit has the authority to deviate from the approved annual Audit Plan, when necessary, and if warranted by unforeseen issues that require immediate attention. The Manager of Internal Audit will use professional discretion and judgment in response to such unforeseen issues and resolve them according to the requirements of the Charter. Significant changes to or deviations from the approved Annual Audit Plan shall be reported to the Audit Committee and to the Board at the next regularly scheduled Audit Committee meeting.

Internal Audit Department Annual Audit Plan For Fiscal Year 2022/23 Page 6 of 13

Both the IA Department Charter and the IIA's Code of Ethics have strict standards of ethical conduct for internal auditors. Internal auditors have a responsibility to maintain independence, ensure integrity, objectivity, confidentiality, and competency in work performed.

Annual Audit Plan Methodology

In planning for the Internal Audit projects the following were also considered:

- The Internal Audit Department Charter required responsibilities
- The Audit Committee Charter required responsibilities
- Communications with the Audit Committee and the Board of Directors
- Communications with Leadership Team, management, and key Agency personnel
- Communications with the External Financial Auditors
- Communications with the Audit Committee Independent Advisor
- Prior audit findings and recommendations
- Assessed risks in business practices and operations
- Agency's goals and objectives, including activities, developments, and changes
- Agency policies and procedures
- Key areas that affect revenue and expenses
- Identified opportunities to improve operations and add value
- New audit requirements, audit trends and leading practices
- IA Department resources

For the Fiscal Year 2022/2023 Annual Audit Plan, the audits were selected based on all things considered as discussed above, the results of audits completed, risks identified, discussions with key individuals and auditor judgement. Significant deviations and changes to the Audit Plan will be communicated to the Audit Committee through an Amended Audit Plan and progress information is provided through Quarterly Status Reports presented to the Audit Committee.

Fiscal Year 2022/23 Annual Audit Plan

Accounts Payable - Operational and Internal Control Audit

This is a large, comprehensive operational audit project that is being completed in various phases, evaluating different Procure to Pay (P2P) processes throughout the Agency with the goal of providing recommendations to improve the timeliness of vendor payments and efficiencies in the processes. To-date, IA has completed four (4) P2P Audits and one (1) P2P audit in progress. This operational audit evaluates various areas of the Accounts Payable activities, including:

Compliance with Agency policies and department operating procedures

Internal controls in place with regards to accounts payable activities

Payments are issued timely and only for properly procured and approved expenditures

Timeliness and accuracy of invoice receipt, approval, and payment processes

Evaluate controls related to the Vendor Master List

Evaluate implementation status of outstanding recommendations from prior audits

Make recommendations for efficiencies in all respects of the procure to pay cycle

Additional P2P evaluations planned/proposed:

Completion of P2P – Materials & Supplies

P2P – Laboratory Equipment and Services

P2P – Pay Estimates

P2P – Other Professional Services

Information Systems Physical Inventory and Internal Controls Audit

Evaluate compliance with policies and procedures, accountability, and inventory controls of equipment purchased, assigned, and stored, disposal processes and controls, financial transactions, and supporting documents of purchases to ensure compliance with all procurement policies. This project was planned in FY 2021/22; however, the P2P audits took greater priority and this project was deferred.

Follow-up Reviews to evaluate the status of outstanding recommendations

As required by the Charters and audit standards, IA will follow up on the status of outstanding recommendations to determine if corrective actions or alternate controls were implemented. As of June 2022, 126 recommendations remain outstanding as follows:

- *28 relate to Procure to Pay audits; these are currently followed up and reported on quarterly basis
- *31 relate to the renegotiation of the Regional Contract,
- *20 relate to Agency policies updates, HR is working with a consultant to evaluate
- *10 related to audits completed in the previous 12 months and need additional time for implementation
- *37 recommendations are eligible for follow-up evaluation

Internal Audit Department – Audit Software Tools

IA is evaluating the use of, feasibility, tools, efficiencies and overall benefits and considerations of audit software tools to improve audit efficiencies, reports, audit techniques, and comply with audit workpaper retention and support requirements.

On-Going Audit Projects

- ❖ IA Department Quality Assurance and Improvement Program
- ❖ Assist with the annual review of the Annual Comprehensive Financial Report (ACFR) Review, the Single Audit, and complete the required filings to the regulatory agencies
- ❖ Review and update the IA Department and the Committee Charters
- Continue to assist with SAP internal control inquiries
- Continue to participate on the Safety Committee
- ❖ Continue to participate on the Technology/Cybersecurity Committee
- ❖ Continue to participate on the Asset Management Steering Committee
- ❖ Continue to participate on the Strike Team and the Strike Team PM meetings
- Provide needed support related to audit topics, internal controls, Agency policies and procedures and compliance items as requested by Agency personnel
- ❖ Further utilize capabilities of SAP to enhance IA functions
- On-going required administrative reporting, such as budget, goals/objectives, staff appraisals, and other administrative items
- Conduct special requests and/or unforeseen projects
- Provide recommendations to strengthen/streamline policies and procedures
- Update IA Annual Audit Plan and corresponding Risk Assessment
- ❖ Continue to work with auditees to resolve outstanding recommendations
- ❖ Assist with requests for internal controls questions, discussions, and evaluations
- Continue to review, update, and document IA Policies and Procedures
- Continuous Professional Development and education of all auditors
- ❖ Plan, prepare, and coordinate Audit Committee Meetings
- ❖ Utilize the IA site on AIM as an Agency-wide communication tool
- Unannounced Petty Cash Audits
- ❖ Provide "audit approach" presentations to requesting departments
- Continue to actively participate in professional associations
- ❖ Promote IA as an independent, objective, advisory Agency service

Outstanding Recommendations

The IA Charter requires follow-up action be taken to ensure that management has effectively implemented recommendations or alternate controls have been incorporated to mitigate the risks identified. Follow-up audit work includes detailed testing and verification by Internal Audit staff. Below is a table of the Outstanding Recommendations:

Area Audited	Report Issued Date	No. of Recs. Remaining to be Verified by IA*
Accounts Payable Follow-Up (Deferred Recommendations related to Agency Policies)	August 29, 2013	2
Follow-Up – IT Equipment Audit – ISS	February 29, 2016	2
Follow-Up – IT Equipment Audit – FAD	December 5, 2016	6
2017 Petty Cash Audit & Follow-Up Review	June 5, 2017	7
Water Use Efficiency Programs Audit	June 5, 2017	6
Contracts and Procurement Follow-Up Audit	August 30, 2017	1
Payroll Operations Audit	August 30, 2017	5
Procurement Card Audit	March 1, 2018	7
Wire Transfers Audit	March 1, 2018	4
Inter-fund Transactions Audit	August 30, 2018	1
Accounts Payable Follow-Up Audit	May 30, 2019	4
Voyager Fuel Card Audit	May 30, 2019	4
Human Resources Audit: Hiring and Promotions Operations Review	December 2, 2019	7
Recycled Water Revenues Audit	May 28, 2020	3
Human Resources: Workload Indicators Review	May 29, 2020	2
Human Resources Operational Audit: Administration of Employee Training and Development Programs	August 31, 2020	5
Agency Vehicle Operational Follow-up audit: Review of Vehicle Inventory Procedures	May 27, 2021	1
Accounts Payable Operational and Internal Controls Audit Report Review of Procure to Pay Processes for Chemicals	November 24, 2021	13
Accounts Payable Operational and Internal Control Audit Review of Procure to Pay Processes for Professional Services – Engineering & Construction Management	February 24, 2022	15
Regional Contract Review – Final Audit Report (planned for full implementation with the renegotiation of the Regional Contract)	December 16, 2015	31
Total Outstanding Audit Recommendat	ions	126

*See the Report of Open Recommendations under separate cover.

As of June 2022, 126 recommendations remain outstanding, only 37 of the 126 recommendations noted above are eligible for follow-up evaluation as described below:

- 28 relate to the Procure to Pay Audits which are followed up on quarterly,
- 31 relate to the renegotiation of the Regional Contract,
- 20 relate to required updates to Agency policies, the Human Resources Department is working with a consultant to evaluate all Agency policies and changes are in progress, and
- 47 recommendations are eligible for follow up evaluation.

Long Range Audit Planning - Additional Audit Areas

IA has identified additional audit areas. This list has been compiled as a preliminary list of future and potential audit projects where audit resources and efforts can be focused. This is not a complete list. If the risk/priority in any of the identified auditable areas increases, or a special request comes from the Audit Committee, IA would perform the required audit work.

Accounts Payable Audit – Review of Agency Credit Cards

Select a specific vendor or types of payments, for example travel credit cards, and gas credit cards to ensure that transactions do not bypass the required procurement processes.

- Review financial transactions and supporting documentation
- Evaluate internal controls related to accounts payable functions
- Compliance with Agency policies and department procedures

Electronic Payment Transactions and Disbursements Audit

Select specific vendors or types of transactions where electronic payments were issued, and evaluate:

Financial transactions have adequate supporting documentation for the disbursement Compliance with policies and procedures

Payments are accurately entered in the accounting system and paid timely Internal controls for electronic disbursements made.

Capital Projects

The external financial auditors, have in the past, noted deficiencies with the process for closing completed capital projects. Projects were left open long after the project had been completed, therefore, impacting the accounting value of capital assets. This audit would focus on evaluating when open capital projects have been completed and examining when the construction in progress balances are closed to capital assets.

Various or Other Agreements

Evaluate the variety of special and/or other types of agreements the Agency may have with other agencies or vendors that may or may not be formalized under an official Agency contract. This audit would also evaluate whether the special agreements provide preferential treatment or significant discounts/credits when compared to similar agencies for similar services.

Cybersecurity

Cybersecurity risks are on the rise. A review of this area would evaluate the current internal controls and control safeguards in place to protect the Agency and minimize/eliminate risks to Agency information, employee information, assets, and other vulnerabilities.

Pavroll Operations Audit

Payroll Operations Audits were performed in 2010, 2012 and again in 2017. This is a sensitive area that should be continuously monitored and evaluated. This review would be a new audit focusing on any current changes in payroll requirements or Agency policy changes as well as test to ensure employee requested changes took effect. This audit would also focus on any outstanding recommendations that resulted from prior audits.

Internal Audit Department Annual Audit Plan For Fiscal Year 2022/23 Page 11 of 13

Large/Heavy Equipment Inventory and Accountability

The Agency has approximately \$3 million in heavy-duty equipment which includes large operations/maintenance vehicles (machinery/equipment). An inventory and accountability audit has not been performed of these assets. The audit will review documentation, accounting records and physically verify assets.

Asset Management

An audit of this area would evaluate the accountability, controls and policies in place to ensure assets are properly recorded in the Agency's financial records. Additionally, to determine if periodic inventories or other valuation processes are performed to validate the amount of assets reported in accounting records.

Operations Operational Evaluations

Facility Operations, Groundwater Recharge and Organics Management are programs under Operations Administration. The audit scope of any of these areas would focus on permit compliance requirements, preventive maintenance of plants, staff training and staff certifications to operate plants/facilities, chemical and equipment use, and customer service to the service area, where applicable.

Data Analytics

Fully utilize existing technology to gather additional data and analytical information to assist auditing. Explore and expand utilizing new technology and tools to build and customize dashboards, reports, and other analytics tools to assist with audit reviews and monitoring of transactions in various areas, such as payments, payroll, contract payments, etc.

Fleetistic Use, Vehicle Maintenance and Maintenance Vendors Controls

Evaluate the use of Fleetistic to evaluate that Fleetistic is used as intended and the goals for the program are achieved. To evaluate how fleet vehicle maintenance is detected by Fleetistic or other method, how maintenance is planned, scheduled, approved, and completed timely or as needed. Lastly, to evaluate the maintenance vendors utilized to ensure that work is issued according to the contract and/or follow Agency approved procurement policies and all internal controls are in place.

Personal Computer Loan Program and Policy Compliance

Review Agency policies and internal controls as they relate to the employee personal computer loan program and reimbursements to ensure adequate controls and that policy requirements are followed.

Other Additional Audit Areas

Additional audit areas are considered and included, when warranted and/or requested and the risk assessed warrants an audit evaluation and are planned and scheduled through the Boardapproved Annual Audit Plan.

Audit Planning Strategy

The IIA IPPF standard 2120 states that Internal Audit must evaluate the effectiveness and contribute to the improvement of risk management processes.

The IIA IPPF defines Risk as follows:

- Risk The possibility of an event occurring that will have an impact on the achievement of
 objectives. Risk is measured in terms of impact and likelihood and.
- Residual Risks As the risk remaining after management acts to reduce the impact and likelihood of an adverse event, including control activities in response to a risk.

The risk assessment is a general assessment performed using best practice guidance, professional judgment, and consideration for the impact on the Agency's operations if the targeted units fail to function in the most effective and efficient manner or neglect to comply with required policies. In performing the Risk Assessment for this FY 2022/23 Annual Audit Plan, the following were considered:

- Agency Policies and Procedures
- Communication with the External Auditors
- Communication with the Audit Committee and Board
- Communications with key Agency personnel
- Assessing risks and exposures that may affect the organization
- New Agency activities, developments, and major changes
- Key areas that affect revenue and expenses
- Observations resulting from previous audits and reviews
- New audit requirements and trends
- Opportunities to improve operations

Internal Audit Department Annual Audit Plan For Fiscal Year 2022/23 Page 13 of 13

Audit Universe

The IIA PPF defines "Audit Universe" as all possible auditable areas. For the purposes of this Annual Audit Plan, the universe includes all Agency Departments, operations, contracts, transactions, policies, processes, and activities. Audit risk is evaluated in any of these areas and audits are selected based on assessed risk and level of priority keeping the achievement of Agency goals and objectives as the key consideration.

Quality Assurance and Improvement Program

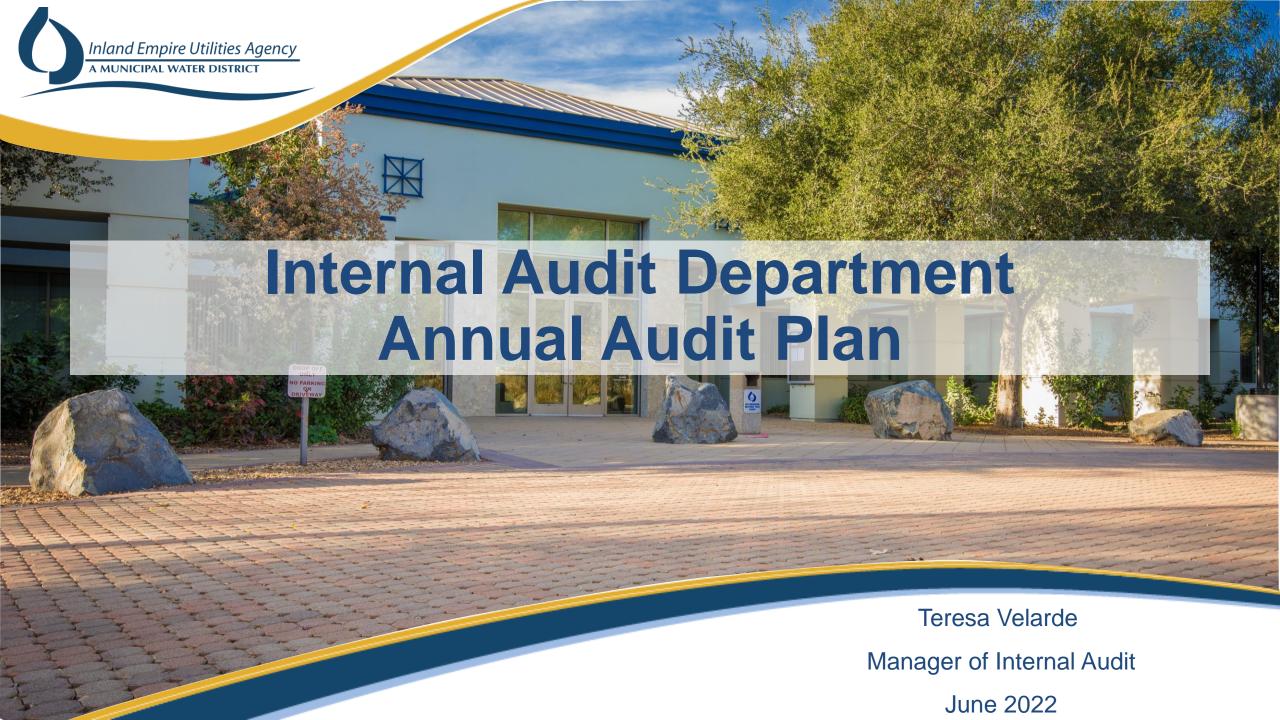
The Institute of Internal Auditing (IIA), International Professional Practices Framework (IPPF) defines a Quality Assurance and Improvement Program: "A quality assurance and improvement Program is designed to enable an evaluation of internal audit activity's conformance with the Definition of Internal Auditing and the *Standards* and an evaluation of whether internal auditors apply the Code of Ethics. The program also assesses the efficiency and effectiveness of the internal audit activity and identifies opportunities for improvement."

Standard 1311 of the IPPF requires that internal assessments include ongoing monitoring of the performance of internal audit activity; and periodic reviews performed through self-assessments.

Standard 1312 of the IPPF requires that external assessments be conducted at least once every five years by a qualified, independent reviewer or review team from outside the organization.

As part of IA's commitment for continued quality audit services, beginning FY 2022/23, IAD will perform internal assessments of the IAD. An external assessment by an independent reviewer is planned for FY 2023/24. Results will be presented and discussed at the regularly scheduled Audit Committee meetings.

The Annual Audit Plan is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment, and Business Practices by proposing for completion audits that evaluate and promote a strong internal control and ethical environment, evaluate efficiencies and effectiveness of processes and operations, and make recommendations to assist management in achieving compliance with required policies to achieve organizational goals and objectives.







- The Internal Audit Department Charter required responsibilities
- The Audit Committee Charter required responsibilities
- Communications with the Audit Committee and the Board of Directors
- Communications with Leadership Team, management, and key Agency personnel
- Communications with the External Financial Auditors
- Communications with the Audit Committee Independent Advisor
- Prior audit findings and recommendations
- Assessed risks in business practices and operations
- Agency's goals and objectives, including activities, developments, and changes
- Agency policies and procedures
- Key areas that affect revenue and expenses
- Identified opportunities to improve operations and add value
- New audit requirements, audit trends and leading practices
- IA Department resources

Fiscal Year 2022/23 Annual Audit Plan Proposed Projects



Accounts Payable – Operational and Internal Control Audit

Additional P2P evaluations planned/proposed:

- Completion of P2P Materials & Supplies
- P2P Laboratory Equipment and Services
- P2P Pay Estimates
- P2P Other Professional Services

Information Systems Physical Inventory and Internal Controls Audit

Internal Audit Department – Audit Software Tools

Follow-up Reviews to evaluate the status of outstanding recommendations

Fiscal Year 2022/23 Annual Audit Plan Outstanding Audit Recommendations

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- 28 relate to the P2P Audits
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Fiscal Year 2022/23 Annual Audit Plan On-Going Audit Projects



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Fiscal Year 2022/23 Annual Audit Plan On-Going Audit Projects



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Fiscal Year 2022/23 Annual Audit Plan - Additional Audit Areas



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Fiscal Year 2022/23 Annual Audit Plan - Additional Audit Areas



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Other Additional Audit Areas

Additional audit areas are considered and included, when warranted and/or requested and the risk assessed warrants an audit evaluation and are planned and scheduled through the Board-approved Annual Audit Plan.

Fiscal Year 2022/23 Annual Audit Plan



Staff recommends the Board:

- 1. Approve the FY 2022/23 Annual Audit Plan; and
- 2. Direct the Manager of Internal Audit to implement the FY 2022/23 Annual Audit Plan.

Mission Statement

The Internal Audit Department seeks to improve the operations of the Agency by providing unbiased and objective assessments 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 accountability and integrity, improve operations and instill confidence among its employees and the citizens it serves by:

- Promoting a sound control environment.
- Providing independent, objective assurance and consulting services.
- Improving Agency risk management, control and governance.
- Promoting the Agency's vision and mission with a high degree of professionalism.



CONSENT CALENDAR ITEM

1E



Date: June 15, 2022

To: The Honorable Board of Directors From: Shivaji Deshmukh, General Manager

Committee: Engineering, Operations & Water Resources 06/08/22

Finance & Administration 06/08/22

Executive Contact: Christiana Daisy, Deputy General Manager

Subject: Adoption of Resolution No. 2022-6-9, Establishing Plan Check and Inspection Fees

Executive Summary:

Staff currently receives plans for proposed developments that will connect to Inland Empire Utilities Agency (IEUA) facilities. The plans are reviewed for conformance to IEUA standards. After final acceptance of the plans, an IEUA inspection is provided during the connection to IEUA facilities.

In August 2018, the Board implemented a plan check and inspection fee of \$2,214 to recover the costs for staff to perform plan reviews and inspections. The current fee amount was established based on the average number of hours spent on previous development projects from 2013 to 2018. Based on the current rates, staff recommends the fee be increased to an estimated value of \$3,715 per connection and per location. The estimate considered the average number of hours spent by the office engineer to review up to five sheets, the average hours needed by the construction inspector to oversee the connection in the field, and the administrative costs based on the FY 2022/23 staff burden rates.

The resolution will also establish prorating plan checks above five sheets and require an additional \$2,500 for plan checks that require more than three reviews.

Staff's Recommendation:

Adopt Resolution No. 2022-6-9, Establishing the fee for IEUA's services for review of applications, plans, and inspections of construction for development connections.

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

Account/Project Name:

None.

Fiscal Impact (explain if not budgeted):

The fees collected will reimburse the staff time charged to various funds.

Full account coding (internal AP purposes only): - - - Project No.:

Prior Board Action:

On August 15, 2018, the Board of Directors adopted Resolution No. 2018-8-1, establishing a fee covering IEUA's services for review of applications, plans, and inspections of construction for development.

Environmental Determination:

Not Applicable

Business Goal:

Resolution No. 2022-6-9 is consistent with the IEUA's Business Goals of Business Practices and Fiscal Responsibility where IEUA will be ethical, cost-effective, and apply environmentally sustainable regional planning principles in all aspects of business and public service, and will fund operations and capital investments by maintaining reasonable service rates and fees that fully support the costs of service.

Attachments:

Attachment 1 - Comparable Fees Calculations

Attachment 2 - PowerPoint

Attachment 3 - Resolution No. 2022-6-9

Board-Rec No.: 22129

Attachment 1



Background

Subject: Adoption of Resolution No. 2022-6-9, Establishing Plan Check and Inspection Fees

Below is the comparison of the plan check and inspection fees for Inland Empire Utilities Agency (IEUA) and member agencies.

#	Agency/City	Inspection	Plan Check	Total	Notes
1	City of Rancho Cucamonga	\$1,852	\$3,159	\$5,011	Inspection: Hourly inspection need at the rate of \$110.23 per hour + 7% Technology Fee. On Avg our Inspector does 15.70 hours per inspection (\$110.23*15.70)7% Tech Fee =\$1,851.75 Plan Check: Flat Fee \$3,159
2	City of Chino	\$1,799	\$3,146	\$4,945	Inspection: Minimum Fee \$599, + 4.8% of the Estimated Value of Construction. (IEUA average construction cost is \$25k *4.8% = \$1,200)
					Plan Check: Minimum Fee of \$1,991, Plus 7.7% of the Amount Greater than \$10,000; used \$15k IEUA average construction costs is \$25k *7.7% = \$1,155)
3	City of Ontario	\$1,657	\$2,871	\$4,528	Inspection: Base fee \$164 + 5.97% for construction cost between \$1-\$50k (IEUA average construction costs is \$25k*5.97 = \$1,492.50)
					Plan Check: Base fee \$1,371 + 6% for construction costs between \$1-\$50k (IEUA average construction cost is \$25k *6% = \$1,500)
4	IEUA	\$1,917	\$1,795	\$3,715	<u>Inspection</u> : See slide 3 for breakdown of costs Includes administrative fee.
					Plan Check: See slide 3 for breakdown of costs Includes administrative fee. Includes Plan Check and Inspection up to 5 sheets;
5	CVWD	\$500	\$690	\$1,190	Inspection: \$500 or 2% of improvement cost*; IEUA avg improvement costs \$25k
					Plan Check: \$240 for title sheet and first plan sheet, \$150 for each additional sheet

Attachment 2





Plan Check/Inspection Cost Trend





Proposed Fee Breakdown for Five Sheets

FY22/23 Plan Check and Inspection Costs					
	# of projects	Hours	Avg Hours Per Project	Fully Burdened Rate (FY22/23)	Avg \$ per project
Inspector	10	157	15.70	\$111	\$1,743
Senior Engineer	19	200	10.53	\$155	\$1,632
Plan Check and Inspection Costs			\$3,375		
Administrative and Accounting Staff Costs @ 10%			\$340		
Total Costs			\$3,715		

- For plan checks above 5 sheets, prorate the costs accordingly.
- If the Plan Check requires more than 3 reviews, the plan check will require additional fees of \$2,500.



Comparison of Fees

#	Agency/City	Inspection	Plan Check	Total
1	City of Rancho Cucamonga	\$1,852	\$3,159	\$5,011
2	City of Chino	\$1,799	\$3,146	\$4,945
3	City of Ontario	\$1,657	\$2,871	\$4,528
4	IEUA	\$1,917	\$1,795	\$3,715
5	CVWD	\$500	\$690	\$1,190





 Adopt Resolution No. 2022-6-9, establishing the fee for IEUA's services for review of applications, plans, and inspections of construction for development connections.

Adopting Resolution No. 2022-6-9 is consistent with *IEUA's Business Goal of Business Practices and Fiscal Responsibility* where IEUA will fund operations and capital investments by maintaining reasonable service rates and fees that fully support the costs of service.

Attachment 3

RESOLUTION NO. 2022-6-9

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY, A MUNICIPAL WATER DISTRICT, IN SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING THE FEE COVERING IEUA'S SERVICES FOR REVIEW OF APPLICATIONS, PLANS, AND INSPECTIONS OF CONSTRUCTION FOR DEVELOPMENT

WHEREAS, Inland Empire Utilities Agency, a Municipal Water District ("Agency") is a municipal water district established pursuant to Section 71000 et seq. of the California Water Code; and

WHEREAS, the Inland Empire Utilities Agency Board of Directors ("Board of Directors") has determined that it is necessary to establish a fee covering staff costs for processing applications, reviewing plans, and conducting inspections of development projects brought before the Agency; and

WHEREAS, the Board of Directors may impose these fees and charges as they are exempt from the voter approval requirements of articles XIII C and XIII D of the California Constitution; and

WHEREAS, staff has evaluated and researched the costs to the Agency associated with providing these services to potential development.

NOW, THEREFORE, the Board of Directors hereby resolves that:

SECTION 1. ADOPTION OF FEESCHEDULE

The fees, charges and requirements set forth in the Inland Empire Utilities Agency fee schedule attached hereto as Exhibit A, and incorporated herein by reference, are hereby approved and adopted as the Agency's fee schedule to be imposed as set forth therein.

SECTION 2. AUTHORIZATION

The Board of Directors hereby finds and determines that the existing, new, or increased fees in this Resolution are in an amount reasonably necessary to recover the costs of providing the service, review, document, facility, or commodity for which such fee is levied or authorized to be levied.

SECTION 3. EFFECTIVE DATE.

The fees set forth in this Resolution shall become effective on July 1, 2022.

SECTION 4. REFUNDS

No refunds will be issued for fees paid to the Agency in accordance with this Resolution.

Resolution	No.	2022-6-9
Page 2 of 4		

SECTION 5.

(SEAL)

*A Municipal Water District

That upon the effective date of this Resolution, Resolution No. 2018-8-1 is hereby rescinded in its e	date of this Resolution, Resolution No. 2018-8-1 is hereby resc	nded in its e	ntirety
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on, Resolution No. 2018-8-1 is hereby rescinded in its entirety.
Steven J. Elie President of the Inland Empire Utilities Agency* and of the Board of Directors thereof

Resolution No. 2022-6-9 Page 3 of 4	
STATE OF CALIFORN IA)
COUNTY OF) SS
SAN BERNARDINO)
I, Marco Tu	le, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the	e foregoing Resolution being No. 2022-6-9, was adopted at a regular
Board Meeting on June 15, 20	022, of said Agency by the following vote:
AYES:	
NOES:	
ABSTAIN:	
ABSENT:	
	Marco Tule
	Secretary/Treasurer of the Inland Empire
	Utilities Agency* and of the Board of
	Directors thereof

EXHIBIT A INLAND EMPIRE UTILITIES AGENCY FEE SCHEDULE

Engineering Department

Application Processing, Plan Check, Inspection of Construction -	\$3,715*
Up to Five Plan Sheets	
Application Processing, Plan Check, Inspection of Construction -	Prorated
Greater than Five Plan Sheets	

^{*}This is a one-time fee for services to review a development project with a single connection to a single IEUA facility. An additional fee of \$2,500 will be assessed for plan checks that require more than three (3) reviews.

CONSENT CALENDAR ITEM

1F



Date: June 15, 2022

To: The Honorable Board of Directors From: Shivaji Deshmukh, General Manager

Committee: Engineering, Operations & Water Resources 06/08/22

Staff Contact: Christiana Daisy, Deputy General Manager

Subject: CCWRF 12kV Backup Generator Control Circuit Improvements Construction Contract

Award

Executive Summary:

The project was developed in response to a critical concern from Inland Empire Utilities Agency (IEUA's) Operations & Maintenance (O&M) staff about the electrical reliability at the Carbon Canyon Water Recycling Facility (CCWRF). In November 2020, the testing of the facility's automatic transfer from the Southern California Edison (SCE) power to the backup generators failed. While repairs were implemented to correct the failure, assessment revealed that the reliability of the transfer system is very poor due to obsolescence. Being roughly thirty years old, the system has no available service support or access to critical replacement parts. This project will replace the old relay control logic to ensure the plant's critical treatment process is not interrupted during a power loss from SCE. On April 26, 2021, Stantec was hired to design a modern programmable logic controller (PLC)-based system.

On March 2, 2022, IEUA issued an invitation for bids to the under \$2,000,000 prequalified contractors. On April 19, 2022, IEUA received one construction bid from Southern Contracting Co. in the amount of \$1,027,480. The engineer's estimate is \$513,000. The higher bid price was found to be reasonable because it accounted for more recent price increases in labor, material, supplies, and fuel; and the bidder's extended equipment rentals to complete the project as specified.

Staff's Recommendation:

- 1. Award a construction contract for the CCWRF 12kV Backup Generator Control Circuit Improvements, Project No. EN17006.01, to Southern Contracting Co. for the amount of \$1,027,480; and
- 2. Authorize the General Manager to execute the contract, subject to non-substantive changes.

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

Account/Project Name:

EN17006/CCWRF 12kV Backup Generator Control Circuit Improvement

Fiscal Impact (explain if not budgeted):

None.

Prior Board Action:

None.

Environmental Determination:

Addendum to

The Facilities Master Plan Program Environmental Impact Report (SCH No. 2016061064) as the appropriate CEQA environmental determination for the project improvements under the CCWRF Facility Asset Management and Improvement Projects, EN17006 and EN17006.01.

Business Goal:

The CCWRF Asset Management and Improvement Project is consistent with the Agency's Business Goal of Wastewater Management, specifically the Water Quality objective that IEUA will ensure that Agency systems' are planned, constructed, and managed to protect public health, the environment, and meet anticipated regulatory requirements.

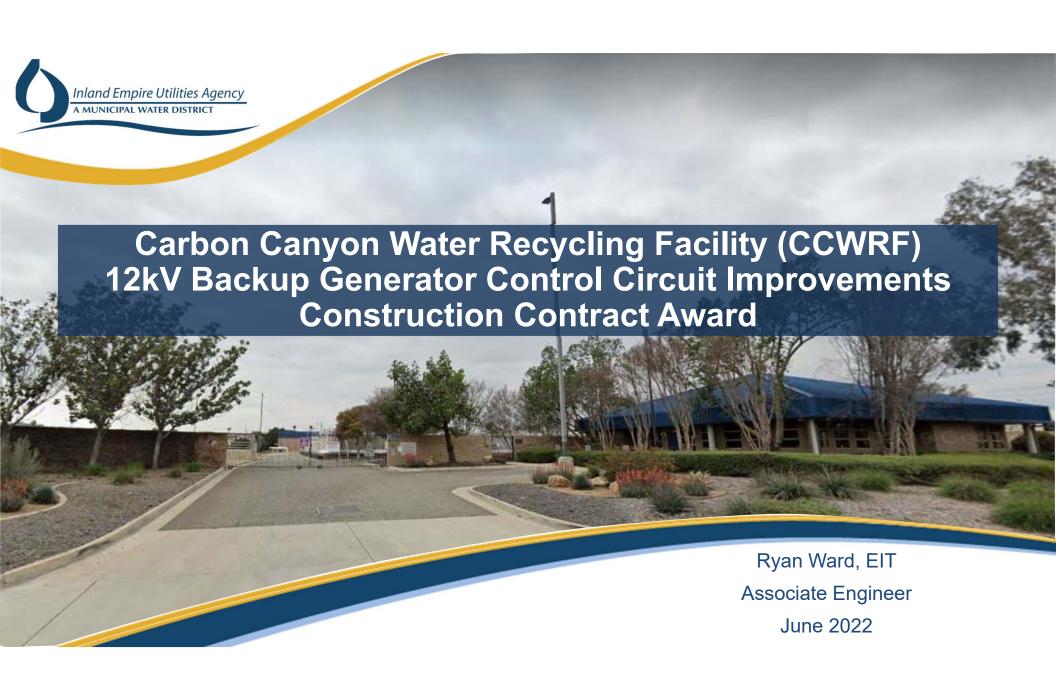
Attachments:

Attachment 1 - PowerPoint Presentation

Attachment 2 - Construction Contract

Board-Rec No.: 22133

Attachment 1



Inland Empire Utilities Agency A MUNICIPAL WATER DISTRICT

Project Location

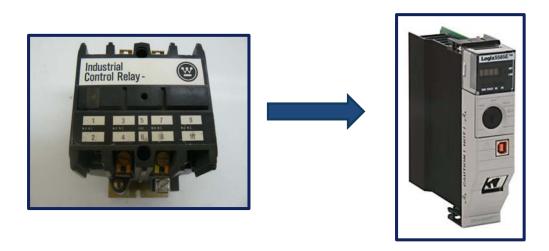


Carbon Canyon Water Recycling Facility
Electrical Room



Project Scope

- 30-year-old power distribution system past useful life
- Replace controller and upgrade control logic











Only one bid was received on April 19, 2022, from a pre-qualified contractor:

Bidder's Name	Final Bid Amount
Southern Contracting Co.	\$1,027,480
Engineer's Estimate	\$513,000



Project Budget and Schedule

Description	Estimated Cost
Design Services	\$150,860
Design Contract (actuals)	\$115,860
IEUA Design Services (actuals)	\$35,000
Construction Services	\$175,526
Engineering Services During Construction	\$125,526
IEUA Construction Management/Inspection	\$50,000
Construction	\$1,130,228
Construction Contract (this action)	\$1,027,480
Contingency (10%)	\$102,748
Total Project Cost (this Project):	\$1,456,614
Total Projected Cost (Parent Project):	\$29,138,520
Total Projected Cost (All):	\$30,595,134
Total Project Budget	\$26,803,299

Contract Milestone	Date
Construction Award	June 2022
Construction Completion	February 2023





- Award a construction contract for the Carbon Canyon Water Recycling Facility (CCWRF) 12kV Backup Generator Control Circuit Improvements project, to Southern Contracting Co. in the amount of \$1,027,480; and
- Authorize the General Manager to execute the contract, subject to nonsubstantive changes.

The Carbon Canyon Water Recycling Facility (CCWRF) 12kV Backup Generator Control Circuit Improvements Project is consistent with *IEUA's Business Goal of Wastewater Management*, specifically the Asset Management objective that IEUA will ensure the Wastewater treatment plants are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use to protect public health, the environment, and meet anticipated regulatory requirements.

Attachment 2

4600003147

Carbon Canyon Water Recycling Facility (CCWRF) 12kV Backup Generator Control Circuit Improvements Project, EN17006.01

CONTRACT

THIS CONTRACT, made and entered into this _15 th _	day of_	<u>June</u> , 2	022, by and	betw	een
Southern Contracting Company, Inc.		hereinafter	referred	to	as
"Contractor," and The Inland Empire Utilities Agency,	a Muni	cipal Water Da	istrict, locate	ed in S	San
Bernardino County, California, hereinafter referred to	as "Ageı	ncy".			

WITNESSETH:

That for and in consideration of the promises and agreements hereinafter made and exchanged, the Agency and the Contractor agree as follows:

- Contractor agrees to perform and complete in a workmanlike manner, all work required under the bidding schedule of said Agency's specifications entitled CARBON CANYON WATER RECYCLING FACILITY (CCWRF) 12KV BACKUP GENERATOR CONTROL CIRCUIT IMPROVEMENTS PROJECT, EN17006.01, in accordance with the specifications and drawings, 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 specifications to be furnished by said Agency, and to do everything required by this Contract and the said specifications and drawings.
- 2. 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 specifications and drawings; 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 said Agency, 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 specifications are expressly stipulated to be borne by said Agency; and for completing the work in accordance with the requirements of said specifications and drawings, said Agency will pay and said Contractor shall receive, in full compensation therefore, the price(s) set forth in this Contract.
- 3. That the Agency 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 the Agency and set forth in this below.

Total Bid Price

\$1,027,480.00 dollars (One Million Twenty-Seven Thousand Four Hundred Eighty Dollars and Zero Cents)

If this is not a lump sum bid and the contract price is dependent upon the quantities constructed, the Agency will pay and said Contractor shall receive, in full compensation for the work the prices named in the Bidding and Contract Requirements, Section C - Bid Forms.

- 4. The Agency 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 specifications; 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.
- 5. The Notice Inviting Bids, Instructions to Bidders, Bid Forms, Information Required of Bidder, Performance Bond, Payment Bond, Contractors License Declaration, Specifications, Drawings, all General Conditions and all Special Conditions, and all addenda issued by the Agency 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.
- 6. 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 the Agency two hundred forty (240) calendar days after award of the Contract. All work shall be completed before final payment is made.
- 7. Time is of the essence on this Contract.
- 8. Contractor agrees that in case the work is not completed before or upon the expiration of the contract time, damage will be sustained by the Agency, and that it is and will be impracticable to determine the actual damage which the Agency will sustain in the event and by reason of such delay, and it is therefore agreed that the Contractor shall pay to the Agency the amount of five hundred (\$500) dollars for each day of delay, which shall be the period between the expiration of the contract time and the date of final acceptance by the Agency, 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 the Agency, and the Contractor agrees to pay such liquidated damages as herein provided. In case the liquidated damages are not paid, the Contractor agrees that the Agency 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.

In addition to the liquidated damages, which may be imposed if the Contractor fails to complete the work within the time agreed upon, the Agency may also deduct from any sums due or to become due the Contractor, liquidated damages in accordance with the Bidding and Contract Requirements, Section B - Instruction to Bidders, Part 5.0 "Liquidated Damages", for any violation of the General Conditions, Section D - Contractor's Responsibilities, Part 8, "Law and Regulations"; Bidding and Contract Requirements Contract Section D - Contract and Relevant Documents, Part 1.0, Paragraphs 9 through 11; General Conditions, Section D

- Contractor's Responsibilities, Part 4.0, "Labor, Materials and Equipment"; General
 Conditions Section D Contractor's Responsibilities, Part 12.0, "Safety and Protection" or
 General Conditions Section H Legal Responsibilities, Part 8.0, "Disturbance of the Peace".
- 9. That the Contractor will pay, and will require subcontractors to pay, employees on the work a salary or wage at least equal to the prevailing salary or wage established for such work as set forth in the wage determinations and wage standards applicable to this work, contained in or referenced in the contract documents.
- 10. That, in accordance with Section 1775 of the California Labor Code, Contractor shall forfeit to the Agency, as a penalty, not more than Fifty (\$50.00) Dollars for each day, or portion thereof, for each worker paid, either by the Contractor or any subcontractor, less than the prevailing rates as determined by the Director of the California Department of Industrial Relations for the work.
- 11. That, except as provided in Section 1815 of the California Labor Code, in the performance of the work not more than eight (8) hours shall constitute a day's work, and not more than forty (40) hours shall constitute a week's work; that the Contractor shall not require more than eight (8) hours of labor in a day nor more than forty hours of labor in a week from any person employed by the Contractor or any subcontractor; that the Contractor shall conform to Division 2, Part 7, Chapter 1, Article 3 (Section 1810, et seq.) of the California Labor Code; and that the Contractor shall forfeit to the Agency, as a penalty, the sum of Twenty-Five (\$25.00) Dollars for each worker employed in the execution of the work by Contractor or any subcontractor for each day during which any worker is required or permitted to labor more than eight (8) hours in violation of said Article 3.
- 12. That the Contractor shall carry Workers' Compensation Insurance and require all subcontractors to carry Workers' Compensation Insurance as required by the California Labor Code.
- 13. That the Contractor shall have furnished, prior to execution of the Contract, two bonds approved by the Agency, 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.
- 14. The Contractor hereby agrees to protect, defend, indemnify and hold the Agency 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 the Agency 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.

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.

Inland Empire Utilities Agency* San Bernardino County, California.	Contractor
By	By
Shivaji Deshmukh, P.E. General Manager	Philip E. Waterman President

*A Municipal Water District

CONSENT CALENDAR ITEM

1**G**



Date: June 15, 2022

To: The Honorable Board of Directors From: Shivaji Deshmukh, General Manager

Committee: Engineering, Operations & Water Resources 06/08/22

Executive Contact: Christiana Daisy, Deputy General Manager

Subject: RP-1 Solids Thickening Project Skid-Mounted Rotary Drum Thickener Procurement

Executive Summary:

The Regional Water Recycling Plant No.1 (RP-1) Solids Thickening Project will improve the processes upstream of the digesters and construct additional capacity to permit future improvements that would increase the overall treatment capacity. The construction activities will require existing facilities to be demolished or renovated, reducing the ability to thicken the sludge prior to digestion. Additionally, some of the current facilities (gravity thickeners) are undersized and under performing. The purpose of this procurement is to provide supplemental solids thickening capacity during the planned construction to improve operational and maintenance consistency, reliability, and flexibility.

Inland Empire Utilities Agency (IEUA), through its design consultant, negotiated the purchase of a portable, skid-mounted Rotary Drum Thickener (RDT) system to augment the thickening process at RP-1 during construction. This unit is modular, portable, and will be utilized at other facilities after construction. On May 6, 2022, IEUA received the final proposal for \$765,952 (incl. sales tax to be paid directly to the State of California). Staff is recommending the single-source purchase of the equipment from FKC Co., LLC based on Public Contract Code §3400(c)(2), which allows for the single source purchase based on a prior competitive selection, consistency with RP-5, and benefits to operations and maintenance activities.

Staff's Recommendation:

- 1. Authorize the procurement of a skid-mounted rotary drum thickener system as a single source according to the proposal dated May 6, 2022, in the amount of \$712,932; and
- 2. Authorize the General Manager to execute the contract, subject to non-substantive changes.

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

Account/Project Name:

EN22044/RP-1 Solids Thickening Project

Fiscal Impact (explain if not budgeted):

None.

Prior Board Action:

None.

Environmental Determination:

Program Environmental Impact Report (Finding of Consistency)

The project being approved falls within the scope of the previously approved Facilities Master Plans Program EIR in accordance with the requirements of Section 15168 of the State CEQA Guidelines.

Business Goal:

The RP-1 Solids Thickening 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, sustainability managed, and can accommodate changes in regional water use.

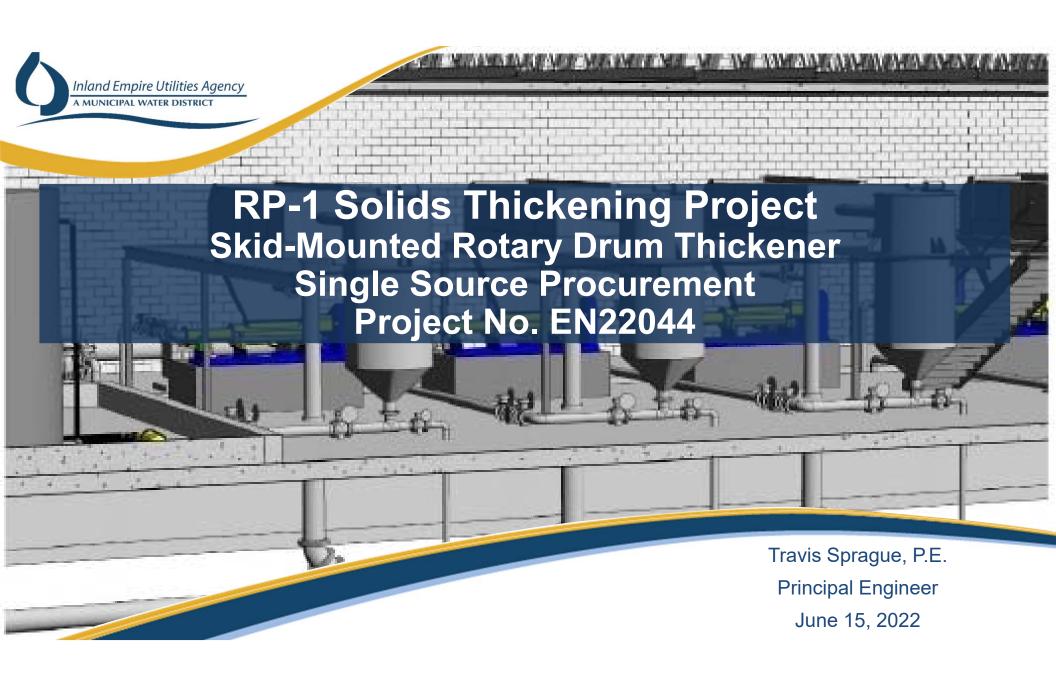
Attachments:

Attachment 1 - PowerPoint Presentation

Attachment 2 - Single-Source Purchase Justification Memorandum and FKC proposal (Click to Download) https://www.dropbox.com/s/wsu79mythz7kf23/22135%20RP-1%20Solids% 20Thickening%20Project%20Single%20Source%20Memorandum% 20Attachment%202%20FINAL.pdf?dl=0

Board-Rec No.: 22135

Attachment 1





Project Location (City of Ontario)









- Thickens sludge from < 2% to approximately 6%
- Reduces heat and energy requirements to treat
- Reduces required digester volume to achieve desired treatment
- Augment existing processes during RP-1 construction
- Available for other facilities following construction





- FKC Rotary Drum Thickeners (RDTs) were selected for use at RP-5
- The same RDT systems are proposed for use at RP-1
- Existing thickening facilities out of service during construction
- Existing gravity thickeners are near the end of their useful life





Project Budget

Description	Estimated Cost
Design Services	\$9,262,556
Design + Review Services	\$7,846,604
IEUA Design Support Services	\$650,000
Skid-Mounted RDT Trailer	\$765,952
Construction Services	\$10,000,000
Engineering Services During Construction (5%)	\$5,000,000
IEUA Construction Support Services (5%)	\$5,000,000
Construction	\$110,000,000
Construction Contract Estimate	\$100,000,000
Contingency, 10%	\$10,000,000
Total Project Cost:	\$129,262,556
Total Project Budget*:	\$133,080,000

*Total project budget in proposed TYCIP beginning FY2:	
- Iniai ntoleci nilonel in ntonogen i vi ie neolinning Evz	1/23

Project Milestone	Date
Design Contract	
Procure Skid-Mounted RDT	Feb. 2023
Final Design	Mar. 2023
Bid + Award	Jul. 2023
Construction Contract	
Notice to Proceed	Oct. 2023
Close-out	Aug. 2026





- Authorize the procurement of a skid-mounted rotary drum thickener system manufactured by FKC Co., LLC, as a single source in the amount of \$712,932; and
- Authorize the General Manager to execute the contract, subject to non-substantive changes.

The RP-1 Solids Thickening 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, sustainability managed, and can accommodate changes in regional water use.

CONSENT CALENDAR ITEM

1H



Date: June 15, 2022

To: The Honorable Board of Directors From: Shivaji Deshmukh, General Manager

Committee: Engineering, Operations & Water Resources 06/08/22

Staff Contact: Christiana Daisy, Deputy General Manager

Subject: Master Services Contract Amendment for Project Controls Services

Executive Summary:

The expanded project control services program is extremely important to a successful execution of the adopted Ten-Year Capital Improvement Plan (TYCIP) and awarded Inland Empire Utilities Agency (IEUA) construction projects. The use of a scheduler to develop project baseline schedules, monthly updates to the schedules based on the input from IEUA Project Managers, as well as cost estimates and constructability reviews, provides the Senior Leadership Team and Engineering Department Managers with information necessary to assure consistency in reporting, transparency of current project controls assignments, evaluate future assignments, department structure, and other project controls issues that may arise.

In May 2019, IEUA entered into a three-year master service contract with KRD Management Consulting, LLC and CAPO Projects Group for a not-to-exceed amount of \$1,250,000 with option to extend an additional four years if needed. Based on the past three year's expenditures, staff is requesting a four-year contract extension through June 2026 for an additional not-to-exceed amount of \$1,750,000. The requested amount is the average of the current yearly expenditures with an additional 20% to account for rate increases. This will increase the contract from \$1,250,000 to \$3,000,000 (140% increase).

Staff's Recommendation:

- 1. Approve contract amendments for the Project Control Master Services Contracts to CAPO Projects Group and KRD Management Consulting, LLC for an aggregate amount of \$1,750,000, increasing the contract from \$1,250,000 to \$3,000,000 (140% increase) with a four-year term extension through June 2026; and
- 2. Authorize the General Manager to execute the contract, subject to non-substantive changes.

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

Account/Project Name:

Multiple capital projects and department O&M budget under various program funds.

Fiscal Impact (explain if not budgeted):

There is no direct impact on IEUA's fiscal year budget as a result of this action. These contracts are for work which will be required on various projects and department operation and maintenance budgets. Thus, no separate funding is needed for these contracts.

Full account coding (internal AP purposes only):

- - - Project No.: N/A

Prior Board Action:

On May 15, 2019, the Board of Directors awarded Project Controls Master Service Contracts to CAPO Projects Group and KRD Management Consulting, LLC for an aggregate not-to-exceed amount of \$1,250,000.

Environmental Determination:

Statutory Exemption

CEQA exempts a variety of projects from compliance with the statute. This project qualifies for a Statutory Exemption as defined in Section 15262 of the State CEQA Guidelines. When the project will be implemented will be subject to future environmental evaluation.

Business Goal:

The Project Controls Master Service Contract is consistent with the IEUA's Business Goal of Fiscal Responsibility, specifically 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.

Attachments:

Attachment 1 - PowerPoint

Attachment 2 - Master Service Contract Amendment - CAPO Projects Group

Attachment 3 - Master Service Contract Amendment - KRD Management

Board-Rec No.: 22134

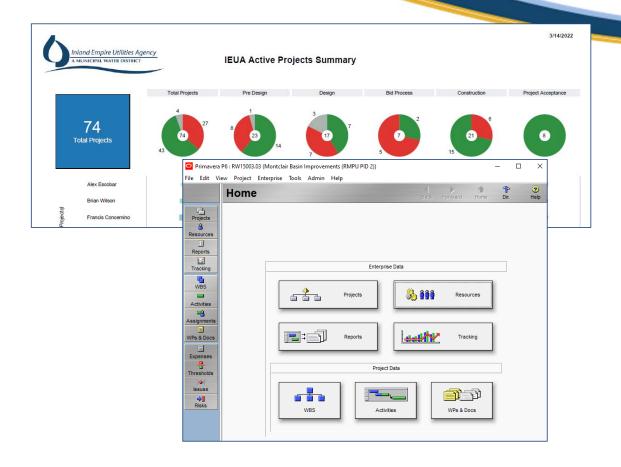
Attachment 1



Scope of Services



- Project Scheduling
 - Baseline Creation
 - Schedule Updates
 - Resource Allocation
 - Contractor Schedule Review
- Dashboards and Reporting
 - —Project Health
 - —Project Phase
 - Level of Staffing
- Technical reviews
- Construction Estimating
- Constructability Reviews



Contract Amendment



- Current Contract Expires June 2022; optional four-year term extensions
- Based on the prior year usage, Staff is requesting the optional extension through June 2026 and an additional not-to-exceed amount of \$1,750,000*.
- This will increase the contract from \$1,250,000 to \$3,000,000*.

Cost to Date

Inland Empire Utilities Agency A MUNICIPAL WATER DISTRICT Engineering and CM/Asset Mgmt Unit Master Contracts Contract Type Project Controls Services Amount \$1,250,000.00 Expiration 6/30/2022 Type Aggregate Amount Remaining \$177,444.32 % Remaining 14.20% Assigned To Solis, Rachael Comments: 10/11/21 Changed amt from \$1M to \$1.25M as per contract on Laserfisch PO Number Contract Number Spent Call Order to Date KRD 4600002730 ✓ ✓ \$88,536.00 TBD ✓ ✓ CAPO 4600002731 \$984,019.68 TBD \$1,072,555.68

Cost Breakdown

Total Amount Spent T	o Date
KRD	\$88,536
CAPO	\$984,020
Total	\$1,072,556
early Amt. (\$1M/3yrs)	\$357,519
quest Amt (Avg * 4yrs)	\$1,430,076
20% Rate Increase	\$286,015
Total Request*	\$1,716,091
Original Contract	\$1,250,000.00
	\$2,966,089
	KRD CAPO Total early Amt. (\$1M/3yrs) quest Amt (Avg * 4yrs) 20% Rate Increase

*Rounded to \$3M & \$1.75M

Recommendation



- Approve contract amendments for the Project Control Master Services
 Contracts to CAPO Projects Group and KRD Management Consulting, LLC for
 an aggregate amount of \$1,750,000, increasing the contract from \$1,250,000 to
 \$3,000,000 (140% increase) with a four-year term extension through June
 2026; and
- Authorize the General Manager to execute the contract, subject to nonsubstantive changes.

The Project Controls Master Service Contract is consistent with the *IEUA's Business Goal of Fiscal Responsibility*, specifically 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.

Attachment 2



MASTER SERVICES CONTRACT AMENDMENT NUMBER: 4600002731-002 FOR PROJECT CONTROL SERVICES

AMENDMENT NUMBER TWO is made and ent and between the Inland Empire Utilities Agency in the County of San Bernardino under and (hereinafter referred to as "IEUA" and "Agency located in San Juan Capistrano, California (here Contract as follows:	, a Municipal Water District, organize by virtue of the laws of the State by") and Capo Projects Group, LLC	e of California C., with offices		
REVISE SECTION 3 TERM OF CONTRACT	AND OPTION ADDING A PARA	AGRAPH TO		
REVISE SECTION 3, TERM OF CONTRACT AND OPTION, ADDING A PARAGRAPH, TO READ: With the execution of Contract Amendment Number 4600002731-002, the termination date of this Contract shall be extended to June 30, 2026; unless agreed to by both parties, reduced to writing, and amended in this Contract.				
REVISE SECTION 6, COMPENSATION AN	ID CHANGES ADDING A PAR	AGRAPH TO		
READ: In compensation for the work represented by this Contract Amendment, Agency shall pay Consultant in accordance with Consultant's approved rate schedule, Exhibit A , which is attached hereto, referenced herein, and made a part hereof. The total lump sum for Contract 4600002731 CAPO Projects Group, and 4600002730 KRD Management shall be an aggregate NOT-TO-EXCEED MAXIMUM of \$3,000,000.00 . This represents an increase of \$1,750,000.00 .				
ALL OTHER PROVISIONS OF THIS CONTRACT REMAIN UNCHANGED				
The parties hereto have mutually covenanted a in doing so have caused this document to become				
INLAND EMPIRE UTILITIES AGENCY: *A MUNICIPAL WATER DISTRICT	CAPO PROJECTS GROUP, LLC.:			
Warren T. Green (Date)	Thomas Huntington	(Dato)		
Manager of Contracts, Procurement & Risk Services	Thomas Huntington Partner	(Date)		

Exhibit A

ATTACHMENT A PROPOSAL RATE / FEE SCHEDULE

DESC	RIPTION PROPOSED	UNIT RATE
1.	Principal-In-Charge	\$190/Hr
2.	Project Manager	\$178/Hr
3.	QA/QC	NA
4.	Electrical Engineer	NA
5.	Structural Engineer	NA
6.	Civil Engineer	NA
7.	Constructability Reviewer	\$178/Hr
8.	Administrative Assistant	\$86/Hr
9.	Estimator	\$167/Hr
10.	Scheduler (Oracle's Primavera P6 Software)	\$167/Hr
11.	Att. Other - Delay Claims Analyst	\$190/Hr
12.	Att. Other – CPMaxis Subscription (Monthly)	\$1200/Mo

Attachment 3



MASTER SERVICES CONTRACT AMENDMENT NUMBER: 4600002730-001 FOR PROJECT CONTROL SERVICES

and between the Inland Empire Utilities Agency, in the County of San Bernardino under and (hereinafter referred to as "IEUA" and "Agency	ered into this day of, 2022, by a Municipal Water District, organized and existing by virtue of the laws of the State of California (") and KRD Management Consulting, LLC., with after referred to as "Consultant"), shall revise the
READ: With the execution of Contract Amen	AND OPTION, ADDING A PARAGRAPH, TO demont Number 4600002730-001, the termination 30, 2026; unless agreed to by both parties, reduced
READ: In compensation for the work represe pay Consultant in accordance with Consultan attached hereto, referenced herein, and made 4600002731 CAPO Projects Group, and 46000	nted by this Contract Amendment, Agency shall t's approved rate schedule, Exhibit A , which is a part hereof. The total lump sum for Contract 002730 KRD Management shall be an aggregate 0. This represents an increase of \$1,750,000.00.
The parties hereto have mutually covenanted are in doing so have caused this document to become	nd agreed as per the above amendment item, and ne incorporated into the Contract Documents.
INLAND EMPIRE UTILITIES AGENCY: *A MUNICIPAL WATER DISTRICT	KRD MANAGEMENT CONSULTING, LLC.:
Warren T. Green (Date) Manager of Contracts, Procurement & Risk Services	Kirill Dolinskiy (Date) Principal-in-Charge/Project Manager

Exhibit A



Reference: Master Services Contract No. 4600002730

ATTACHMENT A 2022 RATE SCHEDULE

KRD	Management Consulting			
1.	Principal-In-Charge/ Project Manager	\$190.00		
2.	Scheduler Lead (Oracle's Primavera P6 Software)	\$190.00		
3.	Cost Estimator Lead	\$190.00		
4.	Cost Estimator	\$168.00		
5.	Scheduler (Oracle's Primavera P6 Software)	\$168.00		
6.	Administrative Assistant	\$103.00		
7.	Constructability Reviewer	\$190.00		
<u>Klei</u>	<u>nfelder</u>			
8.	Senior Scheduler (Oracle's Primavera P6 Software)	\$233.00		
9.	Scheduler (Oracle's Primavera P6 Software)	\$173.00		
10	. Cost Estimator	\$190.00		
11	. Constructability Review			
	Senior Treatment Process Reviewer	\$313.00		
	• Treatment Process Reviewer \$209.00			
	Senior Structural Reviewer	\$299.00		
	Structural Reviewer	\$210.00		
NV5	<u>5</u>			
12	. Senior Scheduler (Oracle's Primavera P6 Software)	\$215.00		
13	. Constructability Review			
	a. Construction Manager	\$185.00		
	b. Electrical Engineer	\$215.00		
	c. I&C Engineer	\$215.00		
	d. Civil Engineer	\$185.00		
14	. Field Support Personnel (Field Data Verification)	\$155.00		

Sub-consultants billing rates are shown and will be billed at cost plus 10%, unless specified otherwise in the agreement. All base rates will be adjusted annually in accordance with the negotiated schedule.

Reimbursable Costs

CONSENT CALENDAR ITEM

11



Date: June 15, 2022

To: The Honorable Board of Directors From: Shivaji Deshmukh, General Manager

Committee: Finance & Administration 06/08/22

Staff Contact: Javier Chagoyen-Lazaro, Acting Assistant General Manager

Subject: Purchase of Agency-wide Insurance for FY 2022/23

Executive Summary:

Each year, the Agency purchases excess insurance policies to protect the Agency and the public against potential liabilities related to General, Auto, Fraud, Errors & Omissions, Property, Boiler & Machinery, Cyber, Workers' Compensation, etc. Staff works closely with the Agency's insurance broker, Alliant Insurance Services, to evaluate the Agency's insurance programs and needs, the insurance market and various insurance programs available.

The process includes the completion of underwriter applications identifying the Agency's operations, exposures, operating budget, property and equipment values, loss history, as well as total wages. This information is compared against current market trends, industry losses and various insurance carriers interest in support of receiving renewal premiums or quotes. The insurance market continued to see significant changes in their programs. These market conditions, as well as increases in the Agency's payroll and operating budget reflect increases in premiums for the Agency.

In anticipation of the increases, staff adjusted the insurance budget in support of having sufficient funding for the upcoming premiums. There are no changes in the policy terms, conditions, self-insured retention or policy coverage limits.

Staff's Recommendation:

Authorize the purchase of Agency-wide insurance policies providing coverage through Fiscal Year 2022/23, for the total not-to-exceed insurance budget amount of \$1,862,000 for the following policies:

- a. Excess General Liability insurance (Projected \$755,000);
- b. Property, Boiler & Machinery insurance (Projected \$930,000); and
- c. Excess Workers' Compensation (Actual \$109,685).

Budget Impact Budgeted (Y/N): Y Amendment (Y/N): Amount for Requested Approval: Account/Project Name:

Fiscal Impact (explain if not budgeted):

Prior Board Action:

On July 21, 2021 the Board approved the ratification of the purchase of Agency-wide insurance policies for coverage during FY 2021/22 in the amounts of:

- a. Excess General Liability insurance in the amount of \$628,393;
- b. Property, Boiler & Machinery insurance in the amount of \$775,118;
- c. Excess Workers' Compensation insurance in the amount of \$104,933.

Environmental Determination:

Not Applicable

Business Goal:

The purchase of Agency-wide insurance policies support the Agency's commitment to safeguarding the Agency's fiscal health and effectively support the short and long term needs, while providing the best value to our customers.

Attachments:

Attachment 1 - PowerPoint

Board-Rec No.: 22143





Insurance Premiums

Insurance	Coverage Limits	Self-Insured Retention (SIR)	FY 2020/21 Premium	FY 2021/22 Premium	FY 2022/23 Budget
General Liability	\$20,000,000	\$1,000,000	\$419,506	\$628,393	\$932,000
Property, Boiler & Machinery	Schedule	\$25,000	\$500,076	\$775,118	\$800,000
Workers' Comp	\$25,000,000	\$1,000,000	\$86,929	\$104,933	\$130,000
Total Premiums			\$1,027,251	\$1,529,400	\$1,862,000





- Authorize the purchase of Agency-wide insurance policies providing coverage through Fiscal Year 2022/23, for the total Not-to-Exceed insurance budget amount of \$1,862,000 for the following policies:
 - Excess General Liability insurance (Projected \$755,000)
 - Property, Boiler & Machinery insurance (Projected \$930,000)
 - Excess Workers' Compensation insurance (Actual \$109,685)

CONSENT CALENDAR ITEM

1J



Date: June 15, 2022

To: The Honorable Board of Directors From: Shivaji Deshmukh, General Manager

Committee: Finance & Administration 06/08/22

Staff Contact: Javier Chagoyen-Lazaro, Acting Assistant General Manager

Subject: Fiscal Year 2022/23 Proposed Budget Amendment and Rate Resolutions

Executive Summary:

On June 16, 2021 the Board of Directors approved the Agency's Biennial Budget for fiscal years (FYs) 2021/22 and 2022/23. As part of the biennial budget cycle, a review of the second budget year is done prior to the end of the first year to determine whether any adjustments are needed to meet changes in certain assumptions or conditions. The proposed budget amendments relate to all Agency programs. Amendments related to the Regional Wastewater program FY 2022/23 and Ten-Year Forecast (TYF) for the FYs 2023 – 2032, along with the corresponding regional rates and fees were reviewed by the Regional Committees and recommended for approval.

The proposed amendment represents an increase in Sources of Funds of \$90.8 million and an increase in Uses of Funds of \$18.7 million, with a net impact on Agency reserves of \$72.1 million for FY 2022/23. The proposed Rate Resolution Nos. 2022-6-1 through 2022-6-7 include various charges and fees for the Non-Reclaimable pass-through charges, Imported Water, Laboratory, and Equipment Rentals.

Staff's Recommendation:

- 1. Approve the amendments to the FY 2022/23 Adopted Budget; and
- 2. Adopt Rate Resolution Nos. 2022-6-1 through 2022-6-7

Budget Impact Budgeted (Y/N): N Amendment (Y/N): Y Amount for Requested Approval: Account/Project Name:

Fiscal Impact (explain if not budgeted):

The proposed net increase of \$72.1 million to the FY 2022/23 Adopted Budget will increase total Agency fund reserves.

Full account coding (internal AP purposes only): - - - Project No.:

Prior Board Action:

On June 16, 2021, the Board of Directors approved the Agency's biennial budget for FYs 2021/22 and 2022/23.

On May 18, 2022, the Board of Directors approved the FY 2022/23 rate resolutions for Wastewater Connection Fee, Monthly EDU Sewer Rate, Recycled Water Rate and Extra-Territorial Sewer Service

Environmental Determination:

Not Applicable

Business Goal:

The proposed amendment to the FY 2022/23 Adopted Budget for the Agency's programs continues to demonstrate the IEUA Board and staff's steadfastness to deliver reliable, high quality, essential services to its customers in a regionally planned and cost-effective manner, consistent with the IEUA Business Goals of fiscal responsibility, work environment, water reliability, and wastewater management.

Attachments:

Attachment 1 - Background

Attachment 2 - Sources and Uses of Funds by Program Fund Report

Attachment 3 - PowerPoint

Attachment 4 - Resolution Nos. 2022-6-1 through 2022-6-4, Non-Reclaimable Wastewater Service Rates

Attachment 5 - Resolution No. 2022-6-5, Establishing Imported Water Rates

Attachment 6 - Resolution No. 2022-6-6, Equipment Rental Fees

Attachment 7 - Resolution No. 2022-6-7, Laboratory Fees

Board-Rec No.: 22142



Background

Subject: FY 2022/23 Proposed Budget Amendment and Rate Resolutions

On June 16, 2021, the Board of Directors approved the Agency's Biennial Budget for fiscal years (FYs) 2021/22 and 2022/23, and Ten-Year Capital Improvement Plan for FYs 2022-2031. As part of the biennial budget cycle, a review of the second budget year is done at the end of the first year to determine whether any adjustments are needed to meet changes in certain assumptions or conditions. The proposed budget amendments relate to all Agency programs. Amendments to the Regional Wastewater and Recycled Water programs and Ten-Year Forecast (TYF) for FYs 2023–2032, along with the corresponding rates and fees were reviewed and recommended for approval by the Regional Technical Committee and the Regional Policy Committee on May 6, 2022, and June 2, 2022, respectively.

The major changes in assumptions driving the proposed amendment for FY 2022/23 include:

TOTAL SOURCES OF FUNDS:

- Upward adjustment of property tax receipts
- Additional loan proceeds consistent with proposed Ten-Year Forecast (TYF)
- Wastewater connection fee and monthly EDU Sewer rate adjustment of 3% over FY 2021/22
- New Recycled water rate: Fixed and Variable components
- Meter Equivalent Unit (MEU): \$1.10 or 2% increase over FY 2021/22

TOTAL USES OF FUNDS

- Primary basis for the projects included in the proposed TYF include:
 - o Expansion of facilities to support projected growth
 - o Replacement, repair, and improvement of existing assets
- Inflationary chemical cost increase

Summarized below are the proposed amendments recommended for FY 2022/23 for all Agency programs.

Table 1: FY 2022/23 Proposed Budget Amendment for All Agency Programs (\$Millions)

FY 2022/23	Adopted	Proposed	Amendment Amount
Total Sources of Funds	\$331.5	\$422.3	\$90.8
Total Uses of Funds	(\$392.2)	(\$410.9)	(\$18.7)
Increase (Decrease) in Net Position	(\$60.7)	\$11.4	\$72.1

Total Sources of Funds increase of \$90.8 million is mainly due to higher than anticipated proceeds from federal loans, state loans, and grants secured after the adoption of the biennial budget and property tax receipts growth.

Total Uses of Funds increase of \$18.7 million is mainly due to increased capital and non-capital project spending consistent with the proposed TYF for FYs 2023-2032.

ADOPTED RATES AND FEES

At the request of member agencies, and as unanimously recommended by the Regional Committees, the Board adopted the monthly Wastewater Equivalent Dwelling Unit (EDU) Rate of \$20.60 and \$21.22 for Fiscal Years 2020/21 and 2021/22, respectively on November 20, 2019.

Since then, the outbreak of the COVID-19 pandemic and the drastic measures undertaken at the federal, state, and local levels to contain the spread of the virus has significantly altered our lives, our communities, and our economy. In an effort to mitigate the fiscal impact to our ratepayers, and address concerns raised by some of our member agencies, on May 6, 2020 the Board approved the deferral of the increase to the monthly EDU sewer rate for FY 2020/21. Staff also provided an overview of the estimated fiscal impact of a 12-month deferral of the proposed adjustments to all other Agency rates and fees. Shown on Table 2 is staff's recommendation to maintain all the rates and fees unchanged for FY 2020/21 and the basis for the proposed FY 2020/21 Budget Amendment.

Table 2: Adopted and Proposed Fees and Rates

Fund	Wastewater Operation	Wastewater Capital	Recycled Water				Water Re	esources
As of July 1	Monthly Sewer (EDU)	Wastewater Connection Fee (EDU)	Fixed Cost Recovery	Recycled Water Direct Use (AF)	Recycled Water Recharge (AF)	One Water Connection Fee (MEU)	Meter Equivalent Units (MEU)	RTS Recovery
FY 2020/21*	\$20.00	\$6,955	-	\$490	\$550	\$1,684	\$1.04	75%
FY 2021/22	\$21.22	\$7,379	-	\$520	\$580	\$1,787	\$1.08	90%
FY 2022/23	\$21.86	\$7,600	\$1.11M	\$516	\$616	\$1,841	\$1.10	100%
FY 2023/24	To be reviewed based on	\$2.36M	\$510	\$660	\$1,896	\$1.12	100%	
FY 2024/25	the sewer use evaluation results		\$4.96M	\$465	\$665	\$1,953	\$1.14	100%

*In November 2019, the monthly EDU rate of \$20.60 and \$21.22 were approved by the Board for FYs 2020/21 and 2021/22, respectively. On May 6, 2020, the Board approved to defer all the user rate increase for FY 2020/21 and maintain the rate unchanged.

Pass-through rates for the NRW fund were established in 2005 to more equitably recover the cost from north and south customers, as well as provide a more sustainable financing structure for the fund. Staff's recommendation is to adopt the rates for FY 2022/23 for both the north and south systems based on the proposed rates from Santa Ana Watershed Project Authority (SAWPA) for

the south system, and the Los Angeles County Sanitation Districts (LACSD) rates for the north system. Final rate adoption for both SAWPA and LACSD is expected in June 2022. The proposed pass-through rates for the Non-Reclaimable Wastewater (NRW) program are shown below in Table 3.

Table 3: FY 2022/23 Proposed North and South System Pass-Through Rates

Rate Description	FY 2021/22	FY 2022/23	Change
North System (NRWS)			
Capacity/CU ⁽¹⁾	13,362 CU	CU	
Flow/mg	\$957.25	\$842.08	(13.7%)
COD/klb	\$169.05	\$168.63	(0.3%)
TSS/klb	\$478.21	\$402.50	(18.8%)
Peak Flow/gpm	\$362.63	\$330.07	(9.9%)
CU Purchase	\$4,172	\$4,172	-
CU Lease	\$208.60/CU/Yr.	\$208.60/CU/Yr.	-
EWL			
Capacity/CU ⁽²⁾	\$80.00	\$84.00	5.0%
Flow/mg	\$762.33	\$821.16	7.72%
COD/klb	\$134.63	\$145.05	7.74%
TSS/klb	\$380.83	\$410.31	7.74%
CU Purchase	\$215,000/CU	\$215,000/CU	-
South System (IEBL)			
Capacity/CU ⁽²⁾	\$435.43	\$435.43	-
Flow/mg	\$1,018.00	\$1,049.00	3.0%
BOD/klb	\$329.00	\$353.00	7.3%
TSS/klb	\$460.00	\$520.00	13.0%

⁽¹⁾ Capacity Unit – Total NRW Capacity Unit (NRWSCU) allocated to North NRW industrial users is determined by a formula using flow, COD, and TSS as defined by LACSD.

SOURCES OF FUNDS

The revised assumptions result in an increase of \$90.8 million of total Sources of Funds. The increase is primarily due to higher federal loan, state loan, and grant proceeds secured after the biennial budget adoption, and property tax receipt growth. The distribution by major category of Sources of Funds is shown below in Table 4.

⁽²⁾ Capacity Units in the IEBL and EWL are defined as the maximum instantaneous peak flow not-to-exceed fifteen (15) gallons per minute.

Table 4: FY 2022/23 Proposed Amendment to Total Sources of Funds (\$Millions)

Sources of Funds	Adopted	Proposed	Amendment Amount
User Charges	\$97.8	\$99.5	\$1.7
Federal and State Loans	49.1	107.1	58.0
Property Tax	58.5	74.0	15.5
MWD Water Sales	49.8	50.0	0.2
Connection Fees	39.0	39.0	0.0
Recycled Water Sales	17.6	17.6	0.0
Grants	1.9	16.3	14.4
JPA Reimbursements	7.2	7.2	0.0
Interfund Loan Repayment	5.0	5.9	0.9
*Other Sources	5.6	5.7	0.1
Total	\$331.5	\$422.3	\$90.8

^{*}Other Sources includes contract cost reimbursements, interest income, and miscellaneous revenue.

Federal and State Loans and Grants: The \$58.0 million increase is the result of securing additional funding from the U.S. Environmental Protection Agency (EPA) and the State Water Resources Control Board (SWRCB). The Agency has secured through EPA a second Water Infrastructure Finance Innovation Act (WIFIA) loan to support the RP-5 Expansion and Solids Handling Facility and other projects in the Regional Wastewater program. Additional State Revolving Fund Loans for SWRCB will complete the funding for the RP-5 Expansion and Solids Handling Facility, Carbon Canyon Asset Management and Improvements, various recycled water projects, and RP-1 Thickening Building projects.

Property Tax: Projected property tax increases of \$15.5 million, is the result of updated growth assumptions and the revised methodology applied by San Bernardino County to allocate the property taxes associated with the dissolution of Redevelopment Agencies.

Grants: Projected grant proceed increase of \$14.4 million includes projected receipts for State Water Resource Control Board (SWRCB) grant for the Plume Clean Up and Recharge Master Plan Update (RMPU) projects, and California Water Commission (CWC) early funding grant for the Chino Basin Program project.

User Charges: The \$1.7 million increase in user charges is due to higher projected monthly EDUs and an escalation of the monthly EDU rate of 3%, also contributing to the increase is an 16% increase from Metropolitan Water District for pass-through Readiness to Serve (RTS) obligation.

TOTAL USES OF FUNDS

The proposed increase of \$18.7 million is primarily due to an adjustment in capital and non-capital project expenditures due to current inflationary trends. The net adjustments with the proposed budget and amendments are shown in Table 5 below.

Table 5: FY 2022/23 Proposed Amendments to Total Uses of Funds (\$Millions)

Uses of Funds	Adopted	Proposed	Amendment Amount
Capital Projects	\$191.4	\$201.5	\$10.1
Operations & Administration	126.2	134.2	8.0
MWD Water Purchases	49.8	50.0	0.2
Debt Service	24.8	25.2	0.4
Total	\$392.2	\$410.9	\$18.7

Capital Projects: The \$10.1 million increase is primarily due to changes in project scope and project execution timelines. Amendments to capital project costs are reflected at the latest Ten-Year Forecast (TYF) report.

Operations & Administration: An increase of expenditures for operations & administration is primarily due to non-capital project cost increases and inflationary increases for chemicals. The non-capital project increase can be attributed to continuing work on the TCE Plume Cleanup projects, basin and reservoir maintenance, and lift station improvement projects. Amendments to non-capital project costs are reflected at the latest Ten-Year Forecast (TYF) report.

FY 2022/23 Rate Resolutions

The Agency establishes the following service rates for FY 2022/23 to support various types of services for different programs and for other local governmental agencies who may require the Agency's staff support or use of Agency's equipment. The highlights of the FY 2022/23 proposed resolutions are provided in the section below, and the respective resolution documents are presented in Attachment 4 through Attachment 12.

Table 5: Proposed Rate Resolutions

Resolution No.	Description
2022-6-1	Service Rates and Excessive Strength Charges for Regional or Industrial
2022-0-1	Wastewater Discharge
2022-6-2	Service Rates on Capacity, Volumetric, Strength, Capital Improvement, and
2022-0-2	Application Fees for the Etiwanda Wastewater Line (EWL)
2022-6-3	Service Rates on Capacity, Volumetric, Strength, and Application Fees for the
2022-0-3	Non-Reclaimable Wastewater System (NRWS)
2022-6-4	Service Rates on Capacity, Volumetric, Strength, Capital Improvement, and
2022-0-4	Application Fees for the Inland Empire Brine Line (IEBL)

2022-6-5	Imported Water Rates
2022-6-6	Equipment Rental Rates
2022-6-7	Laboratory Fees

Resolution No. 2022-6-1, Service Rates for Wastewater Discharges to the Regional Wastewater System for Septage, Commercial or Industrial Wastewater, and Excessive Strength Charges

This resolution establishes service rates for processing and issuing permits to domestic, commercial, or industrial wastewater dischargers and wastewater haulers permitted by IEUA, service rates for processing and treatment of sanitary, commercial or industrial wastewater deliveries to the Inland Empire Utilities Agency's (Agency) Regional Wastewater System; and service rates for application fees for processing and issuing of wastewater discharge permits to industrial wastewater generators who discharge directly through pipeline connections to the Regional Sewer System.

Resolution No. 2022-6-2, Capacity Charges, Volumetric Charges, Strength Charges, Capital Improvement Project (CIP) Charges, IEUA Administrative Charges, and Application and Wastewater Discharge Permit Application Fees for the Etiwanda Wastewater Line (EWL)

This resolution establishes a rate structure for the collection of costs associated for the sewerage service for the EWL under the Etiwanda Wastewater Line Disposal Agreement entered between Los Angeles County Sanitation Districts (LACSD) and Inland Empire Utilities Agency (Agency).

Resolution No. 2022-6-3, Capacity Charges, Volumetric Charges, Strength Charges, Agency Program Charges and Application Fees for the Non-Reclaimable Wastewater System (NRWS)

This resolution establishes a rate structure for the collection of costs associated for the sewerage service for the NRW north system under the NRWS Wastewater Disposal Agreement No. 4830 entered between Los Angeles County Sanitation Districts (LACSD) and Inland Empire Utilities Agency (Agency).

Resolution No. 2022-6-4, Capacity Charges, Volumetric Charges, Strength Charges, Capital Improvement Project (CIP) Charges, IEUA Administrative Charges, and Application and Wastewater Discharge Permit Application Fees for the Inland Empire Brine Line

This resolution establishes initial and monthly capacity charges, volumetric flow charges, CIP charges, trucked wastewater delivery charges and excessive strength charges, application fees for processing applications for Capacity Right Agreements and Wastewater Discharge Permits for the use of the Inland Empire Utilities Agency's (Agency) Brine Line, NRW south system.

Resolution No. 2022-6-5, Imported Water Rates

This resolution establishes rates for delivery of imported water supplies; the rates are based on the approved and adopted rates by the Metropolitan Water District of Southern California (MWD)

Board on April 12, 2022. The rates of sales of imported water are a direct pass-through charged by Metropolitan for each class of water (Tier 1 and Tier 2) to the IEUA member agencies.

Resolution No. 2022-6-6, Equipment Rental Fees

This resolution provides rental equipment rates for local governmental agencies that may occasionally require the use of Agency equipment. The rates cover the Agency's labor cost, materials and supplies, and fuel costs. The cost for rental equipment in FY 2022/23 increases slightly to allow for increased fuel costs.

Resolution No. 2022-6-7, Laboratory Rates

This resolution establishes rates on a variety of laboratory analyses for local governmental agencies who enter into agreement with the Agency for laboratory analysis services. The rates support the laboratory staff time and supplies associated with laboratory analyses. The FY 2022/23 laboratory rates remain consistent with prior year rates.

Conclusion

The proposed amendment represents an increase in Sources of Funds of \$90.8 million and an increase in Uses of Funds of \$18.7 million, with a net impact on Agency reserves of \$72.1 million for FY 2022/23. Fund reserves support the Agency's operations, debt obligations, ten-year forecast, sinking funds needed for long term capital expenditures and unplanned expenditures. A key driver for the projected increase is additional loan proceeds secured after biennial budget adoption and an increase of property tax proceeds due to updated assumptions.

The proposed amendment to the FY 2022/23 Adopted Budget for the Agency's programs is consistent with the IEUA Business Goals of Fiscal Responsibility, Water Reliability, Wastewater Management, Environmental Stewardship, and Business Practices.



Attachment 2 – Sources and Uses of Funds by Program Fund Report

INLAND EMPIRE UTILITIES AGENCY FISCAL YEAR 2022/23 MID-YEAR BUDGET ALL FUNDS - SOURCES AND USES OF FUNDS (In Thousands)

	2020/2021	2021/2022	2022/2023	2022/2023
		AMENDED	ADOPTED	AMENDED
	ACTUAL	BUDGET	BUDGET	MID YEAR
REVENUES	•			
User Charges	\$89,242	\$95,695	\$97,792	\$99,478
Property Tax - O&M	1,972	2,587	2,630	3,331
Cost Reimbursement from JPA	6,794	6,988	7,151	7,155
Contract Cost reimbursement	299	541	323	454
Interest Revenue	3,011	3,590	3,428	3,699
Recycled Water Sales	18,095	17,290	17,610	17,610
Water Sales	45,561	47,412	49,848	49,956
Gas Sales				
TOTAL REVENUES	\$164,975	\$174,103	\$178,782	\$181,683
OTHER FINANCING SOURCES				
	¢64.240	¢E4 900	\$55,818	\$70,687
Property Tax - Debt , Capital, Reserves Connection Fees	\$64,340 42,432	\$54,899 37,913	39,052	39,052
Debt Proceeds	42,432	5,398	17,406	51,000
State Loans	0	7,975	31,731	
Grants	11,969	15,339	1,872	56,120
Sale of Assets	11,969	15,559	1,672	16,249 0
Capital Contract Reimbursement	378	799	1,556	
Other Revenues	968	308	308	1,199 383
Sale of Capacity	1,505	0	0	0
Loan Transfer from Internal Fund	4,933	3,000	5,000	5,933
TOTAL OTHER FINANCING SOURCES	\$126,526	\$125,631	\$152,743	\$240,623
TOTAL OTHER FINANCING SOURCES	\$120,320	3123,031	3132,743	3240,023
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$291,501	\$299,734	\$331,525	\$422,306
EXPENSES				
Employment Expense	\$50,781	\$54,521	\$56,781	\$56,781
Contract Work/Special Projects	11,232	17,523	8,528	13,282
Utilities	9,970	12,935	14,560	14,020
Operating Fees	11,351	13,154	13,397	13,976
Chemicals	5,527	6,590	6,328	8,432
Professional Fees and Services	8,070	15,486	13,829	14,543
Office and Administrative Expense	1,100	2,101	2,229	2,721
Biosolids Recycling	4,634	4,971	4,971	4,934
Materials & Supplies	2,719	2,833	2,618	2,757
Operation Contribution to IERCA	0	0	0	0
MWD Water Purchases	45,561	47,412	49,848	49,956
Other Expenses	1,421	2,919	2,894	2,788
TOTAL EXPENSES	\$152,366	\$180,445	\$175,983	\$184,190

INLAND EMPIRE UTILITIES AGENCY FISCAL YEAR 2022/23 MID-YEAR BUDGET ALL FUNDS - SOURCES AND USES OF FUNDS (In Thousands)

	2020/2021	2021/2022	2022/2023	2022/2023
		AMENDED	ADOPTED	AMENDED
	ACTUAL	BUDGET	BUDGET	MID YEAR
(Continued from previous page)				
CAPITAL PROGRAM				
CSDLAC 4Rs	\$0	\$0	\$0	\$0
IERCA investment	\$250	\$1,000	\$750	\$750
Capital Construction & Expansion (WIP)	110,698	264,098	190,683	200,825
TOTAL CAPITAL PROGRAM	\$110,948	\$265,098	\$191,433	\$201,575
DEBT SERVICE				
Financial Expenses	\$1,360	\$37	\$36	\$38
Interest	13,985	7,169	6,629	6,533
Principal	16,376	12,246	13,177	12,674
Short Term Inter-Fund Loan	4,933	3,000	5,000	5,933
TOTAL DEBT SERVICE	\$36,655	\$22,452	\$24,842	\$25,178
TRANSFERS IN (OUT)				
Capital Contribution	(\$0)	\$0	\$0	(\$0)
Operation support	0	(0)	0	(0)
Capital - Connection Fees Allocation	0	0	(0)	(0)
One Water	(0)	(0)	0	0
TOTAL INTERFUND TRANSFERS IN (OUT)	(\$0)	\$0	\$0	(\$0)
FUND BALANCE				
Net Increase (Decrease)	(\$8,468)	(\$168,261)	(\$60,734)	\$11,363
Beginning Fund Balance July 01	486,613	478,145	301,807	309,884
ENDING BALANCE AT JUNE 30	\$478,145	\$309,884	\$241,073	\$321,247
RESERVE BALANCE SUMMARY				
Operating Contingency	\$37,197	\$45,979	\$44,721	\$46,602
Capital Construction	208,626	113,030	41,931	124,935
CCRA Capital Construction	91,465	35,979	32,567	35,479
Water Connection	19,472	21,854	22,137	21,184
Rehabilitation/Replacement	19,225	8,252	13,876	5,519
Water Resource Capital Reserve	21,443	16,526	16,334	18,849
Debt Service & Redemption	34,652	23,424	22,951	23,266
Self Insurance Program	3,582	3,000	4,141	3,000
Employee Retirement Benefit	6,000	5,724	6,000	6,000
Sinking Fund	36,482	36,116	36,415	36,415
*Numbers may not total due to rounding	\$478,145	\$309,884	\$241,073	\$321,247

^{*}Numbers may not total due to rounding

INLAND EMPIRE UTILITIES AGENCY FISCAL YEAR 2022/23 MID-YEAR BUDGET REGIONAL WASTEWATER CAPITAL IMPROVEMENT FUND - SOURCES AND USES OF FUNDS (In Thousands)

	2020/2021	2021/2022	2022/2023	2022/2023
		AMENDED	ADOPTED	AMENDED
	ACTUAL	BUDGET	BUDGET	MID YEAR
REVENUES				
Interest Revenue	\$1,405	\$862	\$700	\$1,226
TOTAL REVENUES	\$1,405	\$862	\$700	\$1,226
OTHER FINANCING SOURCES				
Property Tax - Debt and Capital	\$43,638	\$37,366	\$37,991	\$48,111
Regional System Connection Fees	36,732	29,514	30,400	30,400
Debt Proceeds	0	0	13,807	32,000
State Loans	0	0	30,906	51,500
Other Revenues	57	1	1	1
Inter Fund Loan	0	0	2,000	2,000
TOTAL OTHER FINANCING SOURCES	\$80,427	\$66,881	\$115,105	\$164,012
EXPENSES				
Employment Expenses	\$3,944	\$4,016	\$4,183	\$4,183
Contract Work/Special Projects	350	0	0	0
Operating Fees	270	281	289	289
Professional Fees and Services	300	675	546	549
Other Expenses	926	1,869	1,889	1,889
TOTAL EXPENSES	\$5,790	\$6,841	\$6,907	\$6,909
CAPITAL PROGRAM				
Work In Progress	\$70,210	\$201,954	\$153,927	\$134,179
IERCA investment	250	1,000	750	750
TOTAL CAPITAL PROGRAM	\$70,460	\$202,954	\$154,677	\$134,929
DEBT SERVICE				
Financial Expenses	\$1,323	\$9	\$8	\$10
Interest	9,756	2,669	2,350	2,350
Principal	9,007	4,540	4,672	4,672
TOTAL DEBT SERVICE	\$20,086	\$7,219	\$7,030	\$7,032
TRANSFERS IN (OUT)				
Capital Contribution	\$7,211	\$6,088	\$8,385	\$2,831
Debt Service	(3,118)	(3,138)	(3,136)	(3,148)
Capital - Connection Fees Allocation	(7,909)	(8,679)	(4,295)	(5,006)
TOTAL INTERFUND TRANSFERS IN (OUT)	(\$3,817)	(\$5,729)	\$954	(\$5,323)
FUND BALANCE				
Net Income (Loss)	(\$18,321)	(\$155,001)	(\$51,856)	\$11,045
Beginning Fund Balance July 01	310,512	292,191	123,392	137,190
ENDING FUND BALANCE AT JUNE 30*	\$292,191	\$137,190	\$71,536	\$148,235
RESERVE BALANCE SUMMARY	4	4	4	4
Operating Contingency	\$1,455	\$2,280	\$2,302	\$2,303
Capital Construction	\$176,870	\$88,763	\$26,437	\$100,171
CCRA Capital Construction	91,465	35,979	32,567	35,479
Debt Service & Redemption	22,401	10,168	10,229	10,281
ENDING BALANCE AT JUNE 30	\$292,191	\$137,190	\$71,536	\$148,235
*Numbers may not tie due to rounding				

INLAND EMPIRE UTILITIES AGENCY FISCAL YEAR 2022/23 MID-YEAR BUDGET

REGIONAL WASTEWATER OPERATIONS & MAINTENANCE FUND - SOURCES AND USES OF FUNDS (In Thousands)

_	2020/2021	2021/2022	2022/2023	2022/2023
		AMENDED	ADOPTED	AMENDED
	ACTUAL	BUDGET	BUDGET	MID YEAR
REVENUES				
User Charges	\$71,362	\$74,726	\$76,203	\$77,349
Cost Reimbursement JPA	4,175	4,461	4,595	4,595
Contract Cost Reimbursement	101	75	75	206
Interest Revenue TOTAL REVENUES	851	1,200	1,200	1,000
TOTAL REVENUES	\$76,489	\$80,463	\$82,073	\$83,150
OTHER FINANCING SOURCES				
Property Tax Revenues - Debt/Capital	\$8,726	\$13,222	\$13,443	\$17,024
Grants	0	5,793	283	6,109
Other Revenues	65	80	80	80
TOTAL OTHER FINANCING SOURCES	\$8,791	\$19,095	\$13,806	\$23,213
EXPENSES				
Employment Expenses	\$34,664	\$35,662	\$37,142	\$37,142
Contract Work/Special Projects	7,668	10,861	4,220	7,567
Utilities	6,762	8,283	9,288	8,744
Operating Fees	1,193	2,404	2,497	2,541
Chemicals Professional Fees and Services	5,402	6,450 5,015	6,184 4,463	8,274 5,131
Office and Administrative expenses	2,881 0	3,013	4,463	3,131
Biosolids Recycling	4,611	4,941	4,875	4,902
Materials & Supplies	1,840	2,212	2,048	2,058
Other Expenses	2,589	5,170	5,233	5,179
TOTAL EXPENSES	\$67,612	\$81,003	\$75,954	\$81,541
CAPITAL PROGRAM	627.242	640 504	¢0.540	¢22.660
Work in Progress TOTAL CAPITAL PROGRAM	\$27,212	\$18,504	\$9,610	\$22,669
TOTAL CAPITAL PROGRAM	\$27,212	\$18,504	\$9,610	\$22,669
DEBT SERVICE				
Financial Expenses	\$4	\$1	\$0	\$0
Interest	674	614	591	591
Principal	761	784	806	806
TOTAL DEBT SERVICE	\$1,440	\$1,398	\$1,398	\$1,398
TRANSFERS IN (OUT)				
Capital Contribution	(\$8,511)	(\$9,056)	(\$9,056)	(\$6,000)
Debt Service	124	114	(\$5,030)	114
Operation support	(52)	(1,452)	(744)	(209)
Capital - Connection Fees Allocation	6,448	4,769	2,291	3,059
TOTAL INTERFUND TRANSFERS IN (OUT)	(\$1,991)	(\$5,624)	(\$7,394)	(\$3,035)
FUND BALANCE	(642.074)	(¢.c. 074)	64 522	(62.200)
Net Increase (Decrease)	(\$12,974)	(\$6,971)	\$1,522	(\$2,280)
Beginning Fund Balance July 01 ENDING FUND BALANCE AT JUNE 30	89,725	76,750 \$60,770	71,344	69,779
LINDING FUND BALANCE AT JUNE 30	\$76,750	\$69,779	\$72,867	\$67,499
RESERVE BALANCE SUMMARY				
Operating Contingies	\$21,145	\$25,514	\$23,786	\$25,649
Rehabilitation/Replacement	17,725	6,752	12,376	4,019
Debt Service	1,398	1,398	1,417	1,417
Sinking Fund	36,482	36,116	36,415	36,415
* Numbers may not tie due to rounding	\$76,750	\$69,779	\$73,995	\$67,499

^{*} Numbers may not tie due to rounding

INLAND EMPIRE UTILITIES AGENCY FISCAL YEAR 2022/23 MID-YEAR BUDGET RECYCLED WATER FUND - SOURCES AND USES OF FUNDS (In Thousands)

	2020/2021	2021/2022	2022/2023	2022/2023
		AMENDED	ADOPTED	AMENDED
	ACTUAL	BUDGET	BUDGET	MID YEAR
REVENUES				
Interest Revenue	\$222	\$533	\$540	\$564
Water Sales	18,095	17,290	17,610	17,610
TOTAL REVENUES	\$18,316	\$17,823	\$18,150	\$18,174
OTHER FINANCING SOURCES				
Property Tax - Debt/Capital	\$2,170	\$2,299	\$2,338	\$2,961
Connection Fees	5,700	8,399	8,653	8,653
Debt Proceeds	0	0	0	15,000
Grants	10,692	0	0	520
Capital Contract Reimbursement	0	92	93	93
Other Revenues	97	0	0	0
Loan Transfer from Internal Fund	0	0	0	933
TOTAL OTHER FINANCING SOURCES	\$ 18,660	\$ 10,790	\$ 11,084	\$ 28,160
EXPENSES				
Employment Expenses	\$5,022	\$6,034	\$6,284	\$6,284
Contract Work/Special Projects	544	1,215	710	1,335
Utilities	2,474	3,554	4,086	4,046
Operating Fees	5	10	10	10
Professional Fees and Services	464	1,389	1,348	1,323
Office and Administrative expenses	1	38	39	39
Materials & Supplies	107	138	113	170
Other Expenses	731	1,382	1,404	1,415
TOTAL EXPENSES	\$9,348	\$13,760	\$13,993	\$14,621
CAPITAL PROGRAM				
Work In Progress	\$3,626	\$2,532	\$5,550	\$13,750
TOTAL CAPITAL PROGRAM	\$3,626	\$2,532	\$5,550	\$13,750
DEBT SERVICE		4	4_	4-
Financial Expenses	\$1	\$5	\$5 2.016	\$5 3.061
Interest Principal	2,897 5,773	3,236 6,031	3,016 6,288	2,961 6,214
Short Term Inter-Fund Loan	4,933	3,000	5,000	5,000
TOTAL DEBT SERVICE	\$13,604	\$12,273	\$14,309	\$14,180
	·			
TRANSFERS IN (OUT)				
Capital Contribution	(\$47)	(\$346)	(\$362)	(\$568)
Debt Service	2,539	2,546	2,546	2,546
Operation support Water Connection Allocation	(413)	(1,226)	(1,137)	(1,018)
TOTAL INTERFUND TRANSFERS IN (OUT)	(789) \$1,290	(1,802) (\$829)	(1,655) (\$ 608)	(1,717) (\$756)
	<u> </u>	(+0_0)	(+555)	(+100)
FUND BALANCE				
Net Income (Loss)	\$11,688	(\$780)	(\$5,226)	\$3,026
Beginning Fund Balance July 01	34,974	46,662	42,851	45,882
ENDING BALANCE AT JUNE 30	\$46,662	\$45,882	\$37,625	\$48,908
RESERVE BALANCE SUMMARY				
	\$3,116	\$4,587	\$4,664	\$4,874
Operating Contingency Capital Construction	13,265	\$4,587 8,632	\$4,664 146	12,172
Water Connection	19,472	21,854	22,137	21,184
Rehabilitation/Replacement (R&R)	1,500	1,500	1,500	1,500
Debt Service	9,309	9,309	9,178	9,178
ENDING BALANCE AT JUNE 30	\$46,662	\$45,882	\$37,625	\$48,908
* Numbers may not total due to rounding	Ţ.0,00 <u>L</u>	₹ . 5,552	70.,020	Ţ.0,000

^{*} Numbers may not total due to rounding

INLAND EMPIRE UTILITIES AGENCY FISCAL YEAR 2022/23 MID-YEAR BUDGET WATER RESOURCES FUND - SOURCES AND USES OF FUNDS (In Thousands)

	2020/2021	2021/2022	2022/2023	2022/2023
	-	AMENDED	ADOPTED	AMENDED
	ACTUAL	BUDGET	BUDGET	MID YEAR
REVENUES				
User Charges	\$7,492	\$8,300	\$8,694	\$9,211
Contract Cost reimbursement	198	466	248	248
Interest Revenue	213	200	280	280
Water Sales	45,561	47,412	49,848	49,956
TOTAL REVENUES	\$53,465	\$56,377	\$59,070	\$59,695
OTHER FINANCING SOURCES				
Propety Tax - Debt and Capital	\$9,806	\$2,012	\$2,046	\$2,591
Grants	122	10	10	5,053
Other Revenues	135	0	0	0
TOTAL OTHER FINANCING SOURCES	\$10,064	\$2,022	\$2,056	\$7,644
EVERNORS				
EXPENSES	42.022	do 24.4	62.247	do 0.47
Employment Expenses	\$2,823	\$3,214	\$3,347	\$3,347
Contract Work/Special Projects	2,279	3,117	2,395	3,416
Operating Fees	3,154	3,400	3,328	3,842
Professional Fees and Services	375	316	322	232
Office and Administrative expenses	3	47.412	40.040	40.056
MWD Water Purchases	45,561	47,412	49,848	49,956
Other Expenses TOTAL EXPENSES	242	443	454 \$50,608	400 \$61.100
TOTAL EXPENSES	\$54,438	\$57,905	\$59,698	\$61,198
CAPITAL PROGRAM				
Capital Construction & Expansion	\$1,206	\$6,483	\$5,043	\$5,043
TOTAL CAPITAL PROGRAM	\$1,206	\$6,483	\$5,043	\$5,043
TRANSFERS IN (OUT)				
Water Connections	\$748	\$1,678	\$1,520	\$1,526
TOTAL INTERFUND TRANSFERS IN (OUT)	\$748	\$1,678	\$1,520	\$1,526
FUND BALANCE				
Net Income (Loss)	\$8,633	(\$4,310)	(\$2,096)	\$2,624
Beginning Fund Balance July 01	18,449	27,081	24,675	22,771
ENDING FUND BALANCE AT JUNE 30	\$27,081	\$22,771	\$22,579	\$25,396
RESERVE BALANCE SUMMARY	د	*	4	
Capital / Operation Contingencies	\$5,638	\$6,245	\$6,245	\$6,547
Water Resources Capital	21,443	16,526	16,334	18,849
ENDING BALANCE AT JUNE 30	\$27,081	\$22,771	\$22,579	\$25,396

^{*} Numbers may not total due to rounding

INLAND EMPIRE UTILITIES AGENCY FISCAL YEAR 2022/23 MID-YEAR BUDGET RECHARGE WATER FUND - SOURCES AND USES OF FUNDS (In Thousands)

	2020/2021	2021/22	2022/2023	2022/2023
		AMENDED	ADOPTED	AMENDED
	ACTUAL	BUDGET	BUDGET	MID YEAR
REVENUES				
Cost Reimbursement from JPA	\$1,303	\$1,067	\$1,036	\$1,040
Interest Revenue	2	100	100	100
TOTAL REVENUES	\$1,305	\$1,167	\$1,136	\$1,140
OTHER FINANCING COURCES				
OTHER FINANCING SOURCES State Loans	\$0	\$7,975	\$825	\$4.620
Grants	۶۰ 1,155	9,536	1,579	\$4,620 4,566
Capital Contract Reimbursement	378	707	1,463	1,106
TOTAL OTHER FINANCING SOURCES	\$2,466	\$18,219	\$3,867	\$10,292
TOTAL OTTEN TINANCING SOUNCES	72,400	710,213	73,007	710,232
EXPENSES				
Employment Expenses	\$883	\$830	\$865	\$865
Contract Work/Special Projects	0	0	0	50
Utilities	62	85	88	85
Operating Fees	11	8	8	8
Professional Fees and Services	757	1,123	987	963
Office and Administrative expenses	14	16	16	16
Expense Allocation	0	64	65	0
Materials & Supplies	133	114	117	113
TOTAL EXPENSES	\$1,859	\$2,240	\$2,147	\$2,100
CAPITAL PROGRAM	62.440	611.000	¢0.670	644.460
Capital Expansion/Construction	\$3,149	\$11,969	\$8,679	\$11,169
TOTAL CAPITAL PROGRAM	\$3,149	\$11,969	\$8,679	\$11,169
DEBT SERVICE				
Financial Expenses	\$1	\$1	\$1	\$1
Interest	392	397	435	394
Principal	519	559	1,063	634
Short Term Inter-Fund Loan	0	0	0	933
TOTAL DEBT SERVICE	\$912	\$957	\$1,499	\$1,962
TRANSFERS IN (OUT)				
Capital Contribution	\$0	\$238	\$338	\$452
Debt Service	456	478	475	487
Operation support	411	1,173	1,110	1,010
Water Connection	8	71	101	113
TOTAL INTERFUND TRANSFERS IN (OUT)	\$875	\$1,961	\$2,025	\$2,062
FUND BALANCE				
	/¢1 274\	¢6 191	(¢E 206)	/¢1 727\
Net Income (Loss) Beginning Fund Balance July 01	(\$1,274)	\$6,181 1,713	(\$5,296) 9,427	(\$1,737)
ENDING FUND BALANCE AT JUNE 30*	2,987 \$1,713	\$ 7,894	\$4,131	7,894 \$6,158
ENDING FOND BALANCE AT JONE 30	71,713	77,054	7-,131	70,130
RESERVE BALANCE SUMMARY				
Operating Contingencies	\$757	\$1,120	\$1,073	\$1,050
Capital Expansion / Construction	0	4,812	1,551	3,337
Debt Service & Redemption	957	1,962	1,507	1,770
ENDING BALANCE AT JUNE 30	\$1,713	\$7,894	\$4,131	\$6,158
* Numbers may not total due to rounding				

^{*} Numbers may not total due to rounding

INLAND EMPIRE UTILITIES AGENCY FISCAL YEAR 2022/23 MID-YEAR BUDGET NON-RECLAIMABLE WASTEWATER FUND - SOURCES AND USES OF FUNDS (In Thousands)

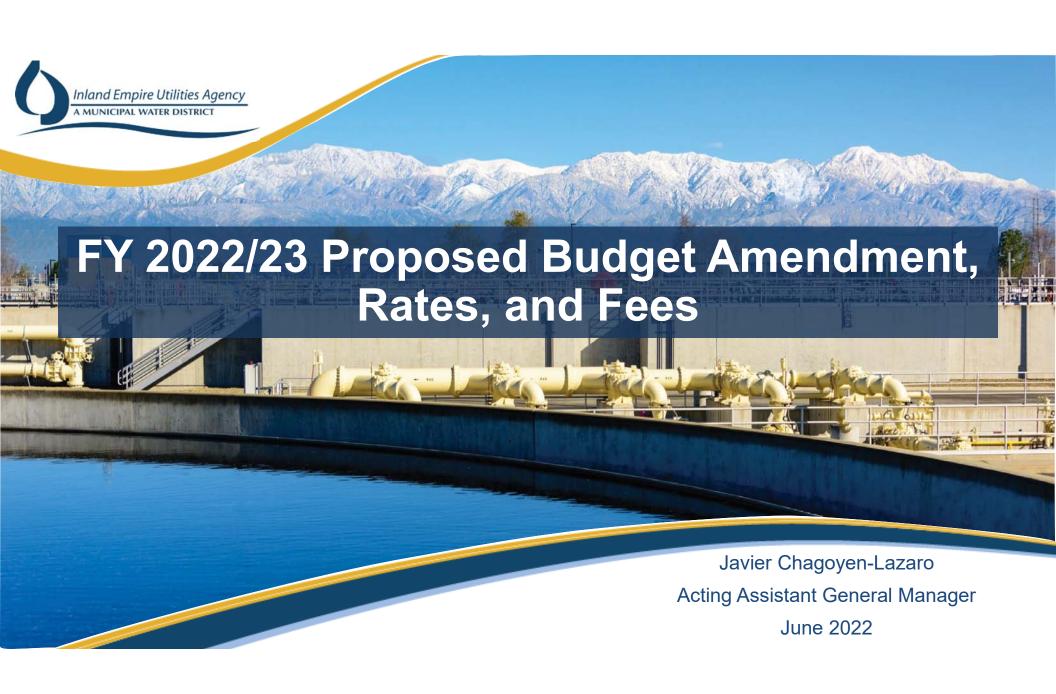
	2020/2021	2021/2022	2022/2023	2022/2023
		AMENDED	ADOPTED	AMENDED
REVENUES	ACTUAL	BUDGET	BUDGET	MID YEAR
User Charges	\$10,388	\$12,669	\$12,895	\$12,918
Interest Revenue	188	481	401	338
TOTAL REVENUES	\$10,576	\$13,150	\$13,296	\$13,257
OTHER FINANCING COURCES				
OTHER FINANCING SOURCES	ćo	¢E 200	ć2 F00	¢4.000
Debt Proceeds Other Revenues	\$0 580	\$5,398 225	\$3,599 225	\$4,000 300
Loan Transfer from Internal Fund	4,000	3,000	3,000	3,000
TOTAL OTHER FINANCING SOURCES	\$6,085	\$8,623	\$6,824	\$ 7,300
	- + + + + + + + + + + + + + + + + + + +	\$0,023	, , , , , , , , , , , , , , , , , , , 	
EXPENSES Employment Expenses	\$1,800	\$3,185	\$3,318	\$3,318
Contract Work/Special Projects	31,800	685	33,318 100	630
Utilities	98	112	128	130
Operating Fees	6,702	7,015	7,226	7,249
Chemicals	125	140	144	158
Professional Fees and Services	48	406	345	367
Office and Administrative expenses	0	25	25	25
Biosolids Recycling	23	31	31	31
Materials & Supplies	62	78	77	141
Other Expenses	273	553	559	559
TOTAL EXPENSES	\$9,444	\$12,232	\$11,953	\$12,607
CAPITAL PROGRAM				
Capital Expansion/Construction	\$3,334	\$18,592	\$6,880	\$9,352
TOTAL CAPITAL PROGRAM	\$3,334	\$18,592	\$6,880	\$9,352
DEBT SERVICE				
Financial Expenses	\$7	\$4	\$4	\$4
Interest	266	253	236	236
Principal	317	331	348	348
TOTAL DEBT SERVICE	\$590	\$588	\$588	\$588
TRANSFERS IN (OUT)				
Capital Contribution	(\$47)	(\$108)	(\$24)	(\$116)
Operation support	(2)	(53)	(27)	(8)
Property Tax Transfer	909	3,062	1,458	702
TOTAL INTERFUND TRANSFERS IN (OUT)	\$860	\$2,900	\$1,407	\$578
FUND BALANCE				
Net Income (Loss)	\$4,153	(\$6,739)	\$2,106	(\$1,413)
Beginning Fund Balance July 01	18,074	22,227	16,295	15,488
ENDING FUND BALANCE AT JUNE 30*	\$22,227	\$15,488	\$18,401	\$14,076
RESERVE BALANCE SUMMARY				
Operating Contingencies	\$3,148	\$4,077	\$3,984	\$4,202
Capital Construction	18,491	10,823	13,797	9,254
Debt Service	588	588	620	619
* Numbers may not total due to rounding	\$22,227	\$15,488	\$18,401	\$14,076

^{*} Numbers may not total due to rounding

INLAND EMPIRE UTILITIES AGENCY FISCAL YEAR FY 2022/23 MID-YEAR BUDGET ADMINISTRATIVE SERVICES FUND - SOURCES AND USES OF FUNDS (In Thousands)

AMENDED ADOPTED AN	2/2023 ENDED D YEAR
ACTUAL PURCET PURCET MI	YFAR
ACTUAL BUDGET WII	
REVENUES	
Property Tax \$1,972 \$2,587 \$2,630	\$3,331
Cost Reimbursement from JPA 1,316 1,459 1,520	1,520
Interest Revenue 130 215 207	191
TOTAL REVENUES \$3,418 \$4,261 \$4,357	\$5,042
OTHER FINANCING SOURCES	
Other Revenues \$34 \$2 \$2	\$2
TOTAL OTHER FINANCING SOURCES \$34 \$2 \$2	\$2
EVDENCEC	
EXPENSES Employment Expenses \$1,647 \$1,578 \$1,643	¢1 642
	\$1,643 285
Contract Work/Special Projects 76 1,645 1,103 Utilities 574 902 971	1,016
Operating Fees 16 36 37	36
Professional Fees and Services 3,245 6,560 5,818	5,978
Office and Administrative expenses 1,083 2,016 2,142	2,634
Materials & Supplies 576 290 262	2,034
Other Expenses (3,341) (6,563) (6,645)	(6,654)
TOTAL EXPENSES \$3,877 \$6,464 \$5,331	\$5,213
101AL EAT ENGLS \$3,077 \$0,404 \$3,331	73,213
CAPITAL PROGRAM	
Capital Expansion & Construction \$1,960 \$4,065 \$995	\$4,664
TOTAL CAPITAL PROGRAM \$1,960 \$4,065 \$995	\$4,664
DEBT SERVICE	
Financial Expenses \$24 \$18 \$18	\$18
TOTAL DEBT SERVICE \$24 \$18 \$18	\$18
TRANSFERS IN (OUT)	ć2 400
Capital Contribution \$1,396 \$3,184 \$720	\$3,400
Operation support 56 1,558 798	224
Capital - Connection Fees Allocation 552 849 546	1,246
One Water 33 52 34 TOTAL INTERFUND TRANSFERS IN (OUT) \$2,036 \$5,642 \$2,098	79 \$4,948
	34,340
FUND BALANCE	
Net Income (Loss) (\$372) (\$641) \$113	\$97
Beginning Fund Balance July 01 11,892 11,520 12,694	10,879
ENDING FUND BALANCE AT JUNE 30* \$11,520 \$10,879 \$12,807	\$10,976
RESERVE BALANCE SUMMARY	
Operating Contingency \$1,938 \$2,155 \$2,666	\$1,976
Self-Insurance Program 3,582 3,000 4,141	3,000
Employee Retirement Benefit 6,000 5,724 6,000	6,000
ENDING BALANCE AT JUNE 30 \$11,520 \$10,879 \$12,807	\$10,976

^{*}Numbers may not total due to rounding







Sources of funds:

- Additional loan proceeds consistent with proposed Ten-Year Forecast (TYF)
- Upward adjustment of property tax receipts
- Rate Increase:
 - Wastewater connection fee and monthly EDU Sewer rate adjustment of 3% over FY 2021/22
 - New Recycled water rate: Fixed and Variable components
 - Meter Equivalent Unit (MEU): \$1.10 or 2% increase over FY 2021/22
 - Non-Reclaimable Wastewater: 2% increase over FY 2021/22 pending final SAWPA and LACSD rates

Uses of funds:

- ❖ Proposed Ten Year Capital Improvement Plan (TYCIP) for FYs 2022/23 2031/32
 - Facility expansion based on projected growth
 - Asset Management: Replacement, Repair and Improvement
- Inflationary chemical cost increase





Fund	Wastewater Operations	Wastewater Capital	Recycled Water				Water Reso	ources
As of July, 1	Monthly Sewer (EDU)	Wastewater Connection Fee (EDU)	Fixed Cost Recovery	Recycled Water Direct Use (AF)	Recycled Water Recharge (AF)	One Water Connection Fee (MEU)**	Meter Equivalent Units (MEU)**	RTS Recover y
FY 2019/20	\$20.00	\$6,955	-	\$490	\$550	\$1,684	\$1.04	60%
FY 2020/21*	\$20.00	\$6,955	-	\$490	\$550	\$1,684	\$1.04	75%
FY 2021/22	\$21.22	\$7,379	-	\$520	\$580	\$1,787	\$1.08	90%
FY 2022/23	\$21.86	\$7,600	\$1.11M	\$516	\$616	\$1,841	\$1.10	100%
FY 2023/24		d based on the	\$2.36M	\$510	\$660	\$1,896	\$1.12	100%
FY 2024/25	sewer use eva	luation results	\$4.96M	\$465	\$665	\$1,953	\$1.14	100%

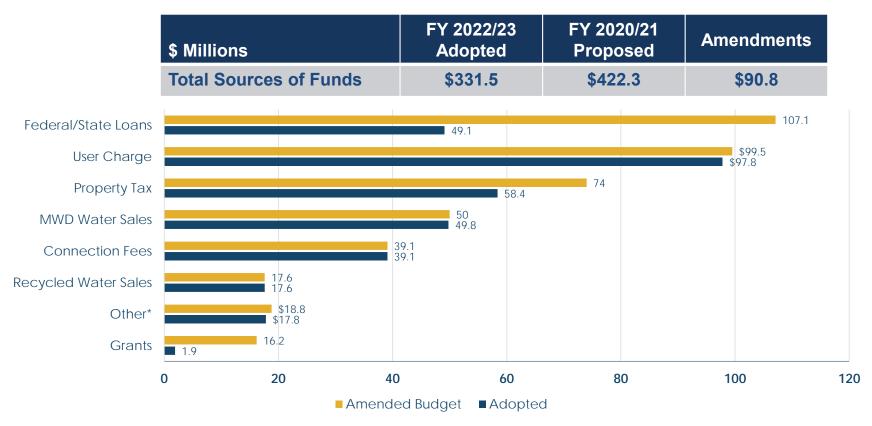
^{*}On May 6, 2020, the Board approved to defer rate increases and maintain the rates unchanged for FY 2020/21

^{**}Rates for FYs 2020/21 through 2024/25 adopted in July 2020

^{***} Fixed cost recovery phased in over 3 years



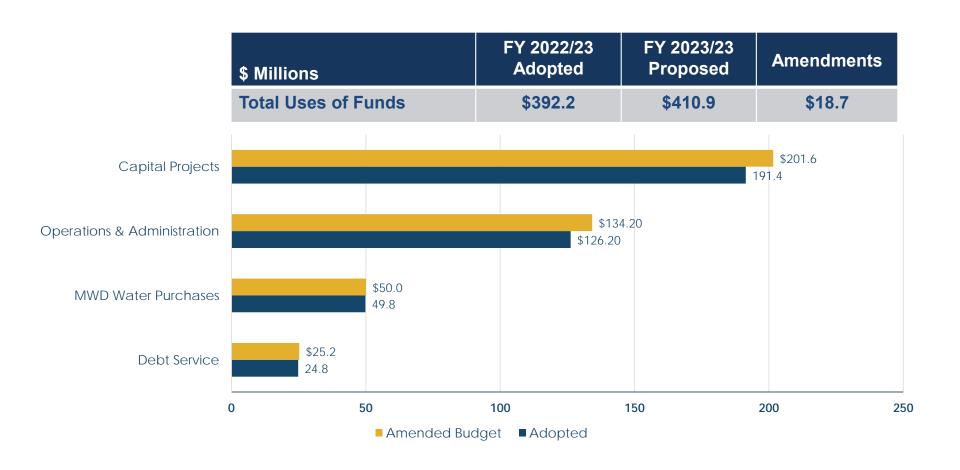
Sources of Funds



^{*}Other Sources include contract reimbursements, JPA reimbursements, inter-fund loan repayment and interest earnings.



Uses of Funds





FY 2022/23 Proposed Budget Amendments (\$ Millions)

Consolidated FY 2020/21	Adopted	Proposed	Amendment Amount
Total Sources of Funds	\$331.5	\$ 422.3	\$90.8
Total Uses of Funds	(\$392.2)	(\$410.9)	(\$18.7)
Increase (Decrease) in Net Position	(\$60.7)	\$11.4	\$72.1

Recommendation



- Approve amendments to the FY 2022/23 Adopted Budget; and
- Approve Rate Resolutions No. 2022-6-1 through 2022-6-7
 - 2022-6-1 Service Rates and Excessive Strength Charges for Regional or Industrial Wastewater Discharge
 - 2022-6-2 Service Rates on Capacity, Volumetric, Strength, Capital Improvement, and Application Fees for the Etiwanda Wastewater Line (EWL)
 - 2022-6-3* Service Rates on Capacity, Volumetric, Strength, and Application Fees for the Non-Reclaimable Wastewater System (NRWS)
 - 2022-6-4 Service Rates on Capacity, Volumetric, Strength, Capital Improvement, and Application Fees for the Inland Empire Brine Line (IEBL)
 - 2022-6-5 Imported Water Rates
 - o 2022-6-6 Equipment Rental Rates
 - o 2022-6-7 Laboratory Fees

^{*}Pending budget information from LACSD and SAWPA

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING SERVICE RATES FOR WASTEWATER DISCHARGERS TO THE REGIONAL WASTEWATER SYSTEM FOR SEPTAGE, COMMERCIAL OR INDUSTRIAL WASTEWATERS, AND EXCESSIVE STRENGTH CHARGES FOR FISCAL YEAR 2022/23.

WHEREAS, it is necessary to establish service rates for processing and issuing permits to domestic, commercial, or industrial wastewater dischargers and wastewater haulers permitted by IEUA, and service rates for processing and treatment of sanitary, commercial or industrial wastewater deliveries to the Inland Empire Utilities Agency (Agency)'s Regional Wastewater System;

WHEREAS, it is necessary to establish application fees for processing and issuing of wastewater discharge permits to industrial wastewater generators who discharge directly through pipeline connections to the Regional Sewer System;

WHEREAS, the Board of Directors of the Inland Empire Utilities Agency*, pursuant to Ordinance No. 97, may establish said service rates by resolution.

NOW, THEREFORE, the Board of Directors hereby RESOLVES, DETERMINES, AND ORDERS the following to be effective July 1, 2022, and remain in effect until rescinded by a new resolution:

<u>Section 1</u> That Wastewater Permit Application for Domestic Wastewater Hauler fees is as follow:

Initial Permit Application Fee \$250.00 Permit Renewal Fee \$125.00

<u>Section 2</u> That wastewater volumetric fee for domestic and industrial wastewater hauler is as follow:

For each load up to 2,000 gallons \$82.07

Loads in excess of 2,000 gallons \$ 0.041 per one (1) gallon

<u>Section 3</u> That a rate schedule effective July 1, 2020, for delivery of domestic and industrial wastewater to regional plants with excessive biochemical oxygen demand and suspended solids is hereby established as follows:

Quantity	<u>Rate</u>
Biochemical Oxygen Demand (BOD) in excess of 395 mg/L	\$ 318.41 per 1,000 lb (dry weight)
Suspended Solids (SS) in excess of 402 mg/L	\$ 383.89 per 1,000 lb (dry weight)

<u>Section 4</u> A Non-Compliance fee of \$150.00 shall be assessed to reinstate elapsed or expired insurance requirements.

<u>Section 5</u> That Initial Wastewater Discharge Permit Application and Permit Renewal fees for wastewater generators who discharge directly through pipeline connection to the Regional Sewer System shall be:

Initial Wastewater Discharge Permit Application Fees (Ownership Change with Process Changes included):

Non-Categorical, Significant Industrial User

Non-Categorical, Non-Significant Industrial User

Categorical Industrial User	\$4,375.00
with Combined Waste Stream Formula, add	\$1,063.00
with Production Based Standards, add	\$563.00
with Multiple Categories, add	\$2,125.00
Non-Categorical, Significant Industrial User	\$3,188.00
Non-Categorical, Non-Significant Industrial User	\$2,625.00
Permit Renewal Fees:	
Categorical Industrial User	\$3,250.00
with Combined Waste Stream Formula, add	\$563.00
with Production Based Standards, add	\$313.00
with Multiple Categories, add	\$1,063.00

\$813.00

\$563.00

<u>Section 6</u> That Initial Wastewater Discharge Permit Application, Ownership Change with Process Changes, and Permit Renewal fees for wastewater generators whose wastewater is hauled away, i.e., by a wastewater trucking company, and discharged into the NRWS sewer system shall be:

Initial Wastewater Discharge Permit Application Fees:

(Ownership Change with Process Changes included)

Categorical Industrial User	\$2,750.00
with Combined Waste Stream Formula, add	\$1,063.00
with Production Based Standards, add	\$563.00
with Multiple Categories, add	\$2,125.00
Non-Categorical, Significant Industrial User	\$1,625.00
Non-Categorical, Non-Significant Industrial User	\$1,063.00

Permit Renewal Fees:

Categorical Industrial User	\$2,250.00
with Combined Waste Stream Formula, add	\$563.00
with Production Based Standards, add	\$313.00
with Multiple Categories, add	\$1,063.00
Non-Categorical, Significant Industrial User	\$813.00
Non-Categorical, Non-Significant Industrial User	\$563.00

Section 7	That Permit Revision or Facility Expansion fees shall	\$1,625.00
be:		φ1,023.00

Permit Revisions shall be required if the modification affects the quantity/quality of the wastewater discharge to deviate from the conditions in the current permit by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Process Changes, etc.

Section 8	That	for	change	of	business	name	with	no	process	\$250.00	Λ
changes shall	ll be:									Ψ230.00	U

\$813.00

That Permit Addendum fees shall be:

Permit Addendum shall be required if the addition or modification does not affect the existing wastewater quantity/quality by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Ownership Change without Process Changes, etc.

Section 9 That IEUA will pass on to wastewater permit holder any other charges, such as, but not limited to, excessive strength charges, laboratory analysis charges,

Resolution No. 2022-6-1 Regional Rates Page 4 of 5

inspection activity charges, etc.

<u>Section 10</u> Miscellaneous processing fees that do not fall under any of the above sections shall be charged based on time and material of staff(s) evaluating such process using adopted labor rates for the current fiscal year.

Section 11 That all provisions of the Regional Wastewater Ordinance and any amendments thereto are hereby applicable and will remain in full force and effect.

Section 12 That upon the effective date of this Resolution, Resolution No. 2021-6-1 is hereby rescinded in its entirety.

* * *

ADOPTED this 15th day of June 2022

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

ATTEST:

Marco Tule
Secretary/ Treasurer of the Inland Empire
Utilities Agency* and of the Board of
Directors thereof

^{*}A Municipal Water District

Resolution No. 2022-6-1 Regional Rates Page 5 of 5
STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
I, Marco Tule, Secretary/Treasurer of the Inland Empire Utilities Agency*,
DO HEREBY CERTIFY that the foregoing Resolution being No. 2022-6-1 as adopted at
a regular Board meeting on June 15, 2022, of said Agency* by the following vote:
AYES:
NOES:
ABSTAIN:
ABSENT:
Marco Tule Secretary/Treasurer
(SEAL)
* A Municipal Water District

- RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING CAPACITY CHARGES, VOLUMETRIC CHARGES, STRENGTH CHARGES, CAPITAL **IMPROVEMENT** PROJECT (CIP) CHARGES, IEUA ADMINISTRATIVE CHARGES, APPLICATION AND WASTEWATER DISCHARGE PERMIT APPLICATION FEES FOR THE ETIWANDA WASTEWATER LINE (EWL) FOR FISCAL YEAR (FY) 2022/23.
- **WHEREAS**, Etiwanda Wastewater Line Disposal Agreement (Agreement) was entered between County Sanitation Districts of Los Angeles County (CSDLAC) and Inland Empire Utilities Agency (Agency);
- **WHEREAS**, it is necessary to establish a rate structure for the collection of costs associated for the sewerage service under this Agreement;
- **WHEREAS**, it is necessary to allocate industries with Etiwanda Wastewater Line Capacity Unit (EWLCU), in order to collect such charges;
- **WHEREAS**, one EWLCU for the EWL is defined as an equalized discharge not to exceed a flow rate of 15 gallons per minute;
- **WHEREAS**, it is necessary to establish application fees for processing applications for Capacity Right Agreements and Wastewater Discharge Permits for the use of the Agency's EWL;
- **WHEREAS**, under Section 13550, et seq., of the California Water Code, a Public Agency may require industries to use recycled water for certain purposes, where it is available and at reasonable cost;
- **WHEREAS**, the Board of Directors of the Agency, pursuant to Ordinance No. 99, may establish said fees and charges by Resolution;
- **NOW, THEREFORE**, the Board of Directors hereby RESOLVES, DETERMINES, AND ORDERS the following to be effective July 1, 2022, and remain in effect until rescinded by a new resolution:

Resolution No. 2022-6-2 EWL Rates Page 2 of 6

Section 1 That the acquisition of capacity rights shall be as follows:

(A) CAPACITY RIGHT ACQUISITION RATE

That the purchase rate for the right to discharge one (1) EWLCU for the EWL shall be \$215,000.00 per an equalized flow rate not to exceed 15 gallons per minute. This charge shall be paid in full upon the execution of the Capacity Right Agreement.

Section 2 That the monthly charges for discharge to the EWL are as follows:

(A) CAPACITY CHARGES

For discharge to the EWL, which reaches the jurisdiction of the CSDLAC, the monthly Capacity Charge is \$84.00 per month per each EWLCU.

(B) CAPITAL IMPROVEMENTS PROGRAM CHARGES:

The monthly Capital Improvements Program (CIP) charge for EWL is \$90.00 per month per each EWLCU.

(C) VOLUMETRIC CHARGES

The Volumetric Charge for EWL is \$821.16 per Million Gallons. The minimum Volumetric Charge for discharge of 100,000 gallons or less per each EWLCU per month is \$82.12 per month per each EWLCU.

(D) STRENGTH CHARGES

That Strength Charges are for excessive Chemical Oxygen Demand (COD) and Total Suspended Solids (TSS) and are applicable to all discharges to the EWL. The rates are as follows:

PARAMETER	RATE
-----------	------

COD \$145.05 per 1,000 pounds (dry weight)
TSS \$410.31 per 1,000 pounds (dry weight)

Strength charges for the EWL discharges are calculated from the average of all the samples collected during the calendar month and invoiced on a quarterly basis. If there is no sample data for a given month, strength charges for that month shall be determined by using the average value of all available data from the previous 12 months.

(E) AGENCY CIP AND O&M CHARGES

Agency CIP and O&M Charges of 50% shall be added to the charges of Section 2(A), 2(C), and 2(D).

(F) RECYCLED WATER USAGE CREDIT

This program is for recycled water (RW) Users and shall end when funding is exhausted or not later than June 30, 2024, whichever comes first. New Users who qualify for this program shall be given the recycled water credit in effect at the time of connection to the recycled water system.

Recycled Water Users, including contracting agencies, shall be given a monetary credit based on the actual amount of RW used. The RW credit shall start at 50% of the IEUA's FY 2014/15 recycled water direct sale rate and shall decline at 5% intervals per year through FY 2023/2024.

For Fiscal Year 2022/23, the Recycled Water Usage Credit is \$89.00 per million gallons of recycled water used.

Section 3 OTHER CHARGES

IEUA will pass on any other charges from CSDLAC invoiced to the Agency to dischargers to the EWL, such as, but not limited to, flow and strength imbalances charges, permit fees, inspection fees, analytical fees, etc.

<u>Section 4</u> That Application fees for an EWL Capacity Right Agreement shall be: \$250.00

<u>Section 5</u> That Initial Wastewater Discharge Permit Application, Ownership Change with Process Changes, and Permit Renewal fees for wastewater generators who discharge directly through pipeline connection to the EWL sewer system shall be:

Initial Wastewater Discharge Permit Application Fees:

(Ownership Change with Process Changes included)

Categorical Industrial User	\$4,375.00
with Combined Waste Stream Formula, add	\$1,063.00
with Production Based Standards, add	\$563.00
with Multiple Categories, add	\$2,125.00
Non-Categorical, Significant Industrial User	\$3,188.00
Non-Categorical, Non-Significant Industrial User	\$2,625.00

Permit Renewal Fees:

Categorical Industrial User	\$3,250.00
with Combined Waste Stream Formula, add	\$563.00
with Production Based Standards, add	\$313.00
with Multiple Categories, add	\$1,063.00
Non-Categorical, Significant Industrial User	\$813.00
Non-Categorical, Non-Significant Industrial User	\$563.00

Section 6 That Permit Revision or Facility Expansion fees shall \$1,625.00

Permit Revisions shall be required if the modification affects the quantity/quality of the wastewater discharge to deviate from the conditions in the current permit by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Process Changes, etc.

Section 7 That for change of business name with no process changes shall be: \$250.00

That Permit Addendum fees shall be:

\$813.00

Permit Addendum shall be required if the addition or modification does not affect the existing wastewater quantity/quality by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Ownership Change without Process Changes, etc.

Section 8 Toxic Organic Management Plan (TOMP) Processing No Charge

<u>Section 9</u> Miscellaneous processing fees that do not fall under any of the above sections shall be charged based on time and material of staff(s) evaluating such process using adopted labor rates for the current fiscal year.

<u>Section 10</u> That all provisions of the Etiwanda Wastewater Line Ordinance and any amendments thereto are hereby applicable and will remain in full force and effect.

<u>Section 11</u> That upon the effective date of this Resolution, the Resolution No. 2021-6-2 pertaining to the EWL is hereby rescinded in its entirety.

Resolution No. 2022-6-2 EWL Rates Page 5 of 6

ADOPTED this 15th day of June 2022

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

ATTEST:

Marco Tule
Secretary/ Treasurer of the Inland Empire
Utilities Agency* and of the Board of
Directors thereof

*A Municipal Water District

Resolution No. 2022-6-2 EWL Rates Page 6 of 6	
STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) SS)
I, Marco Tule, Secretary/T	Treasurer of the Inland Empire Utilities Agency*,
DO HEREBY CERTIFY that the foregoi	ing Resolution being No. 2022-6-2 as adopted at
a regular Board meeting on June 15, 20	022, of said Agency* by the following vote:
AYES:	
NOES:	
ABSTAIN:	
ABSENT:	
	Marco Tule Secretary/Treasurer
(SEAL)	
* A Municipal Water District	
7 Marilolpar Water District	

- RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING CAPACITY CHARGES, VOLUMETRIC CHARGES, STRENGTH CHARGES, AGENCY PROGRAM CHARGES, AND APPLICATION FEES FOR THE NON-RECLAIMABLE WASTEWATER SYSTEM (NRWS) FOR FISCAL YEAR (FY) 2022/23
- **WHEREAS**, NRWS Wastewater Disposal Agreement No. 4830 (Agreement) has been adopted between County Sanitation Districts of Los Angeles County (CSDLAC) and Inland Empire Utilities Agency (Agency);
- **WHEREAS**, it is necessary to establish a rate structure for the collection of costs associated for the sewerage service under this Agreement;
- **WHEREAS**, it is necessary to allocate User with Non Reclaimable Wastewater System Capacity Unit (NRWSCU), in order to collect such charges;
- **WHEREAS**, it is necessary to allocate individual Users their fractional contribution of the Solids Discrepancy at East End (SD_{EE}) monitoring facility determined by the *Fractional Solids Discrepancy* (FSD_i) formula;
- WHEREAS, it is necessary to allocate individual Users their fractional contribution of the Volumetric, Chemical Oxygen Demand (COD), and NRWSCU discrepancies at East End monitoring facility as determined by the preceding fiscal year's monitoring data;
- **WHEREAS**, it is necessary to establish application fees for processing applications for NRWSCU Allocations and Wastewater Discharge Permits for the use of the Inland Empire Utilities Agency (Agency)'s NRWS;
- **WHEREAS**, under Section 13550, et seq., of the California Water Code, a Public Agency may require industries to use recycled water for certain purposes, where it is available and at reasonable cost;
- **WHEREAS**, the Board of Directors of the Agency, pursuant to Ordinance No. 99, may establish said fees and charges by Resolution;
- **NOW, THEREFORE**, the Board of Directors hereby RESOLVES, DETERMINES, AND ORDERS the following to be effective July 1, 2022, and remain in effect until rescinded by a new resolution:

Section 1 That the acquisition of wastewater discharge right shall be as follows:

(A) NRWSCU ACQUISITION RATES

1. A NRWSCU for the NRWS is determined by the following formula:

$$NRWSCU = \left(0.6513 \ x \ \frac{Flow_{gpd}}{260}\right) + \left(0.1325 \ x \ \frac{COD_{ppd}}{1.22}\right) + \left(0.2162 \ x \ \frac{TSS_{ppd}}{0.59}\right)$$

Where:

gpd = gallons per day
ppd = pounds per day

- 2. The minimum number of NRWSCU shall be 25 NRWSCU.
- 3. The **purchase rate** for the right to discharge one (1) NRWSCU shall be as established by CSDLAC or \$4,172.00 per NRWSCU.
- The optional annual lease rate for the right to discharge one (1) NRWSCU shall be 5% per year of the purchase rate, i.e., \$208.60 per NRWSCU per each year.

The above charges shall be paid in full upon the execution of the NRWSCU purchase or lease.

Section 2 That the monthly charges for discharge to the NRWS are:

(A) VOLUMETRIC CHARGES

For discharge to the NRWS, the monthly volumetric charge is \$842.08 per million gallons of discharge.

(B) PEAK FLOW CHARGES

For discharge to the NRWS, the monthly Peak Flow (PF) Charge shall be \$330.07 per million gallons of volumetric discharge.

(C) STRENGTH CHARGES

That Strength Charges are for excessive Chemical Oxygen Demand (COD) and Total Suspended Solids (TSS) and are applicable to all discharges to the NRWS. The rates are as follows:

<u>PARAMETER</u>	<u>RATE</u>
COD	\$168.63 per 1,000 pounds (dry weight)
TSS	\$402.50 per 1,000 pounds (dry weight)

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Strength charges for the NRWS discharges are calculated from the average of all the samples collected during the calendar month and invoiced on a quarterly basis. If there is no sample data for a given month, strength charges for that month shall be determined by using the average value of all available data from the previous 12 months.

(D) AGENCY O&M Charge

The Agency's O&M charge shall be \$22.52 per NRWSCU per month.

(E) AGENCY CIP CHARGE

The Agency's capital improvement program charge shall be \$9.01 per NRWSCU per month.

(F) RECYCLED WATER USAGE CREDIT

This program is for recycled water (RW) Users and shall end when funding is exhausted or not later than June 30, 2024, whichever comes first. New Users who qualify for this program shall be given the recycled water credit in effect at the time of connection to the recycled water system.

Recycled Water Users, including contracting agencies, shall be given a monetary credit based on the actual amount of RW used. The RW credit shall start at 50% of the IEUA's FY 2014/15 recycled water direct sale rate and shall decline at 5% intervals per year through FY 2023/2024.

For Fiscal Year 2022/23, the Recycled Water Usage Credit is \$89.00 per million gallons of recycled water used.

Section 3 IMBALANCE CHARGES

(A) SOLIDS DISCREPANCY CHARGES for NRWS

Solids Discrepancy Charge for an industry (SDC_i) shall be calculated on a monthly basis and invoiced on a quarterly basis. The charge shall be

Resolution No. 2022-6-3 NRWS Rates Page 4 of 7

calculated by multiplying the individual industry's *Fractional Solids Discrepancy* (FSD_i) by the Total Solids Discrepancy at East End monitoring facility (TSD_{EE}) and by TSS rate:

$$SDC_i = (FSD_i) x (TSD_{EE}) x (TSS rate)$$

Individual industry's *FSD_i* for the NRWS is determined by the *FSD_i* formula to allocate the individual industry's solids contribution to the total solids discrepancy, based on their contribution to the overall loading of Alkalinity, Biological Oxygen Demand (BOD), Dissolved Calcium, and Flow.

$$FSD_i = 0.090 \ x \left[\frac{Alk_i}{Alk_T} \right] + 0.589 \ x \left[\frac{BOD_i}{BOD_T} \right] + 0.060 \ x \left[\frac{Ca_i}{Ca_T} \right] + 0.261 \ x \left[\frac{Flow_i}{Flow_T} \right]$$

Where:

FSD= Fractional Solids Discrepancy for individual discharger (i)

 Alk_i = Individual dissolved alkalinity loading to the NRWS for discharger (i)

 Alk_T = Combined dissolved alkalinity loading from all dischargers to the NRWS

BOD_i = Individual BOD₅ loading to the NRWS for discharger (i)

BOD_T = Combined BOD₅ loading from all dischargers to the NRWS

 Ca_i = Individual dissolved calcium loading to the NRWS for discharger (i)

 Ca_T = Combine dissolved calcium loading from all dischargers to the NRWS

 $Flow_i = Individual flow contribution to the NRWS from discharger (i)$

 $Flow_T$ = Combined flow from all dischargers to the NRWS

(B) OTHER IMBALANCE CHARGES

IEUA will pass to NRWS dischargers any other charges from CSDLAC invoiced to the Agency as a result of imbalance in the NRWS, including volumetric, COD, and NRWSCU imbalance charges. The charges shall be calculated on pro rata share for each component and invoiced on a quarterly basis.

Section 4 OTHER CHARGES

IEUA will pass on any other charges from CSDLAC invoiced to the Agency to dischargers to the NRWS, such as, but not limited to, permit fees, inspection fees, analytical fees, etc.

<u>Section 5</u> That Application fee for a NRWS Capacity Unit \$250.00 Purchase or Annual Lease shall be:

<u>Section 6</u> That Initial Wastewater Discharge Permit Application, Ownership Change with Process Changes, and Permit Renewal fees for wastewater generators who discharge directly through pipeline connection to the NRWS sewer system shall be:

Initial Wastewater Discharge Permit Application Fees:

(Ownership Change with Process Changes included)

Categorical Industrial User	\$4,375.00
with Combined Waste Stream Formula, add	\$1,063.00
with Production Based Standards, add	\$563.00
with Multiple Categories, add	\$2,125.00
Non-Categorical, Significant Industrial User	\$3,188.00
Non-Categorical, Non-Significant Industrial User	\$2,625.00

Permit Renewal Fees:

Categorical Industrial User	\$3,250.00
with Combined Waste Stream Formula, add	\$563.00
with Production Based Standards, add	\$313.00
with Multiple Categories, add	\$1,063.00
Non-Categorical, Significant Industrial User	\$813.00
Non-Categorical, Non-Significant Industrial User	\$563.00

Section 7 That Permit Revision or Facility Expansion fees shall \$1,625.00

Permit Revisions shall be required if the modification affects the quantity/quality of the wastewater discharge to deviate from the conditions in the current permit by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Process Changes, etc.

Section 8	That for	change of	of	business	name	with	no	process	\$250.00
changes sha	ll be:								

That Permit Addendum fees shall be: \$813.00

Permit Addendum shall be required if the addition or modification does not affect the existing wastewater quantity/quality by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Ownership Change without Process Changes, etc.

Section 9 Toxic Organic Management Plan (TOMP) Processing No Charge

Resolution No. 2022-6-3 NRWS Rates Page 6 of 7

<u>Section 10</u> Miscellaneous processing fees that do not fall under any of the above sections shall be charged based on time and material of staff(s) evaluating such process using adopted labor rates for the current fiscal year.

<u>Section 11</u> That all provisions of the Non-Reclaimable Wastewater Ordinance and any amendments thereto are hereby applicable and will remain in full force and effect.

Section 12 That upon the effective date of this Resolution, the Resolution No. 2021-6-3 pertaining to the NRWS is hereby rescinded in its entirety.

ADOPTED this 15th day of June 2022.

Steven J. Elie

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

ATTEST:

Marco Tule Secretary/ Treasurer of the Inland Empire Utilities Agency* and of the Board of Directors thereof

^{*}A Municipal Water District

Resolution No. 2022-6-3 NRWS Rates Page 7 of 7	
STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) SS)
I, Marco Tule, Secretary/	Γreasurer of the Inland Empire Utilities Agency*,
DO HEREBY CERTIFY that the foregoi	ng Resolution being No. 2022-6-3 as adopted at
a regular Board meeting on June 15, 20	022, of said Agency* by the following vote:
AYES:	
NOES:	
ABSTAIN:	
ABSENT:	
	Marco Tule Secretary/Treasurer
(SEAL)	
* A Municipal Water District	

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING INITIAL AND MONTHLY CAPACITY CHARGES, **VOLUMETRIC** CHARGES, **EXCESS** STRENGTH CHARGES, CAPITAL IMPROVEMENT PROJECT (CIP) CHARGES, **IEUA** ADMINISTRATIVE CHARGES, **APPLICATION** WASTEWATER DISCHARGE PERMIT APPLICATION FEES FOR THE INLAND EMPIRE BRINE LINE (BRINE LINE) FOR FISCAL YEAR (FY) 2022/23.

WHEREAS, it is necessary to establish initial and monthly capacity charges, volumetric flow charges, CIP charges, trucked wastewater delivery charges and excessive strength charges;

WHEREAS, it is necessary to establish application fees for processing applications for Capacity Right Agreements and Wastewater Discharge Permits for the use of the Inland Empire Utilities Agency (Agency)'s Brine Line;

WHEREAS, one Agency Capacity Unit (CU) is defined as an equalized discharge at the flow rate of 15 gallons per minute (GPM);

WHEREAS, under Section 13550, et seq., of the California Water Code, a Public Agency may require industries to use recycled water for certain purposes, where it is available and at reasonable cost;

WHEREAS, the Board of Directors of the Agency, pursuant to Ordinance No. 106, may establish said fees and charges by Resolution;

NOW, THEREFORE, the Board of Directors hereby RESOLVES, DETERMINES, AND ORDERS the following to be effective July 1, 2022, and remain in effect until rescinded by a new resolution:

Section 1 That the Initial Capacity Charge for the purchase of Agency Capacity Rights shall be set at \$215,000.00 per CU.

Section 2 That the monthly charges for discharge to the Brine Line are as follows:

(A) CAPACITY CHARGES:

For discharge to the Brine Line, which reaches jurisdiction of the Santa Ana Watershed Project Authority (SAWPA), the monthly Capacity Charge is \$435.43 per CU.

(B) CAPITAL IMPROVEMENTS PROGRAM CHARGES:

The monthly Capital Improvements Program (CIP) charge for Brine Line is \$90.00 per CU per month.

(C) VOLUMETRIC CHARGES

For discharge to the Brine Line, the monthly Volumetric Charge is \$1,049.00 per Million Gallons of discharge. The minimum Volumetric Charge for discharge of 100,000 gallons or less per CU per month is \$104.90 per CU per month.

(D) STRENGTH CHARGES

That Strength Charges are applicable to all discharges to the Brine Line, via pipeline or hauled by truck, for excessive Biochemical Oxygen Demand (BOD), and Total Suspended Solids (TSS). The rates are as follows:

<u>QUANTITY</u>	RATE
BOD	\$353.00 per 1,000 pounds (dry weight)
TSS	\$520.00 per 1,000 pounds (dry weight)

Strength charges for the Brine Line discharges are calculated from the average of all the samples collected during the calendar month and invoiced on a monthly basis. If there is no sample data for a given month, strength charges for that month shall be determined by using the average value of all available data from the previous 12 months.

(E) AGENCY ADMINISTRATIVE CHARGES

Agency Administrative Charges of 50% shall be added to the charges of Section 2(A), 2(C), and 2(D).

(F) RECYCLED WATER USAGE CREDIT FOR BRINE LINE

This program is for recycled water (RW) Users and shall end when funding is exhausted or not later than June 30, 2024, whichever comes first. New Users who qualify for this program shall be given the recycled water credit in effect at the time of connection to the recycled water system.

Recycled Water Users, including contracting agencies, shall be given a monetary credit based on the actual amount of RW used. The RW credit shall start at 50% of the IEUA's FY 2014/15 recycled water direct sale rate and shall decline at 5% intervals per year through FY 2023/2024.

Resolution No. 2022-6-4 IEBL Rates Page 3 of 7

For FY 2022/23, the Recycled Water Usage Credit is \$89.00 per million gallons of recycled water used.

(G) Other Charges

IEUA will pass on any other charges from SAWPA invoiced to the Agency to dischargers to the Brine Line, such as, but not limited to, flow and strength imbalances charges, permit fees, inspection fees, analytical fees, etc.

Section 3 For trucked discharges to the Brine Line, the wastewater discharge rate shall be based on the applicable Tiered Schedule as established by the higher concentration value for BOD or TSS. The Brine Line Tiered Rate Schedule for Trucks is shown in Table 1.

Table 1 - Brine Line Tiered Rate Schedule for Trucks

			Incremental Charge	Concentrations of	over 100 mg/L
Tiered Schedule	BOD / TSS Concentration	Volumetric Charge Up to 5,000 gallons	above 5,000 gallons, \$ per one (1) gallon	BOD Charge \$ per lb	TSS Charge \$ per lb
Brine	BOD and TSS Less than 100 mg/L	\$316.90	\$0.016		
Non-Brine	BOD or TSS 100 mg/L and higher	\$316.90	\$0.016	\$0.780	\$0.745

Section 4 That Application fees for a Capacity Right Agreement \$250.00

<u>Section 5</u> That Initial Wastewater Discharge Permit Application and Permit Renewal fees for wastewater generators who discharge directly through pipeline connection to the NRWS sewer system shall be:

Initial Wastewater Discharge Permit Application Fees

(Ownership Change with Process Changes included):

Categorical Industrial User	\$4,375.00
with Combined Waste Stream Formula, add	\$1,063.00
with Production Based Standards, add	\$563.00
with Multiple Categories, add	\$2,125.00
Non-Categorical, Significant Industrial User	\$3,188.00
Non-Categorical, Non-Significant Industrial User	\$2,625.00

Permit Renewal Fees:

Categorical Industrial User	\$3,250.00
with Combined Waste Stream Formula, add	\$563.00
with Production Based Standards, add	\$313.00
with Multiple Categories, add	\$1,063.00
Non-Categorical, Significant Industrial User	\$813.00
Non-Categorical, Non-Significant Industrial User	\$563.00

<u>Section 6</u> That Initial Wastewater Discharge Permit Application and Permit Renewal fees for wastewater generators whose wastewater is hauled away, i.e., by a wastewater trucking company, and discharged into the NRWS sewer system shall be:

Initial Wastewater Discharge Permit Application Fees:

(Ownership Change with Process Changes included)

Categorical Industrial User	\$2,750.00
with Combined Waste Stream Formula, add	\$1,063.00
with Production Based Standards, add	\$563.00
with Multiple Categories, add	\$2,125.00
Non-Categorical, Significant Industrial User	\$1,625.00
Non-Categorical, Non-Significant Industrial User	\$1,063.00

Permit Renewal Fees:

Categorical Industrial User	\$2,250.00
with Combined Waste Stream Formula, add	\$563.00
with Production Based Standards, add	\$313.00
with Multiple Categories, add	\$1,063.00
Non-Categorical, Significant Industrial User	\$813.00
Non-Categorical, Non-Significant Industrial User	\$563.00

Resolution No. 2022-6-4 IEBL Rates Page 5 of 7

<u>Section 7</u> That initial Wastewater Hauler Permit application and Permit Renewal fees for the North NRWS shall be:

Initial Permit Application for Wastewater Hauler
Permit Renewal for Wastewater Hauler

South NRWS Wastewater Hauler Permit Application and Permit Renewal are processed and administered by Santa Ana Watershed Project Authority (SAWPA).

Section 8 That Permit Revision or Facility Expansion fees shall be: \$1,625.00

Permit Revisions shall be required if the modification affects the quantity/quality of the wastewater discharge to deviate from the conditions in the current permit by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, etc.

Section 9 That for change of business name with no process changes shall be: \$250.00

That Permit Addendum fees shall be:

\$813.00

\$250.00

\$125.00

Permit Addendum shall be required if the addition or modification does not affect the existing wastewater quantity/quality by more than 25%. Such additions or modifications include, but are not limited to, the following: Maintenance, Monitoring, Change of Discharge Limits, Addition of Control Equipment, Ownership Change without Process Changes, etc.

<u>Section 10</u> Toxic Organic Management Plan (TOMP) Processing No Charge

<u>Section 11</u> Miscellaneous processing fees that do not fall under any of the above sections shall be charged based on time and material of staff(s) evaluating such process using adopted labor rates for the current fiscal year.

<u>Section 12</u> That all provisions of the Brine Line Ordinance and any amendments thereto are hereby applicable and will remain in full force and effect.

Resolution No. 2022-6-4 IEBL Rates Page 6 of 7

<u>Section 13</u> That upon the effective date of this Resolution, the Resolution No. 2021-6-4 pertaining to the Inland Empire Brine Line (also known as South NRWS) is hereby rescinded in its entirety.

ADOPTED this 15th day of June 2022.

Steven J. Elie

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

ATTEST:

Marco Tule Secretary/ Treasurer of the Inland Empire Utilities Agency* and of the Board of Directors thereof

*A Municipal Water District

Resolution No. 2022-6-4 IEBL Rates Page 7 of 7	
STATE OF CALIFORNIA)	
COUNTY OF SAN BERNARDINO)	SS
I, Marco Tule, Secretary/Trea	asurer of the Inland Empire Utilities Agency*,
DO HEREBY CERTIFY that the foregoing	Resolution being No. 2022-6-4 as adopted at
a regular Board meeting on June 15, 2022,	, of said Agency* by the following vote:
AYES:	
NOES:	
ABSTAIN:	
ABSENT:	
	Marco Tule Secretary/Treasurer
(SEAL)	
* A Municipal Water District	

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING IMPORTED WATER RATES.

WHEREAS, pursuant to Division II, Part II, Section 201 of Ordinance No. 104, the Board of Directors of Inland Empire Utilities Agency* (Agency) establishes, from time to time, rates for water sold or delivered by direct connections to Metropolitan Water District of Southern California (MWD) facilities;

WHEREAS, the Board of Directors of the Agency establishes rates for delivery of imported water supplies; and the rates are based on the approved and adopted biennial budget rates by the MWD Board on April 12, 2022; and

NOW, THEREFORE, the Board of Directors hereby RESOLVES, DETERMINES AND ORDERS the following to be effective July 1, 2022, and January 1, 2023, and to remain in effect until rescinded by a new resolution:

Section 1. That the rates of sales of imported water are direct pass-through charged by Metropolitan for each class of water. The rates, by class of water are as follows:

(a) FOR TIER 1 FULL SERVICE UNTREATED WATER – i.e., domestic and municipal purposes:

01/1/2022 – 12/31/2022 \$799.00 per acre foot 01/1/2023 – 12/31/2023 \$855.00 per acre foot 01/1/2024 – 12/31/2024 \$903.00 per acre foot

(b) FOR TIER 2 FULL SERVICE UNTREATED WATER – i.e., domestic and municipal purposes:

01/1/2022 – 12/31/2022 \$841.00 per acre foot 01/1/2023 – 12/31/2023 \$1,064.00 per acre foot 01/1/2024 – 12/31/2024 \$1,102.00 per acre foot

(c) FOR GROUND WATER STORAGE PROGRAM

REPLENISHMENT WATER UNTREATED – This rate is available contingent upon the requirements of Metropolitan's Administrative Code, and includes water delivered for groundwater replenishment and storage, by direct or in-lieu methods.

```
01/1/2022 – 12/31/2022 (NO RATE AVAILABLE)
01/1/2023 – 12/31/2023 (NO RATE AVAILABLE)
01/1/2024 – 12/31/2024 (NO RATE AVAILABLE)
```

(d) METROPOLITAN WATER SUPPLY ALLOCATION PLAN (WSAP) PENALTY RATE of \$2,000/AF beginning June 1, 2022 – Reduced imported water allocations caused by the adoption of a WSAP will reduce a member agencies Tier 1 allocation pursuant to Resolution 2016-9-1. Penalty rates will be applied in accordance to Metropolitan's WSAP to IEUA and its member agencies if IEUA exceeds its imported water allocation from MWD and is invoiced by MWD for WSAP penalty rates. Any such penalty rates shall be "passed through" to the appropriate agency that caused the imposition of a penalty rate by MWD.

Section 2. That IEUA will impose any Metropolitan rates and charges, applicable to each service connection, if invoiced by Metropolitan to IEUA during FY 2022/23 and FY 2023/2024

Section 3. That the Metropolitan levied Capacity Charge (\$/cfs) shall be as follows:

```
01/1/2022 – 12/31/2022 $ 12,200 per cubic foot per second (cfs)
01/1/2023 – 12/31/2023 $ 10,600 per cubic foot per second (cfs)
01/1/2024 – 12/31/2024 $ 11,200 per cubic foot per second (cfs)
```

Section 4. That a minimum charge of \$1,000 per month will be collected from any active Metropolitan full service industrial connection beginning 7/1/2022 through 6/30/2024.

Section 5. In the event of any delinquent payments for bills related to imported water or other charges, the Agency will apply Division III, Part I, Section 107 of Ordinance No. 104

Section 6. That upon the effective date of this Resolution, Resolution No. 2021-6-7 is hereby rescinded in its entirety.

ADOPTED this 15th day of June 2022.

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

ATTEST:

Marco Tule
Secretary/ Treasurer of the Inland Empire
Utilities Agency* and of the Board of
Directors thereof

*a Municipal Water District

Page 4 of 4	
STATE OF CALIFORNIA))SS COUNTY OF SAN BERNARDINO)	
I, Marco Tule, Secretary/Treasure	r of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing Resolution	being No. 2022-6-5, was adopted at a regular
meeting on June 15, 2022, of said Agency* by the	e following vote:
AYES:	
NOES:	
ABSTAIN:	
ABSENT:	
	Marco Tule Secretary/Treasurer
(SEAL)	
* A Municipal Water District	

Resolution No. 2022-6-5

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING EQUIPMENT RENTAL RATES FOR FISCAL YEAR 2022/2023.

WHEREAS, the Board of Directors of Inland Empire Utilities Agency* is required by Agency Ordinance No. 28, Section 3, to establish, from time to time, rates for rental of maintenance and construction equipment.

NOW, THEREFORE, the Board of Directors hereby RESOLVES, DETERMINES AND ORDERS, pursuant to Ordinance No. 28, that the rates for equipment rental are as shown in Exhibit 1 attached hereto and are effective July 1, 2022, and remain in effect until rescinded by a new resolution:

Upon the effective date of this Resolution, Resolution No. 2021-6-8 is hereby rescinded in its entirety.

Resolution No. 2022-6-6 Equipment Rental Page 2 of 4

ADOPTED this 15th day of June 2022.

Steven J. Elie
President of the Inland Empire Utilities Agency*

and of the Board of Directors thereof

ATTEST:

Marco Tule
Secretary/ Treasurer of the Inland Empire
Utilities Agency* and of the Board of
Directors thereof

*a Municipal Water District

Resolution No. 2022-6-6 Equipment Rental Page 3 of 4	
STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)SS)
I, Marco Tule, Secretary	Treasurer of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing F	Resolution being No. 2022-6-6 was adopted at a regular
meeting on June 15, 2022, of said Ager	ncy* by the following vote:
AYES:	
NOES:	
ABSTAIN:	
ABSENT:	
	Marco Tule
	Secretary/Treasurer
(SEAL)	
* A Municipal Water District	

EXHIBIT 1

INLAND EMPIRE UTILITIES AGENCY* MAINTENANCE EQUIPMENT RENTAL RATES FISCAL YEAR 2022/23

GOVERNMENTAL AGENCIES WITHIN IEUA SERVICE BOUNDARIES

		RATE IN FORCE
CCTV Camera Equipment Truck With one operator With two operators	per hour portal-to-portal per hour portal-to-portal	\$106.77 \$188.97
Gap Vactor Truck 20 With one operator With two operators	per hour portal-to-portal per hour portal-to-portal	\$110.69 \$192.89
Gap Vactor Truck 06 With one operator With two operators	per hour portal-to-portal per hour portal-to-portal	\$116.54 \$198.75
Safety Van With one operator With two operators	per hour portal-to-portal per hour portal-to-portal	\$88.77 \$170.98
Water Truck With one operator With two operators	per hour portal-to-portal per hour portal-to-portal	\$89.71 \$171.92

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING CHARGES FOR LABORATORY ANALYSES FOR FISCAL YEAR 2022/23

WHEREAS, The Agency occasionally enters into agreements with other local governmental agencies to perform laboratory analyses; and

WHEREAS, the most efficient and practical method of charging for this work is through the establishment of a price for each analysis.

NOW, THEREFORE, the Board of Directors hereby RESOLVES, DETERMINES AND ORDERS, that, effective July 1, 2022, the single item prices for laboratory analyses are as shown on Exhibit 1 attached hereto, and remain in effect until rescinded by a new resolution:

Upon the effective date of this Resolution, Resolution No. 2021-6-5 is hereby rescinded in its entirety.

Resolution No. 2022-6-7 Laboratory Fees Page 2 of 4

ADOPTED this 15th day of June 2022.

Steven J. Elie

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

ATTEST:

Marco Tule
Secretary/ Treasurer of the Inland Empire
Utilities Agency* and of the Board of
Directors thereof

^{*}a Municipal Water District

Resolution No. 2022-6-7 Laboratory Fees Page 3 of 4	
STATE OF CALIFORNIA)	
COUNTY OF SAN BERNARDINO)	
I, Marco Tule, Secretary/Treasurer of the	ne Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing Resolution b	eing No. 2022-6-7, was adopted at a
regular meeting on June 15, 2022, of said Agency*	by the following vote:
AYES:	
NOES:	
ABSTAIN:	
ABSENT:	
	rco Tule cretary/Treasurer
(SEAL)	
* A Municipal Water District	

INLAND EMPIRE UTILITIES AGENCY LABORATORY PRICES - FY 2022/2023

Inorganic Chemistry			
Test	Method	Price	
Alkalinity, Total	SM 2320B	\$16.50	
Ammonia as Nitrogen	EPA 350.1	\$16.50	
Anion Sum	SM 1050	\$2.80	
BOD, Soluble	SM 5210	\$48.10	
BOD, Total	SM 5210	\$42.60	
Bromide	EPA 300.0	\$11.90	
Cation Sum	SM 1050	\$2.80	
Chlorate	EPA 300.0	\$51.90	
Chloride	EPA 300.0	\$10.40	
Chlorite	EPA 300.0	\$51.90	
COD	SM 5220D	\$36.60	
Color	SM 2120B	\$10.90	
Conductivity	SM 2510	\$10.40	
Corrosivity	SM 2330B	\$46.50	
If Alkalinity, Ca, EC, or pH a			
Corrosivity cost is reduced b		orices.	
Cyanide, Available	EPA OIA-1677	\$54.60	
Cyanide, Free	ASTM D7237	\$30.60	
Cyanide, Total	ASTM D7284	\$33.90	
Dissolved Organic Carbon	SM 5310B	\$43.70	
Dissolved Organic Carbon	SM 5310C	\$38.30	
Dissolved Oxygen	EPA 360.1	\$13.70	
Fluoride	EPA 300.0	\$10.40	
Fluoride	SM 4500-F C	\$18.50	
Hardness, Total (Calculation)	EPA 200.7	\$24.60	
If Ca and Mg is requested,		\$0.00	
Hardness, Total	SM 2340C	\$20.30	
Mercury	EPA 245.2	\$43.70	
Metals Digestion (liquid)		\$18.50	
Metals Digestion (solid)		\$49.20	
Metals by ICP	EPA 200.7	\$10.90	
Metals by ICP/MS	EPA 200.8	\$10.90	
Nitrate as Nitrogen	EPA 300.0	\$10.40	
Nitrite as Nitrogen	EPA 300.0	\$10.40	
Nitrogen, Organic	Various	\$71.10	
Oil & Grease, Polar (FOG)	EPA1664B	\$82.00	
Oil & Grease, Non-polar	EPA1664B	\$43.70	
Oil & Grease, Total	EPA1664B	\$38.30	
рН	SM 4500-H+ B	\$6.60	
Phosphorus, Ortho	EPA 300.0	\$10.40	
Phosphorus, Total	EPA 200.7	\$10.90	

Inorganic Chemistry		
Test	Method	Price
Silica	EPA 200.7	\$10.90
Sulfate	EPA 300.0	\$10.40
Sulfide, Dissolved	SM 4500-S D	\$21.80
Sulfide, Total	SM 4500-S D	\$17.50
Surfactants (MBAS)	SM 5540C	\$54.60
TDS	SM 2540C	\$16.50
TDS, Fixed/Volatile	SM 2540E	\$24.60
TKN	EPA 351.2	\$43.70
TOC	SM 5310B	\$38.30
TOC	SM 5310C	\$32.80
Total Solids	SM 2540B	\$12.60
TSS	SM 2540D	\$16.50
Turbidity	EPA 180.1	\$9.90
Uranium pCi/L	EPA 200.8	\$30.60
Volatile Solids	SM 2540E	\$18.00
Volatile Suspended Solids	SM 2540E	\$24.60

Bioassay/Microbiology			
Test	Method	Price	
Bioassay, C.Dubia, Chronic	EPA 1002	\$1,311.30	
Coliform, Colilert P/A	SM 9223 B	\$10.90	
Coliform, Colilert Total Enumer	SM 9223 B	\$21.80	
Coliform, Fecal	SM 9221E	\$27.40	
Coliform, Total (15 Tube)	SM 9221B	\$27.40	
Heterotrophic Plate Count	SM 9215B	\$21.80	

Organic Chemistry		
Test	Method	Price
1,4-Dioxane	EPA 624	\$82.00
Acrolein & Acrylonitrile	EPA 624	\$82.00
MTBE	EPA 524.2	\$109.30
Pesticides	EPA 608	\$273.20
Pesticides w/ PCBs	EPA 608	\$355.10
PCBs	EPA 608	\$273.20
Semi-Volatiles (Short list DW)	EPA 525	\$355.10
Semi-Volatiles (Acid Extractable	EPA 625	\$246.00
Semi-Volatiles (Base/Neutrals)	EPA 625	\$246.00
Semi-Volatiles (BNA)	EPA 625	\$327.80
Tert-Butyl Alcohol (TBA)	EPA 524.2 MOD	\$163.90
Thiobencarb	EPA 525	\$327.80
Volatiles, DW	EPA 524.2	\$163.90
Volatiles, WW	EPA 624	\$207.60

CONSENT CALENDAR ITEM

1K



Date: June 15, 2022

To: The Honorable Board of Directors From: Shivaji Deshmukh, General Manager

Committee: Finance & Administration 06/08/22

Staff Contact: Javier Chagoyen-Lazaro, Acting Assistant General Manager

Subject: Adoption of Resolution No. 2022-6-8, Establishing the Appropriations Limit for Fiscal

Year (FY) 2022/23

Executive Summary:

In accordance with State Legislation Proposition 4 and Proposition 111, the Agency annually adopts an appropriations limit, or limit to the amount of property tax proceeds that can be spent each year.

To calculate the annual appropriations limit, the Agency applies the population growth and per capita personal income tax (PIT) growth factors to the prior year's appropriations limit. For FY 2022/23, San Bernardino County population increased by 0.14 percent and the State of California PIT index was 7.55 percent. As a result, the Agency's total appropriations limit for FY 2022/23 is \$232.1 million, an increase of \$16.6 million, or 7.70 percent, compared to the limit of \$215.5 million for FY 2021/22. The expenses that will utilize anticipated property tax revenue of \$74.0 million are well below the FY 2022/23 calculated appropriations limit.

The state required minimum 15-day notice of the Agency's intent to adopt the appropriations limit and documentation of staff's determination of the limit has been met.

Staff's Recommendation:

It is recommended that the Board of Directors adopt Resolution No. 2022-6-8 establishing the appropriations limit for Fiscal Year 2022/23.

Budget Impact Budgeted (Y/N): N Amendment (Y/N): N Amount for Requested Approval: Account/Project Name:

Fiscal Impact (explain if not budgeted):

The appropriations limit will not affect the Agency's proposed spending levels or reserves, as the proposed expenditures are projected to be supported primarily by non-ad valorem tax revenue sources, such as user fees and rates. Expenses that will utilize tax revenue are expected to be well below the FY 2022/23 appropriations limit.

Full account coding (internal AP purposes only): - - - Project No.:

Prior Board Action:

On August 18, 2021, the Board of Directors adopted Resolution No. 2021-8-1, establishing the revised appropriations limit for FY 2021/22.

Environmental Determination:

Not Applicable

Business Goal:

Establishing the appropriations limit for FY 2022/23 is consistent with the Agency's business goal of Fiscal Responsibility in funding and appropriation.

Attachments:

Attachment 1 - Background

Attachment 2 - Resolution No. 2022-6-8

Attachment 3 - PowerPoint

Board-Rec No.: 22141



Background

Subject: Adoption of Resolution No. 2022-6-8, Establishing the Revised Appropriations Limit for Fiscal Year (FY) 2022-23

One year after the adoption of Proposition 13 (People's Initiative to Limit Property Taxation), the State Legislation adopted Proposition 4 (Gann Limit Initiative) in November 1979 to place a limit (Appropriations Limit) on the amount of property tax proceeds that the state and local government can authorize to expend (appropriate) during any fiscal year.

The purpose of Proposition 4 (1979) created under Article X111B of the California Constitution, and later amended by Proposition 111 (1990), was to hold government expenditures at their 1978-79 level, adjusted for changes in cost of living and population. Proposition 111 reset the base year from 1978-79 to 1986-87 and allowed local jurisdictions to choose among measures of population growth, inflation, or per capita personal income tax (PIT) index to calculate appropriations limits.

The Agency's appropriations limit 1978-79 base year calculation was retroactively modified each year for changes in one of two factors. The Agency applies the population and PIT factors to calculate its annual appropriations limit (Exhibit II of Resolution No. 2021-8-1). For FY 2022/23, factors reported are as follows: San Bernardino population change was 0.14 percent and the State of California PIT index was 7.55 percent.

Based on the change in population and PIT index, the Agency's total appropriations limit for FY 2022/23 is \$232.1 million, an increase of \$16.6 million compared to \$215.5 million for FY 2021/22. The Agency's FY 2022/23 budget subject to the appropriations limit is \$74.0 million, equal to the projected amount of property tax proceeds. This is well below the fiscal year calculated limit.

RESOLUTION NO. 2022-6-8

RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING AN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2022/23

WHEREAS, on November 6, 1979, Proposition 4 on the ballot for the Special Election added Article XIIIB to the Constitution, effective July 1, 1980, placing various limits on the fiscal powers of state and local governments;

WHEREAS, implementing legislation, Chapter 1205 Statutes of 1980 (SB 1352) became effective January 1, 1981, wherein the appropriations may increase each year by an amount equal to the percentage change in population from January to January each year and the lower of two price changes, i.e., either the U.S. March to March Consumer Price Index (CPI), or the fourth quarter per Capita Personal Income Index;

WHEREAS, Article XIIIB and its implementing legislation were modified by Proposition 111 and SB88 (Chapter 60/90) to establish new annual adjustment factors beginning with the 1990/91 Appropriations Limit;

WHEREAS, Inland Empire Utilities Agency*, as a local government, is required under Article XIIIB to annually establish an appropriations limit for the following fiscal year;

WHEREAS, Resolution No. 81-6-7 was adopted on June 24, 1981, setting forth definitions, declarations, findings, and determinations concerning the applicability of Article XIIIB to the individual funds of the Agency;

WHEREAS, those definitions, declarations, findings, and determinations are modified as specifically provided herein;

WHEREAS, it is Inland Empire Utilities Agency's* intent to establish this year's Appropriations Limit, following the California League of Cities Uniform Guidelines dated March 1991; and

WHEREAS, except for data on non-residential assessed valuation due to new construction (since 1986/87), data concerning per capita personal income and population changes necessary for determining the Fiscal Year 2022/23 Appropriation Limits are now available.

NOW, THEREFORE, the Inland Empire Utilities Agency* does hereby RESOLVE and DETERMINE as follows:

Section 1. The Board of Directors has determined to select the State of California Per Capita Personal Income as its inflation adjustment factor, in the absence of up-to-date data on non-residential assessed valuation. The Board reserves the right to change its selection of the inflation adjustment factor once the assessment data are available.

Section 2. The Board has determined to select the San Bernardino County's population growth (since 1986/87) as its population adjustment factor.

Resolution No. 2022-6-8 Page 2 of 6

Section 3. Appropriations Limit. That pursuant to Section 7910 of the Government Code, the Board of Directors does hereby establish the following Appropriations Limit for Fiscal Year 2022/23 is \$232,148,660.

Section 4. Publication. Pursuant to Government Code Section 37200 the Appropriations Limit and the Total Appropriations Subject to Limitation will be published in the annual budget.

Section 5. Filing. That after a 15-day period to allow for public review and comment, the Board Secretary is hereby authorized and directed to file a certified copy of this Resolution with the State Auditor Controller.

Section 6. That upon adoption of this Resolution, Resolution No. 2021-8-1 is hereby rescinded in its entirety.

ADOPTED this 15th day of June 2022

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

ATTEST:

Marco Tule Secretary/ Treasurer of the Inland Empire Utilities Agency* and of the Board of Directors thereof

(SEAL)

^{*}A Municipal Water District

Resolution No. 2022-6-8 Page 3 of 6
STATE OF CALIFORNIA)
)SS COUNTY OF SAN BERNARDINO)
I, Marco Tule, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO HEREBY
CERTIFY that the foregoing Resolution being No. 2022-6-8, was adopted at a regular meeting on June 15,
2022, of said Agency by the following vote:
AYES:
NOES:
ABSTAIN:
ABSENT:
Marco Tule Secretary/Treasurer
(SEAL)
* A Municipal Water District

EXHIBIT I

APPROPRIATIONS LIMIT

Article XIIIB of the California State Constitution, more commonly referred to as the GANN Initiative or GANN Limit, was adopted by California voters in 1980 and placed limits on the amount of taxes that state and local governmental agencies can receive and appropriate (authorize to spend) each year.

The limit is different for each agency and changes each year. The annual limit is based on the amount of tax proceeds that were authorized to be spent in Fiscal Year (FY) 1978-1979 in each agency, modified for changes in inflation and population in each subsequent year. Proposition 111 was passed by the State's voters in June 1990. This legislation made changes to the manner in which the Appropriations Limit is to be calculated.

The annual adjustment factors for inflation and population have been changed. Instead of using the lesser of the State of California per capita income or U.S. CPI, each agency may choose either the growth in the State of California per capita income or the growth in assessed valuation due to new non-residential construction within the agency service area. For population, each agency may choose to use the population growth within its county instead of using only the population growth of an agency's service area. These are both annual elections.

An agency which exceeds the limit in any one year may choose to not give a tax refund if they fall below the limit in the next fiscal year. They then have two more years to refund any remaining excess or to obtain a successful override vote. In certain situation, proceeds of taxes may be spent on emergencies without having to reduce the limit in the future years. Each agency must now conduct a review of its Appropriations Limit during its annual financial audits.

The legislation also requires a governing body to annually adopt, by resolution, an appropriations limit for the following year, along with a recorded vote regarding which of the annual adjustment factors have been selected. The Inland Empire Utility Agency's appropriation limit and annual adjustment factors are adopted at the same meeting as the budget. The two factors used for Fiscal Year 2022/23 are the change in the State of California per capita personal income, and the change in the San Bernardino County population.

The following table shows the annual appropriations limit and the proceeds from taxes for the last five years and for FY 2022/23. The change in the limit is based upon population change of 0.14% within the county and a per capita personal income change of 7.55%, as provided by the State Department of Finance.

Fiscal Year	Annual Appropriations Limit	Proceeds of Taxes (Appropriations)
2017/18	\$178,006,894	\$ 46,046,000
2018/19	\$186,293,115	\$ 47,887,800
2019/20	\$195,207,240	\$ 52,364,002
2020/21	\$203,521,116	\$ 53,934,900
2021/22	\$215,549,215	\$ 57,486,000
2022/23	\$232,148,660	\$ 74,017,999

Resolution No. 2022-6-8 Page 5 of 6

Since the implementation of this legislation (effective 1981 then modified in 1990), Inland Empire Utilities Agency has annually established and adopted an appropriations limit and has been in compliance.

EXHIBIT II

INLAND EMPIRE UTILITIES AGENCY

Proposed Budget Fiscal Year 2022/23 Appropriations Limit Calculation

	Agency Total
2021/22 Appropriations Limit 2022/23 Change in Per Capital Personal income @ 1.0755	\$215,549,215
2022/23 Change in Population @ 1.0014	
Ratio of Change (1.0755 x 1.0014)	1.07701
2022/23 APPROPRIATIONS LIMIT	\$232,148,660

	Agency Total
Total Expenses	\$184,189,970
Net Change in Capital Outlay	201,575,467
Debt Service	25,177,867
Subtotal of Appropriations	\$410,943,304
Increase/(Decrease) in Working Capital Reserves	6,319,424
Total Appropriations	\$417,262,728
Less: Non-Tax Proceeds	343,244,729
APPROPRIATIONS SUBJECT TO LIMITATION	\$74,017,999





Recommendation

• It is recommended that the Board of Directors adopt Resolution No. 2022-6-8, establishing the appropriations limit for Fiscal Year 2022/23, and rescind Resolutions No. 2021-8-1 adopted in August 2021.







Establishing the appropriations limit for FY 2022/23 is consistent with the Agency's business goal of Fiscal Responsibility in funding and appropriation.

ACTION ITEM

2A



Date: June 15, 2022

To: The Honorable Board of Directors From: Shivaji Deshmukh, General Manager

Committee:

Executive Contact: Denise Garzaro, Board Secretary/Office Manager

Subject: California Special Districts Association 2022 Board of Directors Election for Seat B,

Southern Network

Executive Summary:

As a California Special Districts Association (CSDA) Regular Member in good standing, IEUA has received an official electronic ballot to cast one vote in CSDA's 2022 Board of Directors' election for Seat B, Southern Network. There are three candidates running for the seat. Nomination letters, letters requesting support, and candidate information sheets that were received by IEUA are attached. The deadline to cast the vote is 5:00 p.m. on July 8, 2022.

- 1. Don Bartz, Phelan Pinon Hills Community Services District*
- 2. Ken Endter, Fallbrook Public Utility District
- 3. Beverli Marshall, Valley Sanitary District

* 1	r		hen	4
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Staff's Recommendation:

Determine that Agency's vote for the California Special Districts Association 2022 Board of Directors' election for Seat B, Southern Network, by selecting one candidate.

Budget Impact Budgeted (Y/N): Y Amendment (Y/N): Y Amount for Requested Approval: Account/Project Name:

Fiscal Impact (explain if not budgeted):

Prior Board Action:		_
Environmental Determination:		
Not Applicable		
Business Goal:		

Attachments:

Attachment 1 - CSDA Call for Nomination Notice

Attachment 2 - Don Bartz - Letter Requesting Support, Candidate Information Sheet, Candidate Statement

Attachment 3 - Ken Endter - Candidate Information Sheet

Attachment 4 - Beverli Marshall - Candidate Information Sheet, Candidate Statement

Board-Rec No.: 22153



CSDA BOARD OF DIRECTORS CALL FOR NOMINATIONS - SEAT B

Deadlines:

Northern, Sierra, Bay, Central & Southern Networks - March 31, 2022 Coastal Network - due to vacancy - April 11, 2022

The Elections and Bylaws Committee is looking for Independent Special District Board Members or their General Managers who are interested in leading the direction of the California Special Districts Association for the 2023 - 2025 term.

The leadership of CSDA is elected from its six geographical networks. Each of the six networks has three seats on the Board with staggered 3-year terms. Candidates must be affiliated with an independent special district that is a CSDA Regular Member in good standing and located within the geographic network they seek to represent.

(CSDA Network Map)

The CSDA Board of Directors is the governing body responsible for all policy decisions related to CSDA's member services, legislative advocacy, education and resources. The Board of Directors is crucial to the operation of the Association and to the representation of the common interests of all California's special districts before the Legislature and the State Administration. Serving on the Board requires one's interest in the issues confronting special districts statewide.

Commitment and Expectations:

- Attend all Board meetings, usually 4-5 meetings annually, at the CSDA office in Sacramento.
- Participate on at least one committee, meets 3-5 times a year at the CSDA office in Sacramento.
 (CSDA reimburses Directors for their related expenses for Board and committee meetings as outlined in Board policy).
- Attend, at minimum, the following CSDA annual events: Special Districts Legislative Days held in the Spring, and the CSDA Annual Conference - held in the Fall. (CSDA does not reimburse expenses for the two conferences even if a Board or committee meeting is held in conjunction with the event)
- Complete all four modules of CSDA's Special District Leadership Academy within 2 years of being elected. (CSDA does **not** reimburse expenses for the Academy classes even if a Board or committee meeting is held in conjunction with the event).

Please review the CSDA Board Policy 2.16 Board Commitments & Responsibilities.

Nomination Procedures:

Any Regular Member in good standing is eligible to nominate one person, a board member or managerial employee (as defined by that district's Board of Directors), for election to the CSDA Board of Directors. A copy of the member district's resolution or minute action and Candidate Information Sheet must accompany the Nomination Form. The deadline for receiving nominations for the Northern, Sierra, Bay Area, Central and Southern Networks is March 31, 2022. Due to the current vacancy in the Coastal Network, the deadline for receiving nominations for the Coastal Network is April 11, 2022. Nominations and supporting documentation may be mailed or emailed.

Mail: 1112 | Street, Suite 200, Sacramento, CA 95814

Fax: 916.442.7889

E-mail: amberp@csda.net

Once received, nominees will receive a candidate's letter. The letter will serve as confirmation that CSDA has received the nomination and will also include campaign guidelines.

CSDA will begin electronic voting on June 2, 2022. All votes must be received through the system no later than 5:00 p.m. July 8, 2022. The successful candidates will be notified no later than July 12, 2022. All selected Board Members will be introduced at the Annual Conference in Palm Desert, CA in August 2022.

Expiring Terms (See enclosed network map) (*=Incumbent is running for re-election)

Northern Network	Seat B	Kim Seney, Director, Gold Mountain Community Services District*
Sierra Network	Seat B	Jerry Gilmore, Director, Truckee Sanitary District*
		Ryan Clausnitzer, GM, Alameda
Bay Network	Seat B	County Mosquito Abatement
		District*
Central Network	Seat B	Lorenzo Rios, GM, Clovis Veterans Memorial District*
Coastal Network	Seat B	Vacant
		Don Bartz, GM, Phelan Pinon
Southern Network	Seat B	Hills Community Services
		District*

CSDA will be using a web-based online voting system, allowing your district to cast your vote easily and securely. Electronic Ballots will be emailed to the main contact in your district June 2, 2022. All votes must be received through the system no later than 5:00 p.m. July 8, 2022.

Districts can opt to cast a paper ballot instead; but you must contact Amber Phelen by e-mail at amberp@csda.net by March 31, 2022 in order to ensure that you will receive a paper ballot on time.

CSDA will mail paper ballots on June 2, 2022 per district request only.

If you have any questions, please contact Amber Phelen at amberp@csda.net.











2022 BOARD OF DIRECTORS NOMINATION FORM

Name of Candidate:	
District:	
Mailing Address:	
Network:	(see map)
Telephone: (PLEASE BE SURE THE PHONE NUMBER IS ONE WHERE WE CAN REACH THE CAN	DIDATE)
Fax:	
E-mail:	
Nominated by (optional):	

Return this form, a Board resolution/minute action supporting the candidate, and Candidate Information Sheet by mail or email to:

CSDA Attn: Amber Phelen 1112 I Street, Suite 200 Sacramento, CA 95814 (877) 924-2732

amberp@csda.net

DEADLINE FOR RECEIVING NOMINATIONS:

March 31, 2022 at 5:00 p.m.



2022 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information MUST accompany your nomination form and Resolution/minute order:

Na	Name:					
Di	District/Company: Title: Elected/Appointed/Staff:					
Le	ngth of Service with District:					
1.	Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):					
	Have you ever been associated with any other state-wide associations (CSAC, ACWA League, etc.):					
	List local government involvement (such as LAFCo, Association of Governments, etc.):					
4.	List civic organization involvement:					

^{**}Candidate Statement – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. Any statements received in the CSDA office after March 31, 2022 will not be included with the ballot.

Attachment 2



A 4176 Warbler Road P.O. Box 294049 Phelan, CA 92329

P. (760) 868-1212

F. (760) 868-2323

W. www.pphcsd.org

May 23, 2022

Board Secretary/Office Manager Denise Garzaro Inland Empire Utilities Agency PO Box 9020 Chino Hills, CA 91709-0902



RE: CSDA's Seat B - Southern Network Election

Dear Board Secretary/Office Manager Garzaro.

It is an honor to be considered for election to CSDA's Seat B - Southern Network to continue my service as a member of the Board of Directors. I have been active with CSDA for over 20 years during my time as General Manager for three different Southern Network agencies. I hold the Certified Special District Manager designation through CSDA and I understand just how valuable membership in CSDA is for special districts. Special districts often do not have a voice with our legislators and CSDA advocates for us. Most recently, when special districts were completely overlooked in regard to state and federal COVID-19 funds, CSDA worked with our legislators to provide COVID-19 funding for special districts.

I have been the General Manager of the Phelan Pinon Hills Community Services District ("District") since it formed 14 years ago. Our District has utilized CSDA's education and legislative programs to educate both District directors and staff in order to establish sound governance and best practices for our authorized services. I have served on CSDA's Professional Development and Membership Committees and recommend all special districts join CSDA to strengthen our coalition and bring recognition to our unique districts.

Because my District provides water, parks and recreation, solid waste, and street lighting services, I will bring a variety of experience and understanding of the needs of special districts in our region. As a regular attendee of CSDA conferences and workshops, I am willing to attend meetings and conferences. As a regular panelist on CSDA's, "So You Want to be a General Manager," workshop, I understand the role CSDA plays in helping general managers manage special districts and how CSDA is essential in training the next generation of managerial staff.

I currently serve as CSDA's representative for the Institute of Local Government and I also serve as an appointed planning commissioner for the City of Hesperia. I understand the land use and other hurdles special districts face when developing projects. I will utilize my legislative relationships for the benefit of CSDA members to advocate for special districts and to ensure we have a voice in the legislature and are considered for funding and grants. I would be honored to receive your vote.

Sincerely,

Don Bartz, General Manager



2022 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information MUST accompany your nomination form and Resolution/minute order:

Name: Don Bartz					
District/Company: Phelan Pinon Hills Community Services District Title: General Manager					
Length of Service with District: 14 years					
 Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.): 					
I currently hold the CSDM designation through CSDA and I was appointed to my					
position on the CSDA Board in 2020. I attend most CSDA conferences and events.					
P. Have you ever been associated with any other state-wide associations (CSAC, ACWA League, etc.):					
ACWA, AWWA, CPRA, CalRural Water					
Institute for Local Government					
3. List local government involvement (such as LAFCo, Association of Governments, etc.):					
LAFCo, ASBCSD (local chapter of CSDA) High Desert Mountain Water Association					
4. List civic organization involvement:					
I serve as a commissioner on the Hesperia Planning Commission					

^{**}Candidate Statement – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. Any statements received in the CSDA office after March 31, 2022 will not be included with the ballot.

DON BARTZ

GENERAL MANAGER



CANDIDATE STATEMENT

It is an honor to be considered for election to CSDA's Seat B - Southern Network to continue my service as a member of the Board of Directors. I have been active with CSDA for over 20 years during my time as General Manager for three different Southern Network agencies. I hold the Certified Special District Manager designation through CSDA and I understand just how valuable membership in CSDA is for special districts. Special districts often do not have a voice with our legislators and CSDA advocates for us. Most recently, when special districts were completely overlooked in regard to state and federal COVID-19 funds, CSDA worked with our legislators to provide COVID-19 funding for special districts.

I have been the General Manager of the Phelan Pinon Hills Community Services District ("District") since it formed 14 years ago. Our District has utilized CSDA's education and legislative programs to educate both District directors and staff in order to establish sound governance and best practices for our authorized services. I have served on CSDA's Professional Development and Membership Committees and recommend all special districts join CSDA to strengthen our coalition and bring recognition to our unique districts.

Because my District provides water, parks and recreation, solid waste, and street lighting services, I will bring a variety of experience and understanding of the needs of special districts in our region. As a regular attendee of CSDA conferences and workshops, I am willing to attend meetings and conferences. As a regular panelist on CSDA's, "So You Want to be a General Manager," workshop, I understand the role CSDA plays in helping general managers manage special districts and how CSDA is essential in training the next generation of managerial staff.

I currently serve as CSDA's representative for the Institute of Local Government and I also serve as an appointed planning commissioner for the City of Hesperia. I understand the land use and other hurdles special districts face when developing projects. I will utilize my legislative relationships for the benefit of CSDA members to advocate for special districts and to ensure we have a voice in the legislature and are considered for funding and grants. I would be honored to receive your agency's vote.

CONTACT INFORMATION







2022 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information MUST accompany your nomination form and Resolution/minute order:

ne: Ken Endter						
District/Company: Fallbrook Public Utility District						
Title: Director						
Elected/Appointed/Staff: Elected Length of Service with District: 4 years						
Have you ever been associated with any other state-wide associations (CSAC, ACWA League, etc.): ACWA workshops and events						
3. List local government involvement (such as LAFCo, Association of Governments, etc.):						
4. List civic organization involvement: San Diego County Emergency Preparedness, Supervisor District #14						

^{**}Candidate Statement – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. Any statements received in the CSDA office after March 31, 2022 will not be included with the ballot.



2022 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information MUST accompany your nomination form and Resolution/minute order:

Name: Beverli A. Marshall

District/Company: Valley Sanitary District

Title: General Manager

Elected/Appointed/Staff: Staff

Length of Service with District: 2.5 years

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

I am currently on the Professional Development and Membership Services committees. I have served on various committees over the past 10 years.

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

I am a member of CSMFO, CASA, CWEA, CalPELRA, and Cal-ICMA. I am also a member of NACWA, AWWA, ICMA, WEF, and WateReuse.

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

I serve on the Advisory Board of the UCSB Professional & Continuing Education Women in Leadership Executive

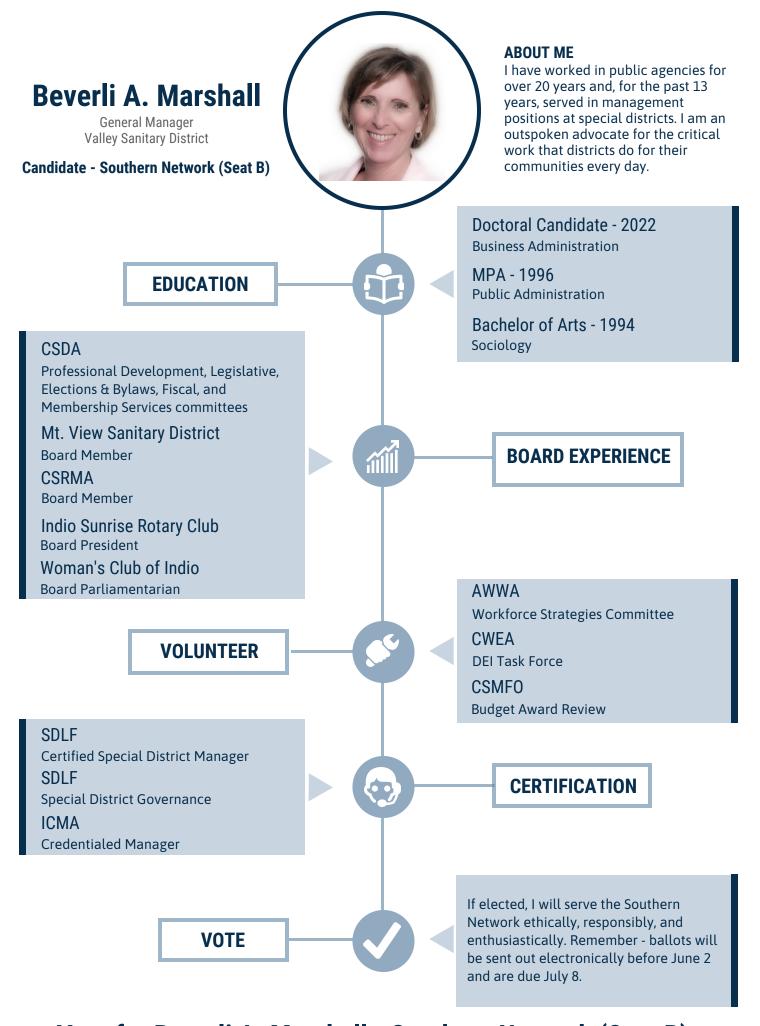
Program and am Chairman for the Water Sector Management Committe for the Desert Region Apprenticeship Program.

4. List civic organization involvement:

I am President of Indio Sunrise Rotary club, Parliamentarian of the Woman's Club of Indio, a member of the

Daughters of the American Revolution, and my application is being processed for the Mayflower Society.

^{**}Candidate Statement – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. Any statements received in the CSDA office after March 31, 2022 will not be included with the ballot.



Vote for Beverli A. Marshall - Southern Network (Seat B)

ACTION ITEM

2B



Date: June 15, 2022

To: The Honorable Board of Directors From: Shivaji Deshmukh, General Manager

Committee:

Staff Contact: Javier Chagoyen-Lazaro, Acting Assistant General Manager

Subject: Adoption of the Fiscal Year 2022/23 - 2031/32 Ten-Year Capital Improvement Plan

and Ten-Year Forecast

Executive Summary:

The Ten-Year Capital Improvement Plan (TYCIP) is a planning tool used to outline IEUA's capital priorities through a list of ongoing and future projects. The TYCIP proposes a schedule for the implementation of projects agency-wide, based on necessity to ensure reliability and safety while meeting all regulatory requirements. This TYCIP identifies capital projects for the Fiscal Year (FY) 2022/2023 through FY 2031/2032 time frame. Over the next ten years IEUA is planning approximately \$1,190,606,459 in capital improvement projects, of which 46% is expected to be in the Regional Wastewater Capital Improvement fund.

In addition, IEUA staff annually presents the TYCIP as a courtesy to the Regional Technical and Policy Committees before adoption by the Board of Directors. Pursuant to Section 9A of the Regional Sewage Service Contract, the Inland Empire Utilities Agency will submit a subset of the TYCIP, the Ten-Year Forecast (TYF), to the Regional Technical Committee for review and Policy Committee for approval. The TYF includes wastewater flow forecasts, a description of planned wastewater capital projects, capital project expenditures, plant capacities, and available funding of the Regional Wastewater Capital Improvement (RC) Fund. The Regional Policy Committee's approval authority applies to capital wastewater projects that address future demands.

Staff's Recommendation:

Adopt the Fiscal Years 2022/23-2031/32 Ten-Year Capital Improvement Plan and Ten-Year Forecast.

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

Account/Project Name:

Comprehensive of all agency projects.

Fiscal Impact (explain if not budgeted):

Aligned with Fiscal Year 2022/23 proposed biennial budget.

Full account coding (internal AP purposes only): - - Project No.:

Prior Board Action:

The Fiscal Year 2022/23-2031/32 Ten-Year Capital Improvement Plan & Ten-Year Forecast was presented to the Board on March 16, 2022 as an informational item.

Environmental Determination:

Not Applicable

Each project listed within the TYCIP & TYF will have it's own environmental impact determination.

Business Goal:

The Ten-Year Forecast covers many programs and projects that directly align with several Agency Business Goals, including Water Reliability, Wastewater Management, Environmental Stewardship, Business Practices, and Fiscal Responsibility.

Attachments:

Attachment 1 - PowerPoint

Attachment 2 - TYCIP Report

Board-Rec No.: 22146







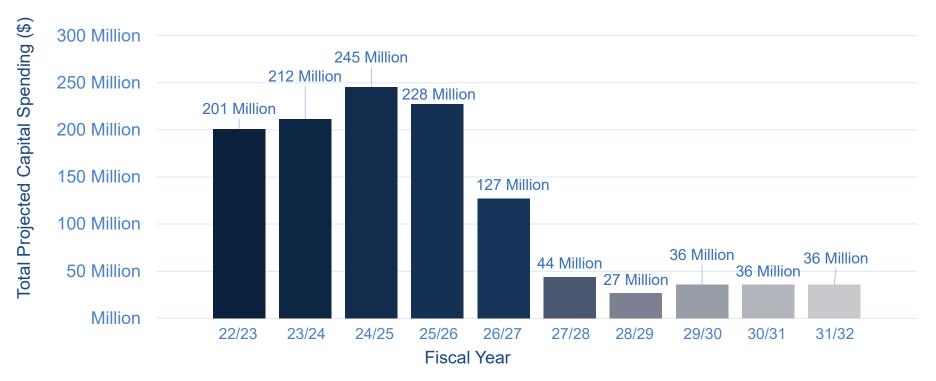
- Comprehensive planning document that lists capital projects planned over the next 10-years
 - Allows cross-departmental planning
 - Promotes transparency into agency activities
- Agency wide effort
 - Every department submits project request forms
 - Planning hosted a series of meetings with internal stakeholders to refine those project timelines and spending





Ten-Year Capital Improvement Plan

FY 2022/2023 - FY 2031/2032 TYCIP







- Advanced Water Treatment
- Recycled Water Program Expansion (Injection Wells & External supplies)
- RP-5 Expansion
- RP-1 Thickening Building & Acid Phase Digester
- RP-1 Liquid Treatment Capacity Recovery



RP-5 Expansion February 2022



Chino Basin Program

• Projects dependent on CBP approval are not included in the TYCIP total

Facility	Baseline Compliance	Recycled Water Program Expansion	CBP WSIP
Advanced Water Purification Facility 9,000AF	✓	✓	✓
Advanced Water Purification Facility 6,000AF & Injection Wells		✓	✓
Recycled Water Connection to Rialto		✓	✓
Recycled Water Connection to JCSD		✓	✓
CBP- Extraction Facilities			✓
CBP- Recycled Water Interconnection to MWD			✓



TYCIP Comparison

Fund	Approved FY 2021/22* (\$ in Millions)	Projected FY 2022/23 (\$ in Millions)
Administrative Services Fund	\$11.45	\$29.95
Non-Reclaimable Wastewater Fund	\$31.45	\$35.52
Regional Capital Improvement Fund	\$610.51	\$544.40
Regional Operations and Maintenance	\$92.36	\$207.97
Recharge Water Fund	\$24.97	\$18.49
Recycled Water Fund	\$60.78	\$349.23
Water Resources Fund	\$10.09	\$5.04
TOTAL	\$841.61	\$1,190.61



^{*}FY 2021/22 capital project totals are from the adopted agency budget





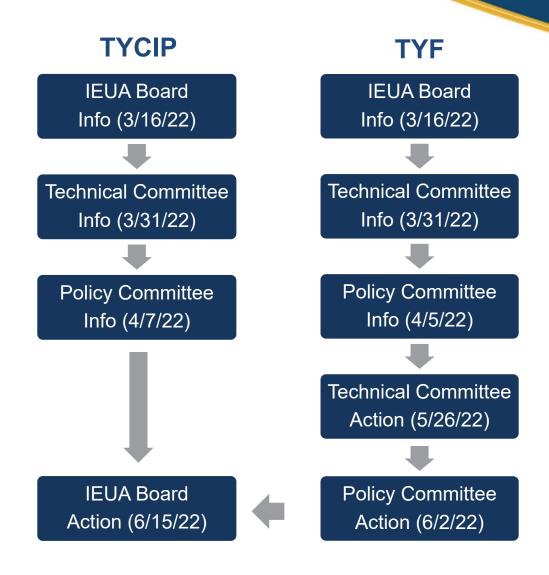
Ten-Year Forecast (TYF)

- Planning document that lists wastewater capital projects planned over the next 10-years
 - —Projects are a subset of the Ten-Year Capital Improvement Plan
- Includes supplemental wastewater information
 - —Plant capacities
 - —EDU growth forecasts
 - Account balances
- Ensures Regional Contract compliance





Schedule







 Adopt the Fiscal Year 2022/23-2031/32 Ten-Year Capital Improvement Plan and Ten Year Forecast.

The proposed FY 2022/23 -2031/32 Ten Year Capital Improvement Plan is consistent with the IEUA Business Goals of Fiscal Responsibility, Water Reliability, Wastewater Management, Environmental Stewardship, and Business Practices



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ABBREVIATIONS

AF: Acre Feet

CVWD: Cucamonga Valley Water District

EWL: Etiwanda Wastewater Line

FWC: Fontana Water Company

FY: Fiscal Year

GG Fund: Administrative Services Fund

IEUA: Inland Empire Utilities Agency

IEBL: Inland Empire Brine Line

MVWD: Monte Vista Water District

MWD: Metropolitan Water District of Southern California

NC Fund: Non-Reclaimable Wastewater Fund

NRWS: Non-Reclaimable Wastewater System

O&M: Operation and Maintenance

RC Fund: Regional Wastewater Capital Improvement Fund

RO Fund: Regional Wastewater Operations and Maintenance Improvement Fund

RRWDS: Regional Recycled Water Distribution System

RW Fund: Groundwater Recharge Fund

TYCIP: Ten Year Capital Improvement Plan

Regional Contract: Chino Basin Regional Sewage Service Contract

RP: Regional Water Recycling Plant

WC Fund: Recycled Water Fund

WW Fund: Water Administration Fund

SECTION 1: BACKGROUND

Inland Empire Utilities Agency Overview

The Inland Empire Utilities Agency (IEUA) is a regional wastewater treatment agency and wholesale distributor of imported water. IEUA is responsible for serving approximately 875,000 people over 242 square miles in western San Bernardino County. IEUA is focused on providing three key services: (1) treating wastewater, developing recycled water, local water resources, and conservation programs to reduce dependence on imported water supplies and provide local supply resiliency to the region; (2) converting biosolids and waste products into a high-quality compost made from recycled materials; and (3) generating electrical energy from renewable sources.

Formation & Purpose

IEUA was originally formed as the Chino Basin Municipal Water District on June 6, 1950, as a municipal corporation with the mission to supply supplemental imported water purchased from the Metropolitan Water District of Southern California (MWD) to municipalities in the Chino Basin. Since then, IEUA has expanded its mission from a supplemental water supplier to include regional wastewater treatment with both domestic and industrial disposal systems along with energy production facilities. In addition, IEUA has become a major provider of recycled water, a supplier of biosolids/compost materials, and continues its leading role in water quality management and environmental protection in the Inland Empire.

Governance

IEUA is a special district governed by five publicly elected Board of Directors. Each director is assigned to one of the five divisions which generally serve the following regions: Division 1- Upland/Montclair; Division 2- Ontario; Division 3- Chino/Chino Hills; Division 4- Fontana; and Division 5- Rancho Cucamonga. Monthly meetings are also held with the Regional Technical and Policy Committees comprised of representatives from each of IEUA's Regional Sewer Service Contracting Agencies. These Committees discuss and provide recommendations on various technical and policy issues affecting IEUA.

Contracting Agencies

As a regional wastewater treatment agency, IEUA provides sewage utility services to seven contracting agencies under the Chino Basin Regional Sewage Service Contract (Regional Contract): the cities of Chino, Chino Hills, Fontana, Montclair, Ontario, and Upland along with Cucamonga Valley Water District. Figure 1 depicts each Contracting Agency's sphere of influence within IEUA's service area.

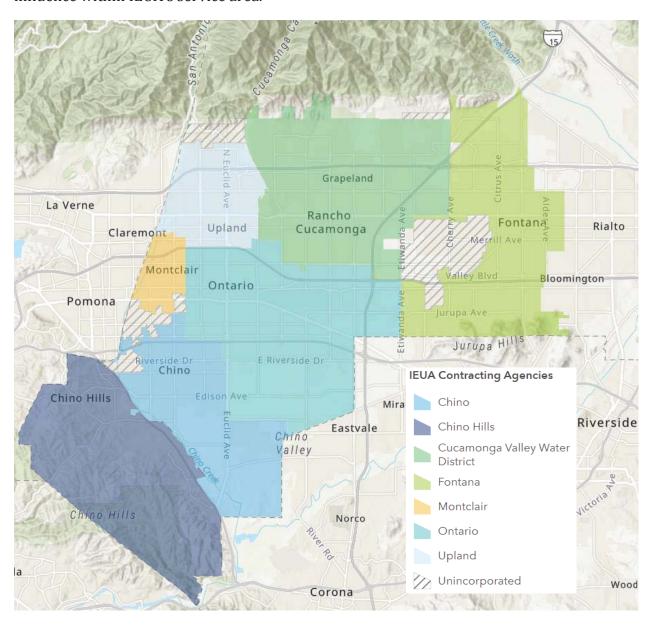


Figure 1 – IEUA Contracting Agencies

Member Agencies

As a member of MWD and the regions wholesale imported water provided, IEUA serves seven retail water agencies: the cities of Chino, Chino Hills, Ontario, Upland, Cucamonga Valley Water District (CVWD) in the City of Rancho Cucamonga, Fontana Water Company (FWC) in the city of Fontana, and the Monte Vista Water District (MVWD). Figure 2 depicts each Member Agency's sphere of influence within IEUA's service area.

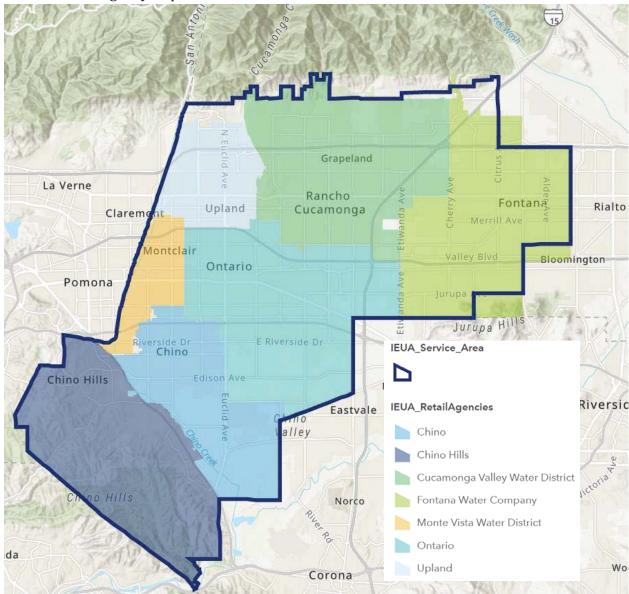


Figure 2 - IEUA Member Agencies

SECTION 2: TEN-YEAR CAPITAL IMPROVEMENT PLAN INTRODUCTION

Ten-Year Capital Improvement Plan Purpose

The Ten-Year Capital Improvement Plan (TYCIP) is a report that outlines IEUA's capital priorities through a list of ongoing and future projects. The TYCIP proposes a schedule for the implementation of projects agency wide based on necessity. In contrast, the Ten-Year Forecast, published by IEUA and attached to this report as Appendix D, solely identifies wastewater capital projects as required in the Regional Sewage Service Contract. While wastewater capital projects are found on both the Ten-Year Forecast and TYCIP, the TYCIP includes capital projects beyond those required for the wastewater system. The timing of projects on the TYCIP may be further refined through the Capital Budget process, based on the availability of financial resources.

The IEUA Board of Directors adopts and publishes the TYCIP in order to provide transparency into the ongoing and future projects the agency requires over the next ten years. Projects identified in the TYCIP are necessary for IEUA to ensure reliability and safety while meeting all regulatory requirements. Some of the factors that may lead to the need for a capital project include the physical conditions of assets and the forecasted regional projections for water and wastewater needs. This TYCIP identifies capital projects for the Fiscal Year (FY) 2022/2023 through FY 2031/2032 timeframe.

Definition of a Capital Project

The TYCIP is composed of a list of capital projects, which are projects that involve the purchase, improvement, or construction of major fixed assets and equipment, such as the expansion of treatment plants, the construction of pipeline and pump stations, and the replacement of equipment. Capital projects do not include funds spent on standard operation and maintenance (O&M). However, O&M projects are listed as an appendix to this TYCIP, see Appendix C.

SECTION 3: PROGRAM FUNDS

Program Fund Summary

Projects listed on the TYCIP are categorized by fund. Over the next ten years, IEUA is planning approximately \$1,190,606,459 in capital improvement projects, of which 46% is expected to be in the Regional Wastewater Capital Improvement fund. Agency-wide, capital project expenses in the first year of the TYCIP are estimated to be approximately \$200,825,466. Table 1 below outlines the timing of the projected capital spending by fund.

Table 1: FY 2022/23 TYCIP Total by Fund (\$ in millions)												
Fund	Year One FY 2022/23	Year Two FY 2023/24	Years 3-10 FY 2024/31	Ten Year Total FY 2022-2031								
Administrative Services (GG)	\$4.66	\$2.41	\$22.88	\$29.95								
Non-Reclaimable Wastewater (NC)	\$9.35	12.93	\$13.24	\$35.52								
Regional Wastewater Capital Improvement (RC)	\$134.18	\$135.90	\$274.33	\$544.40								
Regional Wastewater Operations & Maintenance (RO)	\$22.67	\$34.63	\$150.67	\$207.97								
Recharge Water (RW)	\$11.17	\$3.32	\$4.00	\$18.49								
Recycled Water (WC)	\$13.75	\$22.50	\$312.98	\$349.23								
Water Resources (WW)	\$5.04	\$0.00	\$0.00	\$5.04								
TOTAL	\$200.83	\$211.69	\$778.10	\$1,190.61								

^{*}Numbers are based on the TYCIP Project List (Appendix A). All values rounded.

Administrative Services (GG) Fund

The GG Fund serves as IEUA's general fund and capital expenses include agency supplies such as computers, printers, copiers, pooled vehicles, and other purchases. Major projects included in the TYCIP include Enterprise Resource Planning (ERP) implementation, agencywide roofing, and central plant cooling tower replacement. Total spending over the ten-year window is projected to be \$29,952,040.

Non-Reclaimable Wastewater (NC) Fund

Projects funded through the NC Fund are associated with IEUA's Non-Reclaimable Wastewater System (NRWS), which is a collections system physically separated from the agency's wastewater sewage system. The NRWS includes pipelines and pump stations that serve to export high-salinity industrial wastewater generated in IEUA's service area for treatment and eventual discharge to the Pacific Ocean. The wastewater discharged to the NRWS is primarily comprised of industrial and groundwater treatment brine. The NRWS is operated by IEUA and is comprised of three independent collections systems, the North non-reclaimable wastewater system, the Etiwanda Wastewater Line (EWL), and the Inland Empire Brine Line (IEBL) also known as the South NRWS. Figure 3 is a map that outlines the NRWS system.

Capital projects in the NC Fund may include the acquisition, construction, expansion, or replacement of NRWS sewer lines, interceptors, and supporting facilities. Major projects included in the TYCIP include Philadelphia Lift Station force main improvements, Philadelphia Lift Station pump improvements, NRWS odor mitigation, and NRWS manhole upgrades. Total spending over the ten-year window is projected to be \$35,522,000.

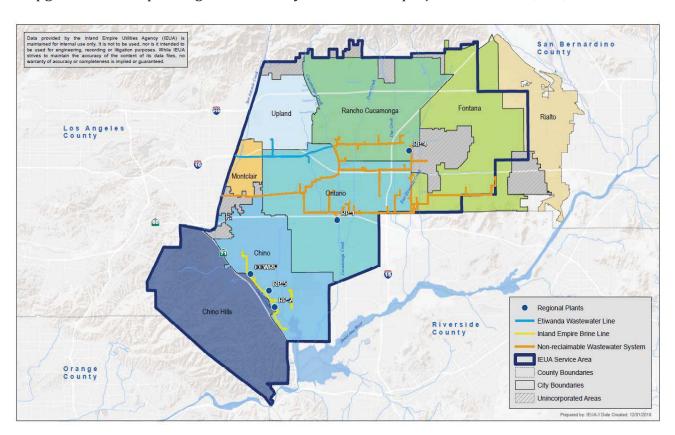


Figure 3 - IEUA Non-Reclaimable Wastewater System

Regional Wastewater Capital Improvement (RC) Fund

In accordance with the Regional Contract, the regional funding for the wastewater system is split into capital improvement and operations and maintenance funds. The RC Fund covers capital project costs associated with IEUA's regional wastewater system. Expenses charged to the RC Fund include capital projects that are required to meet regional growth in the forms of flow, loading, capacity or other factors. Major projects in the RC fund included in the TYCIP include the expansion of Regional Plant-5, capacity recovery at Regional Plant-1, and thickening building and acid phase digester at Regional Plant-1. Total spending over the tenyear window is projected to be \$544,403,853. A detailed review of RC fund projects over the next ten years can be found in IEUA's Ten-Year Forecast (TYF), which is attached to this report as Appendix D. Figure 4 below outlines the regional wastewater system.

Regional Wastewater Operation and Maintenance (RO) Fund

The RO Fund covers the operations and maintenance costs associated with IEUA's regional wastewater system. Operations and maintenance costs can have capital components included in the TYCIP including the cost to rehabilitate fixed assets. Major projects in the RO fund included in the TYCIP include the construction of an advanced water purification facility, updates to the Enterprise System, and Regional Plant-1 influent pump station electrical improvements. Total spending over the ten-year window is projected to be \$207,966,600.



Figure 4 - IEUA Regional Wastewater System

Recharge Water Fund (RW) Fund

In conjunction with Chino Basin Water Master, Chino Basin Water Conservation District, and San Bernardino County Flood Control District, IEUA implements and operates the Recycled Water Groundwater Recharge Program within Chino Basin to replenish and maintain the Chino Groundwater Basin. Infrastructure associated with the RW Fund includes a network of pipelines that directs captured stormwater, recycled water, and imported water to recharge sites. The groundwater recharge projects are a means to diversify the water supply for the region and maximize the beneficial reuse of recycled water and the yield of the Chino Basin. Recycled water recharge is a key component of the region's water supply portfolio. The more recycled water that is recharged into the Chino Groundwater Basin, the more resilient the region becomes. Figure 5 is a map of the recharge basins used in groundwater recharge.

Major projects in the RW Fund included in the TYCIP include the completion of Recharge Master Plan Update projects and safety work for basin gate actuator access. Total spending over the ten-year window is projected to be \$18,488,700.



Figure 5 - Chino Basin Groundwater Recharge Locations

Recycled Water (WC) Fund

IEUA and its member agencies have invested in the construction of a Regional Recycled Water Distribution System (RRWDS). The RRWDS consists of a network of pipelines, storage tanks, and pump stations that serve customers with Title 22 treated water from IEUA's water recycling facilities. The use of recycled water provides a high-quality alternative water source for the region that can be used directly by customers or recharged into the groundwater as a way to improve regional resiliency. Figure 6 is a map of the RRWDS infrastructure.

Capital projects in the WC fund are associated with the expansion and improvement of the RRWDS infrastructure. Major projects included in the TYCIP include 6 thousand AF per year of advanced water treatment capacity and injection wells, a recycled water interconnection to the City of Rialto, and a recycled water connection to the Jurupa Community Service District. Total spending over the ten-year window is projected to be \$349,230,000.

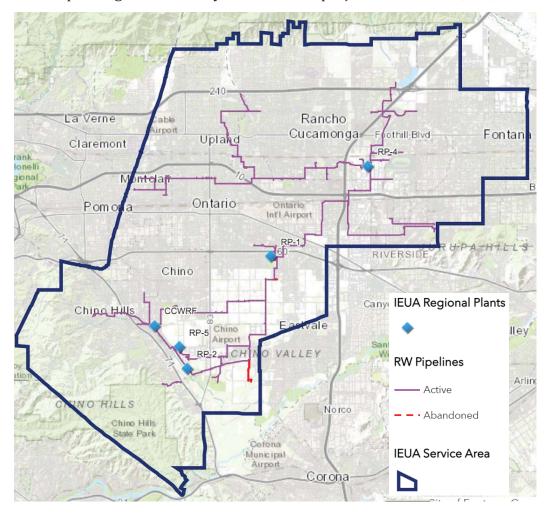


Figure 6 - Regional Recycled Water Distribution System

Water Resources (WW) Fund

Projects in the WW Fund are associated with the management and distribution of imported water supplies, development and implementation of regional water use efficiency initiatives, water resources planning efforts, and support for regional water supply programs including recycled water, groundwater recharge, and stormwater management. The majority of projects in the WW fund are O&M by nature, which can be found listed in Appendix C. The only capital project included in the TYCIP is associated with the Chino Basin Program evaluation. Total spending over the ten-year window is projected to be \$5,043,266.

SECTION 4: TEN YEAR CAPITAL IMPROVEMENT PROJECT LIST

Ten Year Capital Improvement Project List Summary

The TYCIP contains capital projects which were identified by IEUA staff and include expansion projects to provide additional treatment capacity to meet future growth. Drivers used to determine the timeframe and necessity of projects include regulatory and permitting requirements, wastewater flow projections, asset age, performance, efficiency, and grant or funding availability. Over the next ten years IEUA is planning \$1,190.61 million in capital improvement projects. This is a 41% increase from the FY 2021/22 TYCIP total of \$841.61 million. The change in spending can be partially attributed towards the inclusion of the construction of an advanced water purification facility and the expansion of the recycled water program via injection wells and new interconnections. Table 2 below provides a comparison between IEUA's FY 2020/21 TYCIP projection and the current FY 2022/23 projection by fund. The list will be updated regularly as facility needs are reprioritized. An estimated ten-year budget for capital project by fund is summarized in Table 2.

Table 2: TYCIP 2021/22 and 2022/23 Comparison*											
Fund	FY 2021/22 (\$ in Millions)	FY 2022/23 (\$ in Millions)									
Administrative Services Fund (GG)	\$11.45	\$29.95									
Non-Reclaimable Wastewater Fund (NC)	\$31.45	\$35.52									
Regional Capital Improvement Fund (RC)	\$610.51	\$544.40									
Regional Operations and Maintenance (RO)	\$92.36	\$207.97									
Recharge Water Fund (RW)	\$24.97	\$18.49									
Recycled Water Fund (WC)	\$60.78	\$349.23									
Water Resources Fund (WW)	\$10.09	\$5.04									
TOTAL	\$841.61	\$1,190.61									

^{*}FY 2021/22 capital spending is from IEUA's adopted budget. FY 2022/23 capital spending is based on the projected TYCIP Project List (Appendix A). All dollars have been rounded.

APPENDIX A: Ten-Year Capital Improvement Project List

Fund Name	Project Number	Project Name	F	Y 22/23	FY 23/24	FY 24/25	F	Y 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY	31/ 32		al TYCIP 023-2032
GG - Administrative Services	IS25XX2	ERP Implementation				\$ 1,000,000	\$	5,000,000	\$ 4,000,000						:	\$ 1	10,000,000
GG - Administrative Services	EN22010	GG Asset Management Project	\$	50,000	\$ 50,000	\$ 50,000	\$	1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1	,000,000	\$	7,150,000
GG - Administrative Services	FM21005	Agency Wide Roofing	\$	1,733,500	\$ 250,000	\$ 1,050,000	\$	250,000	\$ 1,050,000	\$ -	\$ -	\$ -	\$ -	\$	- :	\$	4,333,500
GG - Administrative Services	ENxxxx3	Central Plant Cooling Tower Replacement	\$	500,000	\$ 1,200,000	\$ 700,000)									\$	2,400,000
GG - Administrative Services	EP21004	Agency Wide Vehicle Replacement	\$	60,000	\$ 60,000	\$ 60,000	\$	160,000	\$ 179,108	\$ 184,481	\$ 190,015	\$ 195,715	\$ 201,587	7 \$	207,634	å	1,498,540
GG - Administrative Services	ENXXXX2	RP-1 New Parking Lot	\$	100,000			\$	500,000	\$ 600,000							\$	1,200,000
GG - Administrative Services	ENxxx34	Agency Wide EV Charging Stations	\$	500,000	\$ 600,000											\$	1,100,000
GG - Administrative Services	IS22004	IT Infrastructure Assets Replacement	\$	390,000												\$	390,000
GG - Administrative Services	EN21020	Primavera Enhancement	\$	200,000	\$ 75,000	\$ 50,000)									\$	325,000
GG - Administrative Services	IS22006	SCADA Network Infrastructure Replacement	\$	300,000												\$	300,000
GG - Administrative Services	ENxxy32	HQ Electric Cart Canopy Project					\$	100,000	\$ 150,000							\$	250,000
GG - Administrative Services	ENxxy39	Lab Rooms Temperature Variation	\$	240,000												\$	240,000
GG - Administrative Services	IS22002	Wide Area Microwave Radio Updates	\$	220,000												\$	220,000
GG - Administrative Services	FM20005	Agency Wide HVAC Replacements	\$	100,000	\$ 100,000											\$	200,000
GG - Administrative Services	ENxxy99	CIPO Enhancements	\$	75,000	\$ 75,000										:	\$	150,000
GG - Administrative Services	LBXXX01	Oil and Grease Extractor	\$	100,000												å	100,000
GG - Administrative Services	IS22003	IT Infrastructure Assets New	\$	80,000												\$	80,000
GG - Administrative Services	EN20040	HQ Driveway Improvements	\$	15,000	\$ -	\$ -	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$	- :	\$	15,000
Total			\$	4,663,500	\$ 2,410,000	\$ 2,910,000	\$	7,010,000	\$ 6,979,108	\$ 1,184,481	\$ 1,190,015	\$ 1,195,715	\$ 1,201,587	7 \$ 1	1,207,634	\$ 2	29,952,040
			-							Į.				-			
NC - Non-Reclaimable Wastewater	EN23002	Philadelphia Lift Station Force Main Improvements	\$	7,163,000	\$ 11,350,000	\$ 1,000,000	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$	- 3	\$ 1	19,513,000
NC - Non-Reclaimable Wastewater	EN22020	Philadelphia Lift Station Pump Upgrades	\$	329,000	\$ 400,000	\$ 4,000,000	\$	2,000,000	\$ -	\$ -	\$ -					\$	6,729,000
NC - Non-Reclaimable Wastewater	EN22007	NRW Asset Managment Projects	\$	-	\$ 200,000	\$ 500,000	\$	500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$	500,000	\$	4,200,000
NC - Non-Reclaimable Wastewater	EN20064	NSNT Odor Complaints Mitigation	\$	1,500,000	\$ 700,000	\$ -	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$	- 3	\$	2,200,000
NC - Non-Reclaimable Wastewater	EN23014	NRWS Manhole Upgrades - 22/23	\$	180,000	\$ 180,000	\$ 180,000	\$	180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$	180,000	\$	1,800,000
NC - Non-Reclaimable Wastewater	ENxxy86	New NRW Projects PDR's FY 22/23	\$	100,000	\$ 100,000	\$ 100,000	\$	100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$	100,000	\$	1,000,000
NC - Non-Reclaimable Wastewater	EN22048	Generator Retrofit - PLS	\$	80,000											:	\$	80,000
Total			\$	9,352,000	\$ 12,930,000	\$ 5,780,000	\$	2,780,000	\$ 780,000	\$ 780,000	\$ 780,000	\$ 780,000	\$ 780,000	\$	780,000	\$ 3	35,522,000
RC - Regional Wastewater Capital Improvement	EN19001	RP-5 Expansion to 30 mgd	\$ 4	40,000,000	\$ 50,000,000	\$ 20,000,000	\$ 1	13,000,000							:	\$ 12	23,000,000
RC - Regional Wastewater Capital Improvement	EN22044	RP-1 Thickening Building & Acid Phase Digester	\$	4,500,000	\$ 27,100,000	\$ 47,340,000	\$ 4	12,140,000	\$ -						:	\$ 12	21,080,000
RC - Regional Wastewater Capital Improvement	EN19006	RP-5 Bio Solids Handling Facility	\$ 6	67,000,000	\$ 30,000,000	\$ 15,000,000	\$	-							:	\$ 11	12,000,000
RC - Regional Wastewater Capital Improvement	EN22006	RC Asset Management	\$	250,000	\$ 250,000	\$ 2,400,000	\$	8,000,000	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000) \$ 8	3,000,000	\$ 5	58,900,000
RC - Regional Wastewater Capital Improvement	EN24001	RP-1 Liquid Treatment Capacity Recovery	\$	-	\$ -	\$ -	\$	-	\$ -	\$ -	\$ 2,000,000	\$ 13,000,000	\$ 13,000,000	\$ 13	3,000,000	\$ 4	41,000,000
RC - Regional Wastewater Capital Improvement	EN17006	CCWRF Asset Management and Improvements	\$	9,000,000	\$ 16,000,000	\$ 699,853	3 \$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$	- :	\$ 2	25,699,853
RC - Regional Wastewater Capital Improvement	EN24002	RP-1 Solids Treatment Expansion	\$	-	\$ -	\$ 4,000,000	\$	8,000,000	\$ 8,000,000	\$ -	\$ -	\$ -	\$ -	\$	- :	\$ 2	20,000,000
RC - Regional Wastewater Capital Improvement	EN11039	RP-1 Disinfection Improvements	\$	8,270,000	\$ 1,190,000	\$ -	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$	- 1	\$	9,460,000
RC - Regional Wastewater Capital Improvement	EN21045	Montclair Force Main Improvements	\$	1,040,000	\$ 4,800,000	\$ 2,600,000)								:	\$	8,440,000
RC - Regional Wastewater Capital Improvement	EN23015	Collection System Upgrades 22/23	\$	500,000	\$ 500,000	\$ 500,000	\$	500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000) \$	500,000	\$	5,000,000
RC - Regional Wastewater Capital Improvement	ENxxy85	New Regional Project PDR's FY22/23	\$	500,000	\$ 500,000	\$ 500,000) \$	500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000) \$	500,000	\$	5,000,000
RC - Regional Wastewater Capital Improvement	EN22022	RP-1 Air Compressor Upgrades	\$	390,000	\$ 3,600,000										-	\$	3,990,000
RC - Regional Wastewater Capital Improvement	PL19001	Purchase Existing Solar Installation								\$ 3,500,000					:	S	3,500,000
RC - Regional Wastewater Capital Improvement	EN22041	RP-1 Aeration Basins UW System Improvements	s	1,500,000	\$ 500,000	\$ -	\$	-	\$ -	\$ -	S -	S -	\$ -	s	- 1		2,000,000
RC - Regional Wastewater Capital Improvement	PL17002	HQ Solar Photovoltaic Power Plants Ph. 2		,,					\$ 300,000	\$ 1.100.000			-				1,400,000
RC - Regional Wastewater Capital Improvement	ENxxx17	RP-1 Motor Control Center 9M Upgrades	\$	150,000	\$ 900,000				,	.,,							1,050,000
RC - Regional Wastewater Capital Improvement	EN18036	CCWRF Asset Mgmt and Improvement Pkg. III	\$	-	\$ -	\$ -	\$	200,000	\$ 500,000	\$ 300,000				1			1,000,000
RC - Regional Wastewater Capital Improvement	ENxxv20	IEUA SCADA Master Plan	s		\$ 500,000	1	+	,	,	,	\$ 250,000					s	750,000
RC - Regional Wastewater Capital Improvement	EN19025	Montclair and San Bernardino Lift Station Force Main Clean Out Vaults	\$	704,500	\$ -	\$ -	\$	-	\$ -	\$ -	\$ 250,000	\$ -	\$ -	s	- 1	-	704,500
RC - Regional Wastewater Capital Improvement	EN18006	RP-1 Flare Improvements	\$	240,000		1	-		•		•			+		s s	240,000
RC - Regional Wastewater Capital Improvement	ENxxxx5	CCWRF Filter Effluent Sodium Hypochlorite Modification	s	50,000	\$ 55,000											s s	105,000
RC - Regional Wastewater Capital Improvement	EN22040	NFPA 70E required labels	\$	75,000	- 33,000		-									s	75,000
RC - Regional Wastewater Capital Improvement		RP-4 Ammonia Analyzers and Support System	\$	9,500	\$ -	\$ -	s		\$ -	\$ -	s .	\$.	s -	s			9,500
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Policy P	Fund Name	Project Number	Project Name	FY 22/23	F	Y 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/3	30	FY 30/31	FY 31/ 32		I TYCIP 23-2032
10. Pages Pages 10.	RO - Regional Wastewater Operations and Maintenance	PL26001	Advanced Water Purification Facility	\$ 4,500,000	\$ 4	4,500,000	31,000,000	\$ 37,000,000	\$ 31,000,000	\$ 5,000,000	\$ -	\$	- 3	\$ -	\$ -	\$ 11	3,000,000
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Control Cont	RO - Regional Wastewater Operations and Maintenance	EN20057	RP-4 Process Improvements Phase II	\$ 500,000	\$ 4	4,000,000	3,500,000	\$ -	\$ -	\$ -	\$ -	\$	- 5	\$ -	\$ -	\$	8,000,000
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10.00 10.0	RO - Regional Wastewater Operations and Maintenance	EP23002	North Major Facilities Repair/Replacemnt	\$ 600,000	\$	600,000	600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600	,000 \$	\$ 600,000	\$ 600,000	\$	6,000,000
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Regional Wastewater Operations and Maintenance EN20074 Recommend Recom	RO - Regional Wastewater Operations and Maintenance	FM23XX2	GapVax Replacement	\$ 750,000	1											\$	750,000
RO - Regional Washewater Operations and Maintenance	RO - Regional Wastewater Operations and Maintenance	EN25020	RP-1 Digester Cleaning Lagoon (DCL) Line				-	\$ 100,000	\$ 600,000	\$ -	\$ -	\$	- 5	\$ -	\$ -	\$	700,000
Po Program Wastewater Operations and Maintenance Program	RO - Regional Wastewater Operations and Maintenance	EN20044	RP-1 Plant 3 Primary Cover Replacement			5	200,000	\$ 400,000	\$ -	\$ -	\$ -	\$	- 5	\$ -	\$ -	\$	600,000
RO - Regional Wastewater Operations and Maintenance	RO - Regional Wastewater Operations and Maintenance	ENXXXY74	CCWRF Influent Box Rehab at the Primary Clarifiers	\$ 400,000	\$	200,000										\$	600,000
RO - Regional Wastewater Operations and Maintenance	RO - Regional Wastewater Operations and Maintenance	EN21042	RP-1 East Influent Gate Replacement	\$ 520,000									-			\$	520.000
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RO - Regional Wastewater Operations and Maintenance ENXXXY/F6 RP-1 Headworks Utility Water Addition \$ 175,000 \$ - \$ - \$ - \$ - \$ 150,000 \$ - \$ 175,000 \$ - \$ 160,000 \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ 160,000 \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$ - \$ 160,000 \$ - \$,					100,000							\dashv			-	
RO - Regional Wastewater Operations and Maintenance ENXXXY76 RP-1 Centrate Line Improvements \$ 160,000 \$. \$. \$. \$. \$. \$. \$. \$. \$.				,												•	,
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RW - Groundwater Recharge		EN20056		,		- 8		\$ -	\$ -	7	\$ -	\$	- :	*			
RW - Groundwater Recharge	Total			\$ 22,669,000	\$ 34	4,630,000	47,100,000	\$ 41,719,000	\$ 42,130,400	\$ 10,512,100	\$ 2,606,100	\$ 2,200	,000	\$ 2,200,000	\$ 2,200,000	\$ 207	7,966,600
RW - Groundwater Recharge																	
RW - Groundwater Recharge ENxxy13 RW/GRW Safety Work Improvements for Basin Gate Actuator Access \$ 200,000 \$ 820,000 \$ \$ 1,020,000 RW - Groundwater Recharge EN22050 GWR Basin PLC Upgrades \$ 300,000 \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	RW - Groundwater Recharge	RW15003	Recharge Master Plan Update Projects	\$ 10,040,000	\$ 2	2,200,000	-	\$ -	\$ -	\$ -		\$	- 3	\$ -	\$ -	\$ 12	2,240,000
RW - Groundwater Recharge EN22050 GWR Basin PLC Upgrades \$ 300,000 \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -			,			,	500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500	,000	\$ 500,000	\$ 500,000		
RW - Groundwater Recharge EN22051 Jurupa Basin VFD Upgrades \$ 300,000 \$ 300,000 RW - Groundwater Recharge EN21057 Recharge Basin Clean-up of Illegally Dumped Materials \$ 150,000 \$ - \$ 150,000 RW - Groundwater Recharge IS22005 RW / GWR SCADA Infrastructure Replacement \$ 60,000 \$ 60,000 RW - Groundwater Recharge EN22049 GWR-RW OIT Upgrades \$ 18,700 \$ 18,700					1 -	,										\$	1,020,000
RW - Groundwater Recharge EN21057 Recharge Basin Clean-up of Illegally Dumped Materials \$ 150,000 \$ - \$ 150,000 RW - Groundwater Recharge IS22005 RW / GWR SCADA Infrastructure Replacement \$ 60,000 \$ 60,000 RW - Groundwater Recharge EN22049 GWR-RW OIT Upgrades \$ 18,700 \$ 18,700	RW - Groundwater Recharge	EN22050	GWR Basin PLC Upgrades	\$ 300,000	\$	200,000	-	\$ -	\$ -	\$ -	\$ -	\$	- 3	\$ -	\$ -	\$	500,000
RW - Groundwater Recharge IS22005 RW / GWR SCADA Infrastructure Replacement \$ 60,000 \$ 60,000 RW - Groundwater Recharge EN22049 GWR-RW OIT Upgrades \$ 18,700 \$ 18,700 \$ 18,700	RW - Groundwater Recharge	EN22051	Jurupa Basin VFD Upgrades	\$ 300,000												\$	300,000
RW - Groundwater Recharge EN22049 GWR-RW OIT Upgrades \$ 18,700 \$ 18,700	RW - Groundwater Recharge	EN21057	Recharge Basin Clean-up of Illegally Dumped Materials	\$ 150,000				\$ -								\$	150,000
	RW - Groundwater Recharge	IS22005	RW / GWR SCADA Infrastructure Replacement	\$ 60,000												\$	60,000
Total \$ 11,168,700 \$ 3,320,000 \$ 500	RW - Groundwater Recharge	EN22049	GWR-RW OIT Upgrades	\$ 18,700	1								-			\$	18,700
	Total			\$ 11,168,700	\$:	3,320,000	500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500	,000 :	\$ 500,000	\$ 500,000	\$ 10	8,488,700

Fund Name	Project Number	Project Name	ı	FY 22/23	F	Y 23/24	FY 24/25	F	Y 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY	30/31	FY 31/ 32		tal TYCIP 2023-2032
WC - Recycled Water	WR23X01	6 TAFY AWPF & Injection Facilities	\$	7,000,000	\$	7,000,000	\$ 53,000,0	00 \$ 6	1,000,000	\$ 52,000,000	\$ 8,000,000	\$ -	\$ -	\$	-	\$ -	\$ 1	188,000,000
WC - Recycled Water	EN22009	WC Asset Management Project	\$	100,000	\$	100,000	\$ 3,000,0	00 \$	5,000,000	\$ 7,000,000	\$ 8,900,000	\$ 8,900,000	\$ 8,900,000	\$ 8	,900,000	\$ 8,900,000	\$	59,700,000
WC - Recycled Water	WR23X02	RW Interconnection to the City of Rialto	\$	2,000,000	\$	2,000,000	\$ 24,500,0	00 \$ 2	4,500,000			\$ -	\$ -	\$	-	\$ -	\$	53,000,000
WC - Recycled Water	EN16065	RW Connections to JCSD	\$	1,000,000	\$	1,000,000	\$ 12,000,0	00 \$ 1	2,000,000			\$ -	\$ -	\$	-	\$ -	\$	26,000,000
WC - Recycled Water	ENxxy19	RW SCADA Migration	\$	800,000	\$	3,000,000	\$ 830,0	00									\$	4,630,000
WC - Recycled Water	EN21041	RP-4 Contact Basin Cover Repair & RW Wet Well Passive Overflow Improvements	\$	700,000	\$	2,500,000	\$ 1,400,0	00									\$	4,600,000
WC - Recycled Water	ENxxy37	Etiwanda Interceptor Grade-Breadk RW Relocation	\$	300,000	\$	3,000,000	\$ 1,000,0	00									\$	4,300,000
WC - Recycled Water	ENxxy21	1299 Reservoir Paint/Coating Repairs and Upgrades	\$	100,000	\$	1,900,000											\$	2,000,000
WC - Recycled Water	ENxxy23	RP-4 Outfall Valve Replacement and Blow off Upgrades	\$	250,000	\$	1,450,000											\$	1,700,000
WC - Recycled Water	EN24005	1630 West Reservoir Paint/Coating Repair	\$	-	\$	-	\$ -	\$	-	\$ -	\$ 50,000	\$ 1,500,000	\$ -	\$	-	\$ -	\$	1,550,000
WC - Recycled Water	AM23XX2	Old VFD Replacement (Recycled Water)	\$	250,000	\$	250,000	\$ 250,0	00 \$	600,000								\$	1,350,000
WC - Recycled Water	ENxxy87	New Recycled Water Project PDR's FY 22/23	\$	100,000	\$	100,000	\$ 100,0	00 \$	100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$	100,000	\$ 100,000	\$	1,000,000
WC - Recycled Water	ENxxy24	1630 East Pump Station VFD Installation	\$	550,000	\$	200,000											\$	750,000
WC - Recycled Water	ENXXX19	Hickory Basin Replacement Monitoring Well	\$	300,000													\$	300,000
WC - Recycled Water	EN15002	1158 Reservoir Site Cleanup	\$	300,000													\$	300,000
WC - Recycled Water	EN24006	930 Reservoir Paint/Coating Repairs and	\$	-	\$	-	\$ -	\$	-	\$ -	\$ 50,000	\$ -	\$ -	\$	-	\$ -	\$	50,000
Total			\$	13,750,000	\$ 2	22,500,000	\$ 96,080,0	00 \$ 10	3,200,000	\$ 59,100,000	\$ 17,100,000	\$10,500,000	\$ 9,000,000	\$ 9	,000,000	\$ 9,000,000	\$ 1	349,230,000
WW - Water Administration	PL19005	CBP - Chino Basin Program	\$	5,043,266								\$ -	\$ -	\$	-	\$ -	\$	5,043,266
Total			\$	5,043,266	\$	-	\$ -	\$	-	\$ -	\$ -	\$ -	\$ -	\$	-	\$ -	\$	5,043,266

APPENDIX B: Grant Dependent Capital Projects

Fund Name	Project Number	Project Name	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 2	29/30	FY 30	/31	FY 31/	32	Total TYCIP FY 2023-2032
WW - Water Administration	WR23X03	CBP - Extraction Facilities	\$ 10,000,000	\$ 10,000,000	\$72,000,000	\$84,000,000	\$72,000,000	\$ 12,000,000	\$ -	\$	-	\$	-	\$	- \$	260,000,000
WW - Water Administration	WR26X01	CBP - RW Interconnection to the MWD-Rialto Pipeline				\$ 1,000,000	\$ 9,000,000		\$ -	\$	-	\$	-	\$	- \$	10,000,000
Total			\$ 10,000,000	\$10,000,000	\$ 72,000,000	\$85,000,000	\$81,000,000	\$ 12,000,000	\$ -	\$	-	\$	-	\$	- \$	270,000,000

^{*}Grant-dependent projects are not included in the TYCIP totals as required agreements & funding have not been finalized to ensure project continuation.

APPENDIX C: Ten-Year Operations & Maintenance Project List	

Fund Name	Project Number	Project Name	ı	FY 22/23	F	Y 23/24	FY 24/	25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/ 32	Total TYCIP FY 2023-2032
GG - Administrative Services	FM20001	HQ Interior Replacements	\$	-	\$	-	\$	- \$	100,000	\$ 750,000	\$ 1,782,000	\$ -	\$ -	\$ -	s - s	2,632,000
GG - Administrative Services	FM21003	Agency Wide Facilities Rehab & Repairs	\$	54,636	\$	56,275	\$ 57	,964 \$	59,703	\$ 61,494	\$ 63,339	\$ 65,239	\$ 67,197	\$ 69,213	\$ 71.290 \$	
GG - Administrative Services	ENXXY79	GG Assessment Projects	\$	50,000	\$	50,000	\$ 50	,000 \$	50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000 \$	•
GG - Administrative Services	FM23XX3	Prado Dechlorination Station Reroofing	\$	120,000												120,000
GG - Administrative Services	IS23XX1	Virtual Phone System Transition	\$	45,000												45,000
GG - Administrative Services	EN20008	EN20008 HQ Parking Lot FY19/20	\$	15,000	\$	-	\$	- \$	-	\$ -	\$ -	\$ -	\$ -	\$ -	s - s	15,000
Total			\$	284,636	\$	106,275	\$ 107	,964 \$	209,703	\$ 861,494	\$ 1,895,339	\$ 115,239	\$ 117,197	\$ 119,213	\$ 121,290 \$	
NC - Non-Reclaimable Wastewater	EN18021	Prado Basin AMP Annual Monitoring	\$	110,000	\$	112,500	\$ 115	,000 \$	117,500	\$ 120,000	\$ 122,500	\$ 125,000	\$ 127,500	\$ 50,000	\$ 50,000 \$	1,050,000
NC - Non-Reclaimable Wastewater	EN23016	NRWS Emergency O&M Projects FY 22/23	\$	100,000	\$	100,000	\$ 100	,000 \$	100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000 \$	1,000,000
NC - Non-Reclaimable Wastewater	ENXXY75	NRWS On Call O&M Projects FY22/23	\$	100,000	\$	100,000	\$ 100	,000 \$	100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000 \$	1,000,000
NC - Non-Reclaimable Wastewater	WR16001	Water Softener Removal Rebate Program	\$	75,000	\$	75,000	\$ 75	,000 \$	75,000	\$ 75,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000 \$	525,000
NC - Non-Reclaimable Wastewater	ENXXY77	NRW Assessment Projects	\$	50,000	\$	50,000	\$ 50	,000 \$	50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000 \$	500,000
NC - Non-Reclaimable Wastewater	PL18002	Basin Plan Amendment	\$	125,000	\$	20,000									5	145,000
NC - Non-Reclaimable Wastewater	EN19028	NRW Man Hole and Pipeline Condition Assessment	\$	70,000	\$	-	\$	- \$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ - \$	70,000
Total			\$	630,000	\$	457,500	\$ 440	,000 \$	442,500	\$ 445,000	\$ 422,500	\$ 400,000	\$ 402,500	\$ 325,000	\$ 325,000 \$	4,290,000
					1											
RO - Regional Wastewater Operations and Maintenance	EN22024	RP-1 Digester Cleaning Service Contract	\$	-	\$ 1	1,000,000	\$ 1,000	.000 \$	1,000,000	\$ 2,000,000	\$ 1,000,000	\$2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000 \$	17,000,000
RO - Regional Wastewater Operations and Maintenance	EN26025	RP2-Prelimanary Design Report for Decomm	\$	-	\$	-	\$	- \$	-	\$ -	\$ 600,000	\$1,100,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000 \$	6,200,000
RO - Regional Wastewater Operations and Maintenance	EN23019	RO Emergency O&M Projects FY 22/23	\$	500,000	\$	500,000	\$ 500	.000 \$	500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000 \$	5,000,000
RO - Regional Wastewater Operations and Maintenance	ENxxy88	RO On-Call/Small Projects FY 22/23	S	500,000	\$	500,000	\$ 500	.000 \$	500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500.000 \$	5,000,000
RO - Regional Wastewater Operations and Maintenance	ENxxy89	RO Safety On-Call/Small Projects FY 22/23	\$	500,000		500,000	\$ 500		500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000 \$	
RO - Regional Wastewater Operations and Maintenance	PA22003	Agency Wide Paving	s	602.500		400,000	\$ 400		400.000	\$ 400,000	\$ 400,000	\$ 400.000	\$ 400,000	\$ 400,000	\$ 400,000 \$	
RO - Regional Wastewater Operations and Maintenance	EN16021	TCE Plume Cleanup	s	1,950,000		-	S	- \$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ - 5	
RO - Regional Wastewater Operations and Maintenance	PA21002	Agency Wide Coatings	\$	50,000		150,000	\$ 388	.810 \$	445,975	\$ 353,354	\$ 260,955		*	*	5	
RO - Regional Wastewater Operations and Maintenance	ENXXYXX		s	150,000		150,000	\$ 150			\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000 \$	
RO - Regional Wastewater Operations and Maintenance	EN23021	Agency Wide Infiltration and Inflow Study	\$	300,000		300,000		- S		\$ -	\$ -	\$ -	\$ -	\$ -	\$ - 5	
RO - Regional Wastewater Operations and Maintenance	PL23XX4	Wastewater Flow & Loading Study	\$	500.000		100.000	•			*	-		*	*		
RO - Regional Wastewater Operations and Maintenance	EN20034	RO On-Call/Small Projects FY 19/20 (SHF)	\$	500,000		100,000										,
RO - Regional Wastewater Operations and Maintenance	Enxx066	Preserve Lift Station Improvements	\$	455,000	s	-	S	- S	-	\$ -	\$ -	s -	\$ -	\$ -	\$ - 5	•
RO - Regional Wastewater Operations and Maintenance	EN19023	Asset Management Planning Document	\$	400.000	-					Ψ	•		<u> </u>	Ψ		
RO - Regional Wastewater Operations and Maintenance	EN21058	Regional Sewer-Hydraulic Modeling	\$	40,000	9	40,000	\$ 40	.000 \$	40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000		,
RO - Regional Wastewater Operations and Maintenance	EN22037	Prado De-Chlor	\$	303.000		40,000		- \$		\$ -	\$ -	\$ -	\$ -	\$ -	\$ - 5	
RO - Regional Wastewater Operations and Maintenance	PL21001	Flow & Loading Supplemental Study	\$	150.000		150,000	Ψ	- ψ		Ψ -	9 -	Ψ -	Ψ -	Ψ -		
RO - Regional Wastewater Operations and Maintenance	PL23XX1	PFAS Investigation	\$	250,000	φ	130,000										
RO - Regional Wastewater Operations and Maintenance	PA17006	Agency-Wide Aeration	\$	181,000	e	-	s	- S	-	\$ -	\$ -	\$ -	s -	\$ -	s - s	
RO - Regional Wastewater Operations and Maintenance	PL23007	RO Planning Documents	\$	150,000	φ	-	Ψ	- a	-	Ψ -	Ψ -	Ψ -	· -	Ψ -	5 - 5	
RO - Regional Wastewater Operations and Maintenance	EN26027	RP-1 & RP-4 Bird Deterrent Systems	\$	150,000	s		s	- s	100,000	¢	s -	\$ -	\$ -	\$ -		
RO - Regional Wastewater Operations and Maintenance RO - Regional Wastewater Operations and Maintenance	EN19024	-	\$	60,000	-		\$ S	- \$		φ - e	\$ - \$ -	7	\$ -	\$ -	\$ - \$	
RO - Regional Wastewater Operations and Maintenance RO - Regional Wastewater Operations and Maintenance	PL23XX2	Collection System Asset Management (Assessment Only) PTSC Linko Database Upgrade	\$	25,000	à	-	Ψ	- 3	-	φ -	φ -	φ -	φ -	φ -	\$ - 3	
	rL23AA2	r 150 Elliko Dalabase Opgrade				700 000	6 0 4=0	040	2 025 0==	£ 4.440.051	£ 2050555	65 400 000	e c 500 coo	¢ c 500 ccc		•
Total			\$	7,566,500	\$ 3	5,790,000	ə 3,4/8,	010 \$	3,035,975	φ 4,443,354	\$ 3,950,955	φο,190,000	φ 0,090,000	φ 0,080,000	\$ 0,09U,UUU \$	51,825,594
DIM Consistent Books	ENIVOV30	CIA/D A	•	50.000	•	50,000	e	000 *	F0.000	A 50.000	e 50.000	£ 50.000	ê F0.000	£ 50.000	E 50.000	F00 000
RW - Groundwater Recharge	ENXXY/8	GWR Assessment Projects	\$	50,000		50,000		,000 \$,	\$ 50,000		\$ 50,000				
Total			\$	50,000	\$	50,000	a 50	,000 \$	50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	500,000

Fund Name	Project Number	Project Name	ı	FY 22/2:	3	FY 23/24		FY 24/25	F	Y 25/26	FY 26/27	FY 27/28	3	FY 28/29	FY 2	9/30	FY	30/31	FY	31/ 32	Total TYCIP FY 2023-2032
WC - Recycled Water	WR21029	Implement. of Upper SAR HCP - Wtr Benefi	\$	250,0	00 \$	250,00	0 \$	250,000	\$	250,000	\$ 250,000	\$ 250,0	00 3	\$ 250,000	\$ 25	0,000	\$ 2	250,000	\$ 1	250,000	\$ 2,500,000
WC - Recycled Water	EN23017	WC Emergency O&M Projects FY 22/23	\$	150,0	00 \$	150,00	0 \$	150,000	\$	150,000	\$ 150,000	\$ 150,0	00 3	\$ 150,000	\$ 15	0,000	\$ 1	150,000	\$	150,000	\$ 1,500,000
WC - Recycled Water	ENxxy90	WC On-Call/Small Projects FY 22/23	\$	150,0	00 \$	150,00	0 \$	150,000	\$	150,000	\$ 150,000	\$ 150,0	00 3	\$ 150,000	\$ 15	0,000	\$ 1	150,000	\$	150,000	\$ 1,500,000
WC - Recycled Water	EN19030	WC Asset Management (Assessment Only)	\$	75,0	00 \$	100,00	0 \$	100,000	\$	100,000	\$ 100,000	\$ 100,0	00 3	\$ 100,000	\$ 10	0,000	\$ 1	100,000	\$	100,000	\$ 975,000
WC - Recycled Water	EN22028	Philly RW Gravity Line Abandonment	\$	-	\$	250,00	0 \$	250,000	\$	-	\$ -	\$ -		\$ -	\$	-	\$	-	\$	-	\$ 500,000
WC - Recycled Water	EN19051	RW Hydraulic Modeling	\$	40,0	00 \$	40,00	0 \$	40,000	\$	40,000	\$ 40,000	\$ 40,0	00	\$ 40,000	\$ 4	0,000	\$	40,000	\$	40,000	\$ 400,000
WC - Recycled Water	EN21051	Ely Monitoring Well	\$	400,0	00																\$ 400,000
WC - Recycled Water	EN25031	Recycled Water Program Strategy 2025					\$	250,000													\$ 250,000
WC - Recycled Water	PL23XX6	WC Planning Documents	\$	250,0	00																\$ 250,000
WC - Recycled Water	EN20050	Reservoir Maintenance	\$	20,0	00				\$	20,000			:	\$ 20,000							\$ 60,000
Total			\$	1,335,0	00 \$	940,00	0 \$	1,190,000	\$	710,000	\$ 690,000	\$ 690,0	00 :	\$ 710,000	\$ 69	0,000	\$ 6	90,000	\$	690,000	\$ 8,335,000
																				·	
WW - Water Administration	WU23012	Residential Small Site Controller Upgrade Program	\$	500,0	00 \$	500,00	0 \$	500,000	\$	500,000	\$ 500,000	\$ 500,0	00 3	\$ 500,000	\$ 50	0,000	\$ 5	500,000	\$	500,000	\$ 5,000,000
WW - Water Administration	WU23018	Landscape Irrigation Tune-Ups	\$	500,0	00 \$	500,00	0 \$	500,000	\$	500,000	\$ 500,000	\$ 500,0	00 3	\$ 500,000	\$ 50	0,000	\$ 5	500,000	\$	500,000	\$ 5,000,000
WW - Water Administration	WU23004	Large Landscape Retrofit Program	\$	400,0	00 \$	400,00	0 \$	400,000	\$	400,000	\$ 400,000	\$ 400,0	00 3	\$ 400,000	\$ 40	0,000	\$ 4	100,000	\$.	400,000	\$ 4,000,000
WW - Water Administration	WR21028	Implement. of Upper SAR HCP - Wtr Benefi	\$	250,0	00 \$	250,00	0 \$	250,000	\$	250,000	\$ 250,000	\$ 250,0	00 \$	\$ 250,000	\$ 25	0,000	\$ 2	250,000	\$ 6	250,000	\$ 2,500,000
WW - Water Administration	WU23006	CII Device Rebates	\$	180,0	00 \$	180,00	0 \$	180,000	\$	180,000	\$ 180,000	\$ 180,0	00 3	\$ 180,000	\$ 18	80,000	\$ 1	180,000	\$	180,000	\$ 1,800,000
WW - Water Administration	WU23019	CII Turf Replacement Rebates	\$	180,0	00 \$	180,00	0 \$	180,000	\$	180,000	\$ 180,000	\$ 180,0	00 3	\$ 180,000	\$ 18	30,000	\$ 1	180,000	\$	180,000	\$ 1,800,000
WW - Water Administration	WU23005	Residential Device Rebates	\$	178,8	84 \$	178,88	4 \$	178,884	\$	178,884	\$ 178,884	\$ 178,8	84	\$ 178,884	\$ 17	8,884	\$ 1	78,884	\$	178,884	\$ 1,788,838
WW - Water Administration	WU23020	Residential Turf Replacement Rebates	\$	160,0	00 \$	160,00	0 \$	160,000	\$	160,000	\$ 160,000	\$ 160,0	00 3	\$ 160,000	\$ 16	0,000	\$ 1	160,000	\$	160,000	\$ 1,600,000
WW - Water Administration	WU23011	Member Agency Administered Project	\$	139,3	79 \$	139,37	9 \$	139,379	\$	139,379	\$ 139,379	\$ 139,3	79	\$ 139,379	\$ 13	9,379	\$ 1	39,379	\$	139,379	\$ 1,393,788
WW - Water Administration	WU23010	Residential Pressure Regulation Program	\$	100,0	00 \$	100,00	0 \$	100,000	\$	100,000	\$ 100,000	\$ 100,0	00	\$ 100,000	\$ 10	00,000	\$ 1	100,000	\$	100,000	\$ 1,000,000
WW - Water Administration	WU23007	National Theater For Children	\$	80,0	00 \$	80,00	0 \$	80,000	\$	80,000	\$ 80,000	\$ 80,0	00 3	\$ 80,000	\$ 8	80,000	\$	80,000	\$	80,000	\$ 800,000
WW - Water Administration	WR23X04	Discover the Environment and Water (DEW): An Education Program and Facility	\$	250,0	00 \$	115,35	6 \$	115,356	\$	115,356	\$ 115,356										\$ 711,425
WW - Water Administration	WU23008	Sponsorships & Public Outreach Activities	\$	43,0	00 \$	43,00	0 \$	43,000	\$	43,000	\$ 43,000	\$ 43,0	00 3	\$ 43,000	\$ 4	3,000	\$	43,000	\$	43,000	\$ 430,000
WW - Water Administration	WU23002	CBWCD LEAP	\$	30,0	00 \$	30,00	0 \$	30,000	\$	30,000	\$ 30,000	\$ 30,0	00 \$	\$ 30,000	\$ 3	30,000	\$	30,000	\$	30,000	\$ 300,000
WW - Water Administration	WU23015	Landscape Design Services	\$	30,0	00 \$	30,00	0 \$	30,000	\$	30,000	\$ 30,000	\$ 30,0	00 \$	\$ 30,000	\$ 3	0,000	\$	30,000	\$	30,000	\$ 300,000
WW - Water Administration	PL23XX3	Regional Water Resiliency Planning	\$	120,0	00 \$	150,00	0 \$	30,000													\$ 300,000
WW - Water Administration	PL23XX5	WW Planning Documents	\$	250,0	00																\$ 250,000
WW - Water Administration	WU23009	Landscape Training Classes	\$	20,0	00 \$	20,00	0 \$	20,000	\$	20,000	\$ 20,000	\$ 20,0	00 \$	\$ 20,000	\$ 2	20,000	\$	20,000	\$	20,000	\$ 200,000
WW - Water Administration	PL18001	Calif. Data Collab. WUE Data Analytics	\$	5,0	00 \$	2,50	0														\$ 7,500
Total			\$	3,416,2	63 \$	3,059,11	9 \$	2,936,619	\$ 2	2,906,619	\$ 2,906,619	\$ 2,791,2	63	\$2,791,263	\$ 2,79	1,263	\$ 2,7	91,263	\$ 2,	,791,263	\$ 29,181,551

APPENDIX D: Ten-Year Forecast



Ten-Year Forecast

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ABBREVIATIONS

AF: Acre Feet

CCRA: Capital Capacity Reimbursement Account

CCWRF: Carbon Canyon Water Reclamation Facility

CVWD: Cucamonga Valley Water District

EDU: Equivalent Dwelling Unit

FY: Fiscal Year

IEUA: Inland Empire Utilities Agency

IERCF: Inland Empire Regional Composting Facility

MGD: Million Gallons per Day

MWD: Metropolitan Water District of Southern California

O&M: Operation and Maintenance

RC: Regional Wastewater Capital Improvement Fund

TYF: Ten-Year Forecast

RCAs: Regional Contracting Agencies

RP-1: Regional Water Recycling Plant 1

RP-2: Regional Water Recycling Plant 2

RP-4: Regional Water Recycling Plant 4

RP-4: Regional Water Recycling Plant 5

WWFMPU: 2015 Wastewater Facilities Master Plan Update

SECTION 1: BACKGROUND

Inland Empire Utilities Agency Overview

The Inland Empire Utilities Agency (IEUA) is a regional wastewater treatment agency and wholesale distributor of imported water. IEUA is responsible for serving approximately 875,000 people over 242 square miles in western San Bernardino County. IEUA is focused on providing three key services: (1) treating wastewater, developing recycled water, local water resources, and conservation programs to reduce dependence on imported water supplies and provide local supply resiliency to the region; (2) converting biosolids and waste products into a high-quality compost made from recycled materials; and (3) generating electrical energy from renewable sources.

Formation & Purpose

IEUA was originally formed as the Chino Basin Municipal Water District on June 6, 1950, as a municipal corporation with the mission to supply supplemental imported water purchased from the Metropolitan Water District of Southern California (MWD) to municipalities in the Chino Basin. Since then, IEUA has expanded its mission from a supplemental water supplier to include regional wastewater treatment with both domestic and industrial disposal systems along with energy production facilities. In addition, IEUA has become a major provider of recycled water, a supplier of biosolids/compost materials, and continues its leading role in water quality management and environmental protection in the Inland Empire.

Governance

IEUA is a special district governed by five publicly elected Board of Directors. Each director is assigned to one of the five divisions which generally serve the following regions: Division 1- Upland/Montclair; Division 2- Ontario; Division 3- Chino/Chino Hills; Division 4- Fontana; and Division 5- Rancho Cucamonga. Monthly meetings are also held with the Regional Technical and Policy Committees comprised of representatives from each of IEUA's Regional Sewer Service Contracting Agencies. These Committees discuss and provide recommendations on various technical and policy issues affecting IEUA.

Contracting Agencies

As a regional wastewater treatment agency, IEUA provides wastewater utility services to seven contracting agencies under the Chino Basin Regional Sewage Service Contract (Regional Contract): the cities of Chino, Chino Hills, Fontana, Montclair, Ontario, and Upland along with Cucamonga Valley Water District (CVWD). Figure 1 depicts each Contracting Agency's sphere of influence within IEUA's service area.

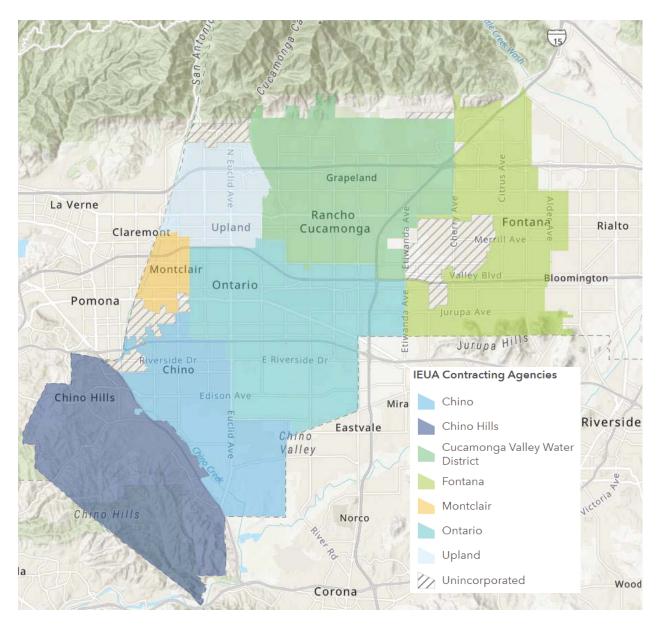


Figure 1 – IEUA Contracting Agencies

SECTION 2: INTRODUCTION TO THE TEN-YEAR FORECAST

Ten-Year Forecast Purpose

The Board of Directors of the Inland Empire Utilities Agency adopts a Ten-Year Forecast (TYF) based on the growth and regulatory requirements, existing asset management needs, and recommendations from the Regional Technical and Policy Committees, pursuant to the terms of the Regional Sewage Service Contract. The purpose of the TYF is to catalog and schedule capital improvement projects necessary to enable the regional wastewater system to meet forecasted demands for all the Contracting Agencies over a multi-year period. Pursuant to Section 9 of the Regional Contract, IEUA submits a TYF of capacity demands and capital projects to the Regional Technical and Policy Committees. This TYF identifies projects for the Fiscal Year (FY) 2022/2023 through FY 2031/2032.

Projects identified in the TYF are important to ensure regional reliability and safety while meeting all regulatory requirements based on the physical conditions of assets and the forecasted regional projection of wastewater needs. According to these projections, the TYF proposes a schedule for implementing projects based on necessity. The timing of the projects identified in the TYF are further refined during the Capital Budget process, based on the availability of financial resources.

Definition of a Capital Project

The TYF is composed of a list of capital projects, which are projects that involve the purchase, improvement, or construction of major fixed assets and equipment, such as the expansion of treatment plants, the construction of pipeline and pump stations, and the replacement of equipment. Capital projects do not include funds spent on standard operation and maintenance (O&M).

Regional Sewage Service Contract Requirements and Plan Adoption

The Regional Sewage Service Contract is the guiding document that defines the terms of the services and facilities in IEUA's regional wastewater system. The Regional Contract was originally signed in January 1973, amended in 1984 and 1994, and is due for renewal in January 2023, 50 years after it was originally executed.

As required by the Regional Contract, the TYF includes wastewater flow forecasts, a description of planned capital projects, capital project expenditures, plant capacities, and available funding of the Regional Wastewater Capital Improvement (RC) fund. After detailed review, comments, and recommendations from the Regional Technical and Policy Committees and the Agency's Board of Directors, the TYF is adopted.

SECTION 3: REGIONAL WATER RECYCLING INFRASTRUCTURE

Regional Wastewater Recycling Plants

The Agency has four regional water recycling plants which produce recycled water from treated wastewater. Recycled water from all four plants meets Title 22 standards and it is used for agriculture, landscaping, industrial processing and groundwater recharge. The four regional facilities are: Regional Water Recycling Plant No.1 (RP-1), Regional Water Recycling Plant No.4 (RP-4), Regional Water Recycling Plant No.5 (RP-5), and Carbon Canyon Wastewater Recycling Facility (CCWRF). All the plants have primary, secondary, and tertiary treatment and recycled water pumping facilities that are interconnected in a regional network. Agency staff use wastewater bypass and diversion facilities, such as the San Bernardino Lift Station, Montclair Diversion Structure, Etiwanda Trunk Line, and Carbon Canyon bypass, to optimize IEUA's flows and capacity utilization. In general, flows are routed between regional plants in order to maximize recycled water deliveries while minimizing overall pumping and treatment costs. IEUA also has three facilities where the biosolids from the water recycling plants are handled: RP-1 Solids Handling Facility, Regional Water Recycling Plant No.2 (RP-2) Solids Handling Facility, and the Inland Empire Regional Composting Facility (IERCF).

Regional Wastewater System

The regional pipeline system that connects the plants can be used to send sewer flow from one water recycling plant to another to balance and optimize the use of treatment capacity. Currently, the regional interceptors can send partially treated flows from RP-4 to RP-1 and RP-2 to RP-5 and raw influent from CCWRF to RP-5. In addition, primary effluent can be sent from the RP-1 equalization basins to RP-5.

IEUA also has four regional wastewater lift stations. These are used to shift flows that would naturally flow from one portion of the service area to a different treatment plant. This balancing of flows keeps water in the northern portion of the service area, maximizing potential recycled water use. The lift stations are:

- Montclair Lift Station pumps wastewater from portions of Montclair, Upland, and Chino to RP-1 and CCWRF.
- Preserve Lift Station pumps wastewater from the Prado Regional Park and The Preserve community in the City of Chino to RP-5.
- RP-2 Lift Station pumps wastewater from the southeastern portions of the cities of Chino and Chino Hills and the solids treatment side streams from RP-2 to RP-5.
- San Bernardino Avenue Pump Station pumps a portion of the flow from the City of Fontana to RP-4.

Figure 2 illustrates the regional wastewater network that connects the treatment plants.



Figure 2 – IEUA Regional Wastewater System

Carbon Canyon Water Reclamation Facility

CCWRF is located in the City of Chino and has been in operation since May 1992. The CCWRF works in tandem with RP-2 and RP-5 to serve the areas of Chino, Chino Hills, Montclair, and Upland. Wastewater is treated at CCWRF while the biosolids removed from the wastewater flow are pumped to RP-2 for processing. The CCWRF is designed to treat an annual average flow of 12 MGD and treats approximately 8.0 MGD.

Regional Water Recycling Plant No. 1

RP-1 is located in the City of Ontario near the intersection of Highway 60 and Archibald Avenue. This facility was originally commissioned in 1948 and has undergone several expansions to increase the design wastewater treatment capacity to approximately 44 MGD, based on the wastewater characteristics at the time of the expansions. Although the projected wastewater flows do not show a significant increase from current to build-out, they do reflect higher loading characteristics that require treatment process modifications to meet effluent discharge regulations. RP-1 serves the areas of Ontario, Upland, Fontana, Chino, Montclair, and Rancho Cucamonga, and currently treats approximately 25.5 MGD.

Regional Water Recycling Plant No. 2

RP-2 in the City of Chino has been in operation since 1960. RP-2 was both a liquids and solids treatment facility until 2004, when RP-5 was constructed to handle the liquids portion. Since then, RP-2 treats only the solids from CCWRF and RP-5. RP-2 treatment processes include gravity thickening and DAF thickening, anaerobic digestion for stabilization, and dewatering by either belt press or centrifuge.

Once the solids are dewatered, they are transported to the IERCF. RP-2 is located on land leased from the US Army Corps of Engineers and the lease is due to expire in 2035. RP-2 is also located within the recently redefined flood zone behind Prado Dam. Orange County Flood Control District and the Army Corps have plans to raise the maximum operational water level behind the dam to allow greater water storage and conservation. Since RP-2 does not have physical flood protection, IEUA will relocate the solids handling from RP-2 to RP-5. The relocation of solids handling is expected to start in 2023.

Regional Water Recycling Plant No. 4

RP-4 is located in Rancho Cucamonga and has been in operation treating wastewater and producing recycled water since 1997. The RP-4 facility capacity was doubled in 2009 from 7 MGD to 14 MGD.

Waste sludge generated at RP-4 is discharged back to the sewer and flows by gravity to RP-1. RP-4 serves areas of Fontana and Rancho Cucamonga, treating approximately 8.8 MGD.

Regional Water Recycling Plant No. 5

RP-5 is located immediately east of the Agency's Administrative Headquarters campus in the City of Chino and began operation in March 2004. It has a capacity rating of 16.3 MGD, which includes capacity for approximately 15 MGD of raw wastewater and 1.3 MGD of solids processing return or recycled flows from RP-2. Waste sludge produced at RP-5 is pumped to the RP-2 solids handling facility, which will be relocated to RP-5 around 2023. RP-5 serves areas of Chino, Chino Hills, and Ontario, treating approximately 8.3 MGD.

The RP-5 Solids Handling Facility was operated by IEUA from 2001 to 2009 as a regional facility accepting dairy manure for recycling and generating biogas. In 2010, IEUA entered into a lease agreement with Environ Strategies (now Inland BioEnergy) and in 2012, they began utilizing the facility for digestion of primarily food wastes with minor amounts of dairy manure. RP-5 SHF can process 705 wet tons/day of food and dairy waste through an anaerobic digestion process and can generate electricity from the biogas produced. As of August 2017, Inland BioEnergy stopped regular Operations of the facility. Due to the regional benefits of such a waste handling facility and the reduced energy costs, the Agency plans to keep RP-5 SHF available for the processing of food and dairy waste.

Regional Wastewater Recycling Plant Capacity

The regional wastewater recycling plants utilized capacity is calculated based on a 12-month average of influent flows measured in million gallons per day (MGD) as seen in Table 1.

Table 1 - Regional Plant Capacity Utilization (MGD)									
Regional Plant	Total Capacity	Average FY 20/21 Used Capacity	Capacity Remaining	Scheduled Expansions					
CCWRF	12.0	8.0	4.0	N/A					
RP-1	32.0*	24.7	7.3	+8.0					
RP-2**	N/A	N/A	N/A	N/A					
RP-4	14.0	8.9	5.1	N/A					
RP-5	16.3	8.7	7.6	+6.2					
Total Influent	74.3	50.3	24.0	+14.2					

*RP-1 total hydraulic capacity without loading treatment limitations is 44 MGD

**RP-2 liquid treatment facilities have been relocated to RP-5

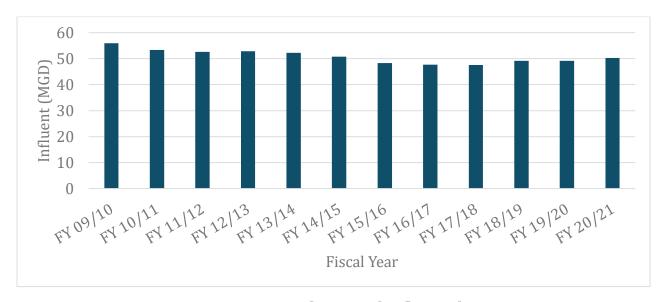


Figure 3 - Historical Regional Influent Flows

Capacity Expansion

Wastewater flow forecasts are conducted annually and are based on four main components: (1) historical wastewater flow trends; (2) per dwelling unit wastewater generation factors, based on the 2015 Wastewater Facilities Master Plan Update (WWFMPU) projections; (3) actual influent flows measured at the treatment plants; and (4) expected future growth numbers provided by the RCAs. These projections are used to determine future demands on

the Agency's facilities and help anticipate the need for modifications to treatment plants and solids handling facilities.

The WWFMPU identified the projected flows to the treatment plants in 2035 through 2060. The WWFMPU estimates that there will be a regional flow of 73.5 MGD by 2035 and an ultimate/build-out flow of 80 MGD by 2060. Capacity projects to address increasing demands within the 10-year window include expansions at RP-5, the relocation of RP-2 solids handling to RP-5, and the beginning of the RP-1 liquid capacity recovery and solids treatment expansion.

The expansion at RP-5 set for completion in 2025 will increase the plant capacity to 22.5 MGD, up 6.2 MGD from its current capacity of 16.3 MGD.

The RP-1 liquid capacity recovery project is set to recover 8 MGD of capacity lost due to system loading. While RP-1 has a hydraulic capacity of 44 MGD, only 32 MGD of capacity is usable due to loading treatment constraints. After the recovery project is completed, the total usable capacity will be increased to 40 MGD, still 4 MGD below the plant's hydraulic capacity.

System Loading

Over the past decade the IEUA service area has experienced an increase in indoor water use efficiency as a direct result of drought, shifting public policy, more efficient building and plumbing codes, and effective conservation program campaigns. This increased efficiency has decreased the total influent volume of wastewater flows received by IEUA treatment plants by approximately 10% since 2010. While the flows have decreased, the regional population has continued to grow. The combination of an increased population but reduced wastewater flow has resulted in an increase in the strength of the wastewater coming into IEUA's treatment facilities. This trend of increased wastewater strength is expected to continue as both the population and regional water efficiency continue to increase. Current and future wastewater treatment plant expansions are largely driven by the increased strength of wastewater flows to the facilities, rather than the volume of flows to the facilities.

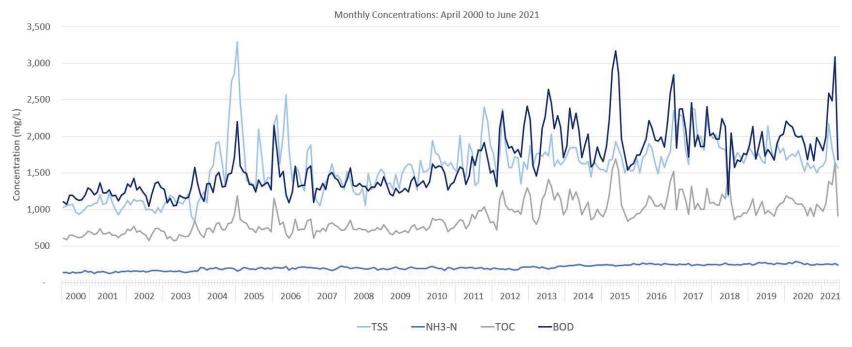


Figure 4 - Monthly Concentrations: April 2000 - June 2021

SECTION 4: EQUIVALENT DWELLING UNITS

One equivalent dwelling unit (EDU) is an approximate measure of the daily wastewater flow in quantity and strength of an average single-family household as determined in Exhibit "J" of the Regional Contract. This unit of measurement enables IEUA and the RCAs to uniformly track past and projected connections to the regional wastewater system.

Historical EDU Activity

EDU activity has increased from FY 19/20 to FY 20/21 with the addition of 5,281 EDUs to the region compared to the addition of only 3,435 EDUs the previous fiscal year. The additional EDUs added in FY 20/21 are 3,732 EDUs lower than the RCAs projections of 9,013 EDUs and 1,281 EDUs more than the IEUA Budgeted Projections of 4,000 EDUs. Two sets of projections exist in order to allow for conservative estimates. The RCAs' projections are required under the Regional Contract and serve as a planning tool for plant treatment capacity and loading. Under the Regional Contract, RCAs who report EDU projections that are lower than what the regional experiences may have building moratoriums imposed. For this reason, the RCAs may make projections conservatively high. Budgeted projections are used by IEUA to project future wastewater treatment needs and fund availability. To ensure adequate fund availability, budgeted projections are conservatively low. The result of both sets of projections is the assumption that projections are conservative, ensuring IEUA treatment plants can safely and effectively treat the additional wastewater while also ensuring the agency does not over-project fund availability. Table 2 outlines the building activity in the region along with both sets of EDU projections.

Table 2 - Building Activity for Last Five Fiscal Years (FY 15/16 through FY 20/21)								
Year	Building Activity (EDUs)	Budgeted Projections (EDUs)	RCAs Projections (EDUs)					
FY 15/16	4,787	4,330	5,849					
FY 16/17	5,189	3,000	5,277					
FY17/18	5,223	4,000	5,442					
FY 18/19	3,459	4,000	6,149					
FY 19/20	3,435	4,000	6,390					
FY 20/21	5,281	4,000	9,013					

Projected EDU Activity

In accordance with the Regional Contract, the RCAs completed a survey of their 10-year capacity demand forecast. The results of the 10-year capacity demand forecast survey are summarized in Table 3. For FY 2021/22, the forecasted activity was 9,144 additional EDUs. Over the next ten years, activity was projected to total 67,927 EDUs added region wide. Approximately 72% of this projected activity is a result of new development in the service areas of Ontario and Fontana. Over the next ten years, building activity is projected to be approximately 80% residential and 20% commercial/industrial. Figure 5 highlights the breakdown between residential and commercial/industrial projected EDUs.

	Table 3 - 10 Year Projected RCAs EDU Activity										
Fiscal Year	Chino EDUs	Chino Hills EDUs	CVWD EDUs	Fontana EDUs	Montclair* EDUs	Ontario EDUs	Upland EDUs	Total EDUs			
FY 21/22	434	138	2,050	1,792	474	3,780	476	9,144			
FY 22/23	396	361	2,050	1,863	106	3,382	456	8,614			
FY 23/24	396	570	1,650	1,935	26	3,382	351	8,310			
FY 24/25	396	391	1,250	2,011	26	3,382	271	7,727			
FY 25/26	396	200	890	2,089	26	2,660	176	6,437			
FY 26/27	395	276	490	2,171	26	2,520	100	5,978			
FY 27/28	285	231	490	2,171	26	2,410	55	5,668			
FY 28/29	285	1	490	2,171	26	2,410	0	5,383			
FY 29/30	235	1	490	2,171	26	2,410	0	5,333			
FY 30/31	235	1	490	2,171	26	2,410	0	5,333			
TOTAL	3,453	2,170	10,340	20,545	788	28,746	1,885	67,927			

*The City of Montclair's forecasts have been extended from last Fiscal Year as a completed 2021 10year capacity demand forecast was not completed.



Figure 5 - FY 21/22 10-Year Growth Forecast

Estimated CCRA account contributions in 2022 dollars are calculated by taking the RCAs EDU projections and multiplying them by the current adopted EDU rate of \$7,379. Projected CCRA contributions are estimated at roughly \$67 million at the start of the tenyear period and steadily dropping year after year to around \$39 million.

Capital Capacity Reimbursement Accounts

IEUA levies a fee on all new connections to its regional wastewater system. Connection fees are restricted to finance capital acquisition, construction, equipment, and process improvement costs for the IEUA's regional wastewater system. Pursuant to the Regional Contract, new EDU connection fees are collected by each of IEUA's RCAs and held in trust in a Capital Capacity Reimbursement Account (CCRA) until requested, or "called", by IEUA. Capital calls, or connection fee payments of CCRA funds, are based on the identified and projected capital needs of IEUA over the ensuing nine months, as calculated and reported by IEUA each quarter. Connection fees rates were evaluated as part of IEUA's FY 2019/2020 Rate Study. Capital calls are calculated based on the proportionate share of each Contracting Agency's CCRA account balance relative to the aggregate amount. The current balance of the CCRA accounts can be found in Table 4 below.

Table 4 – Contracting Agencies CCRA Balance as of June 30 th , 2021								
Regional Contracting Agency		CCRA Balance						
City of Chino	\$	12,540,350.96						
City of Chino Hills	\$	4,892,678.48						
Cucamonga Valley Water District	\$	11,578,029.93						
City of Fontana	\$	20,217,463.28						
City of Montclair	\$	2,770,381.23						
City of Ontario	\$	33,764,260.28						
City of Upland	\$	5,748,458.49						
Total	\$	91,511,622.65						

SECTION 5: WASTEWATER CAPITAL IMPROVEMENT PROJECTS

Regional Wastewater Capital Improvement Fund

The TYF evaluates capital improvement projects necessary to meet wastewater forecasted demands. IEUA categorizes these projects into the RC Fund. Expenses charged to the RC Fund include capital projects that are required to meet regional growth in the forms of flow, loading, capacity or other factors. The RC Fund's primary sources of revenue include new EDU connection fees and property taxes but also include debt proceeds, loans, and grants. An estimated breakdown of the RC Fund balance over the next 10-years can be found in Appendix B.

Ten-Year Forecast Project List

The TYF contains projects which were identified by IEUA staff and include expansion projects to provide additional treatment capacity to meet future growth. Drivers used to determine the timeframe and necessity of projects include regulatory and permitting requirements, wastewater flow projections, asset age, performance, efficiency, and grant or funding availability. Total wastewater capital spending over the next ten-years is projected to be \$544,403,853. The TYF project list represents IEUA's capital projects forecast based on existing planning documents and anticipated funding sources. The full list of TYF projects can be found in Appendix A.

	IEUA Ten-Year Forecast FY 2022/2023
APPENDIX A: TEN-YEAR FORECAST PROJE	CT LIST

Fund Name	Project Number	Project Name	F	Y 22/23	FY 23/2	4	FY 24/25	FY 2	5/26	FY 26/27	FY 27/28	FY 28/29	FY 29	/30	FY 30/31	FY 3	1/ 32	Total TYCIP FY 2023-2032
RC - Regional Wastewater Capital Improvement	EN19001	RP-5 Expansion to 30 mgd	\$ 4	0,000,000	\$ 50,000,	000	\$ 20,000,000	\$ 13,00	00,000								\$	123,000,000
RC - Regional Wastewater Capital Improvement	EN22044	RP-1 Thickening Building & Acid Phase Digester	\$	4,500,000	\$ 27,100,	000	\$ 47,340,000	\$ 42,14	40,000	\$ -							\$	121,080,000
RC - Regional Wastewater Capital Improvement	EN19006	RP-5 Bio Solids Handling Facility	\$ 6	7,000,000	\$ 30,000,	000	\$ 15,000,000	\$	-								\$	112,000,000
RC - Regional Wastewater Capital Improvement	EN22006	RC Asset Management	\$	250,000	\$ 250,	000	\$ 2,400,000	\$ 8,00	00,000	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000	\$ 8,000	0,000	\$ 8,000,000	\$ 8,00	0,000 \$	58,900,000
RC - Regional Wastewater Capital Improvement	EN24001	RP-1 Liquid Treatment Capacity Recovery	\$	-	\$	-	\$ -	\$	-	\$ -	\$ -	\$ 2,000,000	\$ 13,000	0,000	\$ 13,000,000	\$ 13,00	0,000 \$	41,000,000
RC - Regional Wastewater Capital Improvement	EN17006	CCWRF Asset Management and Improvements	\$	9,000,000	\$ 16,000,	000	\$ 699,853	\$	-	\$ -	\$ -	\$ -	\$	-	\$ -	\$	- \$	25,699,853
RC - Regional Wastewater Capital Improvement	EN24002	RP-1 Solids Treatment Expansion	\$	-	\$	-	\$ 4,000,000	\$ 8,00	00,000	\$ 8,000,000	\$ -	\$ -	\$	-	\$ -	\$	- \$	20,000,000
RC - Regional Wastewater Capital Improvement	EN11039	RP-1 Disinfection Improvements	\$	3,270,000	\$ 1,190,	000	\$ -	\$	-	\$ -	\$ -	\$ -	\$	-	\$ -	\$	- \$	9,460,000
RC - Regional Wastewater Capital Improvement	EN21045	Montclair Force Main Improvements	\$	1,040,000	\$ 4,800,	000	\$ 2,600,000										\$	8,440,000
RC - Regional Wastewater Capital Improvement	EN23015	Collection System Upgrades 22/23	\$	500,000	\$ 500,	000	\$ 500,000	\$ 50	00,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500	0,000	\$ 500,000	\$ 50	0,000 \$	5,000,000
RC - Regional Wastewater Capital Improvement	ENxxy85	New Regional Project PDR's FY22/23	\$	500,000	\$ 500,	000	\$ 500,000	\$ 50	00,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500	0,000	\$ 500,000	\$ 50	0,000 \$	5,000,000
RC - Regional Wastewater Capital Improvement	EN22022	RP-1 Air Compressor Upgrades	\$	390,000	\$ 3,600,	000											\$	3,990,000
RC - Regional Wastewater Capital Improvement	PL19001	Purchase Existing Solar Installation									\$ 3,500,000						\$	3,500,000
RC - Regional Wastewater Capital Improvement	EN22041	RP-1 Aeration Basins UW System Improvements	\$	1,500,000	\$ 500,	000	\$ -	\$	-	\$ -	\$ -	\$ -	\$	-	\$ -	\$	- \$	2,000,000
RC - Regional Wastewater Capital Improvement	PL17002	HQ Solar Photovoltaic Power Plants Ph. 2								\$ 300,000	\$ 1,100,000						\$	1,400,000
RC - Regional Wastewater Capital Improvement	ENxxx17	RP-1 Motor Control Center 9M Upgrades	\$	150,000	\$ 900,	000											\$	1,050,000
RC - Regional Wastewater Capital Improvement	EN18036	CCWRF Asset Mgmt and Improvement Pkg. III	\$	-	\$	-	\$ -	\$ 20	00,000	\$ 500,000	\$ 300,000						\$	1,000,000
RC - Regional Wastewater Capital Improvement	ENxxy20	IEUA SCADA Master Plan	\$	-	\$ 500,	000						\$ 250,000)				\$	750,000
RC - Regional Wastewater Capital Improvement	EN19025	Montclair and San Bernardino Lift Station Force Main Clean Out Vaults	\$	704,500	\$	-	\$ -	\$	-	\$ -	\$ -	\$ -	\$	-	\$ -	\$	- \$	704,500
RC - Regional Wastewater Capital Improvement	EN18006	RP-1 Flare Improvements	\$	240,000													\$	240,000
RC - Regional Wastewater Capital Improvement	ENxxxx5	CCWRF Filter Effluent Sodium Hypochlorite Modificaion	\$	50,000	\$ 55,	000											\$	105,000
RC - Regional Wastewater Capital Improvement	EN22040	NFPA 70E required labels	\$	75,000													\$	75,000
RC - Regional Wastewater Capital Improvement	EN22042	RP-4 Ammonia Analyzers and Support System	\$	9,500	\$	-	\$ -	\$	-	\$ -	\$ -	\$ -	\$	-	\$ -	\$	- \$	9,500
Total			\$ 13	4,179,000	\$ 135,895,	000	\$ 93,039,853	\$ 72,34	40,000	\$ 17,800,000	\$13,900,000	\$11,250,000	\$ 22,000	0,000	\$ 22,000,000	\$ 22,00	0,000 \$	544,403,853

	IEUA Ten-Year Forecast FY 2022/2023
APPENDIX B: REGIONAL WASTEWATER CA	APITAL IMPROVEMENT FUND
BALANCE	

	Table 5 - Regional Wastewater Capital Improvement Fund (RC) Yearly Balance											
	FY 2019/2020	FY 2020/2021	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31
	Actual	Projected Actual	Proposed Budget	Proposed Budget				Fore	cast			
REVENUES AND OTHER FINANCING SOURCES												
Interest Revenue	835,858	826,462	591,557	699,533	838,285	721,458	435,810	322,803	295,367	295,367	295,367	295,368
TOTAL REVENUES	\$835,858	\$826,462	\$591,557	\$699,533	\$838,285	\$721,458	\$435,810	\$322,803	\$295,367	\$295,367	\$295,367	\$295,368
OTHER FINANCING SOURCES												
Property Tax - Debt and Capital	\$36,148,496	\$36,751,700	\$37,366,000	\$37,991,000	\$38,628,000	\$39,275,000	\$39,935,000	\$40,607,000	\$41,291,000	\$41,987,000	\$42,696,000	\$43,417,000
Regional System Connection Fees	24,259,070	25,038,000	29,514,238	30,399,665	31,311,655	32,251,005	33,218,535	34,215,091	30,836,351	31,761,441	32,714,284	33,695,713
Debt Proceeds	196,436,445	0	761,460	13,807,300	33,045,840	31,000,000	198,508,043	0	0	0	0	0
State Loans	0	0	0	30,905,870	108,987,515	23,750,000	4,776,407	0	0	0	0	0
Grants	122,690	0	0	0	0	0	0	0	0	0	0	0
Capital Reimbursement	0	0	0	0	0	0	0	0	0	0	0	0
Other Revenues	1,051,715	4,430	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Loan Transfer from Internal Fund	0	0	0	2,000,000	6,000,000	5,500,000	0	0	0	0	0	0
TOTAL OTHER FINANCING SOURCES	\$258,018,416	\$61,794,130	\$67,642,698	\$115,104,835	\$217,974,010	\$131,777,005	\$276,438,985	\$74,823,091	\$72,128,351	\$73,749,441	\$75,411,284	\$77,113,713

INFORMATION ITEM

3B



Major Construction Trends



- Price Increases/Inflation
- Price Volatility
- Supply Chain Issues and Increased Demand for Materials
- Labor Shortages

Price Increases/Inflation



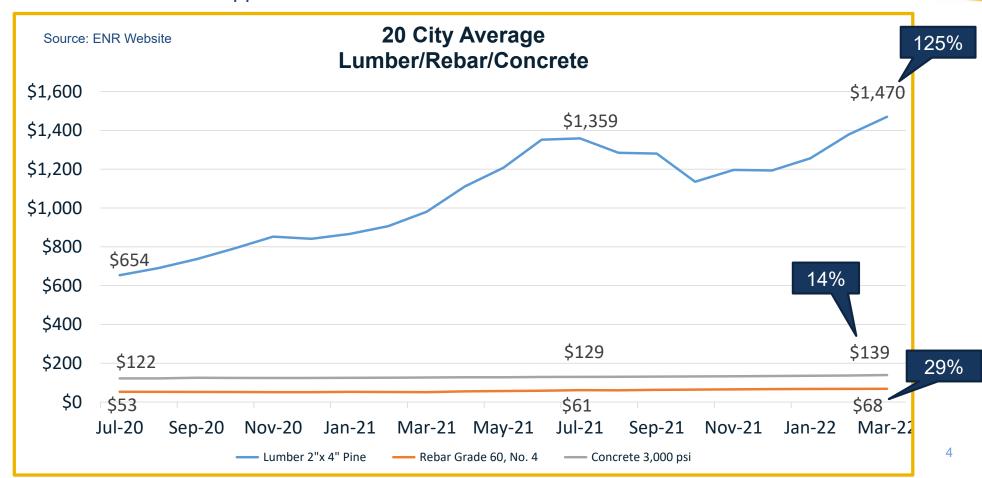


In ability to predict future price reductions, even as fears of recession increase

Price Volatility

Inland Empire Utilities Agency
A MUNICIPAL WATER DISTRICT

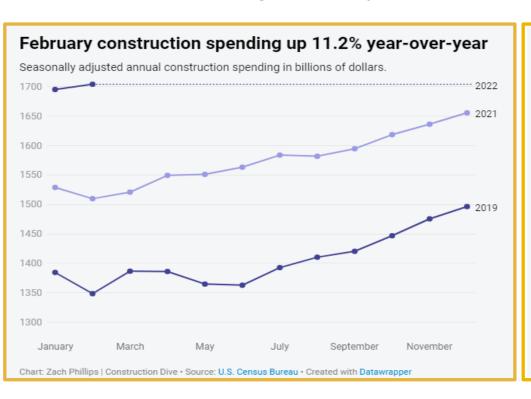
- Speed of increasing prices is difficult to track
- Manufacturers and Suppliers Quotes

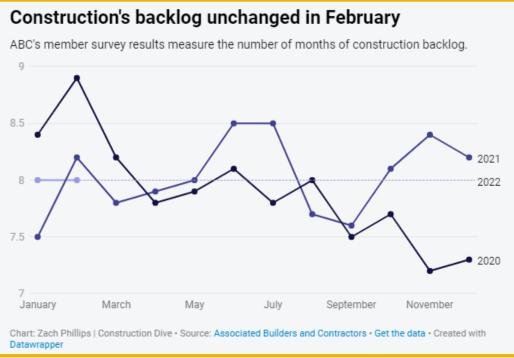


Supply Chain Issues and Increased Demand for Materials



- Construction spending up 11.2%
- Construction backlog currently 8 months





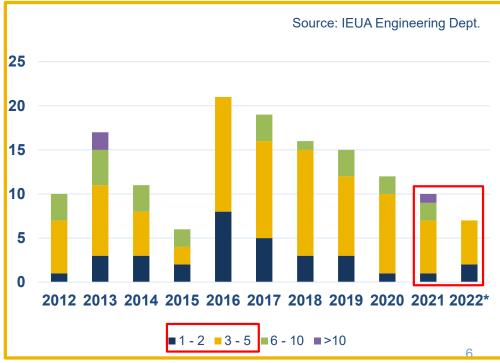
Labor Shortages

Inland Empire Utilities Agency
A MUNICIPAL WATER DISTRICT

- Engineers
- Skilled Construction
- Declining Number of Bids



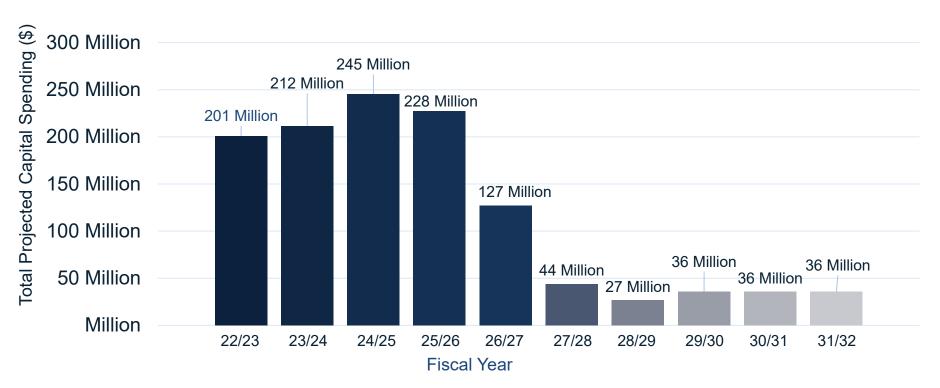
Average Number of Bids Received Ten Years (2012 – 2022)





What this means to IEUA

FY 2022/2023 - FY 2031/2032 TYCIP



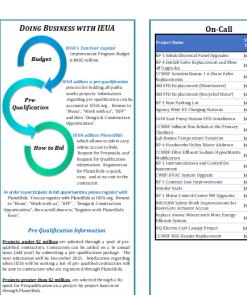
What IEUA is Doing.....

Inland Empire Utilities Agency A MUNICIPAL WATER DISTRICT

- **Project Marketing**
 - **Contractor Engagement**
 - **Public Affairs**
- Continue to Monitor Trends
 - Industry
 - Contractors
 - **Other Agencies**
- Reputation Management
 - Professional and Fair
 - Client of Choice
- **Consultant Engagement**
 - **Outreach Flyers**







Opportunities" then scroll down to "Pre-Qualific for Construction Projects Under \$2M"

Project Name	Start Date	Total Budget
RP-1 Solids Electrical Panel Upgrades	Jul-22	1,875,00
RP-4 Out fall Valve Replacement and Blow off Upgrades	Jul-22	1,700,00
CCWRF Aeration Basins 1-6 Drain Valve Replacements	Jul-22	1,500,00
Old VFD Replacement (Wastewater)	Jul-22	1,350,00
Old VFD Replacement (Recycled Water)	Jul-22	1,350,00
RP-1 New Parking Lot	Jul-22	1,200,00
Agency Wide EV Charging Stations	Jul-22	1,100,00
1630 East Pump Station VFD Installation	Jul-22	750,00
CCWRF Influent Box Rehab at the Primary Clarifiers	Jul-22	600,00
Lab Rooms Tempe rature Variation	Jul-22	240,00
RP-4 Headworks Utility Water Addition	Jul-22	175,00
CCWRF Filter Effluent Sodium Hypochlorite Modification	Jul-22	105,00
RP-1 Instrumentation and Control En- nancement	Jul-22	100,00
CWRF HVAC System Upgrade	Jul-22	50,00
RP-1 Centrate Line Improvements	Jul-22	160,00
Annular Seal's	Jul-23	1,380,00
RP-1 Motor Control Center 9M Upgrades	Jul-23	1,050,00
RW/GRW Safety Work Improvements for Basin Gate Actuator Access	Jul-23	1,020,00
Replace Anoxic Mixers with More Energy Efficient System	Jul-23	840,00
HQ Electric Cart Canopy Project	Jul 023	250,00
CCWRF RAS Header Replacement	lul-22	285,00



New RFP						
Project Name	Start Date	Total Budget				
RW SCADA Migration	Jul-22	4,630,000				
RP-1 DeviceNet Replacement	Jul-22	4,100,000				
RP-1 Headworks Bar Screens Improve- ments	Jul-22	3,900,000				
RP-1 Energy Recovery	Jul-23	4,425,000				
RP-4 SCADA Performance Improvement	Jul-23	1,012,000				
IEUA SCADA Master Plan	Jul-23	750,000				
CBP- Rialto RW Pipeline	Jul-23	TBI				
CBP- New Extraction Wells	Jul-23	TBI				

Master Contracts							
Contract Type	End Date	Amount					
On Call Design Contracts	Jun-22	15,000,000					
Engineering and Construction Project Mgmt Svcs	Dec-24	10,000,000					
SCADA Programming Services	Dec-22	1,800,000					
Project Controls Services	Jun-22	1,250,000					
Material Testing	Sep-22	1,000,000					
Dig Alerts	Aug-25	900,000					
Surveying	Dec-22	750,000					
Architectural Services	Apr-24	700,000					
Coating Inspection and Assessment Ser- rices	Aug-23	500,000					
Labor Compliance	Feb-23	500,000					
Pavement Management Services	Jun-24	500,000					
Electrical Testing and Maintenance Ser- vices	Jun-23	466,000					
Recycled Water Hydraulic Modeling	Jun-22	300,000					
Condition Assessment	Aug-22	250,000					
Electrical Engineering Services	Jun-23	202,000					
Mission Reprographics	Jun-22	18,000					

- RP-1 = Resional Water Recycling Plant No. 1. Ontario
- RP-4 = Resional Water Recycling Plant No.4, Rancho Cucam
- TP-1 Tertiary Plant #1, Ontario

INFORMATION ITEM

3C



To: The Honorable Board of Directors

Date: June 15, 2022

From: Teresa Velarde, Manager of Internal Audit

Tereja Ocharda.

Committee: Audit 06/06/22

Manager Contact: Teresa Velarde, Manager of Internal Audit

Subject: Fiscal Year 2021/22 Financial Audit Engagement Communications

Executive Summary:

The Board adopted Fiscal Ordinance and other regulatory requirements state that the Agency must undergo a financial audit by an independent certified public accountant. The auditors evaluate whether the Agency's financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB).

On March 17, 2021, the Board approved a contract with CliftonLarsonAllen LLP (CLA) to provide Annual Financial and Single Audit Services for the Inland Empire Utilities Agency for the three fiscal years ending June 30, 2021, 2022 and 2023 with options for an additional two fiscal years.

Attached, are the Engagement Letters in Draft form which describe the terms and objectives of the financial audit services with CLA for the Fiscal Year ending June 30, 2022. The final Engagement Letters will be forthcoming before interim audit work begins. During the Audit Committee meeting, Mr. Nitin Patel, CPA, Principal with CLA will provide a presentation about the audit scope and approach, as well as the required communications.

Staff's Recommendation:

This is an information item.

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

Account/Project Name:

N/A

Fiscal Impact (explain if not budgeted):

None, only when additional outside auditing or consulting services are required to provide assistance to IA or fulfill the responsibilities of the Audit Committee. A proposal with proposed fees would be submitted through the Audit Committee for appropriate action. Additionally, some audit projects are intended to identify opportunities for cost containment.

Full account coding (internal AP purposes only): - - - Project No.:

Prior Board Action:

On March 17, 2021, the Board approved Contract Numbers 4600003005, for a not-to-exceed amount of \$115,115 with CliftonLarsonAllen LLP, to provide Annual Financial and Single Audit Services for the Inland Empire Utilities Agency for the three fiscal years ending June 30, 2021, 2022 and 2023 with options for an additional two fiscal years.

Environmental Determination:

Not Applicable

Business Goal:

The Annual Financial Statement and Single Audit of the Agency is a requirement per the Agency's approved Fiscal Ordinance and other regulatory requirements and is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment, and Business Practices by providing transparent information, ensuring that the financial audit evaluate and promote a strong fiscal control environment and assist the Board in fulfilling their oversight responsibilities over internal controls and financial reporting.

Attachments:

Attachment 1 - Engagement Letter - CLA (Draft)

Attachment 2 - AUP GANN Letter - CLA (Draft)

Attachment 3 - CLA PowerPoint

Board-Rec No.: 22123

[Date]

Mr. Shivaji Deshmukh General Manager Inland Empire Regional Composting Authority C/O Inland Empire Utilities Agency 6075 Kimball Avenue Chino, CA 91708

We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the audit and nonaudit services CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") will provide for Inland Empire Utilities Agency and Chino Basin Regional Financing Authority ("you," "your," or "the entity") for the year ending June 30, 2022.

Nitin Patel, CPA, is responsible for the performance of the audit engagement.

Scope of audit services

We will audit the financial statements of each major fund, and the aggregate remaining fund information, which collectively comprise the basic financial statements of Inland Empire Utilities Agency, and the financial statements of the Chino Basin Regional Financing Authority as of and for the year ending June 30, 2022, and the related notes to the financial statements.

The Governmental Accounting Standards Board (GASB) provides for certain required supplementary information (RSI) to accompany the entity's basic financial statements. The following RSI will be subjected to certain limited procedures, but will not be audited.

- 1. Management's discussion and analysis.
- 2. GASB-required supplementary pension and OPEB schedules.

We will also evaluate and report on the presentation of the following supplementary information other than RSI accompanying the financial statements in relation to the financial statements as a whole:

- 1. Schedule of expenditures of federal awards
- 2. Combining and individual fund financial statements and schedules

The following supplementary information other than RSI accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements and our auditors' report will not provide an opinion or any assurance on that information:

- 1. Introductory Section
- 2. Statistical Section

Nonaudit services

We will also provide the following nonaudit services:

- Preparation of your financial statements for Chino Basin Regional Financing Authority only, schedule of expenditures of federal awards and related notes.
- Prepare the Data Collection Form.

Audit objectives

The objectives of our audit are to obtain reasonable assurance about whether the basic financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions about whether your basic financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Our audit will be conducted in accordance with U.S. GAAS; the standards for 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 require us to be independent of the entity and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. Our audit will include tests of your accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express opinions and render the required reports. We will apply certain limited procedures to the RSI in accordance with U.S. GAAS. However, we will not express an opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. We will also perform procedures to enable us to express an opinion on whether the supplementary information (as identified above) other than RSI accompanying the financial statements is fairly stated, in all material respects, in relation to the financial statements as a whole.

The objectives of our audit also include:

- Reporting on internal control over financial reporting and on compliance with the provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with Government Auditing Standards.
- Reporting on internal control over compliance related to major programs and expressing an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Uniform Guidance.

The Government Auditing Standards report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the 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 entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the 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. Both reports will state that the report is not suitable for any other purpose.

We will issue written reports upon completion of our audit of your financial statements and compliance with requirements applicable to major programs. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from the engagement. If our opinions on the financial statements or the single audit compliance opinion is other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements or material noncompliance caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming opinions on the financial statements or an opinion on compliance, we retain the right to take any course of action permitted by professional standards, including declining to express opinions or issue reports, or withdrawing from the engagement.

Auditor responsibilities, procedures, and limitations

We will conduct our audit in accordance with U.S. GAAS, the standards for financial audits contained in *Government Auditing Standards*, and the Uniform Guidance. Those standards require that we exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit. As part of our audit, we will:

- Identify and assess the risks of material misstatement of the financial statements and material noncompliance, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement or a material noncompliance resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures
 that are appropriate in the circumstances, but not for the purpose of expressing opinions on the
 effectiveness of the entity's internal control. However, we will communicate to you in writing any
 significant deficiencies or material weaknesses in internal control relevant to the audit of the basic
 financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the basic

financial statements, including the amounts and disclosures, and whether the basic financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

• Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

Although our audit planning has not been concluded and modifications may be made, we have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Management override of controls.
- Revenue recognition.

There is an unavoidable risk, because of the inherent limitations of an audit, together with the inherent limitations of internal control, that some material misstatements or noncompliance may not be detected, even though the audit is properly planned and performed in accordance with U.S. GAAS, *Government Auditing Standards*, and the Uniform Guidance. Because we will not perform a detailed examination of all transactions, material misstatements, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity, may not be detected. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not require auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management and those charged with governance of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management and those charged with governance of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a single audit.

Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting fraud or errors that are material to the financial statements and to preventing and detecting misstatements resulting from noncompliance with provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with the direct and material compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those

controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify deficiencies, significant deficiencies, or material weaknesses in internal control. However, we will communicate to you in writing significant deficiencies or material weaknesses in internal control relevant to the audit of the basic financial statements that we identify during the audit that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the entity's compliance with the provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

We will include in our report on internal control over financial reporting and on compliance relevant information about any identified or suspected instances of fraud and any identified or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements that may have occurred that are required to be communicated under *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards that may have a direct and material effect on each of the entity's major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the "OMB Compliance Supplement" for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs. The purpose of these procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

We will evaluate the presentation of the schedule of expenditures of federal awards accompanying the financial statements in relation to the financial statements as a whole. We will make certain inquiries of management and evaluate the form, content, and methods of preparing the schedule to determine whether the information complies with U.S. GAAP and the Uniform Guidance, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We will compare and reconcile the schedule to the underlying accounting records and other records used to prepare the financial statements or to the financial statements themselves.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Management responsibilities

Our audit will be conducted on the basis that you (management and, when appropriate, those charged with governance) acknowledge and understand that you have certain responsibilities that are fundamental to the conduct of an audit.

You are responsible for the preparation and fair presentation of the financial statements, RSI, and the schedule of expenditures of federal awards in accordance with U.S. GAAP. Management is also responsible for identifying all federal awards received, understanding and complying with the compliance requirements, and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the requirements of the Uniform Guidance.

Management's responsibilities include the selection and application of accounting principles; recording and reflecting all transactions in the financial statements; determining the reasonableness of significant accounting estimates included in the financial statements; adjusting the financial statements to correct material misstatements; and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for 12 months beyond the financial statement date.

Management is responsible for compliance with applicable laws and regulations and the provisions of contracts and grant agreements, including compliance with federal statutes, regulations, and the terms and conditions of federal awards applicable to the entity's federal programs. Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are responsible for the design, implementation, and maintenance of effective internal control, including internal control over compliance, relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities and safeguarding assets to help ensure that appropriate goals and objectives are met; and that there is reasonable assurance that government programs are administered in compliance with compliance requirements.

You are responsible for the design, implementation, and maintenance of internal controls to prevent and detect fraud; assessing the risk that the financial statements may be materially misstated as a result of fraud; and for informing us about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for implementing systems designed to achieve compliance with applicable laws and regulations and the provisions of contracts and grant agreements, including compliance with federal statutes, regulations, and the terms and conditions of federal awards applicable to the entity's federal programs; identifying and ensuring that the entity complies with applicable laws, regulations, contracts, and grant agreements, including compliance with federal statutes, regulations, and the terms and conditions of federal awards applicable to the entity's federal programs; and informing us of all instances of identified or suspected noncompliance whose effects on the financial statements should be considered.

You are responsible for taking timely and appropriate steps to remedy any fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we may report. Additionally, as required by

the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified, including noncompliance identified in audit findings; and to follow up and take prompt corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review during final fieldwork.

You are responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including amounts and disclosures, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters, and for the accuracy and completeness of that information (including information from within and outside of the general and subsidiary ledgers), and for ensuring management information and financial information is reliable and properly reported; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence. You agree to inform us of events occurring or facts discovered subsequent to the date of the financial statements that may affect the financial statements.

You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

Management is responsible for the preparation and fair presentation of other supplementary information in accordance with U.S. GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. You agree to provide us written representations related to the presentation of the supplementary information.

Management is responsible for providing us with a written confirmation concerning representations made by you and your staff to us in connection with the audit and the presentation of the basic financial statements and RSI. During our engagement, we will request information and explanations from you regarding, among other matters, the entity's activities, internal control, future plans, specific transactions, and accounting systems and procedures. The procedures we will perform during our engagement and the conclusions we reach as a basis for

our report will be heavily influenced by the representations that we receive in the representation letter and otherwise from you. Accordingly, inaccurate, incomplete, or false representations could cause us to expend unnecessary effort or could cause a material fraud or error to go undetected by our procedures. In view of the foregoing, you agree that we shall not be responsible for any misstatements in the entity's financial statements that we may fail to detect as a result of misrepresentations made to us by you.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies to us of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the "Audit objectives" section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other engagements or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Responsibilities and limitations related to nonaudit services

For all nonaudit services we may provide to you, management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services. Management is also responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services.

The responsibilities and limitations related to the nonaudit services performed as part of this engagement are as follows:

- We will prepare a draft of your financial statements for Chino Basin Regional Financing Authority only, schedule of expenditures of federal awards and related notes, in conformity with U.S. GAAP and the Uniform Guidance based on information provided by you. Since the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and related notes is your responsibility, you will be required to acknowledge in the representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes, prior to their issuance and have accepted responsibility for them. You have a responsibility to be in a position in fact and appearance to make an informed judgment on those financial statements, schedule of expenditures of federal awards, and related notes.
- We will prepare the Data Collection Form. Management is responsible to review for completeness and accuracy before submitting to the Federal Audit Clearing House.

These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

Use of financial statements

The financial statements and our report thereon are for management's use. If you intend to reproduce and publish the financial statements and our report thereon, they must be reproduced in their entirety. Inclusion of the audited financial statements in a document, such as an annual report or an offering document, should be done only with our prior approval of the document. You are responsible to provide us the opportunity to review such documents before issuance.

If the parties (i.e., you and CLA) agree that CLA will not be involved with your official statements related to municipal securities filings or other offering documents, we will require that any official statements or other offering documents issued by you with which we are not involved clearly indicate that CLA is not involved with the contents of such documents. Such disclosure should read as follows:

CliftonLarsonAllen LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. CliftonLarsonAllen LLP also has not performed any procedures relating to this offering document.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website or submitted on a regulator website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

Engagement administration and other matters

We expect to begin our interim audit in June 2022 and our final audit in October 2022. We expect to issue our reports in December 2022.

We understand that your employees will prepare all confirmations, account analyses, and audit schedules we request and will locate any documents or invoices selected by us for testing. A list of information we expect to need for our audit and the dates required will be provided in a separate communication.

At the conclusion of the engagement, we will complete the auditor sections of the electronic Data Collection Form SF-SAC and perform the steps to certify the Form SF-SAC and single audit reporting package. It is management's responsibility to complete the auditee sections of the Data Collection Form. We will create the single audit reporting package PDF file for submission; however, it is management's responsibility to review for completeness and accuracy and electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse and, if appropriate, to pass-through entities. The Data Collection Form and the reporting package must be electronically submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the entity; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing confidential or sensitive information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the sole and exclusive property of CLA and constitutes confidential and proprietary information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to California State Controller's Office, or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of CLA personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by the California State Controller's Office. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Except as permitted by the "Consent" section of this agreement, CLA will not disclose any confidential, proprietary, or privileged information of the entity to any persons without the authorization of entity management or unless required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

Professional standards require us to be independent with respect to you in the performance of these services. Any discussion that you have with our personnel regarding potential employment with you could impair our independence with respect to this engagement. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence and objectivity. Further, any employment offers to any staff members working on this engagement without our prior knowledge may require substantial additional procedures to ensure our independence. You will be responsible for any additional costs incurred to perform these procedures.

Our engagement ends on delivery of our signed report. Any additional services that might be requested will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

Government Auditing Standards require that we make our most recent external peer review report publicly available. The report is posted on our website at www.CLAconnect.com/Aboutus/.

Mediation

Any disagreement, controversy, or claim ("Dispute") that may arise out of any aspect of our services or relationship with you, including this engagement, shall be submitted to non-binding mediation by written notice

("Mediation Notice") to the other party. In mediation, we will work with you to resolve any differences voluntarily with the aid of an impartial mediator.

The mediation will be conducted as specified by the mediator and agreed upon by the parties. The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the Dispute.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

Time limitation

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any Dispute that may arise between the parties. The parties agree that, notwithstanding any statute or law of limitations that might otherwise apply to a Dispute, including one arising out of this agreement or the services performed under this agreement, for breach of contract or fiduciary duty, tort, fraud, misrepresentation or any other cause of action or remedy, any action or legal proceeding by you against us must be commenced within twenty-four (24) months ("Limitation Period") after the date when we deliver our final audit report under this agreement to you, regardless of whether we do other services for you relating to the audit report, or you shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery.

The Limitation Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of the existence or possible existence of a Dispute.

Fees

Our not to exceed fee for the year ending June 30, 2022, is set forth below, which is inclusive of a five percent technology and client support fee. These fees are based on anticipated cooperation from your personnel and their assistance with preparing confirmations and requested schedules. If the requested items are not available on the dates required or are not accurate, the fees and expenses will likely be higher. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee and expense estimates. Our invoices, including applicable state and local taxes, will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our reports. You will be obligated to compensate us for all time expended and related fees and to reimburse us for all out-of-pocket expenditures through the date of termination.

Service	Amount
Inland Empire Utilities Agency Financial Audit	\$ 32,400
Inland Empire Utilities Agency Single Audit	\$ 6,000
Chino Basin Regional Financing Authority Financial Audit	\$ 4,400
Total	\$ 42,400

Unanticipated services

We do not anticipate encountering the need to perform additional services beyond those described in this letter. Below are listings of services considered to be outside the scope of our engagement. If any such service needs to be completed before the audit can proceed in an efficient manner, we will determine whether we can provide the service and maintain our independence. If appropriate, we will notify you and provide a fair and reasonable price for providing the service. We will bill you for the service at periodic dates after the additional service has been performed.

Changes in engagement timing and assistance by your personnel

The fee estimate is based on anticipated cooperation from your personnel and their assistance with timely preparation of confirmations and requested schedules. If the requested items are not available on the dates required or are not accurate, we will advise management. Additional time and costs may be necessary because of such unanticipated delays. Examples of situations that may cause our estimated fee to increase include:

- Significant delays in responding to our requests for information such as reconciling variances or providing requested supporting documentation (e.g., invoices, contracts, and other documents)
- Rescheduling our fieldwork
- Schedule disruption caused by litigation, financial challenges (going concern), loan covenants (waivers), etc.
- Identifying a significant number of proposed audit adjustments
- Schedules prepared by your personnel that do not reconcile to the general ledger
- Numerous revisions to information and schedules provided by your personnel
- Restating financial statements for accounting errors in the prior year
- Lack of availability of entity personnel during audit fieldwork

Other fees

You also agree to compensate us for any time and expenses, including time and expenses of legal counsel, we may incur in responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings that we are asked to respond to on your behalf.

Finance charges and collection expenses

You agree that if any statement is not paid within 30 days from its billing date, the unpaid balance shall accrue interest at the monthly rate of one and one-quarter percent (1.25%), which is an annual percentage rate of 15%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.

Consent

Consent to use information for benchmarking analysis

In an effort to better serve the needs of our clients, we develop a variety of benchmark, performance indicator, and predictive analysis reports, using anonymized client data obtained from our audit, tax, and other engagements. Business and financial information that you provide to us may be combined with information from other clients and included within the aggregated data that we use in these reports. While some of these analytical reports will be published and released publicly, please be assured that the separate information that we obtain from you will remain confidential, as required by the AICPA Code of Professional Conduct.

Subcontractors

CLA may, at times, use subcontractors to perform services under this agreement, and they may have access to your information and records. Any such subcontractors will be subject to the same restrictions on the use of such information and records as apply to CLA under this agreement.

Agreement

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. This letter constitutes the entire agreement regarding these services and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. Please sign, date, and return this letter to us to indicate your acknowledgment and understanding of, and agreement with, the arrangements for our audit of your financial statements including the terms of our engagement and the parties' respective responsibilities.

Sincerely,

CliftonLarsonAllen LLP

Nitin Patel, CPA Principal 714-978-1300 Nitin.Patel@CLAconnect.com

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This letter correctly sets forth the understanding of Inland Empire Utilities Agency.

Authorized management signature:	
Title:	
Date:	

[Date]

Mr. Shivaji Deshmukh General Manager Inland Empire Utilities Agency 6075 Kimball Avenue Chino, CA 91708

We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the agreed-upon procedures engagement CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") will provide for Inland Empire Utilities Agency ("you," "your," or "the entity") for the year ending June 30, 2023.

Nitin Patel is responsible for the performance of the agreed-upon procedures engagement.

Scope, objective, and responsibilities

We will apply the agreed-upon procedures which Inland Empire Utilities Agency and the League of California Cities (as presented in the League Publication entitled "Article XIII-B Appropriation Limit Uniform Guidelines") has specified and agreed to, listed in the attached schedule, to the Appropriations Limit Worksheet No. 6 of Inland Empire Utilities Agency for the year ending June 30, 2023. Inland Empire Utilities Agency is responsible for the Appropriation Limit Worksheet No. 6.

Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Inland Empire Utilities Agency agrees to and acknowledges the procedures performed or to be performed are appropriate for the intended purpose of the requirements of Section 1.5 of Article XIII-B of the California Constitution. The intended users of the agreed-upon procedures report are the Board of Directors and management of the Inland Empire Utilities Agency. Intended users in addition to Inland Empire Utilities Agency may be requested to agree to the procedures and acknowledge that the procedures performed are appropriate for the intended purpose. Consequently, we make no representation regarding the appropriateness of the procedures enumerated in the attached schedule either for the purpose for which this report has been requested or for any other purpose. The intended users assume the risk that such procedures might be inappropriate for the intended purpose and the risk that they might misunderstand or otherwise inappropriately use findings properly reported by CLA.

Our responsibility is to perform the specified procedures and report the findings in accordance with the attestation standards. Because the agreed-upon procedures listed in the attached schedule do not constitute an examination, or review, we will not express an opinion or conclusion on the Appropriation Limit Worksheet No. 6. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule.

At the conclusion of the engagement, you agree to provide a written representation letter that includes your agreement and acknowledgement that the procedures performed are appropriate for the intended purpose of the engagement and, if applicable, that you have obtained from necessary other parties their agreement to the procedures and acknowledgement that the procedures performed are appropriate for their purposes.

We will issue a written report upon completion of our engagement that lists the procedures performed and our findings. This report is intended solely for the information and use of the Board of Directors and management of Inland Empire Utilities Agency, and should not be used by anyone other than the specified parties. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report and withdraw from this engagement. Our report will include a statement indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the Appropriations Limit Worksheet No. 6 that come to our attention, unless they are clearly inconsequential. In addition, if, in connection with this engagement, matters come to our attention that contradict the Appropriations Limit Worksheet No. 6, we will disclose those matters in our report. Such disclosures, if any, may not necessarily include all matters that might have come to our attention had we performed additional procedures or an examination or review.

Management is responsible for providing us with (1) access to all information of which you are aware that is relevant to the Appropriations Limit Worksheet No. 6 and the agreed-upon procedures, such as records, documentation, and other matters, and for the accuracy and completeness of that information; (2) additional information that we may request for the purpose of performing the agreed-upon procedures; and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence relating to performing the procedures. You agree to inform us of events occurring or facts discovered subsequent to the date of the Appropriations Limit Worksheet No. 6 that may affect the Appropriations Limit Worksheet No. 6.

For all accounting services we may provide to you, management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services. Management is also responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services.

We plan to begin our procedures on approximately July 2022 and, unless unforeseeable problems are encountered, the engagement should be completed by August 2022.

Engagement administration and other matters

The workpapers supporting the services we perform are the sole and exclusive property of CLA and constitute confidential and proprietary information. We do not provide access to our workpapers to you or anyone else in the normal course of business. Unless required by law or regulation to the contrary, we retain our workpapers in accordance with our record retention policy that typically provides for a retention period of seven years.

Pursuant to authority given by law or regulation, we may be requested to make certain workpapers available to the California State Controller's Office for their regulatory oversight purposes. We will notify you of any such request. Access to the requested workpapers will be provided to the regulators under the supervision of CLA personnel and at a location designated by our firm. Furthermore, upon request, we may provide copies of

selected workpapers to such regulators. The regulators may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

CLA will not disclose any of your confidential, proprietary, or privileged information to any persons without the authorization of your management or unless required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

Our engagement ends on delivery of our signed report. Any additional services that might be requested will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

Mediation

Any disagreement, controversy, or claim ("Dispute") that may arise out of any aspect of our services or relationship with you, including this engagement, shall be submitted to non-binding mediation by written notice ("Mediation Notice") to the other party. In mediation, we will work with you to resolve any differences voluntarily with the aid of an impartial mediator.

The mediation will be conducted as specified by the mediator and agreed upon by the parties (i.e., you and CLA). The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the Dispute.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

Time limitation

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any Dispute that may arise between the parties. The parties agree that, notwithstanding any statute or law of limitations that might otherwise apply to a Dispute, including one arising out of this agreement or the services performed under this agreement, for breach of contract or fiduciary duty, tort, fraud, misrepresentation or any other cause of action or remedy, any action or legal proceeding by you against us must be commenced within twenty-four (24) months ("Limitation Period") after the date when we deliver our final report under this agreement to you, regardless of whether we provide other services for you relating to the report, or you shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery.

The Limitation Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of the existence or possible existence of a Dispute.

Fees

Our not to exceed fee for the year ending June 30, 2023, is included in the audit fee for Inland Empire Utilities Agency. This fee is based on anticipated cooperation from your personnel and their assistance with preparing confirmations and requested schedules. If the requested items are not available on the dates required or are not accurate, the fees and expenses will likely be higher. If unexpected circumstances require significant additional

time, we will advise you before undertaking work that would require a substantial increase in the fee and expense estimate. Our invoices, including applicable state and local taxes, will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and related fees and to reimburse us for all out-of-pocket expenditures through the date of termination.

Other fees

You also agree to compensate us for any time and expenses, including time and expenses of legal counsel, we may incur in responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings that we are asked to respond to on your behalf.

Finance charges and collection expenses

You agree that if any statement is not paid within 30 days from its billing date, the unpaid balance shall accrue interest at the monthly rate of one and one-quarter percent (1.25%), which is an annual percentage rate of 15%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.

Agreement

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. This letter constitutes the entire agreement regarding these services and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign, date, and return the copy to us.

Sincerely,

CliftonLarsonAllen LLP

Nitin Patel, CPA
Principal
714-795-5387
Nitin.patel@CLAconnect.com

Enclosure

Response:

This letter correctly sets forth the understanding of Inland Empire Utilities Agency.

Authorized Signature: _	
Title:	
Date:	



SCHEDULE A

SCHEDULE OF PROCEDURES TO BE PERFORMED FOR THE FISCAL YEAR ENDED JUNE 30, 2023

The procedures performed and our findings were as follows:

- We will obtain the completed Worksheet No. 6 for the year ended June 30, 2023, and compare the limit
 and annual adjustment factors included in that worksheet to the limit and annual adjustment factors that
 were adopted by resolution of the Board of Directors. We will also compare the population and inflation
 options included in the aforementioned worksheet to those that were selected by a recorded vote of the
 Board of Directors.
- 2. For the Appropriations Limit Worksheet No. 6, we will add last year's limit to the total adjustments, and compare the resulting amount to this year's limit. We will also recalculate the adjustment factor and the adjustment for inflation and population, and compare the results to the amounts on Worksheet No. 6.
- 3. We will compare the prior year appropriations limit presented in the Appropriations Limit Worksheet No. 6 to the prior year appropriations limit adopted by the Board of Directors for the prior year.



Inland Empire Utilities Agency Planning Presentation to Audit Committee

Fiscal Year 2021-2022

Outline

- Scope of services for year ending June 30, 2022
- GASB/Audit Standards
- Auditor' responsibilities
- Planned scope and timing



Scope of Service

- Audit of the annual financial statements for the Inland Empire Utilities Agency and Chino Basin Regional Financing Authority for the year ending June 30, 2022, in accordance with Generally Accepted (US) and Governmental Auditing Standards
- Audit of federal grant expenditures under the Uniform Guidance
- Agreed-Upon-Procedures related to the Agency's calculation of the GANN limit



GASB/Audit Standards

- GASB 87 Leases
- SAS 134 Changes to the Independent Auditors' Report
 - Opinions
 - Basis for Opinions
 - Responsibilities of Management for the Financial Statements
 - Auditor's Responsibilities for the Audit of the Financial Statements
 - Additional disclosures





Auditor's Responsibilities

- Forming and expressing opinions on whether the financial statements prepared by management are fairly presented in all material respects in conformity with generally accepted accounting principles
- Planning and performing the audit to obtain reasonable assurance whether the financial statements are free of material misstatements





Auditor's Responsibilities

- Examining in accordance with the Uniform Guidance about the Agency's compliance applicable to each of the major federal program for the purpose of expressing an opinion on the Agency's compliance with those requirements
- Communicating significant matters related to the financial statement audit that in our judgement are relevant to your responsibilities in overseeing the financial statement process



Planned scope and timing of audit

- Audit includes examining on a test basis, evidence supporting the amounts and disclosure in the financial statements: therefore, our audit will involve judgement about the number of transactions to be examined and areas to be tested
- Material misstatements may result from:
 - Errors
 - Fraudulent financial reporting
 - Misappropriation of assets
 - Violations of laws or government regulations that are attributable to the Agency or to acts by management or employees acting on behalf of the Agency



Planned scope and timing of audit

- Communicate significant findings and internal controls matters that are required to be communicated at the conclusion of the audit
- Timing of work to be finalized with management
 - Interim fieldwork June 2022
 - Final fieldwork October 2022
 - Report issuance December 2022





INFORMATION ITEM

3D



Date: June 15, 2022

To: The Honorable Board of Directors From: Teresa Velarde, Manager of Internal Audit

Teresa Delanda.

Committee: Audit 06/06/22

Manager Contact: Teresa Velarde, Manager of Internal Audit

Subject: Accounts Payable Operational and Internal Control Audit Report - Review of Procure

to Pay Processes for Planning and Resources

Executive Summary:

Internal Audit (IA) staff completed an evaluation of the procure to pay process for professional and consulting services administered by the Planning and Resources Department (P&R). The objective of the audit was to evaluate the procure to pay processes including contract implementation, requests for services, purchase orders, receiving, approval and payment processing to identify any problems, bottlenecks, and constraints in the various steps to process vendor invoices timely. The Review of Procure to Pay Processes for P&R noted that approximately 200 invoices totaling over \$2 million are paid each year. The report attached provides a list of 11 observations and recommendations related to: the need for more efficient processes and procedures, visibility of transactions through monitoring tools and reports are needed, Standard Operating Procedures should be documented and formalized to establish consistency in processes and use as guides for meeting goals, the need for technology tools for routing, tracking and monitoring invoices and transactions, utilizing monitoring reports to prioritize payments, and established key performance indicators and measurements are needed. Of the 11 audit recommendations provided, 6 are for P&R, 2 for CAP, 3 new and 8 restated for Accounting. The report that follows provides details of the current process and the list of the observations and recommendations identified.

Staff's Recommendation:

This is an information item.

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

Account/Project Name:

N/A

Fiscal Impact (explain if not budgeted):

N/A

Full account coding (internal AP purposes only): - - - Project No.:

Prior Board Action:

On June 16, 2021, the Board of Directors approved the Fiscal Year 2021/22 Annual Audit Plan. The Plan proposed the various Procure to Pay Audits under the Accounts Payable Operational and Internal Control Audit.

Environmental Determination:

Not Applicable

Business Goal:

The Accounts Payable Operational and Internal Control Audit Report Review of Procure to Pay Processes for Planning and Resources is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment, and Business Practices by ensuring that IA's evaluations provide recommendations that foster a strong control environment, safeguard assets, promote a safe work environment and assist management in achieving organizational goals and objectives.

Attachments:

Attachment 1 - Audit Report for the Accounts Payable Operational and Internal Control Audit - Review of Procure to Pay Processes for Planning and Resources
Attachment 2 - PowerPoint

Board-Rec No.: 22127





DATE: May 25, 2022

TO: Shivaji Deshmukh

General Manager

FROM: Teresa V. Velarde

Manager of Internal Audit

SUBJECT: Accounts Payable Operational and Internal Controls Audit Report -

Review of Procure to Pay Processes for Planning and Resources

Audit Authority

The Inland Empire Utilities Agency (IEUA or Agency) Internal Audit (IA) Department has performed an audit of the Procure to Pay Processes related to Professional Services administered by Planning and Resources. The audit was performed under the authority given by the Board of Directors in the approved Fiscal Year (FY) 2021/2022 Annual Audit Plan and the IA's Department Charter.

Audit Objectives and Scope:

The objective of the overall Accounts Payable Operational and Internal Controls Audit is to evaluate the various payment processes and operations of the Accounts Payable (AP) Group, within the Accounting Unit, to determine whether Agency policies and department-specific operating procedures were established and to identify areas for improvement. The scope of the Review of Procure to Pay Processes (P2P) for Professional Services is to evaluate the processes for the professional services as administered by the Planning and Resources Department (P&R).

The specific objectives of the audit include:

- Evaluate the invoice processes, including receiving and payments, related to professional/consulting services procured by P&R
- Evaluate the procurement processes, including ordering and receiving processes for the professional/consulting services administered by P&R
- Determine compliance with Agency Policies
- Determine compliance with department Standard Operating Procedures (SOPs)
- Evaluate internal controls
- Evaluate the timeliness of the receiving and payment functions
- Evaluate the use of technology and report tools
- Identify operational efficiencies and opportunities for improvement

Water Smart - Thinking in Terms of Tomorrow

Accounts Payable Operational and Internal Controls Audit Report – Review of Procure to Pay Processes for Planning and Resources May 25, 2022
Page 2 of 27

IA is performing the Accounts Payable Operational and Internal Controls Audit in multiple phases. To-date, IA has issued the following audit reports:

- Interim Audit Report: Accounts Payable Operational and Internal Controls Audit (dated August 20, 2021) This comprehensive report evaluated invoice and payment data and metrics, including the total number of invoices paid on time or late and the number of days invoices were paid after the due date, along with other analysis of financial information.
- Accounts Payable Operational and Internal Controls Audit Report Review of <u>Procure to Pay Processes for Chemicals (dated November 24, 2021)</u> This report evaluated the Procure to Pay Processes for the Agency's chemicals (from ordering to payments). IA provided thirty-five (35) audit recommendations to: Operations & Maintenance, the Accounting and Contracts and Procurement (CAP) units of the Finance Department. (This audit will be referred to as the "P2P Chemicals").
- Accounts Payable Operational and Internal Controls Audit Report Review of
 Procure to Pay Processes for Professional Services Engineering & Construction
 Management (dated February 24, 2022) This report evaluated the Procure to Pay
 Processes for Professional Services as administered by the Engineering &
 Construction Management (E&CM) unit, specifically the Master Contracts or
 Design Contracts. IA provided twenty-one (21) recommendations: E&CM, CAP,
 and the Accounting Unit. (This audit will be referred to as the "P2P E&CM").

In the previous twelve (12) months, IA has provided fifty-six (56) audit recommendations to improve efficiencies in the procure to pay process throughout the Agency. In response to the problem of late payment invoices, the Agency's General Manager created the Agency's Strike Team to help make immediate changes to improve the timeliness of vendor payments. The Strike Team meets regularly to discuss IAs observations and recommendations and the department's corrective actions and improvements while IA continues to work on additional P2P audits.

Quarterly progress reports are submitted to the Audit Committee to report on the implementation status of all P2P recommendations. IA also plans to evaluate the P2P processes related to other departments' goods and services. An audit report will be finalized after the completion for each area reviewed.

Audit Techniques applied:

Audit techniques applied:

- Interviews of Agency staff
- Review of Agency policies
- Review of SOPs
- Evaluation of internal controls

Accounts Payable Operational and Internal Controls Audit Report – Review of Procure to Pay Processes for Planning and Resources May 25, 2022
Page 3 of 27

- Review/understanding of the processes to perform receiving, matching of procurement and invoice documents, and processing of payments
- Review and analysis of financial transactions
- Review of supporting documents

Audit Results – Executive Summary

This report provides the results, observations, and recommendations related to IA's Review of the Procure to Pay Processes for Professional Services administered by the Planning and Resources Department (P&R), this audit will be referred to as "P2P P&R".

In FY 2020/21 and 2021/22 (as of April 16, 2022), P&R processed 243 vendor payments totaling \$2,416,375 and 154 vendor payments totaling \$2,075,071, respectively, for Agency related professional/consulting services (see table in the background section later in the report).

IA is reporting a total of 11 audit recommendations in the following areas:

Department Name	Summary of Audit Observations		
P&R	 Some payments were paid outside the traditional P2P process because of the unique nature P&R internal tracking tools/spreadsheets can be made more efficient leveraging tools The department's goal of "1 to 2 weeks" for invoice approval/receiving into SAP should be evaluated and formalized Determine the need for email communications after receiving is completed n SAP Implement formal SOPs that follow Agency Policy A-51 and provide training on the new SOPs The department collaborate with CAP to evaluate the unique procurement items 		
САР	 Work with the department to review/evaluate payments paid outside the P2P process Work closely with P&R to identify unique transactions and the best procurement instrument and/or procurement process for those uncommon and unique transactions Update Agency Procurement Ordinance and Agency Policy 		
Accounting	 Implement a more efficient method to route vendor invoices for approval Implement and formalizing a consistent methodology to upload invoices into the SAP – Invoice Held Feature and utilize it to monitor, track and prioritize the payable transactions Determine the best method for capturing when items have been received and work to eliminate the overload of email notifications from the departments 		

This audit report is organized as follows:

- Observations and recommendations
- Flowcharts and narratives documenting the current Procure to Pay Process
- Background information about the P&R department
- Financial data and analysis of transactions selected

Accounts Payable Operational and Internal Controls Audit Report – Review of Procure to Pay Processes for Planning and Resources May 25, 2022
Page 4 of 27

<u>Acknowledgements</u>

IA would like to extend our appreciation to the P&R, Information Technology (IT), Accounting, and CAP Departments and Units for their cooperation and assistance during the audit. IA looks forward to the continued collaboration and continually working together.

Discussions with Management

IA provided the audit results to P&R, Accounting and CAP management on May 12, 2022. Results were communicated via email to Accounting on May 16, 2022. The results were also communicated and discussed in various meetings. Where possible, the department's management comments, and responses have been incorporated.

The Accounts Payable Operational and Internal Control Audit Report Review of Procure to Pay Processes for Professional Services administered by the Planning and Resources Department is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment, and Business Practices by ensuring that IA's evaluations provide recommendations that foster a strong control environment, safeguard assets, promote a safe work environment and assist management in achieving organizational goals and objectives.

TV:sn

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Observations and Recommendations Procure to Pay Process for P&R

In the prior Accounts Payable Operational and Internal Control Audit Reports, it was noted that the existing problem: *Agency invoices are not being paid by the invoice due date and/or within the payment terms.* This problem has been the basis for the scope of the Procure to Pay audits. In this audit report, IA provides observations and recommendations related to the following:

Delays in performing the Receiving function by P&R are due to:

- Untimely routing invoices from Accounts Payable to the P&R department for approval and receiving.
- The P&R Project Manager (PM) does not agree with the services billed on the invoice, and the invoice needs to be revised by the vendor (although technically not late if an edit/revision must be made, if the invoice date is not updated by the vendor, the invoice may appear to have been paid late based on the original invoice date and terms). In these instances, the PM does a due diligence review to ensure the invoice is accurate. See details of our analysis, attached.
- There is no backup administrative support to perform the receiving function in SAP during staff absences/leaves, or when there are other assignments and priorities.

Delays in processing invoices for payment by the due date by AP are due to:

- Processes and procedures require changes to make them more efficient
- Identification, monitoring and visibility of transactions that have been received into SAP and are waiting to be processed for timely payment
- There are no documented SOPs for Accounting processes to establish a consistent, routine, methodology for prioritizing and processing timely payments
- Improved communication and procedures to ensuring timely payments

Potential Risks to IEUA due to late payments to vendors

- Vendors not willing to do business with IEUA in the future
- Possible higher prices offered at the time of establishing contracts
- Possible late fees
- Harmed vendor relationships
- Damaged reputation and image of IEUA
- Staff time and resources wasted researching transactions and responding to vendors asking for overdue payments

The matrix that follows, identifies 11 audit observations and related recommendations corresponding to the P2P processes as illustrated in the flowchart and the narrative that follow the matrix. The matrix also provides information about the impact to the process if the recommendations are implemented and notes the Department(s) that need to collaborate to implement corrective action. The financial information and IA analysis on the last page provide additional support for the observations and recommendations identified.

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Internal Audit's List of Observations and Recommendations

Planning and Resources (P&R)

	Planning and Resources (P&R)				
	Dept taking the lead to implement	Observation, Issue, or Idea	Recommendation	Impact on revised/updated process with recommendation being implemented	
1	P&R	Unique transactions paid outside of the traditional P2P process IA noted that some vendors managed by P&R (i.e., Chino Basin Watermaster, South Coast AQMD, all County of San Bernardino invoices and other public agencies) are paid via a Check Request and/or Direct Pay, (approximately 27% 66 of 243 in FY2021) instead of going through the regular P2P process (begins with a PR, CAP prepares a PO, receiving is done against a PO, payment is issued to a vendor after the 3-way match). P&R staff indicated that these are unique transactions that do not often fit the traditional P2P process. P&R staff stated that they are looking forward to working closely with CAP and Accounting to ensure transactions follow a more traditional P2P process that ensures tracking and visibility and not delay payments.	P&R should work closely with CAP and Accounting to establish the most appropriate P2P process for all/unique transactions. The departments should collaborate to ensure the process follows the Agency's Procurement Ordinance requirements. P&R should discuss and seek CAPs assistance to ensure there is a clear understanding of the service agreement or transaction and the required documentation that should be completed and submitted, the process to commit to purchase services, ensure vendors are properly set up and a required PR/PO are established when necessary. The P2P process should be discussed and the best procurement method that works for all the departments involved, should be formalized, and agreed to, in order to ensure transactions are tracked and payments are paid on time.	Ensuring and obtaining assistance from CAP on all procurement transactions, including unique and/or special circumstances, not commonly traditional, will help identify the best, approved procurement method under the Ordinance and Agency policies. Additionally, it will ensure visibility, tracking and monitoring of the transactions and related vendor payments.	
2	P&R	Automated Tools for Department Excel Spreadsheets Internal Invoice Tracker P&R uses an excel spreadsheet to track, route, and monitor approximately 200 P&R invoices/check requests a year. Information recorded in the excel spreadsheet is manually entered from the invoices received. The information recorded in the Invoice Tracker, includes invoice details already entered in SAP by AP in addition to information not recorded in SAP but are metrics the department tracks, which	Internal Invoice Tracker IA recommends the P&R Department work with and collaborate with Accounting and IT to evaluate if the SharePoint Document Library and/or Microsoft Office Access database would be a more efficient tool to track invoices, metrics and projects (similar to the one used by Engineering & Construction Management) or if any other technologies, tools or solutions (new and/or existing) are available (leveraging information	Leveraging the use of existing technologies will make the process more efficient and eliminate duplication of data, and assist with tracking internal metrics, including: Centralized location Tracking/routing capability Measures metrics and time frames Predetermine parameters for field/data entry Collaboration tool Reduces reliance on email communications	

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		includes the date P&R received the invoice from AP/PM, approval dates, and date invoices were returned to AP for payment. While this is a good control to track and monitor department-specific invoices, the department could leverage the automated tools for tracking and routing invoices. This would assist in eliminating additional manual data entry, tracking and monitoring.	already in SAP) can be leveraged to record, track and route invoices for approval, to make the process more efficient and effective and eliminate the need for a stand-alone spreadsheet. Or determine if the current process with the excel spreadsheet is the best method.	 Possibly provides email or automatic notifications Efficient safekeeping tool
3	P&R	Automated Tools for Department Excel Spreadsheets Project Specific Trackers P&R staff have 8-10 excel spreadsheets that are project specific, for the purpose of monitoring each project's contract spending, payments issued, funds remaining, PO terms and other details of the contract/project. Vendor invoice amounts are manually entered into the project specific excel spreadsheets. While this is a good internal control to track/monitor contract and project spending, the department could leverage information already in SAP for contract/project monitoring and spending.	Project Specific Trackers IA recommends P&R Department work with and collaborate with CAP, Accounting, and IT to evaluate if existing reports in the Agency's financial system (SAP) can be leveraged, utilized and/or developed to monitor P&R's contracts/projects to make the process of tracking/monitoring more efficient. Or evaluate if there are existing reports that can be used (for example the Contract Expiration Report and others). Or determine if the current process with multiple excel spreadsheets is the best monitoring method.	Leveraging existing technologies will make the process more efficient and eliminate duplication of data, and automatically records and tracks the spending for contracts/projects and ensure there is a good and reliable monitoring control to continuously review and track project information.
4	P&R	Evaluate Department's Current Goal of "1 to 2 weeks" for Invoice Routing and Processing Receiving into SAP P&R has a goal to obtain all required approval signatures on invoices and complete the receiving function in SAP within one to two weeks of the date the invoice arrives to the P&R Department. Currently, P&R's average is approximately 7 days. P&R should evaluate the goal to determine if efficiencies can be incorporated to expedite the process to allow additional time for Accounting to process the payment and formalize the goal in actual, total number of days.	P&R determine the most appropriate metric (in total number of days) for completing receiving and work closely with Accounting to evaluate and determine if the current goal to turnaround the approved invoice and complete the receiving into SAP allows sufficient time for Accounting to complete the 3-way match and process the payment by the due date. P&R should determine the best metric and document the metric in actual total days, in the updated, formal SOP.	Coordination between the P&R's goals to complete the receiving and the time needed for the Accounting Unit to process the payment to ensure payments are made by the due date.

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5	P&R	Email Notifications to Accounting (after Receiving is complete in SAP) P&R administrative staff currently send email notifications to the AP group email address after the receiving process has been completed in SAP to notify them of the receiving. This may not be the most efficient/effective way to report that the receiving in SAP has been completed. Additionally, Accounting may be receiving too many emails.	IA recommends P&R take the lead to discuss with Accounting to determine if email notifications are needed to notify when the receiving process has been performed in SAP. P&R and Accounting work together to establish the most effective and efficient communication method and work to minimize the number of emails sent to AP.	Evaluate the most efficient/effective way to notify and communicate that the receiving has been performed to eliminate the need for additional emails. Utilizing SAP workflow notifications and/or other technology and solutions would be more efficient and are provided as a recommendation to Accounting below.
6	P&R	Pormal Standard Operating Procedures (SOPs) & Training P&R Administrative staff keep desk procedures and "how to guides" to perform certain tasks. While these are good reference tools to have, these should be formalized, using Agency Policy A- 51, as official department SOPs to document the various processes related to invoice processing, including, routing of the invoices, performing the receiving in SAP, tracking and monitoring spending on POs, contracts and projects, and other budget and fiscal activities. Training should be provided that is consistent with the formal, documented SOP.	P&R consider formalizing the current documented desk procedures using the Agency's Policy A-51 for documenting department SOPs to ensure these include metrics/KPIs/goals for processing receiving and other activities including procedures for processing invoices, routing, tracking, obtaining approvals, receiving in SAP, monitoring POs, contracts and projects, and other budget and fiscal activities. Additionally, provide periodic training to reinforce the most updated SOPs and ensure procedures are available to all staff.	SOPs provide consistent procedures for employees to follow and be trained on. SOPs serve as a resource and reference guide during staffing changes (i.e., leaves, turnover, retirements, etc.). P&R stated they will document their current desk procedures following A-51 format.

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Contracts and Procurement (CAP)

	Dept taking the lead to implement	Observation, Issue, or Idea	Recommendation	Impact on revised/updated process with recommendation being implemented
7	CAP	P&R unique procurement needs and/or P2P training needs Noted instances when P&R payments are made to vendors outside of the traditional P2P process (PR, PO, receiving against a PO, payments issued to a vendor). These types of payments are sometimes paid using a Check Requests and/or using Direct Pay (for example: POs not carried-forward from the prior fiscal year and/or funding has been returned and having to use the current year's funds to pay the vendor's invoice, etc.). For example, Chino Basin Watermaster, and other public agencies) are paid via Check request (approximately 27% 66 of 243 in FY2021). P&R has unique procurement requirements and training needs.	CAP should take the lead to work closely with and collaborate with P&R to evaluate the unique transactions and vendor agreements/services and provide the necessary information, assistance, and training to properly set up the most effective procurement instrument that follows the requirements of the Agency Ordinance and Agency Policies and follow an approved and efficient P2P process.	Unique transactions require collaboration and review. Payments to vendors going through the P2P process ensures proper accountability, visibility and tracking and ensures the proper internal controls and policies are followed. Information and training and information will ensure staff understand the requirements of Agency policies related to procurement instruments.
8	CAP	Procurement Ordinance No. 108 and Agency Policy A-50 Agency Policy A-50 is currently applied to PO and Non- PO transactions, although the title may be misleading. The current Policy A-50 is old and outdated. Additionally, the Agency-wide reorganization has resulted in changes to department names and staff positions/titles, and possibly approval authorities; therefore, no longer matches the requirements and information listed in the Agency policy A-50. A-50 and the Procurement Ordinance require updates.	CAP should take the lead to make needed updates to Agency Policy A-50 and the Procurement Ordinance, to ensure they provide policy requirements for both PO and Non-PO items and addresses the changes resulting from the recent Agency reorganization to establish the most current and applicable controls for the Agency's procurement activities.	Having multiple documents that communicates consistent information reduces confusion and increases clarity and understanding. Establishing and communicating current policies and procedures reduces the risk of misunderstanding for departments and ensures both the policy and business practices match one another.

Finance and Accounting Department (Accounting Unit)

	Dept taking the lead to implement	Observation, Issue, or Idea	IA Recommendation	Impact on revised/updated process with recommendation being implemented
9	Accounting	Routing Vendor Invoices Currently, there does not appear to be a consistent method for how the vendor invoices are routed from AP to the P&R Department. There is no use of SAP or other workflow technology for routing, tracking, and monitoring invoices for approval and back to accounting after they have been approved and received. In FY 2021, P&R had over two hundred (200) invoices, and for FY 2022 (as of the beginning of April 2022), P&R has already received approximately one-hundred fifty (150) invoices. (Approximately sixteen (16) a month). The audit noted that P&R invoices were not always sent to the P&R department soon after the invoice date or soon after AP receives the invoices. IA randomly selected 20 items for review and noted, also see the last 2 pages of this report for details and the analysis: In five (5) of twenty (20), it took longer than thirty (30) days for the AP group to acknowledge receipt of the invoice from the vendor (based on the datestamp by AP) In two (2) of twenty (20), it took longer than thirty (30) days for the AP group to route the invoice to P&R (based on the date-stamp by AP). P&R stated they do not always wait until the invoice is sent from AP to process for approval. If they are copied on the email from the vendor with the invoice they begin to process. In the 20 items that were selected for IA review: Four (4) of the twenty (20), the processing and routing started by P&R before the invoice was	Accounting should take the lead to work directly with IT to determine if current or new technologies can be leveraged to ensure timely uploading, tracking, and routing of invoices to ensure there are no delays in the payment process. Accounting should work directly with P&R to evaluate if using the SharePoint Document Library (similar to the one developed for Engineering & Construction Management) and/or any other technologies and solutions (new or existing) to manage and route the P&R invoices. Additionally: Establish a consistent system/method and best practices for uploading and routing vendor invoices to the correct department as soon as they are received from vendors. A metric/goal that establishes the total number of days it should take to route the invoice should be determined and established with the goal of paying the invoices on time (possibly 1-4 days).	Having a consistent and systematic method and process for uploading and routing vendor invoices and leveraging technology tools to route, monitor, and track invoices will ensure: • Timely review, tracking and payment of invoices • Centralized location for all invoices • Improves visibility of all the invoices • Assists with tracking the process of the invoices • Provides accessibility, especially if there are more than one administrative staff member reviewing/monitoring invoices • Provides one location for all Agency invoices to and possibly not having to research and determine who the assigned PM is for the project/vendor/invoice • Reduces the amount of and the reliance on email communications • Saves time by not having to search and mine through emails looking for vendor's invoices, and • Ensures timely payment of vendor invoices

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		sent to the P&R from Accounting because the PM and/or P&R Admin staff were copied on the email to the AP group by the vendor. As noted in the report, most of the invoices are emailed to the AP group email address and the PM and/or Admin staff are included. Accounting stated that even though the PM and staff are included on the email, AP will still route the vendors invoices via email to P&R during the "Invoice Intake Process" because all invoices should come into Accounting first. P&R noted that in calendar year 2022, Accounting has not been forwarding and/or routing any invoices to P&R and the department		
		invoices to P&R, and the department is relying on the invoices that are sent via email directly to P&R from the vendor.		
10	Accounting	Shared Vendors The audit noted there are departments that use the same vendors for different projects making it difficult for accounting to timely route the invoice to the appropriate staff because each department has a different designated person. For example, one vendor might be working on two different projects which are managed by two different departments (i.e. Engineering, Operations, P&R). Some invoices come into the Agency and do not provide enough information about the projects and departments or the PM contact person. This makes it difficult for AP to identify which department the invoice should be routed to. As a result, this requires additional research and time by AP to properly and timely route the invoice.	To minimize delays in routing invoices for approval and paying on time, IA recommends Accounting take the lead to work closely with the IT and respective departments involved to: 1) determine if having an updated list of current vendors and related projects per department would be a good reference to rely on for timely/properly routing invoices, 2) determine if a SharePoint Document Library (similar to the one developed for Engineering & Construction Management) will assist with routing, 3) implement other technologies and solutions (new and/or existing) or workflow to implement a more efficient tool to manage and route invoices that are shared amongst various Agency departments, and 4) work directly with vendors to request they add additional identifying information directly on	Evaluating alternatives to expedite the time it takes to route the invoice to the correct department would assist in ensure the invoices are approved timely and the receiving function is completed timely to ensure invoices are paid on time.

			the invoices (project/contract_DM	
11	Accounting	Email notifications The AP group email receives email notifications from the P&R Admin staff after the Receiving process has been completed, and this may not be the most efficient/effective way to communicate/report that receiving in SAP has been completed. For each Professional Services invoice, receiving is performed, while for Check request no receiving is performed. In this review, IA identified there were	Accounting management should take the lead to work directly with P&R department to determine the most efficient/effective way to communicate that the receiving function in SAP has been performed. Both departments should discuss and agree if there	Establishing an agreed communication process for invoice and payment management will improve efficiency.
		at least 200 invoices more or less, where receiving must have been performed in SAP. Email communication can be overwhelming and overused and may not be the most effective to communicate that receiving has been completed in SAP.	is a need to use email communication for invoice management.	
Re stat ed	Accounting (Restated)	Visibility of Invoices Routed to P&R Once AP routes invoices to the department, AP has no visibility of the invoices and where they are in the review/approval process until the receiving is completed in SAP. P&R (similar, to Engineering & Construction Management) tracks and monitors their invoices received either from AP or the vendor, while AP has no visibility once invoices are routed out of the department. For AP, the invoice transfer and flow are not tracked/monitored and there is no visibility for AP as to where in the approval process	IA recommends Accounting take the lead to work directly with the IT and P&R Department to determine if a SharePoint Document Library (similar to the one developed for Engineering & Construction Management) and/or any Other Technologies and Solutions (New and/or Existing) would be a more effective and efficient tool to manage and route all the invoices, including showing the status and where the invoices are in the process, and providing visibility to Accounting and the end-user department. (This recommendation was provided in the P2P for E&CM and, according	Having a SharePoint Document Library and/or other type of software solutions to monitor and track the workflow of invoices will assist with: Improved visibility, tracking and monitoring of all incoming and outgoing invoices from AP Reduces reliance on email correspondence and communications Efficiencies with researching invoices.

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		the invoice is at. AP is not able to follow up on overdue items or determine when items are	to Accounting, is currently In Progress of being addressed)	
		overdue.		
Re stat ed	Accounting (Restated)	SAP – Invoice Held Feature All invoices received electronically via email are currently uploaded by the interns and parked in the Invoice Held Screen in SAP until processing by AP.	The Accounting management should continue to work with the IT Department and determine if an invoice recognition software and/or other technology-based software/systems (new and/or existing) could assist with uploading, tracking and monitoring invoices. (This recommendation was provided in the P2P for E&CM and, according to Accounting, is currently In Progress of being addressed)	The use of technology tools/solution as invoice recognition software can increase efficiency of the Procure to Pay processes, and provides an overall visibility of all the invoices received and, in the queue, to be processed by the Agency.
Re stat ed	Accounting (Restated)	AP Process/method for selecting and prioritizing items for payment Controls need improvement for the payment of invoices and three-way match processes and open invoices administered by the Accounts Payable Group of the Accounting unit. In this audit, IA found: Twelve (12) of twenty (20) instance, where it took longer than 2 weeks to process and post for payment, after the invoice had been returned from the P&R department to the Accounts Payable Group. Additionally, there is no documented/formal process for how the three-way matching is performed. The current three-way match process can vary in time to complete from a few minutes to several hours as staff sometimes have to complete research and review several screens in SAP.	 establish a procedure to track all open invoice issues, open invoice issues are reviewed by the Accounts Payable Supervisor at the end of each month to ensure open items are cleared, work with the IT department to determine a more streamlined/efficient process in SAP to verify that Receiving was completed and expediate the threeway match, OR consider working with the IT department to develop SAP workflow notifications that Receiving has been completed against the PO and/or SAP, and consider technology, software, and/or artificial intelligence tools/ platforms/systems for invoice processing and management. (This recommendation was provided in the P2P for E&CM as Recommendation #13 and, according 	The benefit of implementing these recommendations provides management the opportunity to reduce these risks of: Open, unresolved invoices may not be posted by the closing deadline, Appropriate/timely matching of invoices with receiving documents, and purchase orders may not be performed.

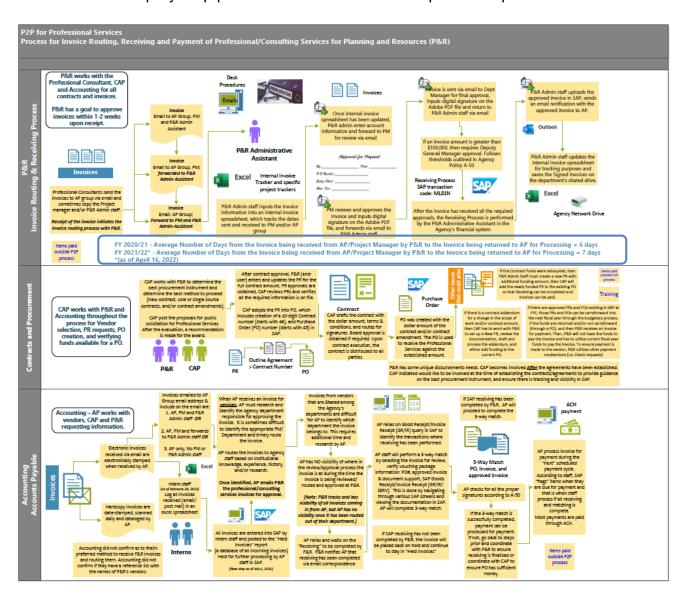
			to Accounting, is currently In Progress of being addressed).	
Re stat ed	Accounting (Restated)	SAP "flag" for payment of invoices A control was not established in the SAP system for the AP processes of the Invoice for payment during the "next scheduled payment cycle". Accounting staff indicated that SAP "flags" when an invoice is due and that is how staff determine what to pay. If SAP flags at the exact invoice terms (on the due date and after) this could be a big reason why all invoices are paid in the month after the due date (and considered paid late) (per our review of all payments, see table in this audit report).	The Accounting management should take the lead to work with the Leadership Team to determine the Agency's policy and business decision of when to pay invoices (prior to due date, on the due date or after due date). Based on results noted above, if necessary, the Accounting should take the lead to work with the IT Department to evaluate the cost/benefit to establish a procedure and/or reconfigure this built-in SAP "flag/alert" to ensure SAP "flags" items for payment five (5) or so days before the invoice due date, so that items can be processed days prior to the due date to avoid being paid late. (Note: This recommendation was provided in the P2P Chemicals audit report as Recommendation #25 and P2P E&CM as Recommendation #15, both currently In Progress).	The Accounting Unit will be able to see items that are due within the payment cycle to process for payment by the due date. A systematic method to pay invoices before they are due and reduce the instances of late invoices and improve efficiency for invoice payments.
Re stat ed	Accounting (Restated)	Accounting SOPs SOPs were not established for the AP and Procure to Pay processes and supporting procedures for frequency and timely completion of the three – way match for timely payment processing.	Accounting management formalize and document specific procedures to specify how and what items should be selected by AP Group staff to perform the three-way match and processing of payments, also specify the frequency of when this process should be completed. (Note: This is recommendation was provided in the P2P Chemicals audit and the P2P E&CM audit and according to Accounting, SOPs are currently In Progress and were planned for completion by June 2022).	SOPs should be documented once all recommendations and changes have been implemented. SOPs provide value by documenting consistent procedures for employees to follow and be trained and evaluated on.
Re stat ed	Accounting (Restated)	Training on new/updated SOPs There is a need for training for AP staff on any new processes established and SOPs for the AP function and Procure to Pay processes on any new processes established.	Accounting should provide training periodically to reinforce the documented SOPs to ensure employees are following consistent procedures. (Note: This is recommendation was provided in the P2P Chemicals audit and the P2P E&CM audit and according to Accounting, SOPs are	Training should be done periodically after SOPs have been documented and new procedures to ensure the effectiveness and efficiency of AP processing and Procure to Pay processes.

			currently In Progress and were	
			planned for completion)	
Re stat ed	Accounting (Restated)	KPIs, goals and objectives for the timely payment of invoices. There is no information available of performance metrics and KPI's, goals and objectives a method to measure those.	The Accounting management establish and document performance metrics, and KPI's, goals, and objectives and a method to measure how timely invoices are paid. In addition, the Accounting management works with the IT Department to establish any reports that can provide measurements and metrics. (Note: This is recommendation was provided in the P2P Chemicals audit and the P2P E&CM audit and according to Accounting, currently In Progress of being addressed)	Establishing performance metrics and KPI's, goals, objectives, and a method to measure those. For example, establish a goal to ensure invoices are paid by the due date 90% of the time or within a given number of days from the date the invoice is received. Measurements to evaluate the revised process and evaluate employee performance.
Re stat ed	Accounting (Restated)	Professional Accounting Consulting services Late invoice payments have been an Agency-wide issue for several years. One of the causes is that the Accounting Unit has had staff shortages for several months due to turnover or retirements. According to Accounting management, they stated it has been difficult for the Accounting to fill their vacancies. IAs P2P audits have highlighted observations and provided recommendations to improve efficiencies in the processes. Accounting Management has stated that time constraints prevent them from fully addressing and timely implementing audit report recommendations such as developing SOPs, new processes and procedures, and providing training.	The Accounting management should work with the General Manager and the Leadership Team and discuss or consider bringing in professional consultants to assist in catching up with the backlog of overdue payments, and/or using a professional consultant to evaluate the department's needs, key performance indicators (KPIs), processes, procedures, and help implement recommendations to ensure the Accounting Unit can implement recommendations, incorporate best practices that ensure payments are made timely, SOPs are documented, and training is provided to staff. (Note: This is recommendation was provided in the P2P E&CM audit and there has been no action on to accept or reject recommendation.)	A professional outside consultant with experience in evaluating the Accounting Unit and AP Group operations would provide an opportunity to identify additional ideas and steps for staffing, catching up with back logs, development of best practices, policies, procedures, implement audit recommendations and to support the establishment an efficient Procure to Pay process to ensure timely payments.

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Flowchart: Procure to Pay Process for Planning & Resources (P2P P&R)

There are three (3) main departments involved in in the P2P process for the professional/consulting services invoices administered by P&R: P&R, CAP, and Accounting. IA documented the P2P process using the flowchart below, and the narrative documents the step-by-step process as confirmed with respective departments.



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Narrative: Procure to Pay Process for Planning & Resources (P2P P&R)

Planning & Resources – Professional/Consulting Services – Purchase Requisition Process

New Contracts, Sole or Single Source (regardless of dollar amount):

- 1) Project Manager (PM) determines a new Professional Services contract needs to be established and notifies P&R Administrative staff.
- 2) P&R Administrative staff enters a Purchase Requisition (PR) for \$1 dollar (to serve as a placeholder) for the new contract in SAP. After the creation of the PR, Contracts and Procurement (CAP) is notified via SAP workflows (email notification) that a PR is awaiting in the queue and triggers a pre-solicitation/kick-off meeting the nature of the contract between both CAP and P&R.
- 3) CAP and PM collaborate on the scope of work and the terms and conditions of the new contract.
- 4) Once the contracted has been drafted, the contract is forwarded to the vendor for review and signature.
- 5) Upon the return of the signed contract to the PM, then P&R Administrative staff will route the signed contract to Agency Management via DocuSign. Board Letter is completed and submitted to the Board Secretary according to the corresponding due date. Once the contract is approved by the Board, then the General Manager will sign the contract.
- 6) P&R Administrative staff will receive notification from DocuSign that the contract has been approved and forwarded to CAP, and then sends the contract via email to the vendor.
- 7) Then, P&R Administrative staff compile the supporting documentation (i.e., Board letter, On Tap minutes, signed contract) and enters in a new PR for the dollar amount of the contract and attaches all the supporting documentation into SAP. (Note: The \$1 dollar PR is deleted by CAP when they create the contract) P&R Administrative staff will record the PR number and information into the department's Internal PR/Purchase Order tracker, which is an excel spreadsheet that serves as a reminder and reference sheet on the status of all the department's PRs and Purchase Orders (POs).
 - <u>PR approvals</u> In SAP, the number of approvals required to approve a PR is dependent on the contract dollar amount, and if Board approval was required. For example, the PR will be approved by the following: Deputy Manager, Department Manager, Executive Manager, General Manager, and the Board (i.e., Board Secretary), if applicable.
- 8) After the PR has been approved, CAP staff receive notification and shift the PR into a PO. Once there is a PO, then the invoices can be received and processed for payment.

Contract Amendments (regardless of dollar amount):

- 1) PM informs P&R Administrative staff that a contract requires an amendment. Typical reasons an amendment is required: scope of work change and/or requesting additional work to be performed.
- 2) PM sends the proposal to the P&R Administrative staff, and a new PR is entered and the supporting documentation (i.e., proposal, original/master contract) is attached in SAP.
- 3) The new PR will go through the approval process (as described up above under line-item number 7). Once PR is fully approved, then CAP is notified via workflows in SAP, and will start processing the contract amendment.
- 4) CAP will draft the contract amendment and send to the PM for review.
- 5) Once the contract amendment is finalized, then CAP forwards (via email) the contract amendment to the vendor for review and signature.
- 6) Vendor reviews and signs the contract amendment, and return the amendment to both CAP and PM. Then, the signed contract amendment is forwarded from the PM to P&R Administrative staff. Contract amendment is saved electronically to the corresponding folder (depending on the project name/number) in the department's internal shared drive.
- 7) Invoices related to the contract amendment are received and processed against the PO in SAP.

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<u>Planning & Resources – Professional/Consulting Services – Invoice Receiving Process</u>

All Invoices, except for Chino Basin Program (CBP) and Chino Basin Watermaster (CBWM)

- 1) Professional/Consulting Services invoices are received by email either directly from the vendor OR from Accounts Payable (AP).
 - (Note: Majority of the vendors will send the invoice via email to AP and copy P&R Administrative staff and/or the PM on the email.)
- 2) Once the invoices are received via email, P&R Administrative staff will input the information into the department's Internal Invoice Tracker (excel spreadsheet), which is located on the department's internal shared drive and accessible by all P&R staff.
- 3) P&R Administrative staff inputs the following information into the Internal Invoice Tracker: invoice number, vendor name, and date received from AP and/or PM. P&R Administrative staff electronic stamps the invoice with the "approval stamp" and enters the account number and/or PO number that the invoice pertains to.
- 4) P&R Administrative staff forwards the invoice to the PM for review and approval.

CBP invoices (PO invoices) and CBWM invoices (Non-PO Invoices), the following additional steps are performed:

- 1) P&R Administrative staff enters the invoice number and amount for each vendor invoice into the another excel spreadsheet (Naming convention of the files are based on the specific project name), which calculates the spending and amount of funds remaining on the contract. Afterwards, the excel spreadsheet is converted into PDF format.
- 2) Then, the invoice and excel spreadsheet (in PDF format) are sent via email to the PM for review and approval.

Approval process for All Invoices, include CBP and CBWM

- 1) After the invoice has been sent to the PM, the P&R Administrative staff enters the following information into the Internal Invoice Tracker (excel spreadsheet): date sent to the PM. Goal is for PM to approve the invoices with a week and/or 2 weeks at the latest.
- 2) Once the invoice(s) has been approved, the PM inputs their digital signature on the invoice and notifies P&R Administrative staff via email of its approval.
- 3) P&R Administrative staff sends the invoice to department management for final approval.
- 4) Department manager will review and approve the invoice by adding the digital/electronic signature and date, then the invoice is returned to P&R Administrative staff via email.
 - a. Department retains only the signed version of the invoice and is located on the department's shared drive and does not retain multiple versions and/or copies of the invoice.
 - b. If an invoice amount is greater than \$100,000 or more, then the invoice is forwarded via email to the Deputy General Manager for review and approval.
 - Note: P&R does not to use DocuSign for the invoice approval process, the department uses Adobe and digital signatures.
- 5) After P&R Administrative staff receives the approved the invoice, then the Receiving process is performed in SAP and the following information is noted on the invoice (i.e., purchase order number, line item (where the Receiving was performed), material document number, and entry sheet invoice number). P&R Administrative staff updates the Internal Invoice tracker with the date approved by Department Manager.
- 6) Then, P&R Administrative staff uploads the approved invoice into SAP and emails the approved invoice to the AP group and copies the PM on the email.
- 7) P&R Administrative staff updates the department's Internal Invoice Tracker (excel spreadsheet) with the corresponding information (i.e., dates sent to Accounting, and any pertinent notes/information)

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Contracts & Procurement (CAP)

There are five (5) different paths a procurement request may take, depending on the specifics of the services required, risk to the Agency, the longevity and the dollar value of the services, as well as potential applicable policies, laws and regulations. Listed below is the process related to Professional Services contracts at the Agency:

- 1) Agency departments determine the need for professional services and develop the scope of work.
- 2) Agency department enters one dollar Purchase Requisition (PR) and attaches scope of work and any supporting documentation.
- 3) Agency departments and CAP collaborate to develop the requirements of the solicitation. Agency departments and CAP determine the avenue/method to proceed (i.e., RFI, RFP, Prequalification, etc.).
- 4) Based on the authority provided under the Procurement Ordinance, CAP will post on 3rd party websites to publicly solicit for professional services.
- 5) BID closes and CAP receives the proposals, and evaluation team is established to evaluate proposals and to make a recommendation for award.
- 6) Agency department enters PR fully funding the amount for the contract and attaches all received proposals and indicates Professional Services vendor selected.
- 7) CAP staff reviews PR and performs due diligence and verifies documentation and sets up a new vendor and ensuring they have the current insurance in place to come onto Agency property if required.
- 8) CAP determines the type of contract to be created based on risk, longevity of the contract, and dollar value.
- 9) CAP adopts PR onto an Outline Agreement to generate Contract Number (10-digit number, starting with 46).
- 10) The Contract Release PO (10-Digit number starting with 45) is created to receive and pay invoices and may be referenced in the Contract document.
- 11) CAP creates the Outline Agreement contract to track in SAP and monitor spending for the approved value of the contract (throughout the life of the contract) in SAP.
- 12) CAP will draft the Professional Service contract/agreement and will route to vendor to obtain signatures via DocuSign.
- 13) Vendor's signed draft contract/agreement is included the Board Package for Board approval.
- 14) Once there is a fully executed contract, then it is distributed to all interested parties and uploaded into Laserfiche.

<u>Note:</u> P&R has unique transactions, besides just Professional/Consulting services. Examples of the agreement types include: capacity, energy-share, power-purchase, revenue sharing, lease, mutual-aid and so on. Each of these transactions require a contract, but do not follow the traditional Procure to Pay process. It was noted that CAP becomes involved when the contract needs to be generated in SAP and would like to be involved as a resource at the time the agreements are being established.

After Contract Execution and PO set up:

15) For Professional/Consulting Services, the contract dates and dollar amounts are monitored using the Contract Expiration Forecast report, which is distributed monthly to Agency departments. The Contract Expiration Forecast report is a list of all contracts by Project Manager nearing expiration (between 30 to 240 days) and requires review by the CAP Department and the Project Manager to determine if it needs to be amended for time and value or rebid.

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Accounting's Process to Pay the Professional/Consulting Invoices Accounting Unit - Accounts Payable

As of February 28, 2022, the "Intake/Receiving" processes for the Agency's invoices are performed by two intern staff, instead of temporary staff.

- 1) All invoices received by AP are date-stamped (regardless of goods and/or Professional/Consulting Services):
 - Hardcopy invoices are date-stamped, scanned daily, and cataloged by Intern staff.
 - Electronic invoices are electronically stamped when received by Intern staff.
- 2) After the mail is opened or downloaded from email, all incoming invoices are logged on spreadsheet and the following information is recorded: date received, email or surface (post) mail, vendor name, invoice number, invoice date, and invoice amount. This step is currently being performed by Intern staff.
- 3) All goods and services invoices are entered into the SAP system and posted to the "Invoice Held Invoices" feature (SAP transaction code: MIR6 or FMFG_HELD, *Invoice Overview: Invoice Documents*). (*New step as of July 2021*)
- 4) Types of information entered: invoice receipt date, invoice date, posting date, (dollar) amount, reference number (invoice number), currency (USD), tax amount (if applicable), text (description), and PO number. Once an invoice is entered into this "Invoice Held Invoices" feature, it is stored as a temporary document in the temporary table until further processing in the SAP system.

For Professional/Consulting Services invoices, AP will perform the following: Invoice Routing:

- 5) P&R invoices: Invoices are emailed to the AP group, and the PM and/or P&R admin staff are sometimes included on the email, but not all the time. If only the PM is included, then the invoice is forwarded to the P&R Admin staff for processing. If both the PM and/or P&R Admin staff are not included on the email, then AP has to research to determine the department the invoices belongs to.
- 6) Reoccurring/Prior invoices (previously processed by the AP) review the vendor and/or payment history in the SAP system to determine the position that approved the invoice. This type of research provides the Agency department, and AP staff will forward the invoice via email for their review and approval.
- 7) New Invoices AP staff reviews the invoice and performs preliminary research based on the information listed on the invoice in SAP (i.e. project number, WBS element number, etc.). If no identifying information is contained on the invoice and/or the research does not yield any results, then AP staff will circulate the invoice via email to all administrative staff to determine the Agency department.
- 8) Starting point for processing Professional (Consulting)Services payments is the Goods Receipt/Invoice Receipt (GR/IR) report in SAP (transaction code: FBL3N, specified layout). The purpose for using this report is it identifies all the transactions where the "Receiving" process has been performed, and these transactions are waiting for the three-way match to be performed and process for payment.
- 9) After the GR/IR report has been generated, the data/information is sorted to ensure the oldest information appears first and identify the oldest goods receiving that has been performed.
- 10) Using the data/information from the GR/IR report, AP staff filter out and process invoices based on alphabet and/or vendor assignment. Once AP staff have their assigned group/population of invoices, then AP staff will identify the vendor whose invoices will be processed. Invoice selection is based on the following:
 - Oldest date, Highest Dollar amount, and the vendor/invoice that requires the immediate attention.
- 11) Once a transaction (line item) is selected for processing, AP staff will perform the three-way match for the Professional/Consulting Services invoice, which entails reviewing the:
 - PO information and determining the line item where Receiving was performed,
 - Invoices parked in the Invoice Held Feature, which includes the original invoices submitted by the vendors.

- Approved invoices and any supporting documentation attached during the Receiving process. At this
 time, AP staff verifies the appropriate approvals have been obtained based on the invoice's dollar
 amount.
 - <u>Note:</u> For Professional (Consulting) Services, P&R includes a cover page/template as part of the supporting documentation that has all the approvals within one location in the document. This template is also used in the
- 12) After the three-way match has been performed, AP staff proceeds to finish processing the transaction and posts the invoice. Once an invoice has been posted, it is removed from the queue (upon refresh) in the Invoice Held Feature screen.
- 13) Then, AP staff will attach the approved invoice and supporting documentation in SAP.

 Note: For Professional (Consulting) services, two (2) invoices are attached to the transaction: one is the original vendor's invoice, and the other invoice shows the approvals.
- 14) Once an invoice has been set up, entered, and posted into the financial module (SAP), then the financial system establishes the transaction as a "Payable" in the future.

 Note: A "Payable item" does not mean payment has been made. It means that a payment will be scheduled some time in the future (the liability is recognized in SAP when the 3-way match occurs).
- 15) After all the invoice processing has been completed, AP determines what items will be paid in the SAP system.
- 16) Accounting Management will run a "Prelist" on all the items that will be processed.

 Note: The "Pre-list" is reviewed by Agency Management, and items that are not included will be researched and reviewed to determine if they should be included in the current payment cycle.
- 17) Once the "Pre-list" has been reviewed by Agency Management, Accounting Unit, then a final list is generated.
- 18) Final list is submitted for processing in the SAP system. An ACH file is sent to the bank for processing and payment, while physical checks are printed and mailed to the vendors.

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Background Information

As stated in the prior Accounts Payable Operational and Internal Control Audit Report – Review of Procure-to-Pay processes for Professional Services - Engineering & Construction Management, dated February 24, 2022:

"Professional Services shall mean any specially-trained and experienced individual, firm or corporation, providing services and advice in financial, economic, accounting, engineering, information services, technical, architectural or other administrative/professional matters."

(Source: Procurement Ordinance No. 108 Establishing and Setting forth the policies governing Agency authority and dollar limits for best value procurements and procurement-related activities, Section 1, Letter Z, adopted on October 16, 2019)

The Agency contracts for many different types of Professional/Consulting Services including investment advisors, financial assets/portfolio management, training, laboratory, legal counsel, and other legal services, legislative, software (i.e., SAP, Laserfiche, Adobe), engineering, construction, environmental, cleaning/janitorial, car washing, landscape maintenance, pest control, security/alarm, and so on.

Planning & Resources

P&R is dedicated and focused on programs that will meet the future water, wastewater and energy needs of the Agency's region. P&R's mission statement:

MISSION STATEMENT

The Strategic Planning & Resources (SPAR) Department plans and implements regional projects and programs to meet current and future water/wastewater needs and regulatory requirements. SPAR also seeks to establish and strengthen relationships with local, regional, and statewide stakeholders to ensure access to water supplies, wastewater recycling, and to explore related institutional efficiencies such as energy management.

To fulfill its mission statement and major priorities and initiatives, P&R contracts for many kinds of Professional/Consulting Services as part of day-to-day operations, including for the Water Storage Investment program (WSIP)/Chino Basin Program (CBP).

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P&R Payment Types

AP processes two (2) types of payments related to Professional/Consulting Services for the P&R department; they are as follows:

- <u>Professional/Consulting Services (PO invoices)</u> these payments are for Professional Services related to capital construction and non-capital construction projects. Examples include Chino Basin Program (CBP)/Water Storage Investment Program (WSIP), Regional Contract Facilitation, Water Bank, and so on. These payments are paid through the P2P processes and contain these elements: contract/agreement, PRs, POs, approvals, Receiving, 3-way match, and payment.
- Payments to Other Entitles (Non-PO invoices) these payments are to other public sector organizations and are paid via Check Request. Non-PO invoices are governed by Agency Policy A-50 (Non-Purchase Order Invoice Approval, effective April 27, 2015). Examples include Chino Basin Watermaster (CBWM), Cucamonga Valley Water District (CVWD), South Coast Air Quality Management District (SCAQMD), State Water Resources Control Board (SWRCB), Santa Ana Watershed Project Authority (SAWPA), and all San Bernardino County invoices (i.e., Fire Protection District, Transportation Authority, Assessor-Recorder-County Clerk, and so on).

These payments are *Not* paid via the P2P processes (meaning there is no PR, PO and Receiving performed). Payments made via Check requests are subject to verification of the approvals and amount paid.

Invoices/Check Requests Processing Summary

To accomplish the department's responsibilities, P&R contracts for various professional/consulting services for various projects that require studies, master plans, and/or environmental reports, in addition to, Agency programs such as the CBP/WSIP. The total invoices and check requests processed, and corresponding amounts paid to vendors for the last two fiscal years are as follows:

Planning & Resources Department Total Number of Invoices/Check Requests Processed								
Fiscal year Number of Invoices and/or Check requests Dollar amount								
FY 2020/21	243	\$ 2,416,375						
FY 2021/22 (1)	154	\$ 2,075,072						

Source: Planning and Resources Department, Internal Invoice tracker, FY 2020/21 and 2021/22 (as of April 16, 2022) (1).

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Invoice Routing process for P&R

For this review of P2P processes for Professional Services, IA reviewed the internal data recorded in the P&R department's Internal Invoice Tracker, which is an excel spreadsheet that is utilized to record, track, and inventory all invoices and/or check requests that are *incoming* into the department for Project Manager and Department Manager approvals and *outgoing* to AP for payment processing. An Internal Invoice Tracker is maintained for each individual fiscal year, which is a good control to maintain accountability of all the invoices/checks request that are routed and processed by the department.

Using the data in the department's Internal Invoice Tracker, IA analyzed the information to obtain an overall understanding of the dollar amount, quantity, and volume of invoices and check requests that are being processed by the P&R department. The table shows the total processed for the last two fiscal years:

Planning & Resources Internal Invoice Tracker (Excel spreadsheet)								
Statistical Information	Fiscal Year 2020/21	Fiscal Year 2021/22 (1)						
Total dollar value of invoices & check requests processed	\$ 2,416,375	\$ 2,075,072						
Number of vendors	44	28						
Total number of invoices & check requests processed	243	154						
Average number of days for P&R to receive an invoice from Accounts Payable/Project Manager (the Admin Assistant receives from either AP or the PM)	11 days	23 days						
Average number of days for P&R to obtain Project Manager's approval	1 day	1 day						
Average Number of days between Project Manager's approval and to obtain Department Manager's approval	3 days	2 days						
Average number of days between Department Manager's approval and send the invoice to Accounts Payable for processing	3 days	4 days						
Average # of days to complete approvals, complete receiving into SAP, and notify AP (from the date the P&R Admin. Assistant received the invoice from Accounting and/or the PM, to the date sent to AP).	6 days	7 days						

(1) = Internal Invoice Tracker information as of April 18, 2022, approximately 9 months of the fiscal year.

P&R has an internal goal of routing and completing the signature requirements on invoices and/or check requests and completing the receiving function in SAP within one (1) to two (2) weeks of the date the invoice arrives in P&R department (during the audit, P&R staff stated their goal is seven (7) days). IA's review noted the average is approximate 7 days for FY 2021/22 (as of April 16, 2022).

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Invoices Processed: Purchase Order and Non-Purchase Order

Using the Accounts Payable Monitoring Report, IA summarized the data for majority (*not all*) of the vendors that P&R had listed on the Internal Invoice Tracker. The information listed in the table below is *not specific* to the P&R department, and it *includes all the transactions associated with that vendor*. At the Agency, there are many vendors that are shared amongst the various departments; therefore, when reviewing the data, the reports do not distinguish by department. The table below provides a general, high-level overview of the number of invoices/payments that were processed as a PO Invoice (includes PR, PO, 3-way match) and Non-PO Invoice (Payment requested via Check Request, No PR, PO and/or Receiving) for these vendors.

Number of transactions processed with a PO and Non-PO for all Agency-wide shared vendors (using P&R's list of vendors*)								
Fiscal Year	PO Invoice (Document Type: VI)	Non-PO Invoice (Document Type: VM)	Total					
2020/21	396	373	769					
2021/22 (as of April 22, 2022)	229	204	433					

Sources: AP Monitoring Report for FY 2020/21 and FY 202/22 (as of April 22, 2022), P&R Internal Invoice Tracker. *IA was unable to trace 2 vendors from the P&R Invoice Tracker to the AP Monitoring Report.

Timeliness of Payments

From P&R's Internal Invoice Tracker, IA obtained a list of vendors and pulled the transactional information for those vendors from the AP Monitoring report. Using the data gathered for the specific vendors, IA summarized the number of invoices that were paid on time or late for FY 2021/22 (as of April 2, 2022).

The information listed in the table below is **not department-specific (not just P&R)** and **includes all the transactions associated with that vendor (some vendors are shared because of multiple projects administered by different Agency departments)**. The table below provides a general, high-level overview of the number of invoices/payments that were paid on time or late for these shared vendors.

Number of transactions processed as On Time or Late for all Agency-wide shared vendors (using P&R list of vendors*)									
Fiscal Year	Fiscal Year On Time Late Grand Total								
2020/21	509	260	769						
Percentage	66%	34%	100%						
2021/22 (as of April 22, 2022)*	178	255	433						
Percentage	41%	59%	100%						

Sources: AP Monitoring Report for FY 2020/21 and FY 202/22 (as of April 22, 2022), P&R Internal Invoice Tracker. *IA was unable to trace 2 vendors from the P&R Invoice Tracker to the AP Monitoring Report.

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Detailed Audit Testing and Analysis

Using P&R's Internal Invoice Tracker and Accounts Payable Monitoring Report for FY 2020/21 and 2021/22 (as of mid-April 2022), IA performed a detailed review and examination to determine the amount of time required for each step in the process to pay a vendor's invoice. IA calculated the metrics from the invoice date to the date paid in the Agency's financial system and cross-referenced to P&R's Internal Invoice Tracker. Specifically, IA judgmentally selected twenty (20) invoices that were paid late (paid between 5 and 119 days late – after the invoice due date). **Attachment 1** of this report summarizes the results of the metrics and analysis. Of the 20 items paid late, IA's review showed the following, observations have been incorporated into the recommendations:

- Five (5) of the 20 invoices (items no. 5,6, 8, 9, and 15) took longer than 30 days for AP to acknowledge receipt of the invoice from the vendor, between 31 -115), per the dates documented on the invoice, electronic receive date on the invoice, and/or invoice receipt date in SAP (refer to the spreadsheet). This is an issue related to *Routing of Vendors Invoices* see Recommendation # 8 above.
- Two (2) of the 20 invoices (items no. 16 and 17) took longer than thirty (30) days for the AP to send/route the invoice to the P&R department. This is an issue related to *Routing of Vendors Invoices* - see Recommendation # 8.
- Four (4) of the 20 invoices (items no. 8, 9, 15 and 19), the invoice processing and routing started by P&R before the invoice was sent to P&R from Accounting because the PM and/or P&R Admin staff were copied on the email to the AP group. This is an issue related to *Routing* of Vendors Invoices - see Recommendation # 8.
- Two (2) of the 20 invoices (items no. 7 and 10) took longer than two (2) weeks to obtain the Department Manager approval, which is longer than the internal metric of one (1) to two (2) weeks. Delays in obtaining the department's manager's approval and completing the receiving in SAP could be related to the PM rejecting the invoice while performing a due diligence review. In these instances, the vendor must update the invoice with the correct services before the PM approves for payment. Because the invoice date is not updated by the vendor, the invoice may appear to have been paid late based on the invoice date and the payment terms. Sometimes the reasons for why an invoice is paid late are not documented in the invoice tracker to demonstrate this review process. See Delays in Performing the Receiving function by P&R on page 5 of this report.
- Twelve (12) of the 20 instances (items no. 1, 2, 3, 4, 11, 12, 13, 14, 16, 18, 19, and 20), were paid late (as late as 90, after the due date) and it took AP longer than 2 weeks to process for payment, even after the invoice had been received into SAP by the P&R department. This is an issue related to Accounting not having a consistent and best practice method and process for selecting and prioritizing invoices to ensure timely payments of items received see Recommendation for Accounting under AP Process/method for selecting and prioritizing items for payment. This recommendation is restated for Accounting from prior audits).

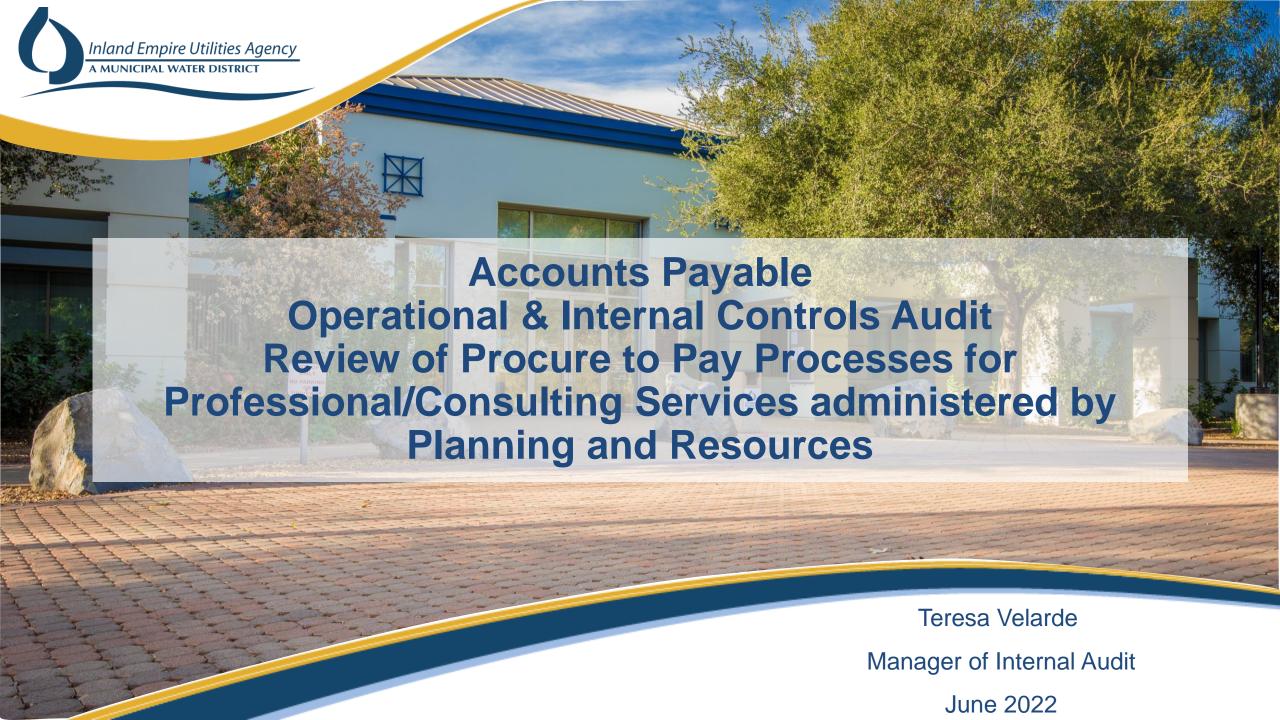
IA is available to provide additional reviews and assistance in evaluating implementation and corrective actions. IA will provide quarterly progress reports on the implementation status of all P2P recommendations to the Leadership Team and the Board of Directors.

Attachment 1 Procure to Pay Process for Professional Services - Planning & Resources Items Selected for Detailed Analysis Fiscal Year 2020/21 and 2021/22 (as of April 16, 2022)

								Fiscal Ye	ar 2020/21 ar	nd 2021/22 (a	s of April 16	, 2022)									
Number	Vendor Name	Amount	PO Number	Date of Invoice (Document date in SAP)	Date AP Received the Invoice from the Vendor (Documented on the invoice or Invoice Receipt date in SAP)	Date P&R Received the Invoice from AP	Date Invoice was sent to PM for review and approval	Date Invoice sent to Dept Manager for approval	Date Receiving was performed in SAP	Date Invoice was Returned from P&R to AP	Date Processed by AP in SAP	Date Paid per SAP	Number of Days for AP to receive the Invoice	Number of Days for P&R to receive the Invoice from AP and/or PM	Number of Days for the invoice to be sent to the PM for review and approval	Number of Days for the invoice to be sent to the Dept Manager for approval, (after the invoice was approved by the PM)	Number of Days for Receiving to be performed in SAP (after it was approved by the Dept Manager)	to return the invoice to the AP group (after	Number of Days for AP to process the Invoice (after it was returned by P&R)	Number of Days for payment to be processed after it was posted in SAP	Number of Days for the Agency to pay the Invoice AFTER the invoice due date (A)+30 days (payment terms) = Invoice Due date - (I)
1	GEI CONSULTANTS INC	\$ 54.623.50	4500032413	6/17/2021	6/21/2021	6/21/2021		6/22/2021	6/23/2021	6/23/2021	6/28/2021	8/26/2021	4	0	0	1	1	0	5	59	40
2	GEI CONSULTANTS INC	\$ 68,363.00	4500032413	8/18/2020	8/20/2020	8/20/2020	8/20/2020		8/24/2020	8/24/2020	10/2/2020	10/8/2020	2.	0	0	0	4	0	39	6	21
3	KEARNS & WEST	\$ 5,976.25	4500028620	8/18/2020	8/19/2020	8/19/2020		8/20/2020	8/20/2020	8/20/2020	11/2/2020	11/5/2020	1	0	1	0	0	0	74	3	49
4	KEARNS & WEST	\$ 4,962.50	4500028620	9/14/2020	9/14/2020	9/14/2020	9/14/2020	9/14/2020	9/15/2020	9/15/2020	11/2/2020	11/5/2020	0	0	0	0	1	0	48	3	22
5	WEST YOST & ASSOCIATES INC	\$ 18,634,75	4500037338	1/31/2021	3/8/2021	3/8/2021	3/9/2021	3/19/2021	3/23/2021	3/23/2021	3/24/2021	3/25/2021	36	0	1	10	4	0	1	1	23
6	BABCOCK LABORATORIES, INC	\$ 710.00	4500037109	2/26/2021	6/21/2021	6/21/2021	6/21/2021	6/21/2021	6/21/2021	6/21/2021	6/21/2021	6/24/2021	115	0	0	0	0	0	0	3	88
7	BROWN AND CALDWELL *	\$ 9,376.81	4500032778	4/21/2021	4/21/2021	4/21/2021	4/21/2021	6/7/2021	6/7/2021	6/7/2021	6/8/2021	6/10/2021	0	0	0	47	0	0	1	2	20
8	CHINO BASIN WATERMASTER	\$ 18,813.25	None	4/30/2021	5/31/2021	5/28/2021	6/1/2021	6/15/2021	Non-applicable paid via Check Request	6/16/2021	6/16/2021	6/17/2021	31	(3)	4	14	Non-applicable paid via Check Request	Non-applicable paid via Check Request	0	1	18
9	WALLACE & ASSOCIATES CONSUL	\$ 11,200.00	4500035336	12/31/2020	2/3/2021	1/20/2021	2/2/2021	2/2/2021	2/3/2021	2/3/2021	2/3/2021	2/4/2021	34	(14)	13	0	1	0	0	1	5
10	MEANS CONSULTING LLC *	\$ 1,620.00	4500029898	4/30/2021	5/3/2021	5/3/2021	5/3/2021	6/7/2021	6/8/2021	6/8/2021	6/8/2021	6/10/2021	3	0	0	35	1	0	0	2	11
11	TRUSSELL TECHNOLOGIES INC	\$ 2,910.00	4500036763	7/9/2021	7/12/2021	7/13/2021		7/13/2021	7/13/2021	7/13/2021	9/16/2021	9/16/2021	3	1	0	0	0	0	65	0	39
12	GEI CONSULTANTS INC	\$ 63,913.00	4500032413	9/23/2021	9/23/2021	9/27/2021		9/27/2021	10/6/2021	10/6/2021	11/8/2021	11/10/2021	0	4	0	0	9	0	33	2	18
13	GEI CONSULTANTS INC	\$ 61,307.00	4500032413	11/23/2021	11/29/2021	11/29/2021	11/29/2021	12/1/2021	12/2/2021	12/2/2021	2/16/2022	2/17/2022	6	0	0	2	1	0	76	1	56
14	RINCON CONSULTANTS INC	\$ 40,310.27	4500036845	11/23/2021	11/23/2021	11/24/2021	11/24/2021	11/24/2021	11/24/2021	11/24/2021	2/2/2022	2/3/2022	0	1	0	0	0	0	70	1	42
15	WILLIAMS SCOTSMAN INC	\$ 100,036.20	None	8/13/2021	9/21/2021	9/14/2021	9/14/2021	9/20/2021	Non-applicable paid via Check Request	9/20/2021	9/23/2021	9/23/2021	39	(7)	0	6	Non-applicable paid via Check Request	Non-applicable paid via Check Request	3	0	11
16	KEARNS & WEST	\$ 2,513.75	4500028620	11/3/2021	11/8/2021	1/17/2022	1/18/2022		1/18/2022	1/18/2022	2/7/2022	3/3/2022	5	70	1	0	0	0	20	24	90
17	CAROLLO ENGINEERS	\$ 4,917.15	4500032676	8/17/2021	8/24/2021	1/5/2022	1/6/2022	1/6/2022	1/6/2022	1/6/2022	1/11/2022	1/13/2022	7	134	1	0	0	0	5	2	119
18	TOM DODSON & ASSOCIATES	\$ 18,639.48	4500036593	10/19/2021	10/1/2021	10/19/2021	10/20/2021	10/20/2021	10/25/2021	10/25/2021	11/15/2021	11/15/2021	(18)	18	1	0	5	0	21	0	15
19	RBC RESOURCES	\$ 8,092.00	4500032731	7/1/2021	7/15/2021	7/6/2021	7/6/2021	7/14/2021	7/15/2021	7/15/2021	8/26/2021	8/26/2021	14	(9)	0	8	1	0	42	0	26
20	ARCADIS U.S., INC.	\$ 21,734.00	4500038860	12/2/2021	12/2/2021	12/2/2021	12/6/2021	12/7/2021	12/8/2021	12/8/2021	2/16/2022	2/17/2022	0	0	4	1	1	0	70	1	47

Source: SAP (Agency's Financial System), Accounts Payable Monitoring Report for FY 2021 and 2022 (as of April 2022), and Planning & Resources Internal Invoice Tracker.

"Invoice was rejected by the Project Manager and sent back to the vendor, the consultant sent a revised invoice at a later date.



P2P - Planning & Resources



Audit Objectives

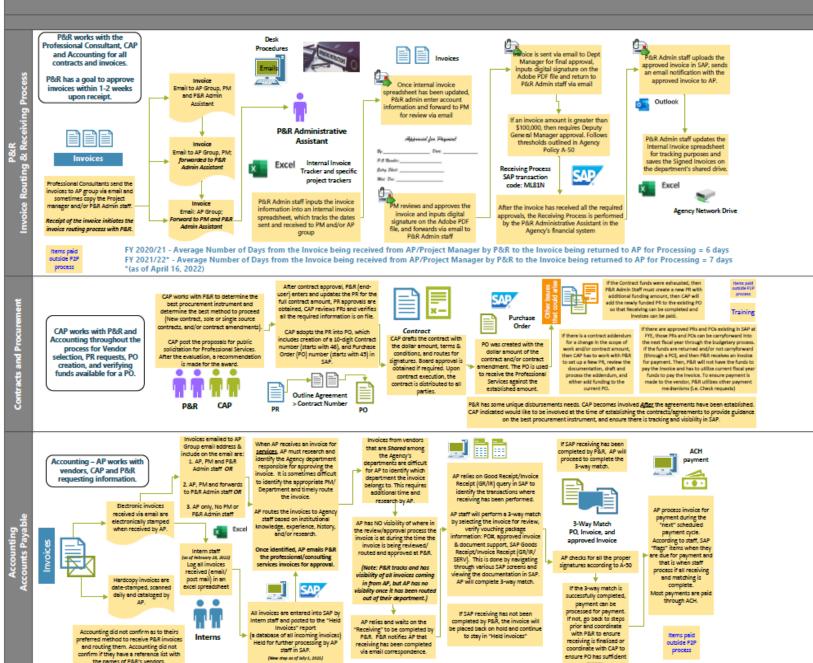
- Evaluate the invoice processes, including receiving and payments, related to Professional/Consulting Services procured by P&R
- Determine compliance with Agency policies and department Standard Operating Procedures
- Evaluate internal controls
- Evaluate the timeliness of payments
- Evaluate the efficiency of the payment process for the professional/consulting vendors administered by P&R
- Evaluate the use of technology and reporting tools
- Identify operational efficiencies and opportunities for improvement

P2P - Planning & Resources



Risks due to Late Payments

- Vendors not willing to do business with IEUA in the future
- Possible higher prices offered at the time of establishing contracts
- Possible late fees
- Inaccurate budgeted funds available to spend due to not Accounting timely for payments due to vendors who already performed services for the Agency
- Harmed vendor relationships
- Damaged reputation and image of IEUA
- Staff time and resources wasted researching transactions and responding to vendors asking for overdue payments





Purpose of Flowchart

- To evaluate every step and activity in the process
- To highlight and identify areas where efficiencies can be incorporated

11 Audit Recommendations:

- 6 for P&R
- 2 for CAP
- 3 for Accounting

Pages 6-15 of Audit Report





Department Name	Summary of Audit Observations
P&R	 Some payments were paid outside the traditional P2P process because of the unique nature P&R internal tracking tools/spreadsheets can be made more efficient leveraging tools The department's goal of "1 to 2 weeks" for invoice approval/receiving into SAP should be evaluated and formalized Determine the need for email communications after receiving is completed n SAP Implement formal SOPs that follow Agency Policy A-51 and provide training on the new SOPs The department collaborate with CAP to evaluate the unique procurement items
САР	 Work with the department to review/evaluate payments paid outside the P2P process Work closely with P&R to identify unique transactions and the best procurement instrument and/or procurement process for those uncommon and unique transactions Update Agency Procurement Ordinance and Agency Policy
Accounting	 Implement a more efficient method to route vendor invoices for approval Implement and formalizing a consistent methodology to upload invoices into the SAP – Invoice Held Feature and utilize it to monitor, track and prioritize the payable transactions Determine the best method for capturing when items have been received and work to eliminate the overload of email notifications from the departments





Planning & Resources Internal Invoice Tracker (Excel spreadsheet)

Statistical Information	Fiscal Year 2020/21	Fiscal Year 2021/22 (1)
Total dollar value of invoices & check requests processed	\$ 2,416,275	\$ 2,075,072
Number of vendors	44	28
Total number of invoices & check requests processed	243	154
Average number of days for P&R to receive an invoice from		
Accounts Payable/Project Manager	11 days	23 days
(the Admin Assistant receives from either AP or the PM)		
Average number of days for P&R to obtain Project Manager's	1 day	1 day
approval	1 day	1 day
Average Number of days between Project Manager's approval	2 days	2 days
and to obtain Department Manager's approval	3 days	2 days
Average number of days between Department Manager's	2.1	4 1
approval and send the invoice to Accounts Payable for processing	3 days	4 days
Average # of days to complete approvals, complete receiving		
into SAP, and notify AP	(days	7 dove
(from the date the P&R Admin. Assistant received the invoice	6 days	7 days
from Accounting and/or the PM, to the date sent to AP).		

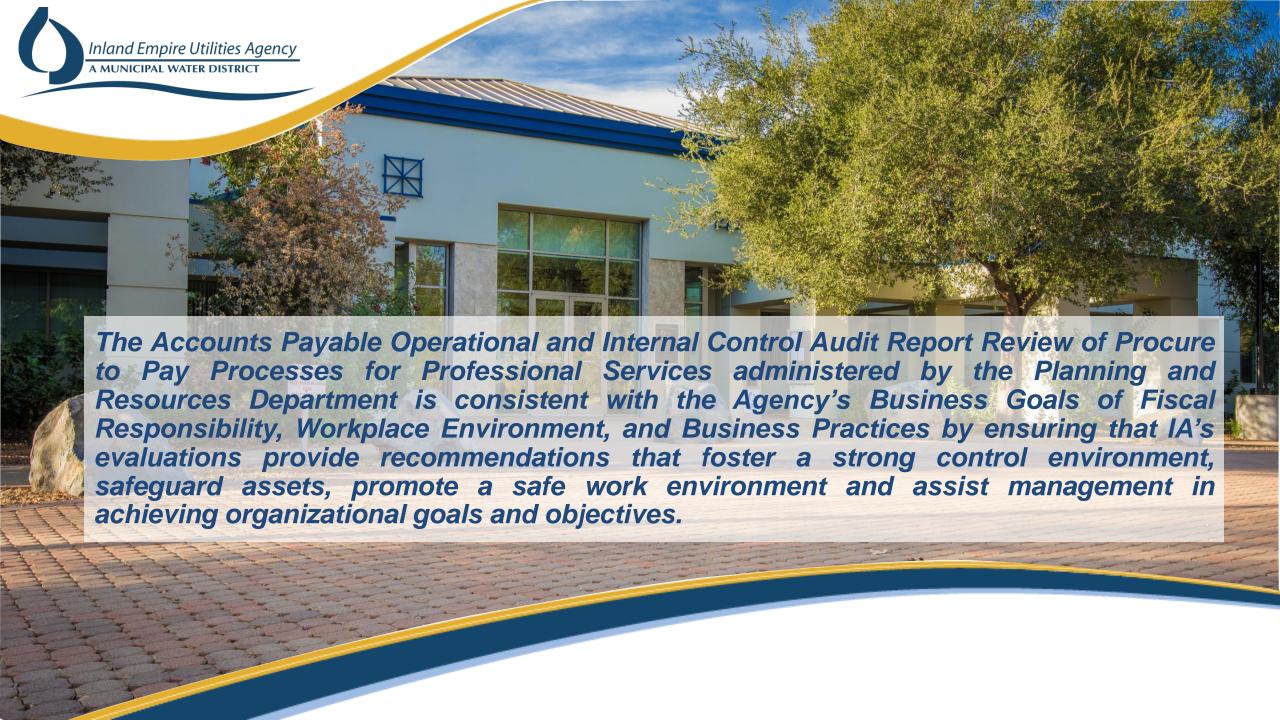


IA Recommendations for P2P Professional Services

11 Audit Recommendations:

- 6 for P&R
- 2 for CAP
- 3 for Accounting
- SOPs (Standard Operating Procedures) and training
- Continuous monitoring of Purchase Orders and working closely with CAP
- Leveraging technology for improved monitoring and communication
- Timely routing of invoices for approval
- Leveraging SAP workflow tools for tracking and routing
- KPIs (Key Performance Indicators), goals and objectives
- Seek assistance from outside professional consultants to assist and evaluate processes

Details of audit observations and recommendations are listed on the matrix on pages 6-15 of Audit Report.



INFORMATION ITEM

3E



Date: June 15, 2022

To: The Honorable Board of Directors From: Teresa Velarde, Manager of Internal Audit

Tereja Octardo.

Committee: Audit 06/06/22

Manager Contact: Teresa Velarde, Manager of Internal Audit

Subject: Interim Audit Report: Accounts Payable Operational and Internal Control Audit Report

- Review of Procure to Pay Processes for Materials and Supplies

Executive Summary:

Internal Audit (IA) staff is in the process of completing an evaluation of the procure to pay processes for Agency materials and supplies. The objective of the audit is to evaluate the procure to pay processes including ordering, purchase requisitions, receiving, approval and payments for materials and supplies, to identify problems, bottlenecks, and constraints in the various steps to process vendor invoices timely. Additionally, to evaluate the reasons for and minimize the risk of the Agency being placed on credit hold due to late payments.

IA's preliminary review shows that additional controls, documented goals, written procedures and continuous training may be required for all procure to pay processes for materials and supplies.

The attached report, provides preliminary background information, and a detailed narrative and flowchart of the procure to pay processes. IA continues to evaluate financial transactions and data. A final audit report will be presented in September 2022.

Staff's Recommendation:

This is an information item.

Budget Impact Budgeted (Y/N): N Amendment (Y/N): Y Amount for Requested Approval: Account/Project Name:

Fiscal Impact (explain if not budgeted):

N/A

Prior Board Action:

On June 16, 2021, the Board of Directors approved the Fiscal Year 2021/22 Annual Audit Plan. The Plan proposed the various Procure to Pay Audits under the Accounts Payable Operational and Internal Control Audit.

Environmental Determination:

Not Applicable

Business Goal:

The Accounts Payable Operational and Internal Control Audit Report Review of Procure to Pay Processes for Materials and Supplies is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment, and Business Practices by ensuring that IA's evaluations provide recommendations that foster a strong control environment, safeguard assets, promote a safe work environment and assist management in achieving organizational goals and objectives.

Attachments:

Attachment 1 - Audit Report for the Accounts Payable Operational and Internal Control Audit - Review of Procure to Pay Processes for Materials and Supplies

Attachment 2 - PowerPoint

Board-Rec No.: 22128



DATE: May 26, 2022

TO: Shivaji Deshmukh

General Manager

FROM: Teresa V. Velarde

Manager of Internal Audit

Tereson Delanda

SUBJECT: Interim Audit Report: Accounts Payable Operational and Internal

Control Audit Report - Review of Procure to Pay Processes for

Materials and Supplies

Audit Authority

The Inland Empire Utilities Agency (IEUA or Agency) Internal Audit (IA) Department has performed an audit of the Procure to Pay Processes (P2P) of Materials and Supplies for the Operations and Maintenance (O&M) Department. The audit was performed under the authority given by the Board of Directors in the approved Fiscal Year (FY) 2021/22 Annual Audit Plan and the IAD's Charter. This report is an Interim Audit Report to provide information related to the ongoing review. IA anticipates completing the review of the P2P for Materials and Supplies and present during the September 2022 Audit Committee Meeting.

Audit Objectives and Scope:

The objective of the overall Accounts Payable Operational and Internal Controls Audit is to evaluate the various payment processes and operations of the Accounts Payable (AP) Group, within the Accounting Unit, to determine whether Agency policies and department-specific Standard Operating Procedures (SOPs) were established and to identify areas for improvement. The scope of the Review of Procure to Pay Processes (P2P) for Materials and Supplies is to evaluate the procure to pay processes for materials and supplies including ordering, receiving and payments, to identify opportunities to make the process more efficient and ensure invoices are paid timely.

The objectives of the audit include:

- Determine whether internal controls, Agency policies, and SOPs were established and are adequate.
- Evaluate internal controls
- Determine compliance with Agency policies and department Standard Operating Procedures

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Review of Procure to Pay Processes for Materials and Supplies
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- Identify operating efficiencies and areas of improvement for P2P processes pertaining to materials and supplies.
- Evaluate the invoice payment processes and operations of AP related to materials and supplies procured for the Operations Unit and the Maintenance Unit
- Evaluate the timeliness and efficiency of payments for specified materials and supplies vendors for the Operations Unit and the Maintenance Unit
- Evaluate the use of technology and reporting tools
- Evaluate the late vendor payments vendors and vendors that have placed the Agency on Credit Hold for materials and supplies

IA is performing the Accounts Payable Operational and Internal Control Audit in multiple phases. To-date, IA has issued the following audit reports:

- Interim Audit Report: Accounts Payable Operational and Internal Controls Audit (dated August 20, 2021) This comprehensive report evaluated invoice and payment data and metrics, including the total number of invoices paid on time or late and the number of days invoices were paid after the due date, along with other analysis of financial information.
- Accounts Payable Operational and Internal Controls Audit Report Review of Procure to Pay Processes for Chemicals (dated November 24, 2021) This report evaluated the Procure to Pay Processes for the Agency's chemicals (from ordering to payments). IA provided thirty-five (35) audit recommendations to: Operations & Maintenance, the Accounting and Contracts and Procurement (CAP) units of the Finance Department. (This audit will be referred to as the "P2P Chemicals").
- Accounts Payable Operational and Internal Controls Audit Report Review of Procure to Pay Processes for Professional Services Engineering & Construction Management (dated February 24, 2022) This report evaluated the Procure to Pay Processes for Professional Services as administered by the Engineering & Construction Management (E&CM) unit, specifically the Master Contracts or Design Contracts. IA provided twenty-one (21) recommendations: E&CM, CAP, and the Accounting Unit. (This audit will be referred to as the "P2P E&CM").

Quarterly progress reports are submitted to the Audit Committee to report on the implementation status of all P2P recommendations. IA also plans to evaluate the P2P processes related to other departments' goods and services. An audit report will be finalized after the completion for each area reviewed.

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Audit Techniques applied:

Audit techniques applied:

- Interviews of Agency staff
- Review of Agency policies
- Review of SOPs
- Evaluation of internal controls
- Review/understanding of the processes to perform receiving, matching of procurement, and invoices, and payment processing
- Review and analysis of financial transactions
- Review of supporting documents

This interim audit report is organized as follows:

- A sample of vendors that have placed the Agency on Credit Hold
- Narratives documenting the current Procure to Pay Process
- Flowchart documenting the current Procure to Pay process
- Preliminary observations to be confirmed with additional data
- A list of additional audit procedures to be performed

Audit Results - Executive Summary

This is an interim audit report to provide information and an update on the audit work gathered to-date. Additional audit procedures and analysis are planned before the audit can be finalized (discussed later in this report). Currently, IA is still performing an analysis on receiving and payment data. IA will continue to work with all Agency staff involved. A final audit report is planned to be presented during the September Audit Committee Meeting.

Acknowledgements

IA would like to extend our appreciation to the O&M Department, Asset Management, Accounting Unit, Contracts and Procurement (CAP), and Information Technology (IT) Department, for their cooperation and assistance during the audit. IA looks forward to the continued collaboration and continually working together.

The Interim Audit Report: Accounts Payable Operational and Internal Control Audit Report Review of Procure to Pay Processes for Materials and Supplies is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment, and Business Practices by ensuring that IA's evaluations provide recommendations that foster a strong control environment, safeguard assets, promote a safe work environment and assist management in achieving organizational goals and objectives.

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Background Information

As reported previous in the Interim Audit Report: Accounts Payable Operational and Internal Control Audit (dated August 20, 2021) a *Credit Hold* is when a vendor will place their customer on *Credit Hold* when they are consistently late in making payments, exceeded their credit limit, and/or identified as a risk. By placing a credit hold on the customer's account, it prevents the Agency from making credit purchases, and new orders are declined. This has been an on-going Agency problem. The significant risk for the Agency is the impact of vendors to place the Agency on *Credit-Hold* and the Agency unable to acquire the required parts, supplies for maintenance, repair, and updates to Agency equipment.

<u>Vendors previously placed Agency on Credit Hold and Dollar Amounts paid</u> * (Source: Interim Audit Report: Accounts Payable Operational and Internal Control Audit (dated August 20, 2021)

Vendor Name	Nature of the Goods purchased and/or Services	Procurement Method	2019/20	2020/21
Amazon Business	Business and computer related items and accessories: paperware, iPhone chargers, tools (pressure washer, LED Emergency Light), microscope slides, dichlorination tablets, mouse, laptop back, and many others	Vendor Catalog, PO	\$64,360	\$54,833
Cummins Pacific LLC	Parts – (i.e., generator parts)	РО	\$10,697	\$9,890
Griswold Industries	Parts (i.e., tubing, fittings)	РО	\$32,020	\$27,882
Hach Company	Parts (i.e., LDO Probe, the LDO Model 2 (Luminescent Dissolved Oxygen), accurately measures dissolved oxygen levels in water by utilizing luminescent dissolved oxygen technology within the O2 sensor	PO, BPA	\$141,238	\$213,107
Harrington Industrial Plastics LLC	Parts – Pipes, valves, fittings (i.e RP1-Roller Assembly, Tube Assembly)	BPA	\$103,581	\$84,835
Hasco Oil Company Inc	Supplies – lubricants – gear oil	BPA	\$71,076	\$58,156
Home Depot Credit Services	Equipment, tools, supplies etc.	Catalog/Credit Card/BPA	\$41,893	\$36,690
McMaster Carr Supply Co	Parts- (i.e, small parts cabinet, box with compartments, shelves, plastic bins)	BPA	\$29,287	\$63,219
Napa Genuine Parts Company	Parts – filters, air, oil, batteries, etc.	BPA	\$14,170	\$10,922
•	Total		\$508,322	\$559,534

^{*} This is only a sample list of past vendors for materials/supplies that have placed the Agency on *Credit-Hold* is noted below (also reported in the Interim Audit Report: Accounts Payable Operational and Internal Control Audit, dated August 20, 2021). It should be noted that this is not a comprehensive list of vendors that supply the Agency with all Materials and Supplies needed/required. This is also not a comprehensive list of all vendors that have placed the Agency on Credit Hold, as there are others. This list was initially compiled during the initial stages of the P2P audits.

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Process Narrative - P2P process for Materials and Supplies

Operations and Maintenance Department and Contracts and Procurement

The Operations and Maintenance (O&M) Department consists of the Operations Unit and the Maintenance Unit. The Operations Unit and the Maintenance Unit Administrative staff will make a request for materials and supplies to the O&M designated staff personnel for creating and submitting purchase requisitions. The Maintenance Planner creates a purchase requestion for work orders in SAP. The Operations Unit and the Maintenance Unit can order and procure materials and supplies using one of five (5) different purchasing options:

- 1. O&M Administrative staff and the Maintenance Planner has the option to order via vendor catalogs in SAP purchase requisition Catalogs for materials and supplies. Vendor catalogs are established through Contracts and Procurement (CAP) and have approved and negotiated prices.
 - a. CAP creates a standard purchase order (PO) for a catalog order. The PO may be sent to the vendor based on vendor request and a copy of the PO sent to the requestor of the department. The department or the Warehouse uses receiving document (i.e., packing slip, bill of lading, goods receipt) to receive against the PO.
 - b. A PO is established if a vendor's catalog is not available.
 - O&M staff will obtain the required number of quote(s) or proposal(s).
 - Then O&M staff enters the purchase requisition (PR) with the requestors' justification per the Agency Procurement Ordinance thresholds (i.e., \$3,500, and above purchase)
 - The workflow in SAP is determined by the cost center entered in the PR request. The request will automatically be sent through SAP workflow to the person who is assigned to the cost center.
 - CAP will review the submittal package noted above in step three (3) for vendors without a catalog option. Next, CAP will create a PO. CAP will provide a vendor the PO and a copy to the department who requested PR.
- 2. O&M staff enter a PR request with support (i.e., applicable quotes and documentation per Procurement Ordinance #108) in SAP. CAP will review approved PR request and CAP will approve the corresponding PO in SAP for receiving and payment of invoices.
 - If there is a pricing change for Contract PO throughout the fiscal year, CAP must establish a new Contract PO with the new PR and new negotiated pricing, based on information provided by O&M.
 - If there are not enough funds in the established Contract PO, O&M staff create a new PR request with additional funding and CAP facilitates adding the new funded PR to the existing PO.
- 3. An additional purchasing option is to establish Blanket Purchase Order Agreement (BPA) for routine, repetitive purchases, and negotiated fixed pricing.
 - O&M Staff works with CAP to establish BPAs and utilizes them to expedite work orders, materials, and supplies acquisition for the current fiscal year.
 - O&M staff will create a PR request and funding of the BPA for review and approval by the Manager of CAP.
 - Once the BPA is established, the O&M Staff use the BPA number to place orders for materials and supplies for their work orders.
- 4. Additional purchasing option is to establish a contract with the vendor through either solicitation, sole source, multiple quotes depending on threshold in the Procurement Ordinance #108 guidelines.
 - a. O&M Staff create a PR in SAP to request CAP in establishing the contract.
 - b. CAP establishes a contract with a vendor in SAP and a fully executed signed contract. A Contract PO is established to fund and receive and pay Contract POs on.
 - c. Now, O&M staff can contact vendor and provide the vendor the Contract PO number and the receiving is on the Contract PO. This is a purchasing option but not generally done.

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- If there is pricing change throughout the fiscal year, O&M staff will show letters from vendors for price increases to CAP. CAP does an update to the contract with new pricing rate sheet for a contract amendment.
- 5. Designated Operations Unit and Maintenance Unit staff assigned Agency credit cards (US Bank Procurement Credit Card or Home Depot Credit Cart) may purchase good and materials. CAP administers the Procurement Card and Home Depot Cards Agency programs.

Receiving operational practices for materials and supplies

The Warehouse will receive goods (materials and supplies) only if the staff members order notes delivery to the Warehouse. If they require certain items to be delivered to another location, then it is noted in the PR and will be delivered accordingly. It is the responsibility of those who requested it to be delivered to any other location to do their own individual receiving.

Operations Unit Administrative SAP Receiving

The Operations Unit Administrative staff will on perform receiving for the Ground Water Recharge (GWR), Recycling (RC), office supplies (Staples), and Amazon procurement of materials and supplies.

- 1. Operations Unit Administrative staff will access SAP and the enter the T-Code MIGO to perform receiving.
- 2. In addition, they will upload into SAP the supporting documentation (packing slip, good receipt, receipt, or bill of lading).
- 3. SAP will generate a Goods Receipt and Goods receipt number for each SAP Receiving transaction performed by the Operations Unit Administrative staff.

Maintenance Unit Administrative Staff

The Maintenance Unit Administrative staff will only perform receiving function for other locations RP-1, RP-2, R-P4, RP-5, and CCWRF.

- 1) Receipt of receiving documentation, bills of lading (BOL), or invoices for vendor payment.
 - a. Documentation emailed or hard copy received in the field (RP-1, RP-2, R-P4, RP-5, and CCWRF)
 - b. Documentation emailed when received from other facilities
- 2) Will access SAP to start the process for payment by the Maintenance Administrative Staff by accessing SAP and entering the T-Code MIGO to perform receiving.
- 3) In addition, they will upload into SAP the supporting documentation (packing slip, good receipt, receipt, or bill of lading).
- 4) SAP will generate a Goods Receipt number for each SAP Receiving transaction performed by the Maintenance Unit Administrative staff

Home Depot (HD) Card Purchases

Warehouse orders HD, the O&M Department submit their receipts to the Warehouse. If staff purchases HD and turns in their receipt into the Warehouse, it gets received into SAP since this is a BPA. The only HD transactions not received by the Warehouse are Recycled Water (RW)/Groundwater Recharge (GWR), they have their own PO. If any of the BPA/POs are used to purchase items, it is the staffs' responsibility to forward their receipts to either Warehouse or their Department Unit Administrative Staff so they can forward to the Warehouse so that HD purchase transactions can be received in SAP.

Accounting Unit - Accounts Payable

- 1) As of 2/28/2022, Mailing Processing and invoice intake is done by two Interns. Prior to 2/28/2022, all invoices received by AP are date-stamped (regardless of goods and/or Materials and Supplies):
 - Hardcopy invoices are date-stamped, scanned daily, and cataloged
 - Electronic invoices are electronically stamped when received.
- 2) After the mail is opened or downloaded from email, all incoming invoices are logged on a spreadsheet and the following information is recorded: date received, email or surface (post) mail, vendor name, invoice number, invoice date, and invoice amount.

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- 3) All goods and services invoices are entered into the SAP system and posted to the "Invoice Held Invoices" feature (SAP transaction code: MIR6 or FMFG_HELD, *Invoice Overview: Invoice Documents*). (*New step as of July 2021*)
- 4) Types of information entered: invoice receipt date, invoice date, posting date, (dollar) amount, reference number (invoice number), currency (USD), tax amount (if applicable), text (description), and PO number. Once an invoice is entered into this "Invoice Held Invoices" feature, it is stored as a temporary document in the temporary table until further processing in the SAP system.

For Materials and Supplies invoices, AP will perform the following:

- 5) invoices: Receiving for material and supplies are generally going to supported by bill of lading/packing slip or in-store receipt, not invoices. Purchasing authorization levels are dictated by Procurement Ordinance No. 108. Additionally, payment request could be for the following transactions for credit card purchases and BPAs. When AP reviews an invoice for signature, AP staff are ensuring acknowledgement of receipt of a service (or goods, sometimes) as noted on the invoice, including the description of the item/service, price, service period, and so forth, as compared to the Purchase Order (PO). The receiver should have the ability to make that determination, so generally it's a department or project manager who signs off on the invoice. Each department has their specific guidelines, workflow, and levels of authorization to confirm receiving. AP staff can identify the signer and know if the signature belongs to someone within the same department (cost center) as the requestor, per the PO, as well as compared to the user who received the item/service in SAP. In practice, seasoned AP staff become familiar with their assigned vendors, how the products or services are used within the Agency, and which departments are placing the orders from that vendor.
- 6) Reoccurring/Prior invoices (previously processed by the AP) review the vendor and/or payment history in the SAP system to determine the position that approved the invoice. For existing vendors AP staff need to evaluate the validity of the invoice and ensure we haven't already paid it; so, they will review the payment history.
- 7) New Invoices AP staff reviews the invoice and performs preliminary research based on the information listed on the invoice in SAP (i.e., project number, WBS element number, etc.). If no identifying information is contained on the invoice and/or the research does not yield any results, then AP staff could not find the associated PO related to an invoice, they would attempt to identify who made the order and reach out to that Agency personnel. Also, the AP staff may also reach out to CAP for assistance to see if we have a new vendor not yet in SAP.
- 8) Starting point for processing Materials and Supplies payments is the Goods Receipt/Invoice Receipt (GR/IR) report in SAP (transaction code: FBL3N, specified layout). The purpose for using this SAP account inquiry screen is it identifies all the transactions where the "Receiving" process has been performed, and these transactions are waiting for the three-way match to be performed and process for payment.
- 9) After the GR/IR report has been generated, the data/information is sorted to ensure the oldest information appears first and identify the oldest goods receiving that has been performed.
- 10) Using the data/information from the GR/IR report, AP staff filter out and process invoices based on alphabet and/or vendor assignment. Once AP staff have their assigned group/population of invoices, then AP staff will identify the vendor whose invoices will be processed. Invoice selection is based on the following:
 - Oldest date, Highest Dollar amount, and the vendor/invoice that requires the immediate attention.
- 11) Once a transaction (line item) is selected for processing, AP staff will perform the three-way match for the Materials/Supplies invoices, which entails reviewing:
 - the PO information and determining the line item where Receiving was performed,
 - the invoices parked in the Invoice Held Feature, which includes the original invoices submitted by the vendors,

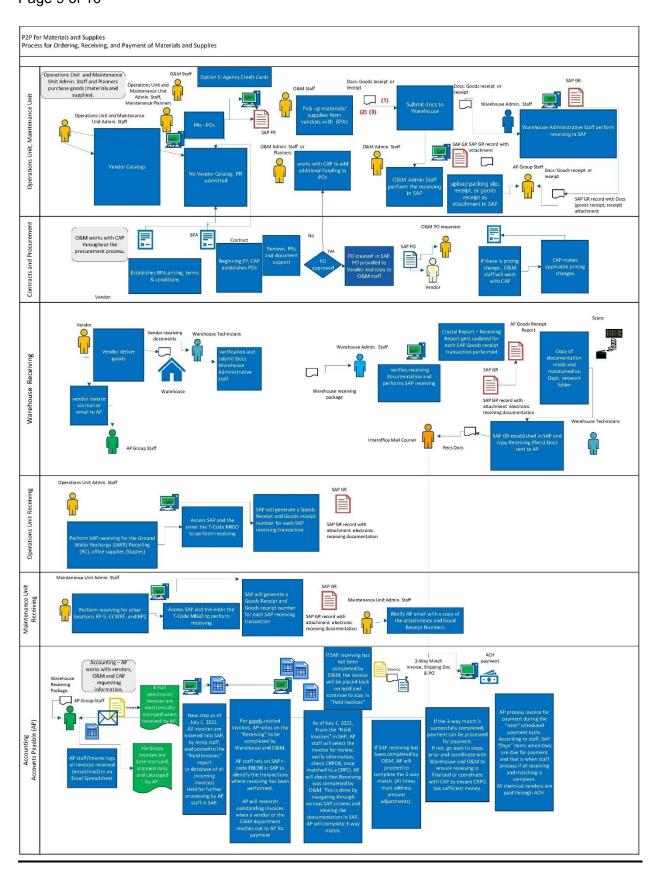
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- the approved invoices and packing slip or bill of lading attached during the Receiving process. At this time, AP staff verifies the appropriate approvals have been obtained based on the invoice's dollar amount
- 12) After the three-way match has been performed, AP staff proceeds to finish processing the transaction and posts the invoice. Once an invoice has been posted, it is removed from the queue (upon refresh) in the Invoice Held Feature screen.
- 13) Then, AP staff will attach the approved invoice and supporting documentation in SAP. Note: Any special notes for Materials and supplies invoices?
- 14) Once an invoice has been set up, entered, and posted into the financial module (SAP), then the financial system establishes the transaction as a "Payable" in the future.
 - <u>Note:</u> A "Payable item" does not mean payment has been made. It means that a payment will be scheduled some time in the future (the liability is recognized in SAP when the 3-way match occurs).
- 15) After all the invoice processing has been completed, AP determines what items will be paid in the SAP system.
- 16) AP staff (whomever is assigned that week we rotate this duty) runs the pre-list of items recommended to be processed and sends it to Accounting management for review.
 - <u>Note:</u> The "Pre-list" is reviewed by Agency Management, and items that are not included will be researched and reviewed to determine if should not be included in the current payment cycle.
- 17) Once the "Pre-list" has been reviewed by Agency Management, Accounting Unit, then a final list is generated.
- 18) Final list is submitted for processing in the SAP system. Note that Finance staff process the ACH which is then approved online at CBB by Accounting Management. An ACH file is sent to the bank for processing and payment, while physical checks are printed and mailed to the vendors.

Process Flowchart - P2P process for Materials and Supplies

The diagram on the next page provides the overview of the Procure-to-Pay (P2P) process for Materials and Supplies any observations and recommendations identified will be reported in the Final Audit Report.

Interim Audit Report: Accounts Payable Operational and Internal Control Audit Report – Review of Procure to Pay Processes for Materials and Supplies May 26, 2022 Page 9 of 10



Interim Audit Report:
Accounts Payable Operational and Internal Control Audit Report –
Review of Procure to Pay Processes for Materials and Supplies
May 26, 2022
Page 10 of 10

For the final audit report, IA will update the list of vendors that have placed the Agency on Credit Hold to include additional vendors, if necessary.

Preliminary Observations:

Based on IA's interim review, below are some preliminary observations:

- Controls may be required to decrease the receiving time into the Agency's financial system,
- Documented SOPs for the receiving function and processing payments,
- Continuous review and close monitoring of purchase orders (PO's) to ensure there
 is sufficient funding, and
- Key performance indicators (KPI's), goals, and objectives.
- The other units may want to incorporate similar processes as implemented by Operations using iPhone/SharePoint

Additional Audit Procedures In-Progress:

Additional audit procedures to be performed by Internal Audit include:

- Evaluate the timeliness of the receiving process,
- Evaluate the number of invoices processed and paid on time and late,
- Evaluate delays in processing payments, and
- Select a sample of transactions and perform detailed testing.

IA anticipates completing the review of the P2P for Materials and Supplies and present during the September 2022 Audit Committee Meeting.





Accounts Payable Operational & Internal Control Audit Audit Scope

Audit Objectives:

- Determine whether internal controls, Agency policies, and department-specific standard operating procedures were established and are adequate.
- Evaluate internal controls
- Determine compliance with Agency policies and department Standard Operating Procedures
- Identify operating efficiencies and areas of improvement for P2P processes pertaining to materials and supplies.
- Evaluate the invoice payment processes and operations of the Accounts Payable (AP)
 Group, within the Accounting Unit related to materials and supplies procured for the Materials Unit and Operations Unit
- Evaluate the timeliness and efficiency of payments for specified materials and supplies vendors for the Maintenance Unit and Operations Unit
- Evaluate the use of technology and reporting tools
- Evaluate the late vendor payments vendors and vendors that have placed the Agency on Credit Hold for materials and supplies



P2P Materials and Supplies

Audit Scope:

The scope of the Review of P2P Materials and Supplies is to evaluate the late vendor payments vendors and vendors that have placed the Agency on **Credit Hold** for materials and supplies for the Maintenance Unit and Operations Unit.

Credit Hold

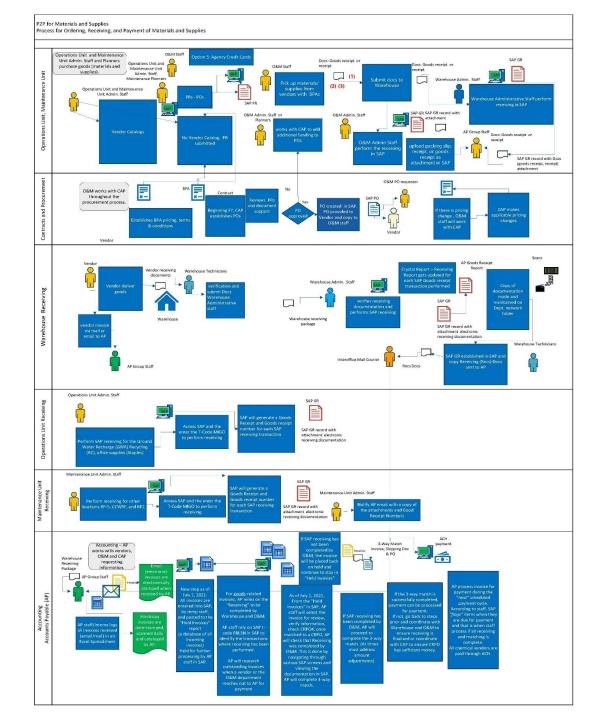
The biggest risk to the Agency is having vendors place the Agency on *Credit Hold*. A vendor will place their customer on *Credit Hold* when they are consistently late in making payments, exceeded their credit limit, and/or identified as a risk. By placing a credit hold on the customer's account, it prevents credit purchases, and new orders will be declined.



P2P – Materials and Supplies

Risks due to Late Payments

- Vendors not willing to do business with IEUA in the future
- Possible higher prices offered at the time of establishing contracts
- Possible late fees
- Inaccurate budgeted funds available to spend due to not Accounting timely for payments due to vendors who already performed services for the Agency
- Harmed vendor relationships
- Damaged reputation and image of IEUA
- Staff time and resources wasted researching transactions and responding to vendors asking for overdue payments





Flow Chart for the P2P Process for Materials and Supplies



P2P Materials and Supplies

Preliminary Observations:

Based on IA's interim review, below are some preliminary observations:

- Controls may be required to decrease the receiving time into the Agency's financial system,
- Documented SOPs for the receiving function and processing payments,
- Continuous review and close monitoring of purchase orders (PO's) to ensure there is sufficient funding, and
- Key performance indicators (KPI's), goals, and objectives.
- The other units may want to incorporate similar processes as implemented by Operations using iPhone/SharePoint



P2P Materials and Supplies

Additional Audit Procedures In-Progress:

Additional audit procedures to be performed by Internal Audit include:

- Evaluate the timeliness of the receiving process,
- Evaluate the number of invoices processed and paid on time and late,
- Evaluate delays in processing payments, and
- Select a sample of transactions and perform detailed testing

IA anticipates completing the review of the P2P for Materials and Supplies and present during the September 2022 Audit Committee Meeting.



INFORMATION ITEM

3F



Date: June 15, 2022

To: The Honorable Board of Directors From: Teresa Velarde, Manager of Internal Audit

Teresa Delanda.

Committee: Audit 06/06/22

Manager Contact: Teresa Velarde, Manager of Internal Audit

Subject: Progress Update for all Procure to Pay Audit Recommendations

Executive Summary:

This is a quarterly update of the 56 audit recommendations provided to-date through the Accounts Payable Operational and Internal Control audits that evaluate the Procure to Pay (P2P) processes for the various Agency departments and processes. The scope of the P2P audits is to evaluate the ordering, receiving and payment processes for the Agency's goods and services and to identify observations and recommendations for improvements to the processes to ensure vendor invoices are paid within the terms and processes are efficient.

To-date, Internal Audit (IA) has completed a comprehensive review of the Procure to Pay Processes of Agency Chemicals (report issued November 24, 2021) and a comprehensive review of the Procure to Pay Processes for Professional Services administered by the Engineering and Construction Management Department (report issued February 24, 2022) and has provided recommendations under each review. Of the 56 recommendations issued through the P2P audits, 20 are now implemented, 23 are in progress of being implemented, 5 require additional time for corrective action and 8 are considered no longer applicable. The attached report provides details of the results. IA will continue to provide quarterly progress updates for all recommendations, including new ones through additional P2P audits.

Staff's Recommendation:

This is an information item.

Budget Impact Budgeted (Y/N): N Amendment (Y/N): Y Amount for Requested Approval: Account/Project Name:

Fiscal Impact (explain if not budgeted):

N/A

Prior Board Action:

On June 16, 2021, the Board of Directors approved the Fiscal Year 2021/22 Annual Audit Plan. The Plan proposed the various Procure to Pay Audits under the Accounts Payable Operational and Internal Control Audit.

Environmental Determination:

Not Applicable

Business Goal:

The Progress Update for all Procure to Pay Audit Recommendations is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment, and Business Practices by ensuring that IA's evaluations provide recommendations that foster a strong control environment, safeguard assets, promote a safe work environment and assist management in achieving organizational goals and objectives.

Attachments:

Attachment 1 - Progress Update for all Procure to Pay Audit Recommendations

Attachment 2 - P2P Chemicals Recommendations - Second Update Results & Process Flowchart

Attachment 3 - P2P E&CM Recommendations - First Update Results & Process Flowchart

Attachment 4 - PPT

Board-Rec No.: 22126



DATE: May 19, 2022

TO: Shivaji Deshmukh

General Manager

FROM: Teresa V. Velarde

Manager of Internal Audit

Teresa Delanda

SUBJECT: Progress Update for all Procure to Pay Audit Recommendations

Audit Authority

The Inland Empire Utilities Agency (IEUA or Agency) Internal Audit Department (IA) is providing a quarterly update of fifty-six (56) audit recommendations provided in the Review of Procure to Pay Processes for Chemicals, dated November 24, 2021, and the Review of Procure to Pay Processes for Engineering & Construction Management, dated February 24, 2022. The quarterly progress update is provided under the authority given by the Board of Directors in the approved Fiscal Year (FY) 2021/2022 Annual Audit Plan and the IAD's Charter.

Audit Objective

The scope of the original audits was to evaluate the ordering, receiving, and payment processes for the Agency's goods and services and identify observations and recommendations for improvements to the processes to ensure the vendor payments are paid timely and within terms. The purpose of the quarterly progress reports is to provide an update of the implementation status of the original audit recommendations with a status of each, including the corrective action plans, and planned dates for implementation for each recommendation.

Background

As detailed in the original audit reports, goods and services purchased by the Agency are considered critical to the wastewater treatment process because of public health regulatory requirements and critical to the business initiatives of the Agency. The original audits evaluated the controls and processes in place to ensure goods and services are ordered, delivered, received, and paid for, in a timely manner, while following approved procurement processes. Good internal controls and sound processes ensure the Agency can operate according to regulatory requirements and maintain healthy business relationships and a good business image with its vendors.

To date, IA has completed the following Procure to Pay (P2P) audits:

- Accounts Payable Operational and Internal Controls Audit Report Review of Procure to Pay Processes for Chemicals, dated November 24, 2021. This audit provided thirtyfive (35) audit recommendations. Presented and discussed during the December Audit Committee meeting.
- Accounts Payable Operational and Internal Controls Audit Report Review of Procure to Pay Processes for Professional Services – Engineering & Construction Management, dated February 24, 2022. This audit provided twenty-one (21) audit recommendations. Presented and discussed during the March Audit Committee meeting.

The breakdown of the number of recommendations provided to each department is noted in the chart below with a current status for each recommendation. The attached reports, provide a detailed list of all recommendations, noting the departments responses, planned date for implementation and IA notes/comments related to the responses and proposed plans by the departments and the final disposition for each.

	Implemented	In Progress	Not Implemented	No Longer	Total Original Recommendations	Results after approximately 150 days, since the date of the original audit
P2P CHEMICALS - 2ND UPDATE			принис	орричани		report (Nov 2021):
Operations & Maintenance	11	1	0	4	16	94% Implemented/Addressed 6% (1 of 16) Require Implementation
Contracts and Procurement	4	0	0	1	5	100% Implemented No outstanding recommendations
Accounting	1	11	1	1	14	14% Implemented/Addressed 86% (12 of 14) Require Implementation
Total Recommendations	16	12	1	6	35	

P2P - P/S E&CM - 1ST UPDATE	Implemented	In Progress	Nat Implomente	Na Langor d Applicable		Results after approximately 60 days, since the date of the original audit report (March 2022):
Engineering & Construction Management	2	4	0	1	7	43% Implemented/addressed 57% (4 of 7) require Implementation
Contracts and Procurement	2	0	0	0	2	100% Implemented No outstanding recommendations
Accounting	0	7	4	1	12	8% Addressed 92% 11 of 12 require Implementation
Total Recommendations	4	11	4	2	21	

Of the 56 recommendations:

- 20 are now Implemented
- 23 are in progress of being implemented
- 5 require additional time for corrective action (Not Implemented)
- 8 are considered no longer applicable

Highlights

Highlights of the recommendations that have been implemented during the previous three months include the following:

• CAP has implemented the remaining six (6) audit recommendations. Recommendations suggested that CAP to reach out to the departments to work

closely with them to gain a clear understanding of their unique procurement requirements and to provide additional training, guidance, and assistance to ensure the transactions follow the Agency's P2P process. CAP has had multiple meetings with Operations & Maintenance(O&M) and Engineering & Construction Management (E&CM) and has provided guidance and awareness of the various procurement instruments and monitoring reports (Contracts and PO). Additionally, CAP hosts a virtual Q&A session each month called CAP Café and attendees can ask questions, request guidance, assistance, and discuss any unique issues. Lastly, each month, CAP staff send via email to all Agency staff a list of Tips and Tricks related to SAP navigation and transactions. The additional outreach efforts have provided valuable and useful information for all users.

- The E&CM Department took the lead to evaluate their internal metric of fourteen (14) days to determine the best goal that allows Accounting sufficient time to process the invoice payment. E&CM took worked closely with Accounting and CAP to evaluate options to ensure vendor invoices are returned to Accounting within the set internal goal/timeline of fourteen (14) days and will work with CAP to determine if invoice terms can be extended for future contracts.
- The E&CM Department is working on documenting Standard Operating Procedures for processing invoices and pay estimates and plans to have final versions by June 30, 2022. Additionally, E&CM plans to provide training on the new procedures once they are documented. IA will follow up on this item during the next progress update.
- The O&M Department took the lead and they worked closely with Information Technology and implemented IAs recommendations related to leveraging the various technologies and tools already available to expedite the receiving process for chemical deliveries. Specifically, the O&M Department, for all plants, are now using Agency-issued cell phones to scan, upload, and submit the delivery documents to a designated electronic folder where the administrative assistants have immediate visibility and access to begin processing the receiving into SAP. This process has already been rolled out to all plants. With this new process, the O&M Department has set a goal to ensure receiving is completed into SAP within five to seven (5-7) days; this is a tremendous improvement when compared to the original audit findings, where it was noted that receiving was taking an average of twenty-three (23) days. With this shortened receiving time frame, it will allow the Accounting Unit the remaining twenty-three to twenty-five (23-25) days of the month to process timely payments for Chemical vendors. The Strike Team continuously reviews the performance, and the results are positive.
- The O&M Department finalized and documented a Department Standard Operating Procedure that documents the process for performing the receiving function and for monitoring the related Purchase Orders.

- Accounting has been working closely with the IT department to develop monitoring reports that Accounting can use to have greater visibility of all payable items that come in. The reports will assist with sorting items, planning, prioritizing, and scheduling payments with the end goal of ensuring payments are made on time.
- Accounting has also committed to drafting a Standard Operating Procedure to document the many processes involved with processing timely payments, including reviewing, matching, and processing for payment. Accounting is exploring the option of using a consultant to draft the SOP. The draft SOP is planned to be completed by June 2022.
- Both O&M and Accounting have periodic meetings together to discuss pending payable items that require attention. According to the departments, the meetings have been a positive forum to discuss questions and follow up on items.

The attached matrixes provide a status for each of the fifty-six (56) recommendations. Also, included are the corresponding process flowchart.

For additional details related to background, findings, and recommendations, IA refers readers to the original audit reports, received and filed by the Board of Directors:

- Accounts Payable Operational and Internal Control Audit Report Review of Procure to Pay Processes for Chemicals, dated November 24, 2021.
- Accounts Payable Operational and Internal Control Audit Report Review of Procure to Pay Processes for Professional Services – Engineering & Construction Management, dated February 24, 2022.

The reports can be accessed through the Agency's intranet website or requested from the Manager of Internal Audit. IA will provide another progress update in September 2022.

Acknowledgements

IA would like to extend our appreciation to the Engineering & Construction Management, Operations & Maintenance, Accounting, and the Contracts and Procurement Department staff for their cooperation and assistance during this review and look forward to the continued collaboration.

Discussions with Management

IA met with each of the respective department managers and representatives to discuss the observations, the status of each recommendation, and corrective action plans. Where possible, their comments have been incorporated.

The Progress Update for all Procure to Pay Audit Recommendations is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment, and Business Practices by ensuring that IA's evaluations provide recommendations that foster a strong control environment, safeguard assets, promote a safe work environment and assist management in achieving organizational goals and objectives.

		Recommendation		STA	TUS	No Longer Applicable	Department's Response, Corrective Action Plan and Proposed Date for	IA comments/notes
leco #	Dept(s). taking the lead	Consider using the department scanned shared drive to "park" delivery	Implemented	in Progress	Implemented	Applicable	Implementation	IA comments/notes
1	Operations	documents and ensure other department staff know where to access those receiving documents. OR Work with ISS/BIS to establish a separate scanner folder (for example, named: 'OPS RECEIVING DOCS' or similar) and have operators scan into this department folder where the admin assistants can retrieve the receiving documents, instead of waiting for an email copy.				x		This recommendation was deemed no longer applicable during the prior status update.
2	Operations	Consider the feasibility of purchasing and servicing an additional scanner to be placed in closer proximity to the operators that have the Receiving documentation. OR See next recommendation below for leveraging other technologies.				x		This recommendation was deemed no longer applicable during the prior status update.
3		Consider the feasibility of leveraging the use of iPhones to perform the scanning and emailing receiving documentation immediately upon verification of receiving chemicals. If cell phones will be used for scanning and emailing, provide the necessary and consistent training and instructions to operators for using the Agency iPhone scan function to scan and email a document and work with ISS/BIS to set up a unique email address where receiving documentation can be centralized (for example: OPSReceivingDocs@ieua.org).	х				This is fully implimented. Staff is using OneDrive to upload BOLs to AIM.	Per staff, the new OneDrive upload of delivery documentation has been rolled out to all facilities. Staff is also working closely with other departments to implement the new process for chemical receiving. Staff will provide an updated metric report "GR Recieing and Invoice Payment Tracker" to show the differences in the time it took to receive items. Operations goal has been to receive within 5 7 days.
4	Operations working with BIS/ISS/RM	Determine where the original delivery/shipping documentation should go. (Department, Accounting or Records). Determine and standardize, for all locations, the process for how admin assistants will process the receiving in SAP with either an electronic copy or if the hard-copy documentation is needed for processing. Consider having them rely on the electronic documentation they can pull from a centralized location (scan folder or electronic email).	×				The electronic copies of the BOLs are stored in AIM. Hard copies are stored onsite for 1 year and are put in the shred bin on a rolling year calendar timeframe.	This recommendation is considered implemented based on the response and new process implemented. Also, see comment in #3.
5	Operations	See items related to #(2) above. Standardize for all locations the process of submitting the delivery docs to the admin assistant. Determine the need for multiple copies and if documents can be saved and retrieved from a centralized folder, file, or email (as described above) and specify where the hardcopy should go	х				This is fully implimented. Staff is using OneDrive to upload BOLs to AIM.	This recommendation is considered implemented based on the response and new process implemented. Also, see comment in #3.
6	working with AP	Standardize, for all plants: Specify which or if all delivery documents should be scanned, copied, emailed, and uploaded into SAP. Standardize the admin assistant's process for performing receiving in SAP. Reduce the need for multiple electronic copies (4+ copies) and email communication of delivery documents (by implementing recommendations mentioned above). Ensure all receiving documentation: Bill of Lading, all delivery documentation is uploaded into SAP at the time the admin assistant performs SAP Receiving function. Information is important for AP to complete the 3-way match (Delivery Documents, PQ, and Invoice).	х				This is fully implimented. Staff is using OneDrive to upload BOLs to AIM & Admin Assistant is utilizing AIM to upload the BOLs to SAP.	This recommendation is considered implemented based on the response and new process implemented. Also, see comment in #3.
7	Operations/ AP	Standardize, for all plants a consistent methodology for the receiving function in SAP: -Standardize the admin's process for perform receiving in SAP. Reduce the need for multiple electronic copies and emails. Ensure all receiving documentation: Bill of Lading, all delivery documentation is uploaded into SAP at the time the admin performs receiving. Determine and streamline the need for the several emails and attachments among the operators, admins, and AP staff.	×				This is fully implimented. Staff is using OneDrive to upload BOLs to AIM.	This recommendation is considered implemented based on the response and new process implemented. Also, see comment in #3. Hawe a significant number of emails been reduced or eliminated to communicate receiving to AP and between Operators and Admins with copies of documents? Per Bonnie - doesn't get staff emails unless it is something else that is needed. Per Bonnie, she reduced by about 150 emails a month. email correspondance to Acct. per Connie, doesn't want any emails unless it is something old and still
8	Operations working with AP and CAP	Formalize and document Agency Policies or Department SOPs to: 'Ensure staff perform receiving against the correct PO and the correct line item within the PO. 'Work closely with CAP to continuously review POs to check pricing terms and that there is sufficient funding in the PO for the orders planned.	х				Draft SOP completed and in review. Anticipate final SOPs to be completed by end of April.	cleaning up. As of 4/26/2022 the department has documented SOP #2022-1 Migo Receiving Chemicals and SOP #2022-2 OneDrive Chemical Receiving to address receiving. Staff have also met with CAP staffs to evaluate efficiencies with setting up and charging to the correct POs.
9	Operations working with AP	Document specific SOPs to establish consistent procedures for employees to follow, be trained on and evaluated on. SOPs should be reviewed periodically, and updates should be made as needed.	х				Draft SOP completed and in review. Anticipate final SOPs to be completed by end of April.	As of 4/26/2022 the department has documented SOP #2022-1 Migo Receiving Chemicals and SOP #2022-2 OneDrive Chemical Receiving to address receiving. Staff have also met with CAP staff to evaluate efficiencies with setting up and charging to the correct POs.
10	Operations	Training should be provided periodically to reinforce the documented SOPs to ensure employees are following consistent procedures and any updates are communicated promptly.	х				Draft SOP completed and in review. Anticipate final SOPs to be completed by end of April.	Staff indicated that training on the BOL upload process has been in person and sometimes one-or one. Staff plans to provide continous training to ensure all staff is able to perform the processes documented in the SOPs. As of 4.26.22, staff indicated that Annual Referesher Training is scheduled on all calendars for March 2nd of each year.
11	Operations working with BIS	Evaluate all findings and recommendations and develop a more streamlined and consistent approach to ensure receiving is completed by the administrative assistants within a few days of delivery.	x				Draft SOP completed and in review. Anticipate final SOPs to be completed by end of April.	Recommendation is considered Implemented. The method documented in the SOP is the newupdated streamlired process. Currently, there are approximately 4 admins that perform the receiving. One main person, a back up and several specialized at different facilities or departments. Receiving is performed consistently throughout the week. As of 4/26/20/22, two SOPs have been documented (see Reco #8 & 9 above) and training has been provided and is scheduled. The department has evaluated all recommendations an have developed their own efficient methods and have documented a more streamlined approach to ensure receiving is completed within a few days of chemical delivery.
12		Establish and document performance metrics, KPI's, goals and objectives and a method to measure those for the documentation of the deliveries by the operators and the time it takes to complete receiving into SAP. Work with BIS to establish any reports that can provide measurements and metrics.		х			In process. Final should be completed by end of May.	Recommendation is considered In Progress. Metrics have been established, staff continues to work to improve the measurement report and working to document goals. Planned for implementation by 5/4/2022.
13	Operations working	Consider eliminating the receiving function before issuing payments for chemicals, so that AP process payments without waiting for the receiving function. Determine the feasibility to reconfigure and implement the change in SAP. Determine how the "after the fact" reconciliation of receiving documents to POs and invoices will be completed to ensure proper oversight is performed. Assess the benefit, impact, and the risks of eliminating the best practice internal control of performing the receiving before the 3-way match and the payment are issued.				х		This recommendation was deemed no longer applicable during the prior status update.

Reco #	Dept(s).	Recommendation	Implemented	In Progress	Not Implemented	No Longer Applicable	Department's Response, Corrective Action Plan and Proposed Date for Implementation	IA comments/notes
14		CAP and Accounting should assist in providing training, information and have continuous communication with O&M staff prior to assisting with establishing the requested POs. If the planned budget amount for each chemical is known and forecasted, the PR should be set up with sufficient funds to be able to cover a full years of invoice charges. O&M would benefit from training and information from CAP and Accounting.	×				CAP has on-going/regular biweekly meetings with O&M to discuss all procurement topics. CAP continues to be available to discuss all Procurement-related topics with O&M, CAP facilitates discussions during various forums including CAP Café, Tips and Tricks and other meetings. CAP will reach out to O&M to facilitate a discussion and offer any assistance, awareness and information about planning and setting up PRs. Things to discuss will include: total budget for chemical purchases, cost centers, GL, PR, line items one for each facility, FY amounts, contract pricing, quanties, pricing, budget blocks, and timeliness of amendments and PRs, etc. with the goal of anticipating and ellminating budget blocks and late payments. On 4119/2022 CAP met with O&M staff to discuss the department's budget process, the comment below provides a summary of the items discussed and continued, planned discussions between CAP and O&M. The budget preparation includes significant discussion with various staff. It includes looking at the usage from the past year, the projections associated with flows, required dosages, the weather, contact terms, equipment shutdowns, repair projects, and other factors. Once O&M determine what the anticipated annual budget is for the chemical and facility, O&M staff identifies the contract terms (pricing, increases, expiration dates) and establishes a value for the PR. That amount can be the anticipated annual amount divided by 12 months, and then multiplied by the time-period associated with the contract terms. Staff additionally identifies a contingency factor of up to 20% for the PR. This is done so that they don't commit the full budget on the first PO, as they will be creating new PRs and Pos whenever there are price changes so that the receiving can be completed against new budget lines in the PO. This is more efficient then adding new lines to a PO creating confusion on which is the appropriate line. With the reorganization aligning Operations under one manager, the breakdown will allow more effic	IA consisters this recommendation Implemented. The intent of the recommendation was to provide the observations and findings noted during the audit and encourage the departments to discuss potential operational efficiencies in the P2P process, specifically as they relate to budgeting, setting up PRs and charging against the established PRs with the goal of assistin in the process and working together to identify opportunities and ideas that ensure vendor payments are received timely and efficiently without delaying the payment process. Based on the comments provided, IA determines that that departments are aware of the potential concerns or delays and will continue to discuss and work together to make the process more efficient.
15	O&M working with CAP & Acct	There should be continuous monitoring of PO terms and pricing against the most current updates/amendments to the chemical contracts. O&M and CAP staff should work closely together to ensure that once the pricing adjustments are made, O&M immediately submits the required PR with the new terms so that CAP can establish the new PO# with the new terms.	x				O&M Response: The process is that at the beginning of the fiscal year each chemical contract is reviewed and a PR is put in place taking into consideration when the contract ends. The Budget is divided by 12 and that total is then multiplied by the number of months left on the contract. For instance if the contract ends 8/31 the PR is put in place with 2 months worth of budget. Once we receive the new contract/amendment a new PR will be put into the system within 7 days of receiving the signed contract/amendment. The POs are monitored monthly by the Administrative Assistant using the Open PO Report and quarterly by the Administrative Assistant using the Open PO Report and quarterly by the Administrative Assistant and Manager of Operations to ensure that the POs are properly funded.	Per staff, the reorg is helping the PR process as seem to be approved faster. With the reorg there will be a reduction in POs in the new FY and this too will help the process. Staff indicated that CAP have been helpful and responsive with questions. MPR biweekly meetings and CAP Cafe provide a good resource. As of 4/26/22 Operations and CAP have met to discuss the needs of the department with the several PRs and how the budget is planned/used. These discussions have provided insight as to the department seed, as well as information to ensure Operations is using the most efficient method to set up POs. CAP has been in continuos communication with the department hrough various forums and by reaching out. Also see responses Oy CAP to #16 and #17 below. It suggests Operations continues to work and communicate with CAP regarding their procurement needs and ensure there are trained individuals to the administrative assistant.
16	CAP working with O&M	If O&M staff have a forecast/planned/budgeted amount to be spent on a specific vendor, the PR should be created with the total anticipated/planned amount for that vendor so that monies do not run out throughout the year. The Open PO Report should be reviewed by all staff who manage POs for their department needs to continuously monitor PO amounts. O&M staff should forecast and plan for incoming invoices and proactively ensure the existing POs have sufficient funds.				х	this recommendation is being deferred to O&M to address with the implementation of Reco #15 and #18. No longer applicable to CAP.	IA defers this recommendation to O&M as it is being addressed through their implementation actions under Reco #15 and #18.
17	CAP working with O&M and Acct	O&M work closely with CAP and Accounting and possibly BIS to understand how to run, download and review the Open PO Report to monitor the department's chemical POs to ensure that orders that are being placed will have the sufficient funds available in the corresponding POs and if additional money is needed, staff should proactively submit additional PRs with new funding requests.	х				CAP has done this through their discussions during CAP Café - demonstrated how to run by cost center and what to manage, the report is also sent once a month.	IA considers this recommendation implemented through the implementation of the CAP Café, Tools and Tricks and other on-going department meetings. IA suggest CAP maintain metrics such as number of meetings, employees reached/attended and others for these trainings provided.
18	O&M working with CAP and Acctng	CAP and Accounting should assist O&M in documenting proper SOPs for funding POs.				x	Draft SOP completed and in review. Anticipate final SOPs to be completed by end of April.	As of 4/26/2022 the department has documented SOP #2022-1 Migo Receiving Chemicals and SOP #2022-2 One Drive Chemical Receiving to address receiving. Staff have also met with CAP staff to evaluate efficiencies with setting up and charging to the correct POs. See also #8 & 9 above and CAPs responses in # 17, 19 and 20 to providing information, assistance and updates and having discussions with the user department. It has been determined that a separate SOP for funding POs is not needed only ongoing communication between Operations and CAP. I A suggests Operations continues to work and communicate with CAP regarding their procurement needs and ensure there are trained individuals to the administrative assistant.
19	CAP working with O&M and Acct	CAP & Accounting should assist with providing periodic training to O&M on properly funding POs.	x				This recommendation is addressed with Reco #14 and #17 above.	IA considers this recommendation implemented through the implementation of the CAP Café, Tools and Tricks and other on-going department meetings. IA suggest CAP maintain metrics such as number of meetings, employees reached/attended and others for these trainings provided.
20	CAP working with O&M	CAP should work with the end users to explain, provide assistance, training and coaching to ensure POs are established for the budgeted/ planned/ forecasted amount needed for the vendor.	x				This recommendation is addressed with Reco #14 and #17 above.	IA considers this recommendation implemented through the implementation of the CAP Café, Tools and Tricks and other on-going department meetings. IA suggest CAP maintain metrics such as number of meetings, employees reached/attended and others for these trainings provided.
21		Once the information is entered into SAP in the "Held Invoices" database, AP staff should frequently review and evaluate outstanding items and items past the payment terms and elevate them for additional attention and prompt processing. AP determine if this process is helping expedite processing invoices for payments and formalize by documenting specific procedures for staff to follow to provide specific steps for uploading invoices, how to monitor items and activity and actions steps for different situations.		x			Accounting Response: Splitting the invoice data entry into SAP from the matching and payment processing into two different processes has been working well since implementation in early summer, 2021. Additional information: As of January 2022, this invoice intake process is being performed by temporary staff; however, recruitment is currently underway to hire two part-time interns to perform this task. This process will be integrated into the SOP of the department (see also recommendation 26 regarding creation of SOPs.) Recommendation #21: On February 17, Lauramae (IT) forwarded instructions on how to download the held/parked invoice information in SAP (from the Invoice Overview Screen, aka mile) into Excel. I have tested the instructions, and it worked. I will need to change the fields displayed so the vendor names show up; the instructions will be updated to include that step, and then we'll integrate those instructions into our desk manuals. Somewhat related to this recommendation, the "intake" process is going to be transferred to the new interns joining the Agency on 2/28/22. Please see recommendation # 26 for details about SOPs.	This recommendation is considered in Progress. Accounting has worked with IT and there is now a way to export the information into a report that can be used to sort and prioritize items. The process for how and when to use the report should be documented in a SOP. Planned date for full implementation is 2/28/22.

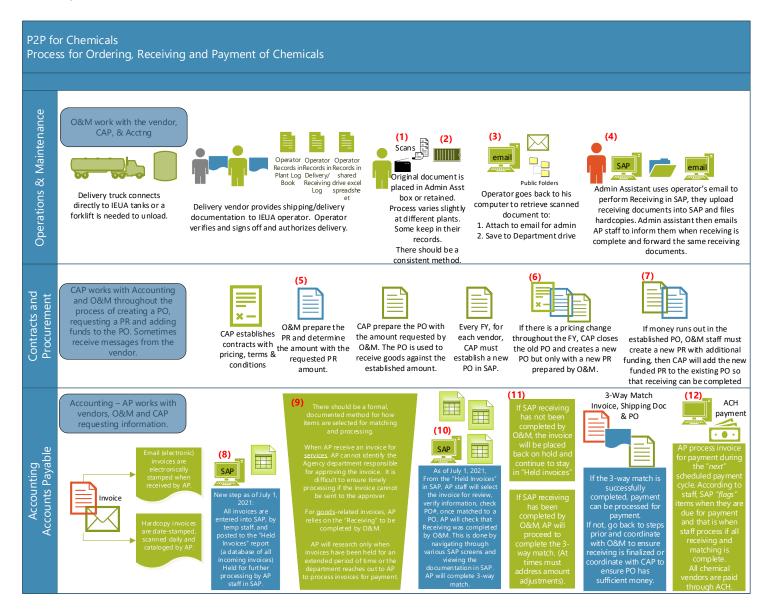
Reco#	Dept(s).	Recommendation	Implemented	In Progress	Not Implemented	No Longer Applicable	Department's Response, Corrective Action Plan and Proposed Date for Implementation	IA comments/notes
22	BIS	Accounting work with BIS to determine if there is an existing report or a way to create a report to assist with making the 3-way matching more efficient to expedite the invoice processing. Accounting formalize and document specific procedures to specify how and what items should be selected by AP staff to perform the 3-way match AND processing of payments, also specify the frequency of when this process should be completed.				X		This recommendation was deemed no longer applicable during the prior status update.
23	Acctg working with	Accounting should work with BIS to develop an Aging Report or a report that shows all outstanding invoice information, including total days held and outstanding or overdue so that Accounting can take prompt action. OR Accounting should work with BIS to export and fully utilize the Held Invoice Report to review all items and ensure any outstanding items are reviewed promptly. AND Accounting should formalize and document specific procedures for how items are selected for matching and processing for payment before the due date.		x			As of January 2002, the Accounting Department continues to have staff vacancies, specifically replacement of an Accounting Technician who retired as of June 2021. The lack of staff has created a "triage" situation within the department, and when end-user's department staff or vendor representatives inquire about an outstanding invoice, that invoice will demand AP staff's attention and be processed as quickly as possible. Given the volume of vendor payments to be processed vs the current staff workload capacity, it's difficult for AP staff to proactively identify invoices that are overdue. However, we disagree that staff are waiting to process payments until someone inquires. Instead, AP staff process payments based on: product/service being purchased (for example, priory is given to chemical vendors since the product/service being purchased (for example, priory is given to chemical vendors since the product is critical to plant operations), and if the goods receipt has been performed (i.e. ability to perform the 3-way match.) Accounting management agrees it would be very helpful to be able to extract data from the SAP Held Screen (code MIRE in SAP) and has advised BIS of our request. We will continue to work with BIS to create a report, or data extraction capabilities (i.e., export to Excell), of invoices pending on hold. We additionally agree documented SOPs for vendor payment processing is needed (see also recommendation 26.) Further, management is considering updating the criteria used by SAP to select which payments to process, so that payments will be picked up by the system for processing prior to the due date (see also recommendation 25.) Additionally, the Accounting Supervisor is working closely with AP staff to help prioritize which payments to process, especially given the current workload and need to triage which invoices get processed first. Accounting management has reviewed with the IT Department what the Controller is calling the "P2P monitoring peport" (not sure what the official name is?) that	(as of 2/14/2022 BIS sent instructions for exporting the Invoices Held report, do these instructions work? and how does Accounting plan to use the report and invoices? The recommendation also mentions the use of an Aging Report? Does Accounting run the Aging Report? His o, how is it used? Does accounting need to work with BIS to update this report? if so by what date will this be done? The recommendation provides for a formal and documented procedure. Is there a planned date for full implementation of the SOP? IA has some comments/recommendations on the draft SOP provide.
24	Acctg	Accounting - see items (9) & (10) above Train staff to work proactively and collaborate with other departments in researching and resolving any delaya/blocks with processing invoices for payment, with the end goal of working to pay all invoices by the due date. AND Accounting should formalize and document specific procedures for how items are selected for matching and processing for payment before the due date. Specify the action steps, AP should take when items are approaching the due date or are past the due date, and how to elevate items for prompt research and attention.		x			Accounting management disagrees that AP staff do not work proactively and collaboratively to research any delays/blocks for processing invoices for payment. Throughout the day, AP staff reach out to vanious department receivers, managers, as well as staff in Finance to attempt to resolve any issues preventing payment as quickly as on hold pending resolution; usually, these delays relate to no receiving in SAP, so the 3-way match cannot be performed. Other times, the inability to process payments is due to lack of purchase order capacity or a budget block, in which case AP staff will contact both the requesting department staff as well as staff in Finance to resolve the issue. We believe the implementation of Internal Audit's recommendations to improve efficiency for receiving, as well as improved budget monitoring by Department Managers, will reduce the need for AP staff to continue to follow-up with other Department staff and thus allow for more time for payment processing as well as help to eliminate inefficiencies caused by AP staff task-switching. Accounting management agrees documented SOPs for vendor payment processing as well as help to eliminate inefficiencies caused by AP staff task-switching. Accounting management agrees documented SOPs for vendor payment processing as well as help to eliminate inefficiencies caused by AP staff task-switching. Accounting management agrees documented SOPs for vendor payment processing is needed (see also recommendation 26.) Response provided 2/27/22 Staff continue to collaborate with other department staff to resolve any delays/blocks. However, due to delays in filling vacancies in the Accounting un opportunity to be more proactive as recommended. Two part-time Interns the are scheduled to start the week of 2/28/22 and an additional Accounting Technician (to fill the vacancy due to a referement) on 3/7/22. Additionally, one limit term position and two additional temporary staff have now been approved by the Agency Leadership. The rest of this recommendation is to crea	IA considers this recommendation Not Implemented. The recommendation states to formalize and document specific procedures for how items are selected for matching and processing for payment before the due date. Is there a planned date for implementation of a formal procedure for performing the 3-way match and process payments? Will the procedure specify the action states staff should take to ensure payments are made by the due date? Please provide a planned action to address the recommendation and a corrective action date. As a note - these steps were documented during the discussion and walkthrough with AP staff and we asked for confirmation several times and never received confirmation several times and never received confirmation for this reason, IA encourages Accounting to formalize and document their SOPs. Based on the response provided on 2/17, this recommendation will be considered in Progress, pending documentation of formal SOPs.
25	Acctg	If SAP "flags" items for payment on the due date and after , Accounting and Bib-should work together to evaluate the cost/ benefit to reconfigure this built-in SAP "flags" items for payment 5 or so days before the invoice due date, so that items can be processed days prior to the due date to avoid being paid late.		x			SAP, we must defer to BIS for the implementation timeline. Response on 2/17/2022: Accounting management has met with IT Department on February 10th to discuss threed to update the business rules in SAP so that payments are process before the due date. Currently the system is setup to only process invoices which are due or past due prior to the next payment day; we have proposed to change the business rule so that payments due within 5 days are also processed. This recommendation is dependent on IT making this change in SAP, and we have not heard back from IT regarding the timeline for	work with BIS to see if this id completed. Who will take the lead on this recommendation. IA suggests Accounting take the lead to discuss the possibilities since it does impact work load and prioritizing. Is there a planned date for testing this reconfiguration?
26	Acctg	Formalize and document specific procedures to specify how and what items should be selected by AP staff to perform the 3-way match AND processing of payments, also specify the frequency of when this process should be completed. SoPs establish consistent procedures for employees to follow and be trained and evaluated on.		x			Accounting Management agrees there is a need for documented SOPs for payment processing in order to establish consistence procedures and strengthen the internal control environment. We will complete a draft of SOPs for Executive Management review no later than January 31, 2022 and/or once all recommendations and changes affecting AP processes have been implement. Response on 2/17/2022: SOPs are in process; however, they are taking much longer than anticipated, particularly given the unresolved lack of personnel capacity in the Accounting Unit. As noted at the Strike Team meeting, the AP Process Overview SOP was not ready for any sort of review but was forwarded only as evidence of the progress being made. The plan is for the Controller to continue to work on the AP Process Overview SOP, while the AP staff formalize and review all the various desk manuals, guides, cheat sheets, and other various references that are provided to staff. By February 24th, we will have the Mail Throucis Intake desk manuals completed which will be used to assist in training the new Interns orboarding the week of February 28th. By March 24th the Accounting Unit will submit a draft of the Process Overview SOP that is ready for review by the IA team, which will include the references (names) of the other desk manuals. We might combine some of the desk manuals or turn others into a full separated SOP? The new (more realistic) goal for this entire project is the end of the fiscal year, June 30.	IA considers the recommendation In Progress until the SOP is fully documented, finalized, distributed to staff for training. A Draft SOP was forwarded. IA will provide review comments and recommendation to consider in finalizing the SOP. This recommendation suggests an SOP for the 3-way match, other recommendations suggest SOPs for other processes and procedures within Accounting.

Reco #	Dept(s).	Recommendation	Implemented	In Progress	Not Implemented	No Longer Applicable	Department's Response, Corrective Action Plan and Proposed Date for Implementation	IA comments/notes		
27	Acctg	Training should be provided periodically to reinforce the documented SOPs to ensure employees are following consistent procedures.			X		Accounting Management agrees AP staff should be provided training on any new processed established as the result of this review. The Accounting Supervisor will be responsible for ensuring the existing staff as well as new AP staff are trained on the SOPs, on an ongoing basis. In addition to training sessions, the Accounting Supervisor regularly meets with the AP team and will use those meetings to reinforce best practices as well as any updates to the SOPs. Response on 2/17/2022: See recommendation # 26 regarding timeline of SOP creation. As previously noted, training will be provided to new staff as they onboard, as well as on an ongoing basis. The SOPs will be distributed to all AP team members, and evidence of the distribution will be provided to In as it occurs. While the SOPs are mostly documenting processes that are already occurring, any new or changed procedures will be communicated to the AP team via their weekly meetings with the Accounting Supervisor over AP.	This recommendation is considered not yet implemented because there are no final SOPs to provide staff training. Once all SOPs are formalized and finalized, Department management can determine how to best provide training and information on the new SOPs, a plan of action for that training can be provided as a response to this recommendation after SOPs are documented.		
28	Acctg working with O&M	Accounting should continue to lead periodic meetings with the end users. Discuss the "Held Invoice Report", discuss any vendor phone calls received, discuss PO issues, and any other bottlenecks/issue/concerns and discuss resolutions for moving forward.	х					This recommendation was deemedimplementedduring the prior status update.		
29	Acctg working with BIS	Accounting should establish and document performance metrics and KPI's, goals and objectives and a method to measure how timely invoices are paid. Work with BIS to establish any reports that can provide measurements and metrics.		х			Accounting Management agrees performance metrics and goals for on-time payments should be established. We will work with BIS to create any reports needed to monitor our departments adherence with the performance metrics. Accounting department management will use the established metrics to continue to monitor timeliness of vendor payments, identify the cause of transactions not meeting these goals, and how to prevent such delays. The Accounting Supervisor will further consider these metrics as part of their probationary or annual evaluation of AP staff's job performance.	IA considers this recommendation not implemented at this time. Does Accounting have a timeline for establishing KPIs, goals and objectives and a method to measure how timely invoices are paid? Based on this new response, this recommendation will be considered In Progress until all Key Indicators are formalized and more defined measurements/goals are established, and the monitoring reports are being used to measure what is intended to measure. Once this practice is in place and consistently applied, the recommendation will be considered Implemented.		
		Document and formalize an Agency Policy or Department SOP about the requirement for completing receiving, matching, and processing payments.					The Strike Team responded that the recommendation will also be addressed in recommendation six (6) with the creation of a SOP.			
30	Acctg working with O&M	-Specify the types of documents that should be included and verified in SAP or other required reports, before payments are processed. -Specify if the Bill of Lading provided by the delivery drivers to the operators should be uploaded into SAP at the time SAP Receiving is completed or be retained in hard-copy and where specifically.		х			Accounting management recommends the Bill of Lading continue to be attached to the receiving transaction in SAP by the receiver. Receiving support documents, such as the Bill of Lading, assists AP staff in verification of the 3-way match since sometime the information on the invoice doesn't align with the information on the purchase order and/or to resolve errors in the receiving that may prevent pyment processing. Hard copies of documents do not need to be forwarded to the Accounting Department.	Per responses provided on 2/17/22, the provided draft SOP and the timeline to finalize SOPs, IA will consider this recommendation In Progress.		
31	Acctg working with O&M	Document and formalize in an Agency Policy or Department SOP about the requirement for completing receiving, matching, and processing payments. -Specify the types of documents that should be included and verified in SAP or other required reports, before payments are processed. -Specify that the invoice received by Accounts Payable should be documented with a date received and uploaded into SAP and accurately matched to the corresponding transaction. Accounting should work with BIS to develop an Aging Report or a report that shows all outstanding invoice information, including total days held and outstanding or overdue so that Accounting can take prompt action.		х			Accounting management agrees SOPs need to be created to document the vendor payment process (see also recommendation 26.) Accounting management will follow-up with BIS to create a report or the ability to pull data from the hold screen (MIR6) to determine how long invoices have been pending payment (see also recommendation 23.)	Per responses provided on 2/17/22, the provided draft SOP and the timeline to finalize SOPs, IA will consider this recommendation In Progress.		
32	Acctg working with O&M	Document and formalize in an Agency Policy or Department SOP about the requirement and expectation for the accuracy of data entry. -Emphasize the importance that staff is expected to make every attempt to ensure the data entered in SAP for receiving and invoice processing needs to be accurate and accurately match the corresponding supporting documentation. -Specify when it is allowable and when it is not allowable to back-post or post-date information.		х			The Strike Team responded that the recommendation will also be addressed in recommendation six (6) with the creation of a SOP. Accounting management agrees a formal Agency Policy regarding appropriate use of data fields within SAP is needed. For AP processes, the data field usage will be defined withing the AP SOPs (see also recommendation 26). Accounting management will further consult with other Agency departments regarding suggested best practices to incorporate within SOPs over SAP receiving or other P2P processes. Additionally, the Accounting Supervisor will provide feedback and training to receivers on the use of SAP data fields as part of the ongoing bi-weekly coordination meetings with Administrative Assistants (see also recommendation 28.)	Per responses provided on 2/17/22, the provided draft SOP and the timeline to finalize SOPs, IA will consider this recommendation in Progress.		
33	Acctg working with O&M	Document and formalize in an Agency Policy or Department SOP about the requirement and expectation for the accuracy of data entry. -Specify what is an acceptable best practice and approximate time frame for processing the invoice, complete the 3-way match, and process for payment. -Specify how invoices uploaded are monitored to ensure that items are processed by the payment terms. -Specify how delayed items should be handled and communicated with the goal of issuing payment by the payment terms.		x			The Srike Team responded that the recommendation will also be addressed in recommendation six (6) with the creation of a SOP. Similar to recommendation thirty three (33), Accounting management agrees a formal Agency Policy regarding appropriate use of data fields within SAP is needed. For AP processes, the data field usage will be defined withing the AP SOPs (see also recommendation twenty six (65)). Accounting management will further consult with other Agency departments regarding suggested best practices to incorporate within SOPs over SAP receiving or other P2P processes. Additionally, the Accounting Supervisor will provide feedback and training to receivers on the use of SAP data fields as part of the ongoing bi-weekly coordination meetings with Administrative Assistants (see also recommendation twenty eight (28)).	Per responses provided on 2/17/22, the provided draft SOP and the timeline to finalize SOPs, IA will consider this recommendation In Progress.		
34	O&M	Document and formalize in an Agency Policy or Department SOP the process for ensuring the Receiving function in SAP is completed within days from the date the chemicals are delivered to the Agency. -Specify what is an acceptable best practice and approximate time frame allowed for the operator to submit the delivery documentation to the Administrative Assistants, and -Specify what is an acceptable best practice and approximate time frame allowed for the Administrative Assistants to complete the receiving in SAP. -Implement recommendations provided in Recommendations #1-12 above to streamline the receiving process.	x				Draft SOP completed and in review. Anticipate final SOPs to be completed by end of April.	SOP's as noted above in #8 and #9 above have been finalized and implemented. Formal KPIs, goals and objectives are planned for implementation by 5/4/22 and will be addressed by Recommendation #12 above. IA consideres this recommendation implemented because SOPs have been finalized, a timefram for receiving has been established and all recommendations are being addressed. IA suggests Operations continues to work and communicate with CAP regarding their procurement needs and ensure there are trained individuals to the administrative assistant.		
35	Acctg working with O&M	Document and formalize in an Agency Policy or Department SOP about the requirements and expectations for AP staff to open/download invoices, date, upload, match and process invoices in SAP and process payments. Consider establishing KPI's and/or benchmarks to determine a reasonable amount for invoice retrieving, uploading, matching, and posting to be performed and processing the Invoices for payment.		x			Accounting Management agrees there is a need for documented SOPs for payment processing in order to establish consistence procedures and strengthen the internal control environment. We will complete a draft of SOPs for Executive Management review no later than January 31, 2022 and/or once all recommendations and changes affecting AP processes have been implement (see also recommendation twenty six (26)). Accounting Management agrees performance metrics and goals for on-time payments should be established (see also recommendation twenty nine (29)).	Per responses provided on 2/17/22, the provided draft SOP and the timeline to finalize SOPs, IA will consider this recommendation In Progress.		
	35 Total Recommendations 16 12 1 6									
		P2P CHEMICALS - 2ND UPDATE	Implemented	in Progress	Not Implemented	No Longer Applicable	Total Original Recommendations	Results after approximately 150 days, since the date of the original audit report (Nov 2021):		
		Operations & Maintenance	11	1	0	4	16	94% Implemented/Addressed 6% (1 of 16) Require Implementation		
		Contracts and Procurement	4	0	0	1	5	100% Implemented No outstanding recommendations		
		Accounting	1	11	1	1	14	14% Implemented/Addressed 86% (12 of 14) Require Implementation		
		Total Recommendations	16	12	1	6	35	J		

Procure to Pay Process for Chemicals

Documented by Internal Audit Department

This flowchart represents the process at the time of the original review and before the internal audit recommendations were implemented.



				STA	103		Department's Response, Corrective Action Plan and Proposed Date for	IA comments/notes
Reco#	Dept(s). taking the lead	Recommendation	Implemented	In Progress	Not Implemented	No Longer Applicable	Implementation	
1	E&CM	The E&CM Department management: Finalize and update the SOP by documenting, signing, sharing with staff, and providing training. Ensure the SOP documents the process for monitoring invoices, timely receiving performed in SAP, how to identify the professional services invoices, track, and route for approvals, to allow the Accounting Unit sufficient time to process payments.		х			There is an outdated SOP for processing invoices and pay estimates. Currently, the drafted updated document is under review. The final document is expected to be signed and finalized by June 30th, 2022.	Please forward the completed SOP to IA once it is finalized. IA suggests you place it on a shared drive or on you website on AIM for all your staff to access. IA will follow up in July.
2	E&CM	E&CM take the lead to seek assistance of CAP Department and the Accounting Unit to establish procedures for monitoring POs to minimize any budget blocks or delays in processing invoice for payments. The E&CM Department should document an SOP for reviewing, tracking and monitoring contracts, POs, monies remaining, payments issued, and other details of transactions and provide staff training. E&CM should work with IT, Accounting and CAP to determine, develop and/or enhance (using SAP or other systems) and avoid duplication of work/data entry, a report that is of greater value/use to the E&CM department, other than the Open PO Report and/or the MS Access Report, that will track all contracts, corresponding transactions (POs), spending, remaining contract values, vendor contact information, payments issued, and any additional information in that E&CM requires. Or determine if the current report and process is the best		x			E&CM has reviewed the current report they utilize with CAP, and both departments along with BIS have found that the report that E&CM currently meets the needs required by the department. No new reports will be made for the trackign of these contracts. **BIS was going to look into seeing if they could generate a report for us utilizing the information.1 need to follow-up with Kanes.**	IA will follow up on any progress sometime in July.
3	E&CM	The E&CM Department management should provide training periodically to reinforce the documented SOPs to ensure employees are following consistent procedures.		х			E&CM has a full training plan that was implemented in February 2022 and will go through until 2023 to cover new and older topics with the department. ("attachment to training plan")	Recommendation will be considered in progress until #1 is implemented - the SOP is finalized and shared with staff. Did you meant to attach a training plan? Not attached to email. IA will follow up in July.
4	E&CM	The E&CM Department management E&CM Department should consider formalizing this metric of 14 days and additional performance metrics and key performance indicators (KPI-s), goals, objectives, and a method to measure how timely invoices are approved and received. E&CM Department should work with the IT Department to establish any		x			KPI Metric will be included in the SOP to formalize the process, ""BIS was going to look into seeing if they could generate a report for us utilizing the information." I believe AP and BIS are working an a new system. I will need to follow up on this item with Deborah and Kanes. "	Recommendation will be considered in progress unti #1 is implemented - the SOP is finalized and shared with staff. I. A will follow up on the progress sometime in July.
5	E&CM	renote that can oravide measurements and metrics. The E&CM Department work closely with Accounting Unit to determine if the fourteen (14) days to turn around the approved invoice and complete the receiving into SAP allows sufficient time for Accounting to complete the 3-way matching and process the payment by the due date. The E&CM Department should evaluate their internal metric of 14 days to determine if their internal metric of 14 days to determine if their internal metric of feeting feeting the determine.	x				E&CM spoke to CAP and AP regarding this time frame. E&CM needs 14-days to go through the internal approval and processing side of an invoice. AP would like more time, so potentially CAP and E&CM can work on extending out invoice terms on new contracts going forward.	IA will consider this recommendation fully implemented. E&CM coordinated with Accounting and CAP to evaluate options and preferences and you have determined what will work best for your department. Keep in mind the payment terms when negotiating contracts so as not to delay payment
6	E&CM	determine if this is the most appropriate goal and the most effective/efficient time frame, or if it neads to he neuleused or undetaid. E&CM Department take the lead to work directly with the Accounting Unit and the IT Department to evaluate SAPs workflow functionality to track and route invoices for approval to make the process more efficient & effective. Additionally, evaluate the most efficient/effective way to communicate that receiving has been performed to eliminate the need for email communications.				х	**I believe AP and BIS are working an a new system. I will need to follow up on this item with Deborah and Kanes. ** The second area, AP has requested that we no longer let them know that receiving is final. They run a report off of all receivers. ** E&CM to discuss with Audit.	processing by Accounting. This recommendation will be considered No Longer Applicable for E&CM since Accounting and IT are working together on this item.
7	E&CM	IA noted that E&CM have tight internal controls that require multiple reviewers and approvals on invoices to verify and confirm that services have been provided and agree to the scope and terms of the agreements. Some invoices require between two (2) and sometimes up to fourteen (14) reviewers to approve and sign invoices, depending on the type and/or dollar amount of invoices as well as the various projects listed on the invoice. This internal control of multiple signatures, while may be a good and tight internal control of multiple signatures, while may be a good and tight internal control, is currently not a requirement by any Agency policy or department SOP. IA noted that E&CM has a timeframe of 14 days to turnaround the approved invoice to Accounting, E&CM should determine if it can be made more efficient by considering the cost/benefit of the multiple signatures and the time it takes to submit the invoice to Accounting for payment. Agency Policy A-50 is currently applied by AP for verifying approval and	×				E&CM utilized Policy A-50 for approval levels along with internal necessary approvals. These are utilized to verify that the invoice is accurate, since management of the department doesn't have the initimate details of billing that the Project Manager has on a project. E&CM reviewed and have chose to stay with the current method.	This recommendation will be considered fully implemented. E&CM took the time to evaluate the costs/benefits of their internal controls of multiple signatures and evaluated the 14 day timeframe to turnaround the approved invoice to Accounting and with Accounting's and CAP's involvement have determined that the benefit of the various signatures a necessary internal control for the approval of the invoices. Accounting and CAP are both aware of this. E&CM will work with CAP to extend payment terms with vendors for future contracts. This item is consistent onw closed.
		Agency Policy As-0 is currently applied by AP of the verilying application and processing invoices. A-50 requires 1 signature for invoices under \$250,000 and 2 signatures for invoices over \$250,000. The CAP Department should work closely with the E&CM Department to provide training and information on how to best monitor POs, activity and funding to prevent/minimize any budget blocks when processing the invoice for					CAP continues to work closely with the department and believes the E&CM Department manages their POs and project expenses well. CAP continues to be available to provide any needed information or training if called upon as well as during CAP planned training	IA considers this recommendation to be Implemented per the discussion with CAP and comments provided and per audit observations. IA
8	CAP	payment. Additionally, CAP should work with E&CM, IT and Accounting to determine, develop and/or enhance (using SAP or other systems) and avoid duplication of work/data entry, a report that is of greater value/use to the E&CM department, other than the Open PO Report and/or the MS Access Report, that will track all contracts, corresponding transactions (POs), spending, remaining contract values, vendor contact information, payments issued, and any additional information that E&CM requires. Or determine if the current report and process	x				events. E&CM staff continues to attend the CAP training events and have a monthly scheduled meeting to address procurement-related topics.	encourages and suggests CAP continues to do all the new things they have implemented with CAP Café, Tips and Tools, surveys, etc.
9	CAP	The CAP Department take the lead to assist with providing periodic training, assistance and coaching to the E&CM Department staff on properly monitoring POs. The training should be done periodically after carefully assessing the needs of the department and should reinforce requirements of the Procurement Ordinance, Agency policies, contract, and PO requirements, and SAP processes. CAP should work with the end users to assess training needs, explain, provide assistance, training, and coaching to ensure POs are established for the	x				CAP facilitates CAP Café, sends out the Tips and Tools and hold periodic meetings with E&CM and other departments individually to provide information and training on any specific department needs. CAP is also evaluating the recent survey response to evaluate the needs of the users. Also see response above, CAP believes E&CM monitors their contracts and POs appropriately and does not feel the need for additional training/meetings at this time.	IA considers this recommendation to be Implemented per the discussion with CAP and comments provided and per audit observations. Additionally, E&CM is taking the lead to reach out to CAP to discuss additional P2P related topics.

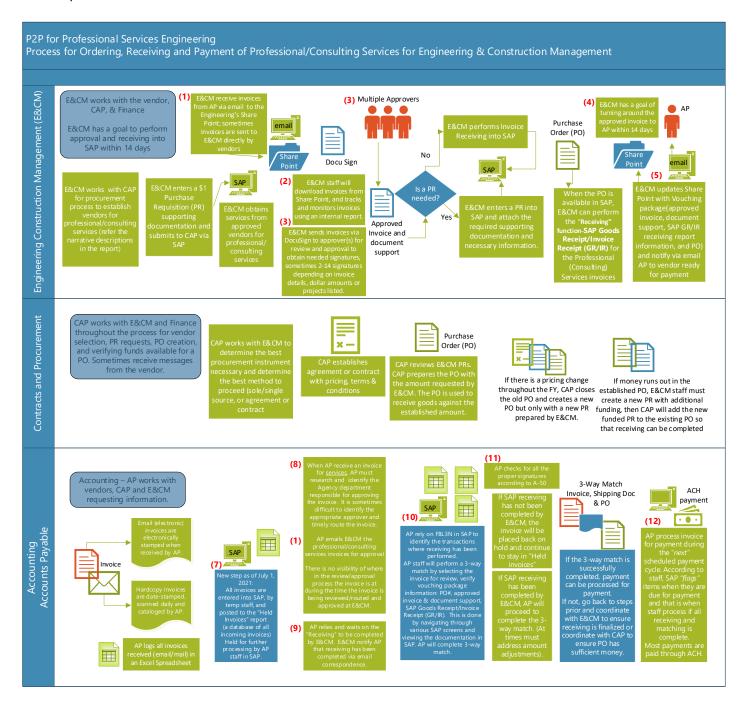
Reco#	Dept(s).	t Recommendation	Implemented	In Progress	Not Implemented	No Longer Applicable	Department's Response, Corrective Action Plan and Proposed Date for Implementation	IA comments/notes
10	ACCT	The Accounting management evaluate and make necessary updates to its internal processes and procedures to ensure all professional service invoices are received by AP staff and are immediately sent to the corresponding Agency department for approval and receiving. Accounting management continuously work closely with the E&CM Department and other Agency Departments and keep a reference list of the professional/consulting services vendors that each Department is managing, to ensure proper reference and routing of the invoices is done immediately upon receipt. This will require continuous communication with the Departments as well as continuous communication with vendors to specify instructions for submitting invoices. Accounting management track the professional/consulting services invoices in the invoice Held database or other tracking database to monitor when they are received by the Agency and when they are due for payment.			x		The Agency is currently in the process of evaluating technology solutions to improve the visibility of normoring invoices, as well as possibility of creating workflow to distribute and approve invoices. BIS has been coordinating these efforts. Last demo held on 4/5/22; next scheduled for 4/18/22. Accounting and Finance Management meets with E&CM monthly to, amongst other topics, review issues with payments to vendors. The last meeting was on 3/29/22. Additionally, the Supervisor of Engineering Services and the Accounting Supervisor do share lists of vendors used by E&CM, as well as lists of invoices received in AP. As part of review of these recommendations, EN&C staff met with Accounting Management, as well as CAP and IT staff on 4/6/22 to review possible areas of improvement for the P2P for services.	Per Accounting's response, Accounting plans to move forward with implementing a new technology solution to improve uploading invoices received. This will be an on-going, long term project to address the recommendation. In the meantime, to address the recommendation based on the current/existing practices, Accounting will continue to use current processes to receive and forward invoices. No changes to current practices are planned? The recommendation suggest to: "evaluate an update internal processes to immediately send the invoice to the department, "to work closely with E&CM to keep a reference list of the professional/consulting service vendors, including continuous communication, and "to track the service invoices. Accounting did not respond to these items in the recommendation. The response indicates that the plan is to work on implementing new software. If Accounting disagrees with the recommendation, please indicate so. As of 4/18/22, based on the response proviced, this recommendation is considered Not Implemented, pending full implementation of new software.
11	ACCT	The Accounting management should take the lead to work with the IT Department to develop useful monitoring report from SAP to assist with the review, tracking, and monitoring invoice due dates, open invoices, and prioritizing payments. (Note: This similar recommendation was provided in the Procure to Pay Chemicals audit report as Recommendation twenty-one (21). As of February 15, 2022, the IT Department has developed a way to export the data into excel to create reports). New Recommendation: The Accounting management should determine how this new reporting/monitoring tool (information from the Held Invoices) will be used and implement a procedure to assist with tracking, monitoring and prioritizing making timely payments.			×		Accounting now has the ability to export data on held invoices in SAP (via the MIR6 transaction) into Excel. This has been helpful when researching the status of a payment. Additionally, the Interns that joined Accounting as of 228/22 are now trained on mail processing / invoice in-take process, and have been maintaining the invoice log. This log records all invoices that come into Accounting, either by email or post mail. However, we continue to struggle with visibility of all incoming invoices, and are looking into additional technology solutions as noted above (see recommendation number 10.) Pending the Agency possibility purchasing an external solution, we have held off nor creating any additional reports. Further, any reports derived from the data in SAP will not capture the non-Po Invoices. Accounting many times is not aware that a non-Po purchase has been made, and therfore has no way of knowing there is an invoice outstanding until it arrives in Accounting. We would like to see adherence to the Agency's Purchasing Ordinance by all Agency staff, so that the vast majority of all purchases are made using a PO (note this is not specific to services, but is an issue with various types of purchases.)	The recommendation states that Accounting should determine how to use the MIRG export into excel and determine how twill be used for tracking, moniotring, prioritizing and making timely payments. The recommendation suggest to document this linot a procedure to assist with consistency of this process. The recommendation was not addressed. This recommendation is considred Not Implemented. The response provides information on: 1. the mail processing/ invoice in-take process, 2. invoice log (in addition to the Invoice Held screen), 3. evaluation of technology solutions to assist with visibility of all incoming invoices, 4. Non-PC invoices and transactions, 5. Procurement Ordinance adhearance. However, the recommendation is suggesting Accounting document a methodology/procedure for how it intends to use the MIRG information to review, track, and monitor invoice due dates and open invoices and prioritize payments. Since this step was not addressed, the recommendation is considered Not Implemented. If Accounting does agree with
12	ACCT	The Accounting management should take the lead to work with the IT Department and determine if an invoice recognition software or other technology tools could assist with the uploading of invoices.		х			Accounting concurs with this recommendation and is currently working with IT staff to determine feasibility. (See also recommendation 10 above.) Note too that if such as solution is purchased, we will need to revise any relevant SOP related to vendor payment	this recommendation, please indicate so and why. IA has participated in some of the meetings and demonstrations regarding software solutions for invoice recognition. This recommendation is
13	ACCT	It is recommended that the Accounting management: -establish a procedure to track all open invoice issues, -open invoice issues are reviewed by the Accounts Payable supervisor at the end of each month to ensure open items are cleared, -work with the IT Department to determine a more streamlined/efficient process in SAP to verify that receiving was completed and expedite the three- way match, and -utilize software tools such as SAP Concur for invoice process and management.		x			accounting does not believe that the variability in the time it takes to process one vendor payment vs another is an indication of poor internal controls, but instead is the nature of processing a variety of types and complexity of invoices, as well as other factors that determine the time it takes to perform the 3-way match. An external technology solution may assist in the efficiency of the matching process, as well as a Shallity to more quickly follow-up on issue or outstanding items preventing payment processing. Accounting is currently working with IT to explore options. (See recommendation 12 above.) While the statistics noted in the observation do not align to historical trends noted when data is pulled directly from SAP (using the FEL Nt transaction), it is known that vendor payments aren't being processed timely. However, there are many factors, as evidenced by the recommendations in this report to departments throughout the Agency, not just Accounting, that influences the timeliness of vendor payments. Using transactional data pulled from SAP directly (again, via FBL 1N), after each payment run (at least weekly) Accounting Management (Deborah J Javier) look at the payments that were paid significantly late (over 60+ days) to analyze the cause of the delay to identity possibly process improvement opportunities. These issues and possible preventive solutions are discussed with the Accounting Supervisor during weekly meetings. We do not agree that creating a separate tracking for "invoice issues" is an efficient way to monitor vendor payment processing, instead, on an ongoing basis, as part processing payments, AP staff follow-up on issues that are preventing invoices from being processed. The Accounting Supervisor reviews open invoice issues on a daily basis through monitoring the APGroup email, the GR/IR report (FBL3N screen for account 200900), as well as through communication with AP and other Agency staff.	considered in Progress. The recommendation is suggesting controls to improve how invoices are selected to be matched and processed for payment. "Controls" include anything related to a process/procedure. IA has not been provided with any documented procedures for how the department selects and processes matching and payments. The recommendation is encouraging and suggesting that the department work to formalize a procedure/process to track all open invoices, "formalize a procedure/process to track all open invoices, which it is to determine a more efficient process within SAP to verify that any tlems pending receiving are addressed/resolved so that they are paid timely, and to "utilize SAP to manage invoices, which includes continuously reviewing
14	ACCT	The Accounting management work with the IT Department to evaluate the feasibility of implementing a centralized SharePoint portal (like the one developed for E&CM) and determine if it would be of value to have for all Professional Services invoices where they can be stored for further processing. In addition, Share Point can assist AP staff in sorting and identifying invoices for their staff and ensure they track the approvals needed. Accounting management should work with IT to determine the feasibility of utilizing SAPs workflow process to route invoices for approval while keeping track of where they are in the approval process and ensuring timely payments. Additionally, establish formal, documented procedures for Accounting and other departments using SharePoint to ensure there is consistency in using SharePoint and timely processing invoices for approval and payment.		x			Accounting concurs with the recommendation and is currently working with IT to evaluate possible technology-based solutions to assist with the routing of invoices. (See recommendation 10 and 12 above.)	Per Accounting's response, Accounting plans to move forward with implementing a new technology solution to improve uploading invoices received. This will be an on-going, long term project to address the recommendation. This recommendation will be considered in Progress.
15	ACCT	The Accounting management should take the lead to work with the Leadership Team to determine the Agency's policy/business decision of when to pay invoices (prior to due date or after due date). Based on results noted above, if necessary, the Accounting Management should take the lead to work with the IT Department to evaluate the cost/ benefit to establish a procedure and/or reconfigure this built-in SAP "flag/alert" to ensure SAP "flags" items for payment five (5) or so days before the invoice due date, so that Items can be processed days prior to the due date to avoid being paid late. (Note: This recommendation was provided in the Procure to Pay Chemicals audit report as Recommendation twenty-five (25) currently in Progress).		х			Accounting's goal is to pay invoices as close to but not after the due date, in accordance with the payment terms agreed to with vendor (generally net 30.) To accomplish this, any payment that is currently due, will be due within 5 days, or it past due should be selected for payment. Accounting met with IT staff and determined the current set-up in SAP allows for flexibility of payment date range. AP staff will be directed to select the date range that will flag items due within 5 days or sconer of the next pay run. This process will be outlined in any related updated desk manuals or SOPs. Further, Accounting Management will review how to make the correct date selections with the Accounting Technicians at the meeting on April 19, 2022.	

Reco#	Dept(s).	Recommendation	Implemented	In Progress	Not implemented	No Longer Applicable	Department's Response, Corrective Action Plan and Proposed Date for Implementation	IA comments/notes
16	ACCT	The Accounting management take the lead to work directly with E&CM Department to determine the most efficient/effective way to communicate that receiving has been performed. Both Departments noted above should discuss and agree if there a need use email communication for invoice management.		x			For purchases that follow the P2P procedures, including requesting Items via a PR/PO, AP staff can see if the receiving is completed by viewing transactions posted in the 2009000 account, via the FBL3N transaction in SAP. As such, it should not be necessary to email Accounting when receiving is completed. However, that does not apply to purchasing that circumvents the P2P process and there is no PO. In such cases, the purchaser will email a signed copy of the invoice, and/or other receiving support, to the APgroup email. To help separate the "noise" that comes into the APGroup email (such as vendor advertisements), as well as help isolate the vendor invoices that are coming via email vs internal communication, Accounting is looking into setting up an additional AP email address for internal communications. This will allow the Interns to focus on the incoming invoices in the APgroup email and vendor inquires, while the internal email can be used to for communication with the Account Technicians to follow-up on issues as well as a place to receive non-PO invoices and support. We anticipate implementing this new email within the next month (pending request to IT, as well as notification to Agency staff.)	Quick follow up question - Does E&CM understand when to send an email to informa that receiving was done and when not to? Suggest there is a discussion on this to inform the department. IA will consider this recommendation in Progress until this information is clarified between both departments and/or when the secondary email is set up if that is the direction the department will go.
17	ACCT	Accounting management formalize and document specific procedures to specify how and what items should be selected by AP Group staff to perform the three-way match and processing of payments, also specify the frequency of when this process should be completed. (Note: This is recommendation was provided in the Procure to Pay Chemicals audit report as Recommendation twenty-six (26)).		x			Accounting has gathered a variety of existing "desk manuals" as well as other processing notes and instructions, that in total comprise of the SOPs over AP. Due to resource constraints we have not yet finalized an updated SOP. We are additionally looking to utilize an external consultant used by other department to formalize these written procedures into a formal SOP (see recommedation 20.) It is also noted that if the Agency elects to implement a new technology solution (see recommendation 12), we'll need to revise the SOPs and desk manuals, as well's train AP staff. Therefore, especially given limited resources and priority of getting back-log of late invoices processed, as of April, 2022 we have paused working on the SOPs.	Per the response provided, this recommendation is considered In Progress pending full documentation of the department SOP and formalizing a procedure to address how staff select how, what and when to complete the "away match and processing of payments and also pending the final implementation of new software solutions. This recommendation is similar to Recommendation #13 above suggesting there be a formal procedure to ensure invoices are reviewed, tracked and monitored to ensure all open items are addressed/processed.
18	ACCT	The Accounting should provide training periodically to reinforce the documented SOPs to ensure employees are following consistent procedures. (Note: This recommendation was provided in the Procure to Pay Chemicals audit report as Recommendation twenty-seven (27)).		x			The Accounting team onboarded 3 additional staff members recently. 2 Interns began on February 28, and 1 Accounting Technician began on March 4, 2022. The Accounting Supervisor along with more senior AP staff provided on the job training. New staff were provided a binder that includes relevant desk manuals and procedural notes, as well as were instructed on how to find these resources in digital format either on the shared network drive or via the Agency's intranet (AlM.) On March 28, 2022, the AP staff, Accounting Supervisor, and Controller participated in a training facilitated by IT staff (Rose) covering basic navigation in SAP, placing an invoice on hold in SAP, along with navigation through the billing screens. If the Agency decides to implement a technology solution (see recommendation 12), SOPs, the various desk manuals, and procedure write ups will need to be updated. Then	Per the response provided, this recommendation is considered in Progress pending full documentation of the department SOP.
19	ACCT	The Accounting management establish and document performance metrics, and KPI's, goals, and objectives and a method to measure how timely invoices are paid. In addition, the Accounting management works with the IT Department to establish any reports that can provide measurements and metrics. (Note: This recommendation was provided in the Procure to Pay Chemicals audit report as Recommendation twenty-nine (29)).			x		As of April, 2022 the Accounting Group is still not fully staffed, with 2 additional Accounting Supervisor positions currently in recruitment. The additional Supervisors will allow redistribution of work, especially for the Accounting Supervisor over the AP team. We believe these additional staff will help improve the operation of the AP unit both directly and indirectly. Once we have the team in place specific KPI's for staff will be established. The AP unit is processing current invoices, as well as catching up on the backlog of old invoices and other payment requests caused by understaffing for the last 9 months. It is difficult to assess the proper KPIs for things such as volume goals or time to process payments while the team is still functioning under these handicags. However, Accounting Management continues to look at payment trends each week by extracting data from SAP (via FBL1N) and using it to inform decisions about future KPIs. The overall goal for the AP team is to pay invoices as close to the due date as possible, but not after the due date. More so, the goal is first to eliminate any outstanding invoices that are greater than 90 days. Form there the focus will be 60 days, until we are paying all invoices within 45 days, with the goal of no later than the due date (generally, net 30.) Discussions about specific measurements are ongoing and any metrics would need to be adjusted if the Agency decides to implement a technology solution that changes the process for paying invoices (see recommendation 12.)	Implemented. IA suggests Accounting work with the Leadership Team, AGM and GM to determine
20	ACCT	The Accounting management should work with the General Manager and the Leadership Team and discuss or consider bringing in professional consultants to assist in catching up with the backlog of overdue payments, and/or using a professional consultant to evaluate the department's needs, key performance indicators (KPIs), processes, procedures, and help implement recommendations to ensure the Accounting Unit can implement audit recommendations, incorporate best practices that ensure payments are made timely, SOPs are documented, and training is provided to staff.			x		Accounting management is exploring the use of a consultant used by other Agency department to formalize the SOPs. Note: We are holding off on moving forward with this contract until we have more information about implmentaing a technology solution that would change processes.	This recommendation is considered Not Implemented at this time. This recommendation will either end up being Implemented or No Longer Applicable pending final decision to either move forward or not with a consultant to assist with all accounting functions and develop KPIs, procedsses, procedures, implement recommendations, etc. not just a consultant to document SOPs.
21	ACCT	The Accounting management should take the lead and work with the Agency's Leadership Team to update Agency Policy A-50 to include procedures and approvals for purchase order invoices.				x	Internal controls over purchases with a PO (i.e. the "regular" P2P process) are covered in of the Agency's Procurement Manual; Section 2.3.A outlines the authorization levels. Any updates to the Procurement Manual should be lead by CAP, as they are responsible for administration of Agency purchasing.	IA to discuss with CAP and CAP, ACCT to determine where this falls. IA suggests both departmetns coordinate and work together, the policy does require it be updated. This recommendation is No Longer Applicable and IA will defer to the P2P P&R audit for CAP to take the lead on
	21	. Total Recommendations	4	11	4	2	21	
		P2P - P/S E&CM - 1ST UPDATE	Implemented	In Progress	Not Implemented	No Longer Applicable	Total Recommendations	Results after approximately 60 days, since the date of the original audit report (March 2022):
		Engineering & Construction Management	2	4	0	1	7	43% Implemented/addressed 57% (4 of 7) require Implementation
		Contracts and Procurement	2	0	0	0	2	100% Implemented No outstanding recommendations 8% Addressed
		Accounting	0	7	4	1	12	92% 11 of 12 require Implementation
		Total Recommendations	4	11	4	2	21	

Procure to Pay Process for Professional Services Administered by Engineering

Documented by Internal Audit Department

This flowchart represents the process at the time of the original review and before the internal audit recommendations were implemented.





Accounts Payable Operational and Internal Control Audit



Audit Objective

- Evaluate the ordering, receiving, and payment processes for the Agency's goods and services and
- Identify efficiencies and provide recommendations for improvements
- Provide recommendations to ensure the vendor payments are paid within terms.

Audit Observations & Recommendations

- Processes and procedures require changes to make them more efficient
- Visibility of transactions through monitoring reports
- PO & PR requirements and funding needs
- Training & Standard Operating Procedures (SOPs)
- Communication, training, knowledge and information
- Establish processes and controls to monitor all vendor invoices, tracking them through the P2P process and ensure timely payment

Risks to IEUA for Late Vendor Payments

- Being placed on credit hold and not being able to order goods for critical services
- Possible fees imposed or higher prices offered at the time of establishing contracts
- Vendors not willing to do business with IEUA in the future
- Harmed vendor relationships
- Harmed Agency reputation and image

P2P Audits Completed to-date



- P2P for Chemicals for O&M (Operations & Maintenance)
 - Completed November 24, 2021
 - 35 audit recommendations
- P2P for Professional Services for E&CM (Engineering & Construction Management)
 - Completed February 24, 2022
 - 21 audit recommendations
- P2P for Professional Services for P&R (Planning and Resources)
 - Completed May 24, 2022
 - audit recommendations





Current Status of the 56 Audit Recommendations

P2P CHEMICALS - 2ND UPDATE	Implemented	In Progress	Not Implemented	No Longer Applicable		Results after approximately 150 days, since the date of the original audit report (Nov 2021):
Operations & Maintenance	11	1	0	4	16	94% Implemented/Addressed 6% (1 of 16) Require Implementation
Contracts and Procurement	4	0	0	1	5	100% Implemented No outstanding recommendations
Accounting	1	11	1	1	14	14% Implemented/Addressed 86% (12 of 14) Require Implementation
Total Recommendations	16	12	1	6	35	

P2P - P/S E&CM - 1ST UPDATE	Implomented	In Progress	Not Implemente	Na Langor d Applicablo	Total Recommendations	Results after approximately 60 days, since the date of the original audit report (March 2022):
Engineering & Construction Management	2	4	0	1	7	43% Implemented/addressed 57% (4 of 7) require Implementation
Contracts and Procurement	2	0	0	0	2	100% Implemented No outstanding recommendations
Accounting	0	7	4	1	12	8% Addressed 92% 11 of 12 require Implementation
Total Recommendations	4	11	4	2	21	

IA will provide a progress reports until all recommendations have been addressed.



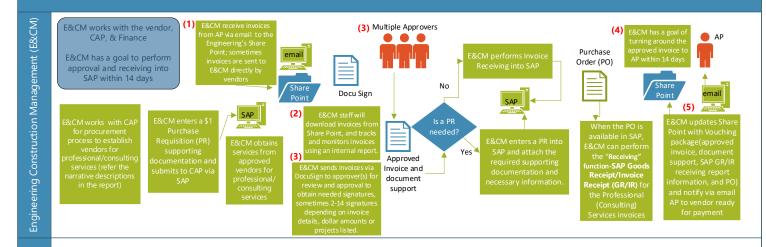
Results of P2P Audit Recommendations

Of the 56 recommendations:

- 20 are now Implemented
- 23 are in progress of being implemented
- 5 require additional time for corrective action (Not Implemented)
- 8 are considered no longer applicable

IA will provide a progress reports every quarter until all recommendations have been addressed.





Review of Procure to Pay Process for Professional Services administered by **Engineering & Construction Management**

CAP works with E&CM and Finance throughout the process for vendor selection, PR requests, PO creation, and verifying funds available for a PO. Sometimes receive messages from the vendor.

temp staff, and osted to the "He



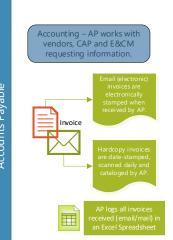




If there is a pricing change PO but only with a new PR prepared by E&CM.



If money runs out in the throughout the FY, CAP closes established PO, E&CM staff must the old PO and creates a new create a new PR with additional funding, then CAP will add the new funded PR to the existing PO so that receiving can be completed





vouching package nformation: PO#, approv nvoice & document suppo SAP Goods Receipt/Invoice eceipt (GR/IR). This is dor by navigating through various SAP screens and





not, go back to steps

O&M work with the vendor, CAP, & Acctng



Delivery truck connects directly to IEUA tanks or a forklift is needed to unload.



Delivery vendor provides shipping/delivery documentation to IEUA operator. Operator verifies and signs off and authorizes delivery.



Plant Log Delivery/ shared Receiving drive excel spreadshe

Original document is placed in Admin Asst box or retained. Process varies slightly at different plants. Some keep in their records.

There should be a consistent method



Operator goes back to his computer to retrieve scanned document to:

- 1. Attach to email for admin
- 2. Save to Department drive



Admin Assistant uses operator's email to perform Receiving in SAP, they upload receiving documents into SAP and files hardcopies. Admin assistant then emails AP staff to inform them when receiving is complete and forward the same receiving documents.

CAP works with Accounting and O&M throughout the process of creating a PO, requesting a PR and adding funds to the PO. Sometimes receive messages from the

vendor.



CAP establishes contracts with pricing, terms & conditions



O&M prepare the PR and determine the amount with the requested PR amount.



CAP prepare the PO with the amount requested by O&M. The PO is used to receive goods against the established amount.



Every FY, for each vendor. CAP must establish a new PO in SAP.



If there is a pricing change throughout the FY, CAP closes the old PO and creates a new PO but only with a new PR prepared by O&M.



If money runs out in the established PO, O&M staff must create a new PR with additional funding, then CAP will add the new funded PR to the existing PO so that receiving can be completed

(12)

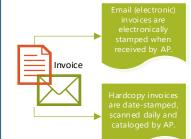
ACH

payment

• • •

AP process invoice

Accounting – AP works with vendors, O&M and CAP requesting information.



lew step as of July '

oosted to the "Held Invoices" report (a database of all





rom the "Held Invoices" SAP, AP staff will select the invoice for review, erify information, check PO#, once matched to a PO, AP will check that by O&M. This is done by various SAP screens and AP will complete 3-way

If SAP receiving

(11)

successfully If SAP receiving completed, payment can be processed for O&M, AP will f not, go back to steps prior and coordinate proceed to with O&M to ensure receiving is finalized o coordinate with CAP to ensure PO has sufficient money.



and that is when

Review of Procure to Pay Process for Chemicals for **Operations & Maintenance**





CAP has implemented the remaining six (6) audit recommendations.

- Available to provide training, information and guidance
- —Working to identify knowledge gaps about SAP and procurement instruments
- Available to provide training and assistance with SOPs



Highlights – Engineering & Construction Management

- The E&CM Department took the lead to evaluate their internal metric of fourteen (14) days to determine the best goal for their department.
- The Department has committed to finalizing a draft of the SOP by June 2022.



Highlights – Operations & Maintenance Unit

- Proactive approach to leveraging the various technologies and tools to implement new and more efficient processes to expedite the receiving process.
- O&M Department has set a goal to ensure receiving is completed into SAP within 5-7 days, an improvement from an average of 23 days
- Finalized and implemented Department Standard Operating Procedure to document the process for performing the receiving function and for monitoring the related Purchase Orders.





- Filling staff vacancies
- Working closely with IT to evaluate invoice recognition software and other monitoring tools
- The Accounting Unit has committed to finalizing a draft of the SOP by June 2022.





In Progress

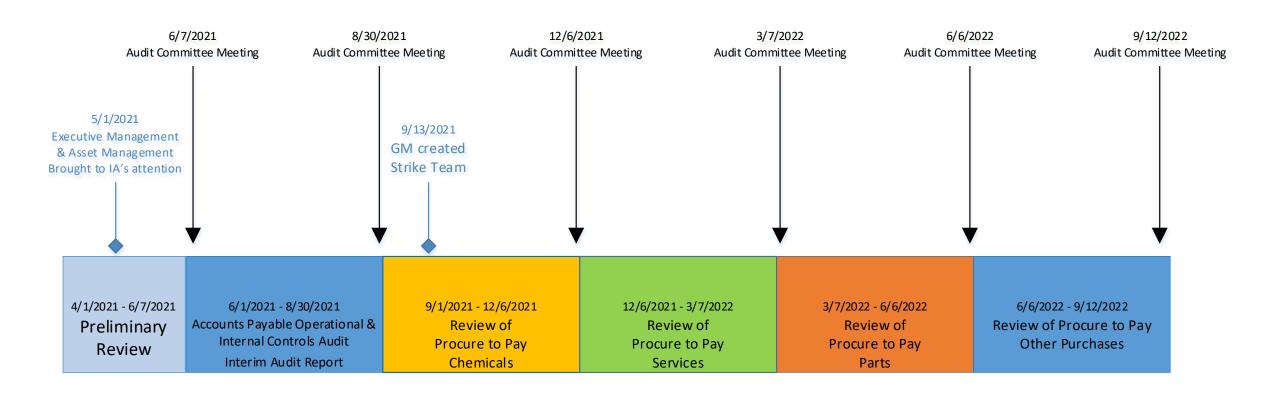
- P2P for Materials & Supplies
 - Planned for completion by September 2022

Planned

- P2P for Laboratory Equipment, Supplies and Professional Services
- P2P for other Professional Services
- P2P for Pay Estimates
- Others



Internal Audit Timeline to Evaluate Accounts Payable Operations





INFORMATION ITEM

3G



Date: June 15, 2022

To: The Honorable Board of Directors From: Teresa Velarde, Manager of Internal Audit

Teresa Delanda.

Committee: Audit 06/06/22

Manager Contact: Teresa Velarde, Manager of Internal Audit

Subject: Report of Open Audit Recommendations

Executive Summary:

The Board-approved Internal Audit Department Charter (Charter) requires the Internal Audit Department (IA) to provide the Audit Committee and the Board with an annual report listing all outstanding audit recommendations including action plans and expected resolution dates. The Charter also requires IA staff to follow-up on the status of outstanding audit recommendations to determine if corrective action efforts have been made to address the original observations or findings. A recommendation is considered "outstanding" when management agreed with the original recommendation at the time of the audit but the area audited has not yet addressed the observation noted or requires IA's verification in order to close out the item. Responses to the recommendations, including action plans, were discussed and incorporated in the original audit report when issued. As of June 2022, 126 recommendations are considered outstanding; 20 relate to required policy updates currently under review, 31 relate to the renegotiation of the Regional Contract, 28 relate to the recent P2P audits, and 47 are eligible for reevaluation. Attached, is a complete report listing all outstanding recommendations and the status. Follow-up reviews are scheduled according to the proposed Annual Audit Plan or sooner if requested by management, the Audit Committee, the Board, or if risk and/or priority increases for the area reviewed. This report is updated, with the completion of new and follow-up audits.

Staff's Recommendation:

This is an information item.

Budget Impact Budgeted (Y/N): N Amendment (Y/N): Y Amount for Requested Approval: Account/Project Name:

Fiscal Impact (explain if not budgeted):

None, only when additional outside auditing or consulting services are required to provide assistance to IA or fulfill the responsibilities of the Audit Committee. A proposal with proposed fees would be submitted through the Audit Committee for appropriate action. Additionally, some audit projects are intended to identify opportunities for cost containment.

Full account coding (internal AP purposes only): - - - Project No.:

Prior Board Action:

On June 16, 2021, the Board of Directors approved the Fiscal Year 2021/22 Annual Audit Plan.

On December 8, 2021, the Board of Directors reconfirmed the approved Audit Committee and IA Department Charters. The Charters require an Annual Report listing all Outstanding Audit Recommendations.

Environmental Determination:

Not Applicable

Business Goal:

The Report of Open Audit Recommendations is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment, and Business Practices. IA's ongoing monitoring activities are to follow-up on the status of open audit recommendations to determine if the staff have taken corrective action to address audit observations and issues identified. IA provides recommendations to tighten internal controls, improve processes and assist the Agency and the Board in achieving compliance with policies and organizational goals.

Attachments:

Attachment 1 - Report of Open Audit Recommendations

Attachment 2 - PowerPoint

Board-Rec No.: 22125

Department Assigned	Audit Report Title	Date Audit Report Issued	Rec#	Internal Audit Recommendation	In Progress	Not Implemented	Outstanding pending IA follow up review
	Accounts Payable Follow-Up Audit	August 28, 2013	4	AFM should work with the appropriate Agency personnel to update Agency policies and remind employees of the requirements of Agency Policy A-12, Employee Personal Computer Purchase Program; Policy A-37, Reimbursement for Attendance at a Conference, Seminar or Meeting; Policy A-50, Non-Purchase-Order Invoice Approval Procedures; Policy A-55, Agency Credit Cards; and Agency Policy A-14 Vehicle Use.	×		
Finance and Accounting	Accounts Payable Follow-Up Audit	August 28, 2013	5	Human Resources department, in conjunction with Information Support Systems, should ensure that loans for personal computers are not approved for items not covered by the loan program as described in Agency Policy A-12. Additionally, consider revising Agency Policy A-12 to clarify the applicability of the computer loan program to tablet computers and operating systems other than Microsoft Windows.			
Agency Management	Regional Contract Review - Final Report	December 16, 2015	Overall	Consider legal, political and financial impacts of governing by ordinance vs. contract	х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	Overall	Review and revise EDU formula	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	Overall	Resolve identified differences of over/under collected amounts of Connection fees and identified differences of over/under collected amounts of unreported monthly sewerage fees	X		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	1	Connection Fees: Centralize the permitting process OR IEUA provides final sign-off and plumbing permit approval for all nonresidential entities.	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	2	Connection Fees: IEUA should establish monitoring program to inspect random facilities and those were there is a suspected discrepancy	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	3	Connection Fees: Contract should include IEUA inspection, verification and recourse rights for under-collected/under-reported Connection Fees	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	4	Connection Fees: Contract should include IEUA right to audit, full cooperation and access to records and documents upon request	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	5	Connection Fees: Two tier connection fees process that distinguishes between common features and unique features (i.e.,, a toilet always costs the same regardless of type of business)	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	6	Connection Fees: Update Exhibit J regularly to include new/evolving business types	Х		
Agency Management	Regional Contract Review -	December 16, 2015	7	Connection Fees: Update & clarify Fixture Unit descriptions of Exhibit J regularly	Х		
Agency Management	Regional Contract Review -	December 16, 2015	8	Connection Fees: Standardize calculation worksheet to ensure it is consistent with Exhibit J and consistent region-wide	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	9	Connection Fees: IEUA should require copies of calculation worksheets for all nonresidential customers along with the monthly Building Activity Reports.	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	10	Connection Fees: Regular workshops, meetings, plant tours, etc. with staff in Building, Plan Check and Utility Billing/Financial Departments	Х		

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Agency Management	Regional Contract Review - Final Report	December 16, 2015	11	Connection Fees: IEUA develop fixture count expertise and provide regular/ongoing training for Contracting Agencies - Building Departments	Х		
Management		December 16, 2015	12	Connection Fees: Contracting Agency internal review of Connection Fees as part of preparing the Building Activity Report	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	1	Monthly Sewerage: Collect monthly sewerage fees for the entire region through County's property tax roll	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	2	Monthly Sewerage: Evaluate methodology used for billing monthly sewerage fees (residential and commercial) and consider alternatives by water consumption, EDUs purchased or other methodology	х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	3	Monthly Sewerage: Standardize monthly report to provide IEUA automated, itemized listings of non-residential monthly sewerage charges	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	4	Monthly Sewerage: Establish contract for monthly sewerage payments from Contracting Agencies rather than IEUA issuing monthly invoices	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	5	Monthly Sewerage: IEUA exercise inspection, verification and recourse rights for under-collected/under-reported monthly sewerage fees	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	6	Monthly Sewerage: Contract should include IEUA right to audit, full cooperation and access to records and documents upon request	Х		
	Regional Contract Review - Final Report	December 16, 2015	7	Monthly Sewerage: Update 1997 billing memorandum regularly for new business types to provide detailed definitions and descriptions	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	8	Monthly Sewerage: Create a correlation between monthly sewerage fees and Connection Fees	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	9	Monthly Sewerage: Add billing guidance for locations with multiple types of businesses serviced by a master meter	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	10	Monthly Sewerage: Bill commercial businesses at least a minimum of one EDU per month	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	1	Public Service Facility: Consider legal, political and financial impacts of excluding Public Service Facilities from Connection Fees and monthly sewerage charges.	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	2	Public Service Facility: Consider legal, political and financial impacts of IEUA assuming responsibility for Connection Fees calculations, collections and CCRA accounts	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	3	Public Service Facility: Contract should include IEUA inspection, verification and recourse rights for under- collected/under-reported Connection Fees	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	4	Public Service Facility: Contract should include IEUA right to audit, full cooperation and access to records and documents upon request	Х		

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Agency Management	Regional Contract Review - Final Report	December 16, 2015	5	Public Service Facility: Address difference between "Publicly Owned" vs. "Publicly Used"	Х		
Agency Management	Regional Contract Review - Final Report	December 16, 2015	6	Public Service Facility: Consider cross-departmental approach to the development review process as a regional model	Х		
Information Technology	Follow-Up - IT Equipment Audit - ISS (IT Equipment August 21, 2012 - Original audit)	February 29, 2016	3	ISS implement appropriate tracking systems that include relevant information on IT purchases (i.e., serial numbers, etc.), are updated timely and are complete and accurate. ISS should establish procedures to enter, modify, and delete information in the tracking systems that address areas such as timeliness for updates, responsibilities for maintaining the systems, and the types of items included in the tracking system.	x		
Information Technology	Follow-Up - IT Equipment Audit - ISS (IT Equipment August 21, 2012 - Original audit)	February 29, 2016	1	ISS should ensure that any services procured with P-cards are expressly authorized by the Manager of CAP, CFO, AGM, or GM prior to committing to services.	×		
	Follow-Up - IT Equipment Audit - FAD (IT Equipment August 21, 2012 - Original audit)	December 5, 2016	15	FMD should implement adequate controls to ensure that the stated capitalization policy for IT equipment is consistently followed to ensure that all items meeting the capitalization threshold are capitalized and to ensure that items not meeting the capitalization threshold are not capitalized.	х		
	Follow-Up - IT Equipment Audit - FAD (IT Equipment August 21, 2012 - Original audit)	December 5, 2016	17	FMD should implement adequate controls to ensure that asset records established in SAP are accurate and complete, such as ensuring that all data fields in SAP are completed and ensuring that only those items allowed by the capitalization policy are capitalized.	х		
Finance and Accounting	(IT Equipment August 21, 2012 - Original audit)	December 5, 2016	19	FMD should return incorrect or incomplete Project Closure Authorization Forms to the Project Manager for proper completion. FMD should also provide training to Project Managers on the importance of proper completion and instructions on completing the form.			x
Finance and Accounting	Follow-Up - IT Equipment Audit - FAD (IT Equipment August 21, 2012 - Original audit)	December 5, 2016	22	FMD should document Standard Operating Procedures to address the functions of setting up capital assets such as procedures for completing the SAP asset information, compliance with stated capitalization thresholds, and processing of Project Closure Authorization Forms.			x
Finance and Accounting	Follow-Up - IT Equipment Audit - FAD December 5, 2016	December 5, 2016	1	FAD should take the lead to ensure a physical inventory and inspection of the Agency's IT fixed assets is completed on a periodic basis to verify existence, location, and working condition of assets.	Х		
Finance and Accounting	Follow-Up - IT Equipment Audit - FAD December 5, 2016	December 5, 2016	2	FAD should evaluate the Agency's current capitalization thresholds for IT equipment and determine if these need to be increased to ensure current practice meets policy and are consistent with current trends.	Х		
Finance & Accounting	2017 Petty Cash Audit & Follow-up Review	June 5, 2017	1	FAD should reinforce the guidelines of the petty cash fund, including custodian responsibilities and internal controls over petty cash accountability and record-keeping.			X
Finance & Accounting	2017 Petty Cash Audit & Follow-up Review	June 5, 2017	2	FAD should consider updating the "Monthly Mileage Log and Reimbursement Request" to add a designated signature area for when the petty cash funds are utilized as a reimbursement for mileage.			Х
Finance & Accounting	2017 Petty Cash Audit & Follow-up Review	June 5, 2017	3	FAD should take the lead to communicate changes to the Petty Cash policy and forms immediately after implementation, to ensure employees understand the policy and utilize the updated forms.	Х		

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	2017 Petty Cash Audit & Follow-up Review	June 5, 2017	4	Petty cash custodians should only accept the appropriate forms and inform the requestor of the most appropriate procurement methods if the requestor's petty cash request does not conform to Agency policies.			Х
Finance & Accounting	2017 Petty Cash Audit & Follow-up Review	June 5, 2017	5	FAD should take the lead to review and determine if the Petty Cash limit of \$50 is adequate or if it should be updated (increased or decreased), or determine if there is a threshold that will require Executive Manager/General Manager authorization (i.e., anything over \$50).			Х
	2017 Petty Cash Audit & Follow-up Review	June 5, 2017	6	Human Resources and FAD should work together to formally document or communicate the policy on the purchase and gifting of Gift Cards to ensure compliance with Federal requirements. The policy should be communicated to all Agency employees and be reminded periodically.	Х		
Finance & Accounting	2017 Petty Cash Audit & Follow-up Review	June 5, 2017	7	Human Resources and FAD should continue to work with the appropriate personnel in making revisions and updates to the following Agency policies that relate to cash reimbursements and controls: A-75 Employee Recognition Rewards Program, A-68 Meal Reimbursement and Unscheduled Overtime, and A-34 Vehicle Maintenance.	X		
	Water Use Efficiency Programs Audit	June 5, 2017	1	While many retail customers received rebates, the range of customers could have been broader. Outreach to customers about WUE measures is a primary responsibility of member agencies, but IEUA may want to consider establishing a forum to discuss the goals and results of WUE Programs. The purpose of the discussions would be to evaluate and develop approaches to help (or consider joint efforts to) publicize, target and follow-up with entities in IEUA's service area when WUE opportunities become available, and tailor outreach towards specific and/or different entities in the region that match those characteristics and/or potentially maintain a database of the region's entities by unique characteristics (schools, churches, large lots, etc.).	x		
	Water Use Efficiency Programs Audit	June 5, 2017	2	Finance and Accounting (FAD) staff have already taken several practical measures to review and reduce the amounts included in Work in Process (WIP) to ensure only capital projects are capitalized. FAD may want to consider prioritizing additional efforts to ensure that prior period adjustments are eliminated, such as: • Developing a cross-departmental team including representatives from Engineering, Operations and FAD to approve items in advance for capitalization in WIP. • Establishing an automated log, register or report to be reviewed regularly that tracks project codes, amounts and purpose for FAD review to ensure accurate accounting of projects. • Engaging an outside consultant, accounting firm or additional temporary resources to make a thorough examination of WIP to: o Ensure only capital projects are included o Recommend policies and procedures for establishing projects to ensure only capital projects are capitalized o Develop written examples and guidelines of what constitutes a capital project and what constitutes an O & M project.	X		
	Water Use Efficiency Programs Audit	June 5, 2017	3	The Agency may want to consider utilizing the Annual Water Use Efficiency Programs Report as an evaluative tool to compare actual results to those projected in the Regional WUE (five year) Business Plan. The Annual WUE Programs Report could discuss reasons for variances from that plan, document changes being made to the plan and describe progress on any other initiatives that expect to yield water savings in future years.	х		

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	Water Use Efficiency Programs Audit	June 5, 2017	4	IEUA may want to consider providing additional documentation, descriptions or informative information in the body of the Annual WUE Programs Report to describe the differing sources of information used to provide member agency information vs. regionwide information or alternatively (and/or in addition), presenting both the summary and member agency information on the same basis.	Х		
	Water Use Efficiency Programs Audit	June 5, 2017	5	IEUA may want to consider expanding the "Highlights" commentary and providing subheadings and organizing the section to match the order of the Summary Charts to align the descriptions to the charts that follow.	Х		
	Water Use Efficiency Programs Audit	June 5, 2017	6	WR staff may want to consider developing a desk procedure or other document to guide the preparation of the Annual WUE Programs Report for internal staff to follow.	Х		
CAP	Contracts and Procurement Follow-Up	August 30, 2017	1	CAP should review the SAP assigned roles and transaction codes and ensure that good internal controls are followed and no conflicts exist. IA recommends CAP consider eliminating or reducing the ability to Create PRs and Receive Goods, for CAP buyers in order to strengthen internal controls and further reduce risks.	Х		
Finance and Accounting	Payroll Operations Audit	August 30, 2017	1	IA recommends that HR consider evaluating alternatives to the manual files used to maintain employee information, for example: Working with Business Information Systems (BIS) to develop or acquire a self-service portal for employees to make updates and changes to certain information that currently requires a hard-copy document, such as withholding information, beneficiary information, address changes, or for adding or deleting a family member from their policies, and contribution amounts to various accounts. The Agency is in the process of implementing ECMS. HR may want to consider whether the new ECMS would provide an automated approach to maintaining and updating employee information or whether another automated approach would be possible.	X		
HR	Payroll Operations Audit	August 30, 2017	2	As part of the Agency's disaster preparedness effort, IA recommends that HR consider maintaining manual/hard-copy files in fire proof/water proof cabinets.			Х
Finance and Accounting	Payroll Operations Audit	August 30, 2017	3	FAD should update Standard Operating Procedure No. CR PR-08 to reflect the new payroll bank reconciliation process, communicate the procedure to all department employees and ensure the SOP is in the format outlined in accordance with Agency Policy A-51.	х		
Finance and Accounting	Payroll Operations Audit	August 30, 2017	4	FAD should ensure bank reconciliations are prepared monthly and supervisory review occurs in a timely manner to ensure all outstanding and reconciling items are researched, investigated and resolved.			х
HR	Payroll Operations Audit	August 30, 2017	6	Both HR and FAD should encourage employees with payroll related functions to attend ethics/fraud awareness training specific to their job responsibilities to stay informed about new developments, risks and safeguards (for example, safeguards for potential payroll fraud, safeguarding personnel files and employee confidential information, etc.)			Х

Department Assigned	Audit Report Title	Date Audit Report Issued	Rec#	Internal Audit Recommendation	In Progress	Not Implemented	Outstanding pending IA follow up review
CAP	Procurement Card Audit	March 1, 2018	1	Agency Policy A-89, Procurement Card Program should be updated to reflect desired internal controls and provide clearer guidelines about the proper use of P-Cards. The policy should provide greater clarity about the purchases that are allowed or not allowed (i.e.: food, restaurant, meals, training registrations, membership payments, etc.). Additionally, the policy should provide instructions for users to follow when there are situations that are unusual and note the additional written justification that is necessary. Lastly, A-89, should direct users to seek CAP's guidance when there is a unique need, keeping the Agency's need in mind and ensuring adequate controls are maintained.	х		
CAP	Procurement Card Audit	March 1, 2018	2	The P-Card Administrator role should be clarified in Policy A-89 and expanded to include greater oversight responsibilities to ensure compliance. The role should include duties to fully utilize the various on-line tools available through US Bank for reports, alerts, training and other controls for reviewing and monitoring activity. Additionally, the P-Card Administrator should provide assistance and give advice on the best procurement method and periodically review statements and identify purchases and transactions that are not aligned with policy and request additional information.	×		
CAP	Procurement Card Audit	March 1, 2018	3	CAP should update Department-specific SOP CAP-0012 to incorporate any changes in Agency Policy A-89 Procurement card Program, including any updates to the P-Card Administrator's role and responsibilities. Additionally, CAP should ensure the SOP CAP-0012 complies with the guidelines and format set forth in Agency Policy A-51.	х		
CAP	Procurement Card Audit	March 1, 2018	4	CAP and FAD should work together to utilize any in-house tools and/or online tools available through US Bank to make the review, approval, reconciliation and upload of P-Card purchases more efficient with adequate oversight.			Х
CAP	Procurement Card Audit	March 1, 2018	5	CAP should take the lead to evaluate the benefits of consolidating credit card programs to utilize P-Cards for all purchases (other than fuel) and to eliminate other vendor-specific credit card or credit programs. At a minimum, the Agency should ensure all Credit Card programs are governed by an approved Agency Policy.	X		
CAP	Procurement Card Audit	March 1, 2018	6	CAP should maximize the use of the US Bank online tools for downloading/reviewing reports, creating blocks and alert notices for unusual activity, streamlining the approval, reconciliation and upload/posting process and training end users and approvers.			х
CAP	Procurement Card Audit	March 1, 2018	7	FAD should evaluate ways for the Agency to increase and/or maximize any rebates received.			Х
Finance and Accounting	Wire Transfers Audit	March 1, 2018	2	FAD should finalize the new SOPs in the format provided in Agency Policy A-51.	X		
Finance and Accounting	Wire Transfers Audit	March 1, 2018	3	The Agency should evaluate the cost/benefit of obtaining additional coverage and consider a per occurrence limit greater than \$2 million to ensure the Agency has adequate insurance coverage to address the Agency's risk tolerance. In addition, to address potential uncovered losses, the Agency should consider reducing the threshold for a bank call-back to any amounts that exceed the Agency's chosen limit for Fraud Transfer Insurance.			х
Finance and Accounting	Wire Transfers Audit	March 1, 2018	4	FAD should develop standards for documentation of transactions in SAP and a process of reviewing transactions once posted to ensure that the information in the accounting records is consistent and complete.			х

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Finance and Accounting	Wire Transfers Audit	March 1, 2018	5	FAD should document or revise a separate SOP that describes the steps in the wire transfer process for investment transactions to provide guidelines for the processing of investment transactions.			×
Finance and Accounting	Inter-fund Transactions Audit	August 30, 2018	2	FAD should document a Standard Operating Procedure and/or Inter-Fund Transfer policy that provides clear guidance as to the methodology applied to calculate and process inter-fund transfers, including the purpose, authorization procedures and methodology applied.	Х		
Finance and Accounting	Accounts Payable Follow-Up Audit	May 30, 2019	1	In evaluating access controls over all IEUA staff that have some level of AP authorization, IA noted that some staff members have transferred to other departments at IEUA or to different functions within FAD. There is a need to implement additional controls to regularly evaluate and monitor employees' SAP roles and authorizations to prevent the risk of conflicts of duties. Business Information Systems (BIS) should work with Finance and Accounting Department (FAD) and Human Resources (HR) to implement additional controls to regularly evaluate and monitor employees' SAP roles and authorizations to prevent the risk of conflicts of duties. Options include: - Business Information Systems (BIS) working closely with IA and FAD to perform regular (at minimum annual) reviews and evaluations of roles and authorizations to search for conflicts of duties. - BIS working with HR to establish a formal notification method/checklist when changes occur as a result of employees changing job duties and responsibilities that may present a risk and potential conflict of duties. - BIS determining the feasibility of seeking to implement an automated program or service to scan SAP for conflicts of duties on a regular basis, either through SAP or another third-party vendor.			Х
	Accounts Payable Follow-Up Audit	May 30, 2019	3	FAD should perform a comprehensive review of all existing VMD records (particularly older records and those created by the conversion to SAP) and ensure all vendor information is complete and up-to-date and includes a verified physical address.			Х
Finance and Accounting	Accounts Payable Follow-Up Audit	May 30, 2019	4	FAD should perform a comprehensive review of the VMD to ensure only active vendors remain active and those with no activity in the previous 3-5 years are blocked appropriately. Additionally, vendors created through the conversion process to SAP and never used should be deleted.			Х
	Accounts Payable Follow-Up Audit	May 30, 2019	5	FAD should update all SOPs to reflect business process changes resulting from the implementation of the Agency's ERP SAP system of mid-2007 and any enhancements to internal controls since then.			×
Opeartions or Facilities & Fleet	Voyager Fuel Card Audit	May 30, 2019	1	Operations & Maintenance Department should develop and document goals and objectives, Key Performance Indicators (KPIs), and/or other metrics for the Agency's fleet operations for measurement, analysis, tracking and reporting the fleet program's effectiveness. Goals should be aligned with the Division's overall mission and could include cost of fuel, fuel usage/consumption, cost of maintenance, asset value of the fleet by type of vehicle, etc. Goals should be measured, evaluated and updated periodically.	×		

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Opeartions or Facilities & Fleet	Voyager Fuel Card Audit	May 30, 2019	2	Operations & Maintenance should work with US Bank to evaluate the reporting tools and features that are available to provide useful information about the Agency's fleet to identify inefficiencies, areas of improvement, and instances of unusual card usage where follow-up is be required and reduce potential risks of misuse.	X		
Opeartions or Facilities & Fleet	Voyager Fuel Card Audit	May 30, 2019	3	The Fuel Card Administrator role should be clarified and enhanced, either in Agency Policy A-86 and/or other related policy. The Fuel Card Administrator role should be enhanced to include greater oversight roles and responsibilities, to include: - Responsibilities to maximize the use of online reports and tools available through the US Bank Fleet Commander® Online system. - Analysis and evaluation reports and communications to provide Operations & Maintenance information about the fuel card program.	X		
Opeartions or Facilities & Fleet	Voyager Fuel Card Audit	May 30, 2019	4	Operations & Maintenance should establish a process to periodically review the use of fuel cards and ensure cards no longer needed or used are deactivated to reduce risks to the Agency.	×		
HR	HR audit: Hiring and Promotions Operations Review	December 2, 2019	1	Human Resources should include additional justification information for the final selection made in the recruitment file to close out the recruitment file and ensure it stands alone.			Х
HR	HR audit: Hiring and Promotions Operations Review	December 2, 2019	2	Human Resources should take the lead and work with Business Information Services and determine ways to implement automated workflows for recruitment documents and forms and utilize electronic files.			X
HR	HR audit: Hiring and Promotions Operations Review	December 2, 2019	3	Human Resources should take the lead to install fireproof and waterproof filing cabinets to safeguard manual personnel, recruitment, and other HR related files, in the event of a disaster.			Х
HR	HR audit: Hiring and Promotions Operations Review	December 2, 2019	4	Human Resources should take the lead to ensure all Agency policies related to hiring and recruitment, as well as the department's SOPs are updated to include the most recent and accurate requirements for the processes and Agency formats.	×		
HR	HR audit: Hiring and Promotions Operations Review	December 2, 2019	5	Human Resources should work with Executive Management to determine the best approach to ensure compliance with the Agency Policy A-20 on completing timely performance appraisals for employees.	Х		
HR	HR audit: Hiring and Promotions Operations Review	December 2, 2019	6	Human Resources should work with Executive Management to determine an approach/method on how to address: having an Agency-wide Ethics Policy, the requirement for a Confidentiality Agreement for selected employees, and Conflict of Interest policy and related training that covers all topics. Any requirement should be documented and be clearly communicated to all Agency employees.	Х		

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HR	HR audit: Hiring and Promotions Operations Review	December 2, 2019	7	IA recommends that Human Resources and Contracts and Procurement work together to establish written contracts for all vendors used by HR to document the scope, terms and conditions and prices for the services. The contracts should establish what information is included in the invoices for payment and what information needs to be maintained separately and confidentially.			х
Planning & Resources	Recycled Water Revenues Audit	May 28, 2020	1	IA recommends implementing a process to review and verify recycled water records and processes (including how meters are checked, maintained and calibrated) at the individual contracting agencies to ensure completeness and accuracy of information provided to the Agency as provided in Agency Ordinance #63. An internal or external audit and/or review of contracting agency reporting of recycled water would provide an independent analysis of the information received from the contracting agencies to verify the data reported to the Agency. At a minimum, Planning staff should request additional supporting documentation from the contracting agencies periodically, to verify the information reported. This would potentially prevent, detect and/or correct any discrepancies to minimize any potential risk of error in reporting.	x		
Planning & Resources	Recycled Water Revenues Audit	May 28, 2020	3	Planning should take the lead to work together with Agency staff and the contracting agencies to develop standardized information reporting. Standardized and automated reports and methods of providing information would create efficiencies, make the process consistent and ensure accuracy.	х		
Planning & Resources	Recycled Water Revenues Audit	May 28, 2020	4	Engineering should update the Standard Operating Procedure and attached Exhibit #1: Work Instruction for Preparing Recycled Water Billing (last updated in 2015) to provide current detailed instructions and information for recording and reporting the recycled water information received from the contracting agencies.	х		
HR	Human Resources: Workload Indicators Review	May 29, 2020	1	HR should evaluate the Department Workload Indicators as reported in the Agency's Budget document and consider additional and/or different Workload Indicators that provide information about the various activities of the department and ensure they are aligned to the department's goals.			Х
HR	Human Resources: Workload Indicators Review	May 29, 2020	2	HR should document a Standard Operating Procedure or desk procedures to ensure consistency in the data collected and the method in calculating workload indicator results as documented in the Budget Book.			Х
HR	HR Operational Audit: Administration of Employee Training and Development Programs	August 31, 2020	1	HR should re-evaluate the purpose and objective of the "Training Hours per Employee" Workload Indicator reported in the Agency's Budget document, determine what the indicator is intended to measure, capture and report and how the indicator aligns with the department's goals and the overall Agency goals and objectives.			х
HR	HR Operational Audit: Administration of Employee Training and Development Programs	August 31, 2020	2	HR should re-evaluate the calculation applied for "Training Hours per Employee" to ensure it is capturing the intended type of training. If the intent is to capture all training including training not administered through HR, periodically remind employees, supervisors and managers to appropriately code each type of training on timesheets to ensure the needed information is captured for the Workload Indicator.			Х
HR	HR Operational Audit: Administration of Employee Training and Development Programs	August 31, 2020	3	HR should take the lead to work with Records Management on the record retention needs of the department and ensure the information in ABRA is managed and follows the recommended record retention guidelines to ensure the Agency complies with any requests and to minimize any potential risks of retaining older personnel records in the ABRA system.			Х

Department Assigned	Audit Report Title	Date Audit Report Issued	Rec#	Internal Audit Recommendation	In Progress	Not Implemented	Outstanding pending IA follow up review
HR	HR Operational Audit: Administration of Employee Training and Development Programs	August 31, 2020	4	HR should reevaluate Skillsoft as a training resource and consider establishing goals and objectives for the utilization of Skillsoft for employee training and development. Additionally, if HR determines Skillsoft is a beneficial training resource, HR should implement plans to increase utilization of Skillsoft.			Х
	HR Operational Audit: Administration of Employee Training and Development Programs	August 31, 2020	5	HR should determine the need to either delete or update Agency Policy A-57.	х		
Finance and Accounting	Agency Vehicle Operational Follow-up audit: Review of Vehicle Inventory Procedures	May 27, 2021	1	Finance and Accounting Department (FAD) Facilities Management should work together to reconcile the asset records in SAP: • The Finance and Accounting Department (FAD) should periodically share the Fixed Asset List Report to Agency departments. • Facilities Management should work closely with FAD to reconcile their internal reports to the financial information and resolve differences immediately. The departments work together to reconcile all internal reports used to track assets under their responsibility, perform periodic reconciliations, ensure the same identifying information identify assets in all report and complete all needed documents and forms for proper accountability of disposals, surplus, new purchases, etc. • FAD should and will continue to provide on-going training and departments should reach out for additional information and guidance. • Facilities Management should document their own SOP for the process of adding, removing and tracking assets under their custody	x		
O&M	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Chemicals (P2P-Chemicals)	November 24, 2021	12	Establish and document performance metrics, KPI's, goals and objectives and a method to measure those for the documentation of the deliveries by the operators and the time it takes to complete receiving into SAP. Work with BIS to establish any reports that can provide measurements and metrics.	×		
Finance and	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Chemicals (P2P-Chemicals)	November 24, 2021	21	Once the information is entered into SAP in the "Held Invoices" database, AP staff should frequently review and evaluate outstanding items and items past the payment terms and elevate them for additional attention and prompt processing. AP determine if this process is helping expedite processing invoices for payments and formalize by documenting specific procedures for staff to follow to provide specific steps for uploading invoices, how to monitor items and activity and actions steps for different situations.	Х		

Department Assigned	Audit Report Title	Date Audit Report Issued	Rec #	Internal Audit Recommendation	In Progress	Not Implemented	Outstanding pending IA follow up review
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Chemicals (P2P-Chemicals)	November 24, 2021	23	Accounting should work with BIS to develop an Aging Report or a report that shows all outstanding invoice information, including total days held and outstanding or overdue so that Accounting can take prompt action. OR Accounting should work with BIS to export and fully utilize the Held Invoice Report to review all items and ensure any outstanding items are reviewed promptly. AND Accounting should formalize and document specific procedures for how items are selected for matching and processing for payment before the due date.	X		
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Chemicals (P2P-Chemicals)	November 24, 2021	24	Accounting - see items (9) & (10) above Train staff to work proactively and collaborate with other departments in researching and resolving any delays/blocks with processing invoices for payment, with the end goal of working to pay all invoices by the due date. AND Accounting should formalize and document specific procedures for how items are selected for matching and processing for payment before the due date. Specify the action steps, AP should take when items are approaching the due date or are past the due date, and how to elevate items for prompt research and attention.	x		
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Chemicals (P2P-Chemicals)	November 24, 2021	25	If SAP "flags" items for payment on the due date and after , Accounting and BIS should work together to evaluate the cost/ benefit to reconfigure this built-in SAP "flag/alert" to ensure SAP "flags" items for payment 5 or so days before the invoice due date, so that items can be processed days prior to the due date to avoid being paid late.	x		
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Chemicals (P2P-Chemicals)	November 24, 2021	26	Formalize and document specific procedures to specify how and what items should be selected by AP staff to perform the 3-way match AND processing of payments, also specify the frequency of when this process should be completed. SOPs establish consistent procedures for employees to follow and be trained and evaluated on.	×		

Department Assigned	Audit Report Title	Date Audit Report Issued	Rec#	Internal Audit Recommendation	In Progress	Not Implemented	Outstanding pending IA follow up review
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Chemicals (P2P-Chemicals)	November 24, 2021	27	Training should be provided periodically to reinforce the documented SOPs to ensure employees are following consistent procedures.		Х	
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Chemicals (P2P-Chemicals)	November 24, 2021	29	Accounting should establish and document performance metrics and KPI's, goals and objectives and a method to measure how timely invoices are paid. Work with BIS to establish any reports that can provide measurements and metrics.	х		
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Chemicals (P2P-Chemicals)	November 24, 2021	30	Document and formalize an Agency Policy or Department SOP about the requirement for completing receiving, matching, and processing payments. -Specify the types of documents that should be included and verified in SAP or other required reports, before payments are processed. -Specify if the Bill of Lading provided by the delivery drivers to the operators should be uploaded into SAP at the time SAP Receiving is completed or be retained in hard-copy and where specifically.	х		
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Chemicals (P2P-Chemicals)	November 24, 2021	31	Document and formalize in an Agency Policy or Department SOP about the requirement for completing receiving, matching, and processing payments. -Specify the types of documents that should be included and verified in SAP or other required reports, before payments are processed. -Specify that the invoice received by Accounts Payable should be documented with a date received and uploaded into SAP and accurately matched to the corresponding transaction. Accounting should work with BIS to develop an Aging Report or a report that shows all outstanding invoice information, including total days held and outstanding or overdue so that Accounting can take prompt action.	X		
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Chemicals (P2P-Chemicals)	November 24, 2021	32	Document and formalize in an Agency Policy or Department SOP about the requirement and expectation for the accuracy of data entry. -Emphasize the importance that staff is expected to make every attempt to ensure the data entered in SAP for receiving and invoice processing needs to be accurate and accurately match the corresponding supporting documentation. -Specify when it is allowable and when it is not allowable to back-post or post-date information.	X		
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Chemicals (P2P-Chemicals)	November 24, 2021	33	Document and formalize in an Agency Policy or Department SOP about the requirement and expectation for the accuracy of data entry. -Specify what is an acceptable best practice and approximate time frame for processing the invoice, complete the 3-way match, and process for payment. -Specify how invoices uploaded are monitored to ensure that items are processed by the payment terms. -Specify how delayed items should be handled and communicated with the goal of issuing payment by the payment terms.ure that items are processed by the payment terms.	X		
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Chemicals (P2P-Chemicals)	November 24, 2021	35	Document and formalize in an Agency Policy or Department SOP about the requirements and expectations for AP staff to open/download invoices, date, upload, match and process invoices in SAP and process payments. Consider establishing KPI's and/or benchmarks to determine a reasonable amount for invoice retrieving, uploading, matching, and posting to be performed and processing the Invoices for payment.	X		

Department Assigned	Audit Report Title	Date Audit Report Issued	Rec#	Internal Audit Recommendation	In Progress	Not Implemented	Outstanding pending IA follow up review
E&CM	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Professional Services for the Engineering Dept (P2P E&CM)	February 24, 2022	1	The E&CM Department management: Finalize and update the SOP by documenting, signing, sharing with staff, and providing training. Ensure the SOP documents the process for monitoring invoices, timely receiving performed in SAP, how to identify the professional services invoices, track, and route for approvals, to allow the Accounting Unit sufficient time to process payments.	X		
E&CM	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Professional Services for the Engineering Dept (P2P E&CM)	February 24, 2022	2	E&CM take the lead to seek assistance of CAP Department and the Accounting Unit to establish procedures for monitoring POs to minimize any budget blocks or delays in processing invoice for payments. The E&CM Department should document an SOP for reviewing, tracking and monitoring contracts, POs, monies remaining, payments issued, and other details of transactions and provide staff training. E&CM should work with IT, Accounting and CAP to determine, develop and/or enhance (using SAP or other systems) and avoid duplication of work/data entry, a report that is of greater value/use to the E&CM department, other than the Open PO Report and/or the MS Access Report, that will track all contracts, corresponding transactions (POs), spending, remaining contract values, vendor contact information, payments issued, and any additional information that E&CM requires. Or determine if the current report and process is the best method available.	X		
E&CM	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Professional Services for the Engineering Dept (P2P E&CM)	February 24, 2022	3	The E&CM Department management should provide training periodically to reinforce the documented SOPs to ensure employees are following consistent procedures.	х		
E&CM	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Professional Services for the Engineering Dept (P2P E&CM)	February 24, 2022	4	The E&CM Department management E&CM Department should consider formalizing this metric of 14 days and additional performance metrics and key performance indicators (KPI's), goals, objectives, and a method to measure how timely invoices are approved and received. E&CM Department should work with the IT Department to establish any reports that can provide measurements and metrics.	х		
	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Professional Services for the Engineering Dept (P2P E&CM)	February 24, 2022	10	The Accounting management evaluate and make necessary updates to its internal processes and procedures to ensure all professional service invoices are received by AP staff and are immediately sent to the corresponding Agency department for approval and receiving. Accounting management continuously work closely with the E&CM Department and other Agency Departments and keep a reference list of the professional/consulting services vendors that each Department is managing, to ensure proper reference and routing of the invoices is done immediately upon receipt. This will require continuous communication with the Departments as well as continuous communication with vendors to specify instructions for submitting invoices. Accounting management track the professional/consulting services invoices in the Invoice Held database or other tracking database to monitor when they are received by the Agency and when they are due for payment.		×	

Department Assigned	Audit Report Title	Date Audit Report Issued	Rec #	Internal Audit Recommendation	In Progress	Not Implemented	Outstanding pending IA follow up review
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Professional Services for the Engineering Dept (P2P E&CM)	February 24, 2022	11	The Accounting management should take the lead to work with the IT Department to develop useful monitoring report from SAP to assist with the review, tracking, and monitoring invoice due dates, open invoices, and prioritizing payments. (Note: This similar recommendation was provided in the Procure to Pay Chemicals audit report as Recommendation twenty-one (21). As of February 15, 2022, the IT Department has developed a way to export the data into excel to create reports). New Recommendation: The Accounting management should determine how this new reporting/monitoring tool (information from the Held Invoices) will be used and implement a procedure to assist with tracking, monitoring and prioritizing making timely payments.		X	
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Professional Services for the Engineering Dept (P2P E&CM)	February 24, 2022	12	The Accounting management should take the lead to work with the IT Department and determine if an invoice recognition software or other technology tools could assist with the uploading of invoices.	х		
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Professional Services for the Engineering Dept (P2P E&CM)	February 24, 2022	13	It is recommended that the Accounting management: *establish a procedure to track all open invoice issues, *open invoice issues are reviewed by the Accounts Payable supervisor at the end of each month to ensure open items are cleared, *work with the IT Department to determine a more streamlined/efficient process in SAP to verify that receiving was completed and expedite the three-way match, and *utilize software tools such as SAP Concur for invoice process and management.	X		
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Professional Services for the Engineering Dept (P2P E&CM)	February 24, 2022	14	The Accounting management work with the IT Department to evaluate the feasibility of implementing a centralized SharePoint portal (like the one developed for E&CM) and determine if it would be of value to have for all Professional Services invoices where they can be stored for further processing. In addition, Share Point can assist AP staff in sorting and identifying invoices for their staff and ensure they track the approvals needed. Accounting management should work with IT to determine the feasibility of utilizing SAPs workflow process to route invoices for approval while keeping track of where they are in the approval process and ensuring timely payments. Additionally, establish formal, documented procedures for Accounting and other departments using SharePoint to ensure there is consistency in using SharePoint and timely processing invoices for approval and payment.	×		

Department Assigned	Audit Report Title	Date Audit Report Issued	Rec #	Internal Audit Recommendation	In Progress	Not Implemented	Outstanding pending IA follow up review	
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Professional Services for the Engineering Dept (P2P E&CM)	February 24, 2022	15	The Accounting management should take the lead to work with the Leadership Team to determine the Agency's policy/business decision of when to pay invoices (prior to due date or after due date). Based on results noted above, if necessary, the Accounting Management should take the lead to work with the IT Department to evaluate the cost/ benefit to establish a procedure and/or reconfigure this built-in SAP "flag/alert" to ensure SAP "flags" items for payment five (5) or so days before the invoice due date, so that items can be processed days prior to the due date to avoid being paid late. (Note: This recommendation was provided in the Procure to Pay Chemicals audit report as Recommendation twenty-five (25) currently In Progress).	х			
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Professional Services for the Engineering Dept (P2P E&CM)	February 24, 2022	16	The Accounting management take the lead to work directly with E&CM Department to determine the most efficient/effective way to communicate that receiving has been performed. Both Departments noted above should discuss and agree if there a need use email communication for invoice management.	X			
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Professional Services for the Engineering Dept (P2P E&CM)	February 24, 2022	17	Accounting management formalize and document specific procedures to specify how and what items should be selected by AP Group staff to perform the three-way match and processing of payments, also specify the frequency of when this process should be completed. (Note: This is recommendation was provided in the Procure to Pay Chemicals audit report as Recommendation twenty-six (26)).	×			
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Professional Services for the Engineering Dept (P2P E&CM)	February 24, 2022	18	The Accounting should provide training periodically to reinforce the documented SOPs to ensure employees are following consistent procedures. (Note: This recommendation was provided in the Procure to Pay Chemicals audit report as Recommendation twenty-seven (27)).	х			
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Professional Services for the Engineering Dept (P2P E&CM)	February 24, 2022	19	The Accounting management establish and document performance metrics, and KPI's, goals, and objectives and a method to measure how timely invoices are paid. In addition, the Accounting management works with the IT Department to establish any reports that can provide measurements and metrics. (Note: This recommendation was provided in the Procure to Pay Chemicals audit report as Recommendation twenty-nine (29)).		X		
Finance and Accounting	Accounts Payable and Internal Control Audit Report - Review of Procure to Pay Processes for Professional Services for the Engineering Dept (P2P E&CM)	February 24, 2022	20	The Accounting management should work with the General Manager and the Leadership Team and discuss or consider bringing in professional consultants to assist in catching up with the backlog of overdue payments, and/or using a professional consultant to evaluate the department's needs, key performance indicators (KPIs), processes, procedures, and help implement recommendations to ensure the Accounting Unit can implement audit recommendations, incorporate best practices that ensure payments are made timely, SOPs are documented, and training is provided to staff.		x		





Outstanding Audit Recommendations

Area Audited	Report Issued Date	No. of Recs. Remaining to be Verified by IA*
Accounts Payable Follow-Up (Deferred Recommendations related to Agency Policies)	August 29, 2013	2
Follow-Up – IT Equipment Audit – ISS	February 29, 2016	2
Follow-Up – IT Equipment Audit – FAD	December 5, 2016	6
2017 Petty Cash Audit & Follow-Up Review	June 5, 2017	7
Water Use Efficiency Programs Audit	June 5, 2017	6
Contracts and Procurement Follow-Up Audit	August 30, 2017	1
Payroll Operations Audit	August 30, 2017	5
Procurement Card Audit	March 1, 2018	7
Wire Transfers Audit	March 1, 2018	4
Inter-fund Transactions Audit	August 30, 2018	1
Accounts Payable Follow-Up Audit	May 30, 2019	4
Voyager Fuel Card Audit	May 30, 2019	4
Human Resources Audit: Hiring and Promotions Operations Review	December 2, 2019	7
Recycled Water Revenues Audit	May 28, 2020	3
Human Resources: Workload Indicators Review	May 29, 2020	2
Human Resources Operational Audit: Administration of Employee Training and Development Programs	August 31, 2020	5
Agency Vehicle Operational Follow-up audit: Review of Vehicle Inventory Procedures	May 27, 2021	1
Accounts Payable Operational and Internal Controls Audit Report Review of Procure to Pay Processes for Chemicals	November 24, 2021	13
Accounts Payable Operational and Internal Control Audit Review of Procure to Pay Processes for Professional Services – Engineering & Construction Management	February 24, 2022	15
Regional Contract Review – Final Audit Report (planned for full implementation with the renegotiation of the Regional Contract)	December 16, 2015	31
Total Outstanding Audit Recommendat	126	





As of June 2022, 126 recommendations remain outstanding:

- 28 Procure to Pay Audits which are followed up on quarterly,
- 31 renegotiation of the Regional Contract,
- 20 required Agency policy Updates,
- 47 recommendations eligible for follow up evaluation.



INFORMATION ITEM

3H



Date: June 15, 2022

To: The Honorable Board of Directors From: Teresa Velarde, Manager of Internal Audit

Tereja Octarda.

Committee: Audit 06/06/22

Manager Contact: Teresa Velarde, Manager of Internal Audit

Subject: Internal Audit Department Quarterly Status Report for June 2022

Executive Summary:

The Audit Committee Charter requires that a written status report be prepared and submitted each quarter. The Internal Audit Department Quarterly Status Report includes a summary of significant internal and external audit activities for the reporting period.

During this quarter, along with additional routine audit projects and administrative tasks, Internal Audit (IA) staff completed the evaluation of the Procure to Pay processes for Professional Services administered by the Planning and Resources Department, this review falls under the comprehensive Accounts Payable Operational and Internal Control Audit to provide recommendations to improve the timeliness of vendor payments. IA is also providing a status update on the 56 audit recommendations provided in the Review of the Procure to Pay processes for Chemicals and the Review of the Procure to Pay processes for Professional Services under the Engineering and Construction Management Department. Other audit projects are also discussed in detail in this status report. IA continues to participate in various committees and discussions and assists with requests for review of Agency policies and procedures, and provides recommendations to improve internal controls. The attached Quarterly Status Report provides details of the activities during this quarter.

Staff's Recommendation:

This is an information item.

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

Account/Project Name:

N/A

Fiscal Impact (explain if not budgeted):

N/A

Full account coding (internal AP purposes only): - - - Project No.:

Prior Board Action:

On June 16, 2021 the Board of Directors approved the Fiscal Year 2021/22 Annual Audit Plan.

On December 8, 2021, the Board of Directors reconfirmed the approved Audit Committee and IA Department Charters. The Charters require a Quarterly Status Report.

Environmental Determination:

Not Applicable

Business Goal:

The IA Status Report is consistent with the Agency's Business Goals of Fiscal Responsibility, Workplace Environment, and Business Practices by describing IAs progress in providing independent evaluations and audit services of Agency financial and operational activities and making recommendations for improvement, to promote a strong, ethical internal control environment, safeguarding Agency's assets and fiscal health, providing recommendations to improve processes and to assist management in achieving organizational goals and objectives.

Attachments:

Attachment 1 - Internal Audit Department Status Report for June 2022

Attachment 2 - Article from BlueGrace Logistics - A Step-by-Step to Doing an Internal Audit of Your Supply Chain (June 14, 2021)

Attachment 3 - Article from SupplyChain Management Review - Top 5 supply chain risks for 2022 (January 17, 2022)

Board-Rec No.: 22124

Projects Completed This Period

Project: Accounts Payable Operational and Internal Control Audit Report Review of Procure to Pay Processes for Planning and Resources (P&R)

Scope:

The objective of the audit was to evaluate the procure to pay processes related to the Professional/Consulting Services as administered by the P&R department and make recommendations to make the process more efficient to ensure payments are made timely. To-date, this is the fourth comprehensive internal audit completed under the Accounts Payable Operational and Internal Controls Audit.

Status: COMPLETE

The focus of this audit was to evaluate the Procure to Pay (P2P) processes for Professional Services, administered by P&R. In FY 2021/22 (as of April 16, 2022), P&R has processed 154 vendor payments in the amount of \$2,075,075, for Agency related professional/consulting services Internal Audit (IA) analyzed the timeliness of payments and performed detailed audit tests on a select number of transactions to evaluate the amount of time required for each step in the process to pay an invoice.

The complete audit report provides a detailed and comprehensive flowchart and narrative (table) documenting the P2P processes. The report provides 15 audit observations and recommendations in the following areas:

- Routing of invoices from AP to the department
- Leveraging technologies (new and/or existing) to utilize workflows
- Working close with the department(s) to identify unique transactions and the procurement instruments and/or processes for unique, uncommon situations/transactions
- Reducing email notifications and communications
- Leveraging the use of technology and reporting tools for better tracking, monitoring and follow-up
- Documenting Standard Operating Procedures (SOPs) and providing staff training

IA will provide quarterly progress reports to provide a status on the corrective actions implemented.

Project: Interim Audit Report:

Accounts Payable Operational and Internal Control Audit: Procure to Pay Processes for – Materials and Supplies

Scope:

The focus of this audit is to evaluate the Procure to Pay processes for the Agency's Materials and Supplies, which are critical to the Agency because these are items needed to ensure the Agency's treatment plants and equipment are running in good condition. IA selected this area for review due to the complaints about several vendors of materials and supplies placing the Agency on Credit Hold. When the Agency is placed on CH, the Agency is at risk of not being able to obtain the necessary equipment, tools and supplies.

Status: Interim Audit Report – Audit Still in Progress

The audit is ongoing. This is an interim audit report that documents the P2P process in flowchart and narrative format. This memo also provides a preliminary list of vendors currently being analyzed. The report provides some preliminary recommendations and a list of additional audit procedures to be performed. IA plans to complete a detailed review of financial transactions for various material and supplies purchases to evaluate reasons for the delays in payments and provide recommendations to make the process more efficient.

The final audit report is planned for completion: September 2022.

<u>Project:</u> Accounts Payable Operational and Internal Control Audit:

Quarterly Progress Update for all P2P Audit Recommendations

Scope:

The purpose of the Progress Update for all P2P Audit Recommendations is to provide a status on the implementation status of all audit recommendations provided through the P2P Audits:

- Accounts Payable Operational and Internal Controls Audit Report Review of Procure to Pay Processes for Chemicals:
 - o Dated November 24, 2021
 - Provided 35 audit recommendations
- Accounts Payable Operational and Internal Controls Audit Report Review of Procure to Pay Processes for Professional Services – Engineering & Construction Management
 - Dated February 24, 2022
 - Provided 21 audit recommendations

Status: Completed June Progress Update and Ongoing

As of May 16, 2022, the status of each review is as follows:

				1	Total Original Recommendations	Results after approximately 150 days,
	Implementee	Is Progrez	Not Implemented	No Longer Applicable		since the date of the original audit
P2P CHEMICALS - 2ND UPDATE						report (Nov 2021):
Operations & Maintenance	11	1	О	4	16	94% Implemented/Addressed 6% (1 of 16) Require Implementation
Contracts and Procurement	4	0	О	1	5	100% Implemented No outstanding recommendations
	-	- 11	-	-		14% Implemented/Addressed
Accounting	1	11	1	1	14	86% (12 of 14) Require Implementation
Total Recommendations	16	12	1	6	35	
	Implemente	d In Preserv	Mat Implement	NaLunger ad Applicable	Total Recommendations	Results after approximately 60 days, since the date of the original audit
P2P - P/S E&CM - 1ST UPDATE						report (March 2022):
Engineering & Construction Management	2	4	0	1	7	43% Implemented/addressed 57% (4 of 7) require Implementation
Contracts and Procurement	2	0	0	0	2	100% Implemented No outstanding recommendations
Accounting	0	7	4	1	12	8% Addressed
Accounting						92% 11 of 12 require Implementation
Total Recommendations	4	11	4	2	21	92% 11 of 12 require Implementation

The departments proposed action plans for all the outstanding recommendations are included in attachments under a separate cover. IA will continue to provide quarterly progress reports until all audit recommendations have been addressed. The complete report is under separate cover.

Project: Internal Audit Annual Audit Plan for FY 2022/23

Scope:

According to the Board-approved Internal Audit Department Charter that states IA must annually submit a documented plan of proposed audit projects. The Plan allows the Manager of IA to carry out the responsibilities of the Internal Audit function by prioritizing projects and allocating necessary resources. The proposed projects are scheduled based on risk assessment to target the areas of highest risk in terms of impact and likelihood. The audits, and resulting recommendations are intended to assist Agency management and the Board in achieving organizational goals and objectives.

Status: COMPLETE

For the FY 2022/23 Annual Audit Plan, IA is proposing the following audit projects: Accounts Payable Operational and Internal Control Audit, specifically, the completion of additional P2P reviews including the completion of P2P for Materials and Supplies, P2P for Laboratory equipment, P2P additional professional services and others if deemed necessary. Additionally, IA is proposing the Information Systems Physical Inventory and Internal Controls Audit and follow-up, in addition to on-going and required projects, such as the annual ACFR review. The Annual Audit Plan is considered a flexible plan and projects can change or other projects with higher risks can take greater priority. Any changes or amendments to the Audit Plan are communicated to the Audit Committee through the Status Report or other amendment document. The final Annual Audit Plan is provided under a separate cover.

Project: Completion of Filing of Financial Audit and Single Audit for FY 2020/21

Scope:

Annually, IA takes the lead to file the Single Audit Reporting package and other Financial Statements/Reports with the various regulatory agencies. The Single Audit Reporting packages are due nine months after the entity's fiscal year end according to 2 CFR 200.512, which is March 31st. For FY 2021, the due date was extended six (6) months beyond the normal due date, which is September 30, 2022, per the memorandum M-21-20 issued by the Office of Management and Budget (OMB).

Status: COMPLETE

Every year in December, IA presents IA's Quality Control Review of the Agency's Annual Comprehensive Financial Report. IA coordinates with the External Auditors and the Accounting Unit to provide IAs observations related to IAs quality control review. Additionally, every year, once all audit reports have been completed by the External Auditor and approved for distribution by the Board of Directors, IA takes the lead to ensure these are filed with the required regulatory agencies.

In May 2022, IA completed the required filings with the State Controller's Office, State Water Resources Control Board and County of San Bernardino. Documents filed included: IEUA's Single Audit Reporting Package*, Chino Basin Regional Financing Authority's (CBRFA) Financial Statements, and the Inland Empire Regional Composting Authority's (IERCA) Annual Financial Report for FY 20/21.

(*Note: Single Audit Reporting package is comprised of the IEUA's Annual Comprehensive Financial Report and Single Audit)

To complete the filing, IA had to coordinate with the Grants, Accounting and Records Management departments to gather the information needed for the filing. IA updated and notified each of the respective departments after the filing had been completed and provided the information for the Agency's record retention requirements. For the last two fiscal years (FY 2020 and 2021), due to the pandemic and working remotely, the filing of the Single Audit Reporting package and the other financial statements/reports were completed electronically and online using new technology tools, such *One Drive* and FTP (file transfer protocol) site, whereas previously the filings were completed using hard-copy documents.

IA will continue to pursue filing these documents electronically and online, and to align with the Agency's Business Goal of Environmental Stewardship.

Projects in Progress

Project: Audit Software Review Project: Workpaper and Data Analytics Software Tools

Scope:

IA is evaluating the costs and benefits of implementing automated audit tools to enhance audit processes. The Institute of Internal Auditors (IIA) Audit Standard 1220.A2 –provides guidance for exercising due professional care for internal auditors. IIA 1220.A2 states that internal auditors must consider the use of technology-based audit and other data analysis techniques.

The use of technology, including, an automated working paper system as well the use of data analytics would enhance the audit capabilities and efficiency of the audit process. Currently, IA is using Microsoft Office products. SharePoint is not geared toward auditing tools and creating audit workpapers. Resources, including costs and staff time will be necessary for implementation and maintenance. IA is carefully evaluating costs/benefits as well as risks and opportunities. Benefits and opportunities include time saving, quicker and more robust and larger scale analysis of transactions, sustainability, efficiencies, report production, dashboards, continuous monitoring, and storage, workpaper documentation and review administration.

Status: In Progress

To date, IA has met with the three amin audit workpaper software vendors: AuditBoard, TeamMate and Workiva. Each vendor has provided a quick version of a demo and preliminary information. AuditBoard

provided a three-day sandbox opportunity. Additional meetings will be scheduled to obtain additional information for further research and evaluation with all vendors.

IA is also in the process of bringing on board the advice from IT and Contracts and Procurement. Any proposed plans will be discussed in detail with the GM and any affected Agency departments. IA will bring updates to the Audit Committee every quarter for review/discussion. Any proposed changes will be carefully evaluated, budgeted, and planned with sufficient advance time and notice.

Project: Strike Team, Asset Management Steering Committee & Safety Committee

Scope:

IA participates in meetings related to the Agency's Asset Management program and the Safety programs to gain an understanding of the Agency's priorities and understand Agency risks, represent the department and be a resource to provide feedback and recommendations.

The Strike Team was implemented by the GM to assist in implementing audit recommendations and immediate changes as a result of the recommendations from the P2P Audits.

Status: On-going

During this quarter, IA staff participated in weekly meetings with the Strike Team and monthly meetings for Asset Management Steering Committee and the Safety Committee (or more frequent when necessary). The meetings provide an opportunity for IA to gain an understanding of the Agency's priorities and identify potential risks that assists in audit planning. During the meetings, IA provides input and suggestions related to the initiatives underway. For example, Asset Management is currently developing an Asset onboarding and disposal policy and process and IA is very engaged with regards to prior audit recommendations provided. These meetings require approximately one hour each per month and sometimes more and do not compromise the independence of the auditors or the IA Department.

<u>Project:</u> Final Report: Review of Agency COVID-19 Expenses

Scope:

The original evaluation reviewed the expenses incurred by the Agency in response to the ongoing global pandemic (COVID-19). Expenses include costs incurred to comply with health guidelines, to prevent the spread of COVID-19, protect Agency personnel and the public, cost related to transitioning employees to work from home and ensuring proper on-site precautions. The objectives of the review were to evaluate if the expenses met compliance requirements according to Agency policies and procedures, follow proper internal controls and contain the required supporting documentation.

Status: In Progress

IA has provided detailed updates through this Status Report. IA will coordinate with the Grants Department to provide a comprehensive update on all the details and information related to the Agency's COVID-19 expenses and the eligible/reimbursable amounts from the different funding sources. This coordination/report will be scheduled through the Annual Audit Plan in June.

A final report will be presented to the Audit Committee when final financial information is available.

Project: Follow-Up IT Equipment Audit – Integrated Systems Services (ISS)

Scope: In Progress

To evaluate the status of the two open recommendations from the original Information Technology (IT) Equipment audit completed in 2012. The recommendations are:

- Original Recommendation # 3 (dated August 2012): ISS implement appropriate tracking systems that
 include relevant information on IT purchases (i.e., serial numbers, etc.), are updated timely and are
 complete and accurate. ISS should establish procedures to enter, modify, and delete information in
 the tracking systems that address areas such as timeliness for updates, responsibilities for
 maintaining the systems, and the types of items included in the tracking system.
- Original Recommendation # 1 (dated November 2012): ISS should ensure that any services procured with P-Cards are expressly authorized by the Manager of CAP, CFO, AGM, or GM prior to committing to services.

Status:

IA will meet with ISS to evaluate the remaining two recommendations. Based on the results of the discussions with the Operations Division and ISS Management, IA will assess the feasibility to expand the scope of the audit to evaluate additional areas to provide added value to the department and Agency.

On July 26, 2021, ISS initiated an inventory of *Technology assets* assigned to Agency staff. The purpose of the inventory is to update asset records of Technology equipment issued through the department. A technology asset inventory assists in ensuring financial reporting is accurate and assists in maintaining physical accountability of the assets. Technology assets include: desktop computers, laptops, monitors, printers, docking stations, tablets, mobile phones, Jetpacks, and other computer peripherals.

Additional details will be documented in the next Internal Audit Department Quarterly Status Report.

Report on Open Audit Recommendations as of June 2022

The IAD Charter requires IA to follow-up on the status of outstanding audit recommendations to determine if corrective actions have been implemented. A recommendation is considered "outstanding" if it requires corrective action to address the finding and risk observed. IA performs follow up reviews, to determine that risks have been addressed and clears the recommendation when deemed appropriate. Follow-up reviews are scheduled through the Board-approved Annual Audit Plan. Executive Management supports the implementation efforts of the recommendations previously provided and/or the development of alternative controls to address the original risks identified.

Status: On-going

As of June 2022, there are 95 outstanding audit recommendations. Details about each of the outstanding recommendations is submitted with the Annual Audit Plan each June. This summary provides an updated count of the outstanding recommendations. This summary includes new recommendations provided during this fiscal year as well as considers any recommendations cleared during the year (up to the prior quarter). A follow up review is typically scheduled between 12–24 months from the date of the original audit, to allow time for full implementation. If a recommendation is deemed not implemented, the recommendation remains outstanding or alternate controls to mitigate any risks are evaluated to determine if the risk has been addressed and the recommendation is no longer applicable. A follow up review is also scheduled sooner, if requested by the Audit Committee or Executive Management and/or the department audited. The audited business units are encouraged to submit additional information for IA review if they determine the recommendation has been satisfied.

Area Audited	Report Issued Date	No. of Recs. Remaining to be Verified by IA*
Accounts Payable Follow-Up (Deferred Recommendations related to Agency Policies)	August 29, 2013	2
Follow-Up – IT Equipment Audit – ISS	February 29, 2016	2
Follow-Up – IT Equipment Audit – FAD	December 5, 2016	6
2017 Petty Cash Audit & Follow-Up Review	June 5, 2017	7
Water Use Efficiency Programs Audit	June 5, 2017	6
Contracts and Procurement Follow-Up Audit	August 30, 2017	1
Payroll Operations Audit	August 30, 2017	5
Procurement Card Audit	March 1, 2018	7
Wire Transfers Audit	March 1, 2018	4
Inter-fund Transactions Audit	August 30, 2018	1
Accounts Payable Follow-Up Audit	May 30, 2019	4
Voyager Fuel Card Audit	May 30, 2019	4
Human Resources Audit: Hiring and Promotions Operations Review	December 2, 2019	7
Recycled Water Revenues Audit	May 28, 2020	3
Human Resources: Workload Indicators Review	May 29, 2020	2
Human Resources Operational Audit: Administration of Employee Training and Development Programs	August 31, 2020	5
Agency Vehicle Operational Follow-up audit: Review of Vehicle Inventory Procedures	May 27, 2021	1
Accounts Payable Operational and Internal Controls Audit Report Review of Procure to Pay Processes for Chemicals	November 24, 2021	13
Accounts Payable Operational and Internal Control Audit Review of Procure to Pay Processes for Professional Services – Engineering & Construction Management	February 24, 2022	15
Regional Contract Review – Final Audit Report (planned for full implementation with the renegotiation of the Regional Contract)	December 16, 2015	31
Total Outstanding Audit Recommenda	126	

^{*}The Outstanding Recommendations Table does not update the status of recommendations resolved by follow-up audits during the current quarter or add any new recommendations resulting from the projects completed during this quarter (as noted in this Status Report). The table is revised for those changes once all items have been received by the Audit Committee and the Board of Directors which is when items are determined to be final.

As of June 2022, 126 recommendations remain outstanding:

- o 28 relate to the Procure to Pay audits completed, these are currently followed-up on, quarterly
- o 31 relate to the renegotiation of the Regional Contract,
- o 20 relate to required Policy updates to Agency policies, HR is working with a consultant to evaluate
- o 47 recommendations are eligible for follow up evaluation.

Special Projects

Ongoing

IA perform special reviews and projects including analyzing transactions, evaluating documents and policies, verifying information, assisting with interpretation of Agency Policies or other required procedures, and providing recommendations and feedback on results of the analysis, engaging necessary assistance if and/or when necessary, reporting to the General Manager and the Audit Committee. These services are provided according to the IA and Audit Committee Charters, the Annual Audit Plan, and/or best practices. Special Projects can be short or long-term projects, typically requiring more than 80 hours of staff time and requiring setting aside or delaying work on scheduled audit projects. The scope of the review is not generally known, and the work must be handled with the highest degree of confidentiality and care, as with all audit projects. Special Projects are usually considered highly confidential.

Management Requests

Ongoing

IA assists Agency Management with requests for analysis, evaluations, and verification of information, assist with the interpretation of policies and procedures, and/or provide review and feedback on new policies or procedures. Additionally, staff assists with interviews, document evaluations and discussions when asked and time permits. These services are provided according to the IAD Charter, the Annual Audit Plan, and best practices. The management request projects are short-term projects, typically lasting no more than 75 hours where IA determines it has the necessary staff, skills, and resources to provide the requested assistance without having to delay/defer scheduled audits and priority projects. The scope of each review is agreed upon between the department manager requesting the evaluation, review, analysis, or assistance, the Manager of IA and when deemed appropriate by the Leadership Team and department Managers.

During this quarter, IA staff assisted the Finance and Accounting Department with interviews for Financial Analyst, the Accounting Supervisor and Intern positions. All three IAD staff members participated in the review of resumes and applications and various scheduled interviews of candidates. The process requires time to review information and document details of the interviews and review as well as meet with other evaluators to discuss the requirements of the position, etc.

Audit News & Trends

IA is providing information on Supply Chain Risk, a current audit trend. This is for information, attachments to the complete article are included at the end of this Quarterly Status Report.

Supply chain risk has been in the news lately. Supply chain risk exposure has impacted many consumers and organizations with delays of needed goods to continue essential processes. Improving your supply chain reduces the operating costs that add value to the organization. A recent logistics article *titled "A Step-by-Step Guide to Doing an Internal Audit of Your Supply Chain"* by Blue Grace [1] discusses how Internal Audit can help an organization develop appropriate supply chain risk management program. Some the key attributes noted in the article are the following:

- Reviewing and understanding supply chains, including their strengths and weaknesses, in developing markets, to validate monitoring programs
- Working with the company's supply chain specialists to help develop a monitoring process that can be repeated
- Helping to identify which suppliers are critical
- Assessing which suppliers may be vulnerable to threats and helping draw up a residual mitigation profile
- Identifying strong risk control procedures
- Helping to develop key analytic tools and techniques
- Aiding with compliance monitoring

The Supply Chain Management Review reported the Top five (5) supply chain risks for 2022 [2] are (1) Worldwide Water Instability, (2) Ocean Freight Bottlenecks, (3) The Continuously Changing Workplace, (4) Just-in-Time Shifts to Just-in Case and (5) Increased Regulatory Scrutiny. Organizations have an incredible opportunity to partner with the Internal Audit function to assess supply chain risk and develop a risk mitigation action plan to reduce risk exposure and identify process improvements.

[1] A step-by-step guide to doing an internal audit of your supply chain. BlueGrace Logistics. (2021, June 14). Retrieved May 3, 2022, from https://mybluegrace.com/bluegrace-logistics/a-step-by-step-guide-to-doing-an-internal-audit-of-your-supply-chain/

[2] Forger, G. (2022, January 18). Top 5 supply chain risks for 2022. Recently Filed RSS. Retrieved May 16, 2022, from http://www.scmr.com/article/top 5 supply chain risks for 2022

Internal Audit Staffing and Professional Development

As required by the International Standards for the Professional Practice of Internal Auditing, and the IAD Charter, auditors must regularly enhance their knowledge, skills, and other competencies through continuing professional development. Audit standards require practicing internal auditors attend, at minimum of 40 continuing professional education credits every 2 years. During the past quarter, IA staff has continued to stay abreast of industry developments through review of industry literature and participation in on-line webinars. Most training is obtained through the Institute of Internal Auditors (IIA), the global association for the profession of internal auditing, and most virtual trainings have been complimentary.

All training hours met the requirements of Continuing Professional Education (CPE) and earned CPE credits. These highlighted trainings are in addition to mandatory IEUA Safety Trainings and other Agency training related to finance, procurements, etc. During this quarter, IA staff attended the following:

- April: the Manager and a Senior attended a full-day, in-person conference titled "Tools for Auditors" and provided 8 sessions in fraud, ethics, cybersecurity, data analytics and more. The education event was hosted by the IIA Inland Empire Chapter and took place at the Agency's facilities. The IIA-IE appreciates IEUA for the opportunity to host onsite, this was the chapter's first in person event in over two years and had a record attendance of over 45 attendees.
- April: one Senior attended the 3-day, in-person annual ISACA (Information Systems Audit and Control Association ®) Conference in Los Angeles. The training provided various sessions related to information technology audits, risks, and trends.
- April: the Manager attended IIA's Leadership Conference in Florida. The conference attracted over 300 IIA chapter leaders from around the country, included valuable sessions related to leadership and all the latest trends of the IIA and internal auditing as well as resources for professional auditors.
- May: the Manager and one Senior attended a 6-hour, virtual training hosted by 5 IIA chapters and provided education sessions in cybersecurity, technology, data analytics, internal controls and more.

All members of the IA team participate in the local chapters of the IIA in an officer/board capacity. All members of the IA team have various certifications and higher degrees as required by the IIA standards and the Charter.

The Internal Audit Department is staffed as follows:

- 1 Full-time Manager of Internal Audit
- 2 Full-time Senior Internal Auditors

Future Audit Committee Meetings

- Monday, September 12, 2022 Regularly Audit Committee Meeting
- Monday, December 5, 2022 Regularly Scheduled Audit Committee Meeting
- Monday, March 6, 2023 Regularly Scheduled Audit Committee Meeting

A Step-by-Step Guide to Doing an Internal Audit of Your Supply Chain



While all facets of the modern business are important, arguably the most important to any retail, manufacturing, or goods based service is their supply chain. The supply chain serves as the backbone of these companies and has a significant impact on the company's business strategy which directly affects its operation and operational costs. Additionally, the performance of the supply chain has a direct impact on a company's ability to provide services to their customers and create additional value via services offered or simply through reliability. With the multitude of changes that have been occurring within the logistics, trade, and freight industries now, more than ever, is an opportune time to conduct or review the process of internal audit of your supply chain.

An internal supply chain audit is one of the most powerful methods of evaluating and possibly improving your supply chain, reduce operations costs, and increase competitive advantages.

An internal supply chain audit is one of the most powerful methods of evaluating and possibly improving your supply chain, reduce operations costs,

and increase competitive advantages. The goal of the internal audit is to help you find weaknesses within your supply chain and correct pain points, bottlenecks to increase supply chain flexibility, agility, and overall efficiency. To make the most out of your audit and its results, it's important to understand that the supply chain isn't a stand-alone, isolated feature of your business. In all actuality, the supply chain is suffused in every aspect of your business. As such the supply chain needs to be viewed between all participating companies and suppliers throughout the supply chain, with solutions applied from a holistic approach.

Why an Internal Audit is Necessary for Your Supply Chain

For most companies, audits are typically part of the normal routine, either for financial records or for physical inventory. The entire purpose behind an audit is to make sure things are where they should be and that everyone is playing by the same rules. "Internal auditing is defined as an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes," as defined by The Institute of Internal Auditors (IIA).

This is especially important when trying to maintain retail compliance, for example, with increasing customer demands like On Time; In Full (OTIF) or Must Arrive By Date (MABD).

Simply put, an internal audit is a multi-step process that is a means of determining whether your current systems and operations are in compliance with your company's predetermined operating procedures and regulations. This is especially important when trying to maintain retail compliance, for example, with increasing customer demands like On Time; In Full (OTIF) or Must Arrive By Date (MABD). Conducting an internal audit does more than just evaluates the supply chain, it also takes a necessary look at the interaction between other aspects of the organization such as the accounting and financial systems, practices, and procedures. For example, are your planners and purchasers communicating properly, not only with each other but with the production floor and shipping department? Are parts coming in with enough lead time that items can be manufactured and shipped according to customer requirements? An internal audit is important because it allows the company executives and logistics decision makers to examine the effectiveness of their business operations and controls and applications of

new policies. Over time, establishing those best practices means a more competitive and more profitable company in the future.

Things to Consider Before you Start the Audit

Performing an audit is one thing, but knowing what areas you need to be focusing on is something else entirely. While every audit should be more or less tailored to the specific needs of an individual organization, here is the basic framework for initiating an audit that needs to be included:

- Audit Planning: Internal auditors should have a plan in place well before the actual auditing begins.
- Examining and Evaluating Information: Internal auditors should have a standardized criterion to compare findings against.
- **Communicating Results:** Audit should have a clear and concise method of reporting their findings.
- **Follow Up:** Internal auditors should follow up in a timely manner to ensure that appropriate actions have been taken to correct audit findings.

This framework also serves as a support system for corporate managers and allows managers of larger production systems to delegate the oversight of the audit to the internal audit department. This is important for a few reasons:

- Operating Complexity: Automated data processing has increased the levels of complexity when analyzing data, a task better suited for those who know what to look for.
- **Decentralization:** Given that supply chains are prone to be decentralized in terms of a physical location due to globalization.
- Lack of Expertise: As the adage goes, stick to what you know. Leave those auditors in charge of the audit for the best quality audit.

With the right framework in place for the audit to commence, let's take a look at the tasks involved for the actual audit.

Supply Chain Structure and Internal Audit Tasks

Like we mentioned above, every company is different and, as a result, the needs for every individual supply chain will vary. So while there is no hard and fast or "Use audit 'A' for Supply chain system '1' " convenient method of doing things, there are some common focal points that are applicable for just about every organization and style of the supply chain. The supply chain management processes identified by The Global Supply Chain Forum are:

- Customer Relationship Management
- Supplier Relationship Management
- Customer Service Management
- Demand Management
- Order Fulfillment
- Manufacturing Flow Management
- Product Development and Commercialization
- Returns Management

All of these processes are hallmarks of a healthy supply chain and also indicative of the successful supply chain management. Here again, we can see all of the links that connect the supply chain to every other facet of the business. Another benefit to performing an internal audit is that offers to perfect opportunity to increase the synergy between these various departments. For CFO's and supply chain leaders, this means that supply chain management deals with total business excellence and represents a new way of managing the business and relationships with vendors, suppliers, and partners. An internal audit can help a company in finding answers to crucial questions about managing success factors of supply chain excellence, of which these can be divided into five main sections:

- Strategy To determine if the enterprise has a clear strategy tuned to business expectations and focused on profitably servicing customer requirements
- Organization To determine if an effective organization structure exists enabling the enterprise to work with its partners to achieve its supply chain goals
- Process To determine if the enterprise has excellent processes for implementing its strategy, embracing all plan-source-make-deliver operations
- Information To determine if the enterprise has reliable information and enabling technology to support effective supply chain planning, execution, and decision-making
- Performance To determine if the enterprise is managing supply chain performance in ways that will increase the bottom line, cash flows and shareholder returns

Supply Chain Risk Management

As much as we wish we could, the ability to see and accurately predict the future still eludes us to this day. In the end, it all comes down we can optimistically refer to as an "educated guess". With that being said, even the

most educated guesses can't predict the weather or a broken down truck. This means that within every supply chain, there will always be an element of risk. That risk represents any number of things that can go wrong within your supply chain and halt or delay your shipments. For this very reason, risk management is incredibly important when evaluating your supply chain.

An internal audit can provide business leaders with the necessary framework to develop an appropriate supply chain risk management program.

Risk management is a huge proponent of supply chain health, especially given the instabilities in the global marketplace created by political uncertainty, trade tariffs, etc. An internal audit can provide business leaders with the necessary framework to develop an appropriate supply chain risk management program. This is how your supply chain audit can also help with risk reduction and increased security:

- Reviewing and understanding supply chains, including their strengths and weaknesses, in developing markets, to validate monitoring programs
- Working with the company's supply chain specialists to help develop a monitoring process that can be repeated
- Helping to identify which suppliers are critical
- Assessing which suppliers may be vulnerable to threats and helping draw up a residual mitigation profile
- · Identifying strong risk control procedures
- Helping to develop key analytic tools and techniques
- · Aiding with compliance monitoring

Ideally, the risk mitigation will also allow companies to increase supply chain efficiency to the point where on hand stock can be reduced. While having excessive stock might create a buffer in time where shipments are running late or capacity is tight, that excess can also eat into company profit margins. Additionally, having a well-running supply chain vastly lowers the chance for disruptions, operating costs, and other unexpected costs such as chargebacks, detention fees.

Despite the cause, however, the results are often the same, a drastic slow down of operations and a huge impact on customer satisfaction and profitability.

Supply chain management is a very complex structure of activities with crossfunctional processes, and it presents one of the most important functions in

the company since it is directly linked to all functions of the company. Supply chain problems can result from any number of things including natural disasters, labor disputes, supplier bankruptcy, an act of war or terrorism, systems breakdowns, procurement failures, and other causes. Despite the cause, however, the results are often the same, a drastic slow down of operations and a huge impact on customer satisfaction and profitability. The supply chain internal audit aims to support managers in process optimization and above all in cost reduction which result from an uncertain environment by evaluating and directing management towards approaches which will prevent or reduce negative effects. After analyzing definitions and some of the standards of internal audit, it can be concluded that this process can improve effectiveness and efficiency, and by that, the performances of many functions within the organization. High-impact supply chains are more competitive and are capable of winning market share and customer loyalty, creating shareholder value, extending the strategic capability and reach of the business. Independent research shows that excellent supply chain management can yield:

- 25-50% reduction in total supply chain costs
- 25-60% reduction in inventory holding
- 25-80% increase in forecast accuracy
- 30-50% improvement in order-fulfillment cycle time
- 20% increase in after-tax free cash flows

To increase supply chain strength, agility, and overall integrity, companies should develop a framework for a structured approach to ongoing risk identification and management. This will enable businesses to proactively address organizational supply chain risks on a periodic basis – a practice that affords stronger company and brand protection against supply chain risk gaps.

[1] A step-by-step guide to doing an internal audit of your supply chain . BlueGrace Logistics. (2021, June 14). Retrieved May 3, 2022, from https://mybluegrace.com/bluegrace-logistics/a-step-by-step-guide-to-doing-an-internal-audit-of-your-supply-chain/



Top 5 supply chain risks for 2022

Report from Everstream Analytics provides detailed supply chain risk factors and mitigation recommendations for 2022.

By Gary Forger · January 17, 2022

The top 5 supply chain risks that global companies should prepare for in the next 12 months are detailed in the Everstream 2022 Risk Report from supply chain risk analytics provider Everstream Analytics (http://www.everstream.ai/).

"Pandemic shortages have revealed the global supply chain's fragile interdependence, pushing companies in every industry toward comprehensive risk assessments and flexible response plans," said Julie Gerdeman (https://www.linkedin.com/in/juliegerdeman), Chief Executive Officer, Everstream Analytics. "We developed the Everstream 2022 Risk Report to provide advice and commentary on where to double down on risk mitigation efforts to keep supply chains stable."

Below is a quick summary of the top five supply chain risks for 2022. For the expanded analysis, please download the full report here (https://www.everstream.ai/risk-center/special-reports/2022-outlook-supply-chain-risk-trends/?utm_medium=referral&utm_source=press%20release&utm_campaign=sr%202022%20annual%20risk%20report).

- 1. **Worldwide Water Instability:** Two thirds of the global population will face water shortages by 2025. A steady water supply is necessary for production and cooling equipment for pharmaceuticals, tech products, paper, garments, food processing, and other manufacturing industries.
- 2. **Ocean Freight Bottlenecks:** Facing record low-inventory levels, strong consumer demand, and ongoing COVID-19 impacts on logistics and workforces, the global ocean cargo industry will continue to suffer from port congestion and delays in 2022.
- 3. **The Continuously Changing Workplace:** As the Omicron variant of COVID-19 spreads across the world, the risk of infection will force companies to reassess how workplace safety and worker compensation to avoid the risk of long-term disruptions from industrial actions or outbreaks of disease.
- 4. **Just-in-Time Shifts to Just-in Case:** As the pandemic exposed flaws in "just in time" inventory systems, businesses have been exploring a shift to the "just in case" model, increasing buffer and safety stocks of critical components or best-selling products.
- 5. **Increased Regulatory Scrutiny:** Sustainability disclosure and reporting requirements for businesses continue to gain momentum amid scrutiny from governments, investors, and customers alike. Further regulations impacting global supply chains will likely be enacted in 2022.



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INFORMATION ITEM

31

Comprehensive Government Relations

MEMORANDUM

To: IEUA Community and Legislative Affairs Committee

From: Letitia White, Jean Denton, and Drew Tatum

Date: May 26, 2022

Re: May Monthly Legislative Update

Top Democrats Speak Out after Draft Supreme Court Ruling Released

In early May, House Speaker Nancy Pelosi (D-CA) and Senate Majority Leader Chuck Schumer (D-NY) offered harsh criticism after a purported draft majority option that would overturn Roe v. Wade was leaked by Politico.

The draft option was written by Justice Samuel Alito and declares the 1992 decision in Planned Parenthood v. Casey has no constitutional grounding. The court is expected to release a final option on cases heard this term before the end of June when the court takes its traditional summer break.

Both Schumer and Pelosi said the draft ruling would "inflict the greatest restriction of rights in the past fifty years — not just on women but on all Americans."

In a joint statement they said, "The Republican-appointed Justices' reported votes to overturn Roe v. Wade would go down as an abomination, one of the worst and most damaging decisions in modern history."

The leak is unprecedented as the Supreme Court hasn't experienced leaks of Justices' positions, much less draft options of the Court, prior to the public release of those documents.

It has also caused fierce debate and pushback from Democrats who are now calling to remove the legislative filibuster to pass legislation codifying Roe vs. Wade. However, they would need total unity from their caucus – which they don't have.

Earlier this year, a vote in the Senate to codify abortion rights failed with a 46-48 vote. Senator Joe Manchin (D-WV) voted with Republicans.

Democrats are now using this ruling to energize their voting base as they head into midterm elections this November.

Senate Panel Advanced Water Projects Bill

The Senate Environment and Public Works Committee took an important step in advancing biennial legislation to authorize water resources projects.

After EPW Committee Chairman Tom Carper (D-DE) released draft text, the Committee met on May 4, 2022 to report the legislation to the full Senate. It advanced out of the EPW Committee unanimously.

The Water Resources Development Act (WRDA) of 2022 would authorize much-needed investments in the projects and programs of the U.S. Army Corps of Engineers (Corps) across the country. For the first time since 2007, the bill authorizes new environmental infrastructure projects and modifies existing ones. It also directs the Corps to expedite the completion of several ongoing studies and projects that are critical to addressing coastal and inland flood risk mitigation, navigation, and ecosystem restoration.

"Our committee has shown, yet again, that we can come together across the aisle to help meet the pressing water infrastructure needs of the American people," Senator Carper said. "This year's reauthorization of the Water Resources Development Act would authorize the modification of existing and construction of new, critical Army Corps projects in Delaware and throughout the country — projects that will significantly improve quality of life, create goodpaying jobs, and protect communities against the threats of climate change. I am proud of our committee's bipartisan work in advancing this legislation and look forward to its consideration by the full Senate."

In addition to key policy reforms, WRDA 2022 authorizes 36 new Corps feasibility studies and authorizes or modifies 21 projects for construction. The legislation also includes authorizations to study modifications to existing projects.

The legislation would facilitate the timely completion of much-needed improvements to the country's inland waterways system by reducing the strain on the Inland Waterways Trust Fund. It also proposes to address harbor deepening and maintenance needs for commercially significant ports and authorizes new avenues for the provision of assistance to underserved community harbors that are critical to local and regional authorities.

The legislation also aims to improve inland and coastal resilience and restore ecosystems through investments in the protection and restoration of shorelines and riverbanks. The bill streamlines the implementation of shoreline protection and restoration projects to aid communities most vulnerable to coastal storms and enables communities to partner with the Corps to develop water resources projects that directly address risks of extreme weather.

The bill also authorizes the Corps to do significant work to mitigate the impact of repetitive drought conditions and conserve water supplies.

The House Transportation and Infrastructure Committee released their own version of the Water Resources Development Act in May, marking up the legislation on Wednesday, May 18. Similar to the Senate version of the legislation, the House advanced their version of the bill by voice vote.

The House's bill authorizes the construction of 16 pending Corps Chief's Reports received since the enactment of WRDA 2020 and 72 feasibility studies for water resources development projects, including those identified through the public review process established by section 7001 of the Water Resources Reform and Development Act of 2014.

The Legislation directs the Corps to expedite the completion of 15 feasibility studies currently underway. It also authorizes critical water and wastewater infrastructure assistance for community driven projects carried out by the Corps throughout the nation.

Both the House and Senate are expected to consider their versions of the legislation during the coming months. Once both chambers have passed their respective bills, the legislation will be conferenced and a final conference report will be sent to both chambers for adoption. Congress has successfully enacted four consecutive WRDA bills on a biennial basis going back to 2014.

COVID Aid Funding Deal Needs to be Reworked after Funding Spent

Lawmakers will have to renegotiate a Covid-19 therapeutics and vaccine funding deal because billions of dollars designated as offsets have already been spent, key senators said.

Senators struck a bipartisan deal in April to spend \$10 billion on Covid resources, and to offset its cost by rescinding previously appropriated funds.

Now, some of the key authors of the initial deal, Sens. Mitt Romney (R-UT) and Roy Blunt (R-MO), said lawmakers will have to resume negotiations on the offsets when they eventually decide to take up a Covid bill. Between \$2 billion and \$4 billion of the \$10 billion in funds designated as offsets have already been spent.

Blunt added that the previous agreement to spend \$10 billion overall may also need to change. The needs have increased over nearly two months, he said.

White House officials have repeatedly asked for more than \$20 billion in Covid aid.

The development adds another challenge to the process of agreeing to a Covid bill, which has been delayed due to fights over offsets, immigration, international aid, and a general lack of motivation among lawmakers.

Romney said lawmakers will have to renegotiate the offsets, but that it won't happen until Senate Majority Leader Chuck Schumer (D-NY) looks to take up a bill. He said he thinks lawmakers will be able to find enough new offsets when they're motivated.

"We'll probably need to update the pay-fors, but so far Leader Schumer has not been willing to put the bill on the floor," Romney said. "Until he does, it's kind of moot."

DHS Secretary Faces Congressional Border Pushback

Department of Homeland Security Secretary Alejandro Mayorkas faced tough questions from House and Senate lawmakers this month about how his department is handling the crisis at the border. Secretary Mayorkas appeared Wednesday before two Senate Committees, following three House hearings during the prior week.

Lawmakers from both parties argued the Department of Homeland Security isn't prepared for an impending increase in migrant arrivals the agency expects when pandemic-related Title 42 border restrictions end.

"I remain concerned about the department's ability to get additional, much-needed resources to the border," said Sen. Maggie Hassan (D-NH), one of several Senate Democrats who've raised concerns about ending the public health authority.

Bipartisan concern over the planned termination derailed a vote last month on a Covid-19 aid package continued to complicate the Senate's effort to advance both Covid and Ukraine aid legislation. Title 42 has allowed border officials to immediately expel asylum-seekers and other migrants since 2020. The Biden administration has wanted to lift the policy this month, though court challenges may delay the timeline.

Sen. Kyrsten Sinema (D-AZ), who co-sponsored a bill to keep Title 42 in place, argued DHS lacks capacity to handle an increase in migrant arrivals. The agency has modeled scenarios of up to 18,000 migrants arriving a day after the policy ends, up from about 7,000 a day at the southern border in March.

Mayorkas told lawmakers on the Senate Homeland Security and Governmental Affairs Committee and the Appropriations Homeland Security Subcommittee that DHS has already surged personnel to the border and would try to move money within the agency to address growing needs at the southern border. Sen. Shelley Moore Capito (R-WV), the top Republican on the subcommittee, raised concerns about leaving other parts of DHS's mission under-funded.

Secretary Mayorkas said he would request supplemental funding from Congress if needed, a prospect that has already raised some skepticism in the House. He also repeatedly pressed lawmakers to pass legislation to improve the immigration system and relieve stress on the border.

Mayorkas tried to put to rest at least one border-related complaint, telling the appropriations panel the Department of Veterans Affairs would not divert resources to help with southern border management. Republicans seized on the prospect earlier in the month and introduced legislation to block the VA from spending money on border assistance.

Outrage over the border was partially overshadowed during the Senate hearings by DHS's latest politically volatile move: the creation of a disinformation board that Republicans have compared to an Orwellian "Ministry of Truth." Mayorkas tried to ease concerns by stressing that the initiative simply aims to establish standards and best practices for DHS's longstanding efforts to fight disinformation that threatens homeland security.

Note that the White House has been blocked from rescinding the Title 42 policy by a federal judge. On Friday, May 20, a federal judge out of Louisiana blocked the Biden administration from wining down the pandemic-related border restriction that allows for the immediate expulsion of asylum-seekers and other migrants.

The preliminary injunction, issued by the US District Court for the Western District of Louisiana, provides a more permanent stop to the administration's plans while the lawsuit led by a multi-state coalition of Republican attorneys general plays out.

Judge Robert R. Summerhays granted a temporary restraining order April 27 that prevented the Department of Homeland Security from phasing out Title 42 ahead of its planned end date.

The controversy surrounding Title 42 had been holding up COVID-relief legislation. Despite the court's ruling, Republicans are not expected to drop demands for a floor vote on a Title 42 related amendment as part of considering additional coronavirus relief.

EPA to Keep Obama-era Smog Standards

This month, the Environmental Protection Agency (EPA) suggested it will keep an Obama-era rule on ground-level ozone pollution.

The draft assessment is the first step in officially keeping the standard in place. In June, the EPA's Clean Air Scientific Advisory Committee will meet to make a decision. EPA Administrator Michael Regan must then sign off.

However, some environmentalists and anti-air pollution groups expressed concern as the rule affirms a final decision made by the Trump EPA in December 2020.

The 2015 standards established a maximum of 70 parts per billion for the ozone – the primary component of smog. Environmentalists have pushed to have this reduced to 60.

The Sierra Club's Senior Director of Energy Campaigns said, "Suggesting the EPA uphold the grossly outdated standards for smog pollution that have resulted in most Americans facing unhealthy summer air quality just as families and communities are hoping to spend more time outdoors, is not only wrong, it's dangerous. Climate change is making summertime smog pollution even worse, further burdening communities across the country – in particular Black and Brown communities – that have lived under the constant weight of dangerous pollutants driving respiratory illness and asthma rates. We urge the Biden Administration to apply a more sound scientific approach."

Five GOP Lawmakers Subpoenaed by January 6 Panel

The House Select Committee to Investigate the January 6th 2021 Attack on the Capitol issued subpoenas for five sitting Republican Members of Congress. Those subpoenaed include: Minority Leader Kevin McCarthy (R-CA), Representative Scott Perry (R-PA), Representative

Jim Jordan (R-OH), Representative Andy Biggs (R-AZ), and Representative Mo Brookes (R-AL).

This is the first time the Select Committee has sent subpoenas to their own colleagues in the House.

Representative Bennie Thompson (D-MS), the chairman of the panel, said that the committee decided to send them after the Republican members refused to speak voluntarily.

"The Select Committee has learned that several of our colleagues have information relevant to our investigation into the attack on January 6th and the events leading up to it," Thompson said in a statement. "Before we hold our hearings next month, we wished to provide members the opportunity to discuss these matters with the committee voluntarily," Thompson said of the upcoming June public hearings.

Thompson noted that the Committee had previously asked these members for their voluntary cooperation, but noted that they refused to comply with that request and said the committee was "forced to take this step to help ensure the committee uncovers facts concerning January 6th."

The Committee stated that Leader McCarthy was in communication with the White House before and after the Capitol attack.

The panel went on to say that Representative McCarthy, "...claimed to have had a discussion with the President in the immediate aftermath of the attack during which President Trump admitted some culpability for the attack."

This is likely a reference to an interview in which McCarthy said, "I say [President Trump] has responsibility. He told me personally that he does have some responsibility. I think a lot of people do."

Prior, the panel has focused its subpoenas on non-lawmakers like members of the Trump administration. It is rare for Committees, outside the House Ethics Committee, to subpoena sitting Members of Congress.

Several of the lawmakers subpoenaed, including McCarthy have already indicated they will challenge them in court as other witnesses have done. If the lawmakers refuse to cooperate, the Committee could refer their non-compliance to the House Ethics Committee, which has an equal number of Republicans and Democrats. Given the makeup of the Ethics Committee, the Select Committee could also seek to have the House hold those Members in contempt, but it is unclear if the Department of Justice or Federal Courts would want to get involved in a Legislative Branch dispute.

Department of Interior Announces 46 Water Infrastructure Projects Will Be Funded The Department of Interior announced they will be allocating funding to prove water infrastructure in 46 projects across 11 states.

The funding will be around \$240.4 million from the Bipartisan Infrastructure Law and will include projects such as canal lining repairs and upgrades and replacements to water pipelines. Of the projects there will be canal repair projects in Arizona, California, Idaho, Nevada, and Wyoming and pipeline repairs in Nebraska.

Interior Secretary Deb Haaland said in a statement, "President Biden's Bipartisan Infrastructure Law is making a historic investment in drought resilience and water infrastructure. As western communities face growing challenges accessing water in the wake of record drought, these investments in our aging water infrastructure will safeguard community water supplies and revitalize water delivery systems."

David Palumbo, the Bureau of Reclamation's Acting Commissioner added, "The Bureau of Reclamation, in partnership with states and local water districts receiving municipal water and irrigation water from federally-owned projects, is responsible for much of the water infrastructure in the West. These water systems work because of this federal to non-federal partnership, and this funding will help to complete necessary extraordinary maintenance keeping projects viable and partnerships strong."

President Biden Signs Bill into Law to Expedite Ukrainian Military Aid

On May 9, the President signed a bill to expedite the process for the U.S. to send military equipment to Ukraine amidst the ongoing Russian invasion.

The Ukraine Democracy Defense Lend-Lease Act of 2022 passed Congress with bipartisan support. The bill was originally introduced by Senator John Cornyn (R-TX) and Senator Ben Cardin (D-MD) and allows the United States to lend or lease military equipment to Ukraine and other allies in Eastern Europe while making it easier to do so. The bill revives a World War II-era policy that was put in place to counter Nazi Germany.

After signing, President Biden stated, "Every day Ukrainians pay with their lives. The cost of the fight is not cheap but caving to aggression is even more costly. That's why we're staying in this."

The bill's passage was met with enthusiastic support from Ukrainian President Zelensky who tweeted, "Today's signing of the law on Lend-Lease is a historic step. I am convinced that we will win together again. And we will defend democracy in Ukraine. And in Europe. Like 77 years ago."

President Biden also announced he plans to send another \$150 million in military aid to Ukraine.

Congress also approved the Additional Ukraine Supplemental Appropriations Act, 2022, which President Biden signed into law on May 21, 2022. That legislation will provide Ukraine with an additional \$40 billion in security, economic, and humanitarian assistance.

House Passes Gasoline Price-Gouging Bill

The House passed, H.R.7688, the Democrats' bill aimed at combating "price gouging on gasoline" on May 19, 2022.

The bill passed 217-207, with 4 Democrats joining all Republicans in opposition. The legislation is unlikely to gain traction in the Senate where it would need support from ten Republicans to advance. Despite headwinds in the Senate, House Democrats view it as part of a major messaging push to blame the oil industry for skyrocketing prices.

Democrats claims of price gouging have been met with some skepticism from analysts, who continue to blame market forces for high gasoline prices. Still, Democrats point to record profits posted by major oil companies as evidence.

If this legislation were to become law, it would outlaw the selling of fuel at an "excessive" price during an energy emergency, though it does not detail any particular price threshold. This legislation would also empower the Federal Trade Commission (FTC) to pursue legal action if instances of price gouging were discovered.

Gas prices hit new highs averaging \$4.59/gallon and market analysts repeatedly suggest they are being primarily driven by Russia's invasion of Ukraine, as well as pandemic recovery. Others have pointed to factors including refiners shifting toward other, more profitable fuels.

House, Senate Work on Formula Shortage Legislation

The House and Senate have been working on multiple pieces of legislation aimed to assist families dealing with a shortage of infant formula.

Recently, both the House and Senate passed H.R.7791, the Access to Baby Formula Act of 2022. This legislation authorizes the Department of Agriculture (USDA) to take actions to address emergencies, disasters, and supply chain disruptions that impact participants of the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).

The bill directs USDA to require each infant formula cost containment contract to include remedies in the event of an infant formula recall, including how an infant formula manufacturer would protect against disruption to WIC participants in the state. It also authorizes USDA to waive or modify any WIC qualified administrative requirement during emergencies, disasters, and supply chain disruptions.

The legislation passed the House on May 18 by a vote of 414-9 and by unanimous consent in the Senate on May 19. President Biden signed the legislation into law on May 21, 2022.

The House also passed H.R.7790, a supplemental appropriations bill to provide \$28 million in emergency funding that aims to give the U.S. Food and Drug Administration (FDA) the resources it needs to address the urgent infant formula shortage. This legislation may face opposition in the Senate, as Republicans have indicated the three-page bill will likely do little to directly assist in the middle of the crisis.

A group of Senate Democrats introduced a bill to protect families who rely on infant formula and other essential sources of nutrition (ESN) from future shortages.

The Protect Infants from Formula Shortages Act would also safeguard the availability of these products by requiring manufacturers to notify the FDA of potential supply disruptions, giving the agency time to prevent or mitigate potential shortages. The proposed bill would also direct formula manufacturers to develop risk management plans for the supply of their products and increase the FDA's inspection authority.

Senators Bob Casey (PA), Sherrod Brown (OH), Elizabeth Warren (MA), Tammy Duckworth (IL), and Kristen Gillibrand (NY) introduced the legislation.

In a statement, Casey said Congress has the "responsibility" to tackle this issue, adding they must do everything to ensure that parents have formulas on the shelves.

Recently, 32 Senate Democrats sent a letter to President Biden requesting he appoint a White House coordinator to address the ongoing issue. Senators Tammy Baldwin (WI) and John Hoeven (ND) also wrote to FDA Commissioner Dr. Robert Califf on Thursday pressing his agency to provide information about its actions leading up to the shortage and what steps they are taking to prevent another one.

The White House has also taken steps independently to address the formula shortage, including by invoking the Defense Production Act for the materials used to manufacture and supply formula. The administration has also worked with foreign countries to acquire formula and has used government resources to airlift supplies to the United States.

However, the head of the FDA recently told Senators the nations infant formula shortage likely won't be fully resolved until late July.

Speaker Pelosi Believes Congress Could Pass COMPETES Act Before July 4

House Speaker Pelosi told reporters that Congress could pass the "transformational" America COMPETES Act before July 4, saying they hope to celebrate is passage before the holiday. Negotiators on the conference committee from the House and Senate are actively working to negotiate a compromise that can pass both chambers.

The America COMPETES Act of 2022 would approve billions of dollars for programs to accelerate U.S. manufacturing of critical supplies and goods such as semiconductor chips, strengthening the U.S. in sectors dominated largely by China. The bill is also intended to address the supply chain disruptions still plaguing the nation, which has increased inflation.

The bill is more than 2,000 pages long and will authorize a wide array of services, investments and programs intended to increase American-made goods and address supply chain woes that shook the economy during the pandemic. Specifically, the bill will create a \$52 billion fund via the Chips for America Act to invest in U.S. produced semiconductor chips; authorize \$45 billion

to bolster American supply chains; and create new programs and research centers to help advance scientific research into cutting edge technologies.

Supply chain disruptions — including a massive semiconductor chip shortage — caused by the pandemic are one reason for inflation reaching a 40-year high in April. High inflation and economic concerns are the largest concern for American voters ahead of the midterm elections, according to polls.

The America COMPETES Act first passed the House in February before the Senate used the bill to pass their own version of the legislation that had already passed the chamber in 2021.

21 Democratic AG's File Motion to Intervene in California Emissions Lawsuit

Democratic attorneys general from 20 states and the District of Columbia filed a motion on May 19 to intervene in a lawsuit from Republican attorneys general against the EPA over California's vehicle emissions standards.

The Democrats, led by California Attorney General Rob Bonta, filed the motion in defense of the state's standards which are stricter than federal standards.

The Trump administration had revoked a 2013 waiver in 2019 that allowed California to impose more stringent standards than the federal government, but EPA Administrator Michael Regan reversed the revocation in March after announcing in 2021 the EPA would review the decision.

"California's standards are some of the best tools we have to reduce emissions, fight climate change, and protect public health. But unfortunately, there are some who continue to ignore these benefits, choosing inexplicably to defend outdated, pollution-generating vehicles even as technologies enabling emissions reductions and cost savings continue to advance," Bonta said in a statement.

Bonta filed the motion in the U.S. Court of Appeals for the D.C. Circuit. He was joined by the attorney general for Colorado, Connecticut, Delaware, Hawaii, Illinois, Maine, Maryland, Massachusetts, Minnesota, Nevada, New Jersey, New Mexico, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, Vermont and Washington, as well as the District of Columbia and the cities of New York and Los Angeles.

17 Republican attorneys general, led by Ohio's Dave Yost, also announced a lawsuit against the EPA over the restoration of the waiver, claiming that allowing the state to set its own standards under the Clean Air Act violated the doctrine equal sovereignty.

President Biden to Visit Uvalde on Sunday in Wake of School Shooting

President Biden will travel to Uvalde, Texas to meet with community members and families in the aftermath of a school shooting that left 21 people dead, including 19 children.

Biden will be accompanied by first lady Jill Biden, the White House said. The two will "grieve with the community that lost twenty-one lives in the horrific elementary school shooting." Both the president and first lady had previously indicated they would travel to Uvalde to mourn the shooting.

In the days since the shooting at Robb Elementary School, the president has expressed outrage over inaction on gun laws by Congress and frustration over the cycle of gun violence in the country. The Uvalde massacre came less than two weeks after a gunman killed 10 people inside a grocery store in Buffalo, N.Y.

The Texas massacre marked the deadliest school shooting since a 2012 attack on Sandy Hook Elementary School in Newtown, Conn., which left 26 people dead, including 20 children.

Much of the scrutiny in Uvalde is centering on the actions of law enforcement on the scene. Authorities originally said an officer engaged the shooter as he approached the school, but on Thursday police clarified nobody confronted the gunman before he entered the building.

Biden Signs Policing Order

President Biden issued an executive order to revise use-of-force policies for federal law enforcement on May 25's two-year anniversary of the death of George Floyd at the hands of Minneapolis police.

The order restricts no-knock warrants and ban chokeholds by federal law enforcement agencies. It will also offer guidance on responding to mental health crises and create a central database for officer misconduct records.

Floyd's death, and the deaths of several other people of color at the hands of law enforcement, sparked nationwide protests against racial injustice and police brutality. House Democrats passed a sweeping law-enforcement revamp named after Floyd in March 2021, but bipartisan negotiations in the Senate collapsed in September.

Biden's executive order, which White House officials have been working on for months, includes several elements of the lawmakers' efforts.

Bill Number	Sponsors	Title and/or Summary	Summary/Status	Latest Action
Not Yet Introduced	Various	FY23 Appropriations Bills	The House and Senate Appropriations Committee Deadlines have all passed as of the end of May for lawmakers to submit programmatic, language, and Community Project Funding / Congressionally Directed Spending Requests.	The House Appropriations Committee is scheduled to markup all twelve of its FY23 Appropriations bills during the month of June. Subcommittee markups will be held during the weeks of June 12 and June 20. Full Committee markups will be held the week of June 20 and 27. The Senate Appropriations Committee has not yet scheduled markups, though the Professional Staff expect markups to begin in late July.
H.R.5376	President Joe Biden / Congressional Democrats	Build Back Better Act	The Build Back Better Act proposes spending nearly \$2 trillion over a 10-year period, with certain programs expiring after only a year or two to keep the total cost of the bill down.	Congressional Democrats hope to use the budget reconciliation process to pass elements of the administration's American Families Plan. Efforts to pass the legislation in 2021 were unsuccessful even after the House passed a modified version of the legislation. Senator Joe Manchin came out in opposition to the legislation in late-2021, though he has recently expressed a willingness to pass a scaled-back version of the legislation that is paid for through tax increases. He has indicated that the scope of the legislation would need to be limited to do a few things permanently rather than create several new programs for a short period of time. There is no current timeline or legislative language for a package that may be considered in the Senate.

S. 29 / H.R. 2008	Sen. Amy Klobuchar (D- MN) / Rep. Angie Craig (D-MN)	Local Water Protection Act	A bill to amend the Federal Water Pollution Control Act to reauthorize certain programs relating to nonpoint source management, and for other purposes.	The Senate legislation was introduced on January 22, 2021 and referred to the Committee on Environment and Public Works. The legislation in the House was introduced on March 18, 2021 and passed the House under suspension of the rules on June 15.
H.R 1563	Rep. Mike Garcia (R-CA)	To extend the authorities under the Water Infrastructure Improvements for the Nation Act of 2016 providing operational flexibility, drought relief, and other benefits to the State of California	The legislation would extend the authorities under the Water Infrastructure Improvements for the Nation Act of 2016 providing operational flexibility, drought relief, and other benefits to the State of California. The legislation would extend 4007 authorities through January 1, 2028.	Introduced on March 3, 2021 and was referred to the House Committees on Natural Resources and Science, Space, and Technology.
S.984 / H.R.2238	Sen. Jeff Merkley (D-OR) / Rep. Alan Lowenthal (D- CA)	Break Free from Plastic Pollutions Act	The comprehensive legislation would require corporations to take responsibility for pollution, incentivize corporations to make reusable products and items that can be recycled, create a nationwide beverage container refund program, and other items to promote recycling and other investments in U.S. domestic recycling.	Introduced on March 25, 2021 and referred to the House Committees on Energy and Commerce, Ways and Means, Transportation, and Foreign Affairs.
H.R 866	Rep. Ken Calvert (R-CA)	FISH Act	This bill gives the Fish and Wildlife Service (FWS) the sole authority to protect endangered or threatened species that are anadromous species (species of fish that spawn in fresh or estuarine waters and that migrate to ocean waters) or catadromous species (species of fish that spawn in ocean waters and migrate to fresh waters). Currently, the FWS shares this authority with the National Marine Fisheries Service.	Introduced on February 5, 2021 and referred to the House Committee on Natural Resources.

H.R.1881	Rep. John Garamendi (D- CA)	To amend the Federal Water Pollution Control Act with respect to permitting terms, and for other purposes.	The legislation would extend permit terms for publicly owned water infrastructure projects under the National Pollutant Discharge Elimination System (NPDES) from 5 years to a maximum of 10 years.	Introduced on March 12, 2021 and referred to the Committee on Transportation and Infrastructure.
H.R. 1015	Rep. Grace Napolitano (D-CA)	Water Recycling Investment and Improvement Act	This bill makes permanent, and otherwise revises, the Bureau of Reclamation's grant program for the funding of water recycling and reuse projects. Specifically, the bill removes priority under the program for projects in areas that, in the preceding four-year period, have been (1) identified as experiencing severe, extreme, or exceptional drought; or (2) designated as a disaster area by a state. Additionally, the bill increases through FY2025 the authorization of appropriations for the program and otherwise revises provisions related to program funding.	Introduced on February 11, 2021 and referred to the House Committee on Natural Resources.
S.4231	Sens. Dianne Feinstein (D-CA), Mark Kelly (D-AZ), and Krysten Sinema (D- AZ)	Support To Rehydrate the Environment, Agriculture, and Municipalities Act or "STREAM" Act	This legislation would authorize additional funding for water infrastructure; expedites recycling, desalination and non-federal storage projects with less than \$250 million in federal funding by allowing Interior to approve projects; eliminates the WIIN Act requirement that the Appropriations Committee must not only appropriate storage, recycling, and desal funding but approve funding awards for specific projects; and expedites future federal storage projects where Reclamation notifies Congress of completed feasibility studies each year to set up an orderly process to authorize projects.	Sens. Feinstein, Kelly, and Sinema introduced the legislation on May 17, 2022. The Senate Energy and Natural Resources Subcommittee on Water & Power held a hearing on the legislation on Wednesday, May 25.

H.R. 737	Rep. David Valadao (R- CA)	RENEW WIIN Act	Extends the authorities under the WIIN Act of 2016 providing operational flexibility, drought relief, and other benefits to the State of California.	Introduced on February 2, 2021 and referred the House Committee on Natural Resources. 10 members of the CA delegation have cosponsored the legislation.
H.R. 2515	Rep. Garret Graves (R-LA)	Building U.S. Infrastructure through Limited Delays and Efficient Reviews (BUILDER) Act	The legislation modernizes the National Environmental Policy Act (NEPA) and aims to make infrastructure project reviews more efficient, reduce project costs, and spur economic recovery.	Introduced on April 14, 2021 and was referred to the House Committee on Natural Resources. The legislation's 46 cosponsors are all Republican, including members of GOP leadership.
H.R. 939	Rep. Doug LaMalfa (R-CA)	Combustion Avoidance along Rural Roads (CARR) Act	The bill exempts wildfire mitigation activities conducted within 300 feet of a road from all laws governing environmental review of proposed agency actions or protection of endangered or threatened species.	Introduced on February 8, 2021 and was referred to the House Committees on Natural Resources and Agriculture.
H.R.3267	Rep. Brendan Boyle (D- PA)	Protect Drinking Water from PFAS Act	The bill amends the Safe Drinking Water Act to require the Administrator of the Environmental Protection Agency to publish a maximum contaminant level goal and promulgate a national primary drinking water regulation for total per- and polyfluoroalkyl substances.	The legislation was introduced on May 17, 2021 and referred to the House Committee on Energy and Commerce.
H.R.3293	Rep. Lisa Blunt Rochester (D-DE)	Low-Income Water Customer Assistance Programs Act	The legislation would amend the Safe Drinking Water Act and the Federal Water Pollution Control Act to establish programs to assist lowincome households in maintaining access to drinking water and wastewater services.	The legislation was introduced on May 18, 2021 and referred to the relevant committees. The legislation has passed out of the House Energy and Commerce Committee by a vote of 32-24 and now moves on to consideration on the House floor.

S. 953	Sen. Ron Wyden (D-OR)	Water for Conservation and Farming Act	The legislation would create a Reclamation fund of \$300M to support water recycling projects, water-use efficiency projects and dam safety projects; the WaterSMART program to increase water supply reliability by funding infrastructure and conservation projects; establishes a grant program for any Reclamation States, Tribes, nonprofit conservation organizations, irrigation or water districts, and regional and local authorities to complete habitat restoration projects that improve watershed health and mitigate climate change; among other actions.	Introduced on March 24, 2021 and referred to the Committee on Energy and Natural Resources.
H.R. 3286	Rep. Raul Ruiz (D-CA)	Emergency Order Assurance, Safety, and Inspection of water Systems (Emergency OASIS Act)	The legislation would require the EPA to establish regulations to flush a drinking water system if contaminants were present in the system for longer than six months, or if water stood motionless in the system for longer than six months.	Introduced on May 17, 2021 and referred to the House Committee on Energy and Commerce.
H.R. 3622 / S. 1907	Rep. Chris Pappas (D-NH) / Sen. Kirsten Gillibrand (D-NY)	Clean Water Standards for PFAS Act	The legislation would require the Administrator of the Environmental Protection Agency to develop effluent limitations guidelines and standards and water quality criteria for PFAS under the Federal Water Pollution Control Act, to provide Federal grants to publicly owned treatment works to implement such guidelines and standards	Introduced in the House on May 28, 2021, and in the Senate on May 27, 2021. The legislation in the House is bipartisan.

S. 2168 / S.2567	Sen. Mike Braun (R-IN) / Sen. Shelley Moore Capito (R-WV)	Define WOTUS Act / Navigable Waters Protection Act of 2021	The legislation would amend the Federal Water Pollution Control Act to modify the definition of navigable waters, and to make the definition of the "waters of the United States" permanent.	These bills were introduced in June and July of 2021 in response to the EPA's announcement earlier in June of its intent to rewrite the Navigable Waters Protection rule.
H.R. 3814 / S. 717	Rep. Liz Cheney (R-WY) / Sen. Mike Lee (R-UT)	Undoing NEPA's Substantial Harm by Advancing Concepts that Kickstart the Liberation of the Economy Act (UNSHACKLE Act)	The legislation combines the following five stand-alone NEPA reform bills on agency process, state expansion, legal changes, and data reporting into one comprehensive text. - NEPA Agency Process Accountability Act - NEPA Accountability and Enforcement Act - NEPA State Assignment Expansion Act - NEPA Legal Reform Act - NEPA Data Transparency Act	The Senate legislation was introduced on March 11, 2021 and referred to the Committee on Environment and Public Works. The House legislation was introduced on June 11, 2021 and referred to the House Committees on Natural Resources; Judiciary; Transportation and Infrastructure; and Energy and Commerce.
H.R. 4647 / S. 2430	Rep. Jared Huffman (D- CA) / Sen. Dianne Feinstein (D-CA)	Water Conservation Rebate Tax Parity Act	The legislation would amend federal tax law so that homeowners wouldn't pay income tax on rebates from water utilities for water conservation and water runoff management improvements	The House legislation was introduced on July 22, 2021 and referred to the House Committee on Ways and Means. The legislation in the Senate was introduced on July 22, 2021 and referred to the Senate Committee on Finance.
S.2454	Sen. Alex Padilla (D-CA)	Water Reuse and Resiliency Act	The legislation would authorize \$1 billion over five years for the EPA's Pilot Program for Alternative Water Source Projects grants program. This is an increase from the \$125 million over five years authorized for the program in the Drinking Water and Wastewater Infrastructure Act passed by the Senate in April.	The legislation was introduced on July 22, 2021 and referred to the Senate Committee on Environment and Public Works.

H.R. 1352	Rep. Brenda Lawrence (D-MI)	Water Affordability, Transparency, Equity, and Reliability Act of 2021	The bill would create a trust fund to support drinking water and clean water infrastructure. Additionally, the bill provides \$34.85 billion a year to drinking water and wastewater improvements; creates a water trust fund; creates up to nearly 1 million jobs across the economy and protect American workers; prioritizes disadvantaged communities with grants and additional support; expands funding for technical assistance to small, rural, and indigenous communities; funds projects to address water contamination from PFAS; requires US EPA to study water affordability, shutoffs, discrimination, and civil rights violations by water providers; upgrades household wells and septic systems; helps homeowners replace lead service lines; and provides more than \$1 billion a year to update water infrastructure in public schools.	The legislation was introduced on February 25, 2021 and was referred to the relevant committees. The legislation has 86 cosponsors, including 14 members of the California delegation.
H.R.4915	Rep. Tom McClintock (R- CA)	Water Supply Permitting Coordination Act	The legislation would authorize the Secretary of the Interior to coordinate Federal and State permitting processes related to the construction of new surface water storage projects on lands under the jurisdiction of the Secretary of the Interior and the Secretary of Agriculture and to designate the Bureau of Reclamation as the lead agency for permit processing.	The legislation was introduced on August 3, 2021 and referred to the House Committee on Natural Resources.
H.R. 4976	Rep. Elissa Slotkin (D-MI)	Ensuring PFAS Cleanup Meets or Exceeds Stringent Standards Act	The legislation directs the Secretary of Defense to ensure that removal and remedial actions relating to PFAS contamination result in levels meeting or exceeding certain standards.	The legislation was introduced in the House on August 6, 2021 and was referred to the House Committees on Armed Services, Transportation and Infrastructure, and Energy and Commerce.

H.R.4602 / S.3956	Rep. Alan Lowenthal (D- CA) / Rep. Lisa McClain (R-MI) and Sen. Jeff Merkley (D-OR) / Sen. Susan Collins (R-ME)	WIPPES Act	The legislation would direct the Federal Trade Commission to issue regulations requiring certain products to have "Do Not Flush" labeling	The legislation was introduced on July 21, 2021 and referred to the Committee on Energy and Commerce. Rep. Lowenthal introduced the standalone bill after introducing a similar amendment to the House's infrastructure bill. The Senate bill was introduced on March 30, 2022.
S.2372 / H.R.2773	Sen. Heinrich, Martin (D- NM) / Representative Debbie Dingell (D-MI)	Recovering America's Wildlife Act of 2021	The legislation would fund conservation efforts for more than 12,000 species of wildlife and plants in need of assistance by providing \$1.3 billion in dedicated annual funding for proactive, on-the-ground efforts across the country, ensure wildlife recovery efforts will be guided by the Congressionallymandated State Wildlife Action Plans, which identify specific strategies to restore the populations of species of greatest conservation need, accelerate the recovery of 1,600 U.S. species already listed as threatened or endangered under the Endangered Species Act, and include improvements to ensure funds are appropriately targeted to the areas of greatest need and facilitate additional investments in protecting at-risk plant species. In the Senate, RAWA also directs fees and penalties assessed for environmental violations to help fund RAWA, using fee and penalty amounts that aren't already targeted for existing environmental funds.	The legislation was introduced on July 15, 2021 and referred to the Committee on Environment and Public Works. It was reported favorably out of Committee on April 27 and placed on the Senate calendar. The House bill was introduced on April 22. The House Natural Resources Subcommittee on Water, Oceans, and Wildlife held a hearing on the legislation on July 29, 2021. On January 19, the legislation passed out of the House Natural Resources Committee by a vote of 29-15 and now moves on to consideration on the House floor.

H.R.6591	Rep. Lisa McClain (R-MI) / Rep. Alan Lowenthal (D- CA)	PIPES Act	The legislation would require the Administrator of the Environmental Protection Agency to publish a rule that establishes standards for the flushability of disposable nonwoven wipes.	The legislation was introduced on February 3, 2022 and was referred to the House Committee on Energy and Commerce.
S. 2806 / H.R. 3534	Sen. Dianne Feinstein (D-CA) / Rep. Jimmy Panetta (D-CA)	Wildfire Emergency Act of 2021	Amongst other things, the legislation authorizes \$250 million over 5 years for up to 20 Forest Service projects of 100,000 acres or greater; Establish a new \$100 million grant program to assist critical facilities like hospitals and police stations become more energy efficient and better adapted to function during power shutoffs; Establishes one or more Prescribed Fire Centers to coordinate research and training of foresters and forest managers in the western United States in the latest methods and innovations in prescribed fire (controlled burns) practices.	The Senate legislation was introduced on September 22, 2021 and referred to the Committee on Energy and Natural Resources. The House bill was introduced on May 25, 2021 and was referred to the Subcommittee on Conservation and Forestry.
S. 3011 / H.R. 5735	Sen. John Cornyn (R-TX) / Rep. Dusty Johnson (R- SD)	State, Local, Tribal, and Territorial Fiscal Recovery, Infrastructure, and Disaster Relief Flexibility Act	The legislation provides additional flexibility for States, Tribes, and units of local government to spend their allocations of the COVID Relief Funds on certain infrastructure projects, including water, wastewater, and broadband infrastructure projects. The bill also allows these funds to be used to provide emergency relief from natural disasters. There is a cap—the greater of \$10 million or 30% of the funds—on how much of the COVID money can be spent on these new purposes.	The legislation was introduced on October 19, 2021 and passed the Senate by unanimous consent that day. Senator Alex Padilla (D-CA) is an original cosponsor of the legislation. The act was introduced in the House on October 26 and referred to the House Committee on Oversight and Reform.

H.R. 6461 / Rep. Scott Peters (D S. 3531 Sen. Chris Coons (I	Dan Coatt Date of D Co. 1	National Climate Advanture	The legislation creates a Chief Resilience Officer, among other positions, that will assist the President to streamline the federal response to climate hazards that threaten human health, safety, and critical infrastructure.	The legislation was introduced in the House on January 20, 2022 and referred to the Committee on Energy and Commerce. The legislation was introduced in the Senate on January 20, 2022, read twice, and referred to the Committee on Homeland Security and Government Affairs.
	Sen. Chris Coons (D-DE)	National Climate Adaptation and Resilience Strategy Act	The act also calls for a Climate Adaptation and Resilience Strategy that outlines the federal government's response to climate hazards such as sea level rise, drought, biodiversity loss, and coastal bank erosion.	Senate on January 20, 2022, read twice, and referred to the Committee on Homeland Security and Government
H.R. 6396	Rep. Earl Blumenauer (D- OR)	Climate RESILIENCE Act	The act amends FEMA's disaster definition to include extreme temperature events, like heat waves and freezes; changes FEMA's definitions and cost share eligibility requirements for disadvantaged communities and underserved communities; includes a focus on resiliency planning and investments; provides both financial and nonfinancial technical assistance for hazard mitigation planning, as well as for grant applications for small impoverished and disadvantaged communities; and expands Pre-Disaster Mitigation Assistance funding to address FEMA's oversubscription issues.	The legislation was introduced in the House on January 13, 2022 and referred to the Committee on Transportation and Infrastructure. The legislation has 32 cosponsors, including 8 members of the California delegation.

H.R.6492	Rep. Pramila Jayapal (D- WA)	Climate Resilience Workforce Act	The bill establishes a climate resilience workforce in communities most affected by the climate crisis. It also funds the development of regional, state, local, and community-based climate resilience action plans. The legislation creates an Office of Climate Resilience within the White House, starts new workforce development programs, and removes barriers to employment in climate resilience jobs based on immigration status and prior involvement with the criminal justice system.	The legislation was introduced in the House on January 25, 2022 and referred to the Subcommittee on Conservation and Forestry. The legislation has 38 cosponsors, including 9 members of the California delegation.
H.R. 6989	Rep. Ted Lieu (D-CA)	Housing for All Act of 2022	This legislation would address critical affordable housing shortages in California and across the country by investing in hotel and motel conversions to permanent supportive housing with supportive services; investing in the Eviction Protection Grant Program; investing in mobile crisis intervention teams to help those with medical or psychological needs avoid the criminal justice system; investing in libraries that support people experiencing homelessness; investing in programs that offer a safe place to park overnight and facilitate access to rehousing services and essential services; and investing in inclusive, transit-oriented development and infill development	The legislation was introduced in the House on March 8, 2022 and referred to the Subcommittee on Highways and Transit. The legislation has 14 cosponsors, including 12 members of the California delegation.
S. 623	Sen. Marco Rubio (R-FL)	Sunshine Protection Act of 2021	This bill makes daylight saving time the new, permanent standard time, effective November 5, 2023.	The legislation passed the Senate on March 15, 2022 and sent to the House.

S. 4081	Sen. Tammy Baldwin (D- WI)	Healthy H2O Act	The bill provides grants for water testing and treatment technology directly to individuals, non-profits and local governments in rural communities. Grants, provided by the USDA, would allow the purchase and installation of point-of-use or point-of-entry water quality improvement systems that remove or significantly reduce contaminants from drinking water.	The legislation was introduced in the Senate on April 26, 2022 and referred to the Senate Committee on Agriculture, Nutrition, and Forestry.
H.R. 7696 / s. 4161	Rep. Chris Pappas (D-NH) / Sen. Kirsten Gillibrand (D-NY)	Clean Water Standards for PFAS 2.0 Act of 2022	The bill would further regulate PFAS by setting deadlines for the EPA to develop water quality criteria and limits on industrial PFAS discharges into water and to water treatment plants. The bill would also authorize \$200 million per year in grants to assist Publicly Owned Treatment Works with program implementation, which would be appropriated through Fiscal Years 2022-2026.	The legislation was introduced in the House on May 10, 2022 and referred to the Subcommittee on Water Resources and Environment. The legislation was introduced in the Senate on May 9, 2022 and referred to the Committee on Environment and Public Works.
S.1179 / H.R.2552	Sen. Dianne Feinstein (D- CA)	Canal Conveyance Capacity Restoration Act	This bill authorizes the Bureau of Reclamation to provide financial assistance for various projects in California to mitigate the sinking or settling of the ground (i.e., subsidence mitigation), specifically for projects related to the Friant-Kern Canal, the Delta-Mendota Canal, and certain parts of the San Luis Canal/California Aqueduct.	This legislation was introduced on April 15, 2021 in the Senate. The House Companion bill was introduced the same day. The Senate Energy and Natural Resources Subcommittee on Water & Power held a hearing on the legislation on Wednesday, May 25. The House Natural Resources Committee has not yet considered the legislation.

INFORMATION ITEM

3J



West Coast Advisors
Strategic Public Affairs

May 27, 2022

To: Inland Empire Utilities Agency

From: Michael Boccadoro

Beth Olhasso

RE: May Report

Overview:

With June just days away, and record temperatures for May in the books, water managers and regulators are taking steps and outlining possible next steps to combat the drought. Lake Oroville is at just 55 percent capacity and San Luis Reservoir is at 46 percent capacity. With the snowpack down to 10 percent of normal, there isn't hope for additional snowmelt to replenish supplies.

The State Water Resources Control Board recently passed regulations implementing the Governor's Executive Order on drought. The regulations focus on prohibiting the use of potable water to irrigate non-functional turf. The Governor has recently said that if he doesn't see any significant increase in voluntary conservation, he will consider more drastic actions later in the summer.

In other State Board action, a recent workshop was held to discuss the impacts the water-use efficiency standards may impact local wastewater management. Staff spent significant time presenting the approach they are using to assess indoor water use trends throughout the state. The data they presented suggests that for the first part of 2022, the statewide average indoor GPCD is under 40 GPCD.

The California Air Resources Board is getting closer to finalizing their Advanced Clean Fleets rule. The current proposal would require half of the vehicles government agencies purchase to be zero-emission starting in 2024.

The Governor released his May Revision budget, adding more funding for drought relief—bringing his total 2022-23 proposal to just about \$2 billion. In contrast, the Senate Democratic proposal is requesting \$7.5 billion for drought relief. The Legislature, leadership and the Governor will now work to iron out differences and come up with a compromise to vote on ahead of the June 15 deadline.

The Legislature has been working on the two thousand bills that were introduced for the second year of this two-year session. The deadline for bills to pass out of their house of origin was May 27. With more water-related bills this year legislative water discussions have been robust and extensive. ACWA's legislation to provide for a tax exemption for turf removal rebates has moved to the Senate. CASA's bill to require products containing PFAS to register their products on a publicly accessible database struggled with significant opposition from manufactures but was able to pass out of the Assembly with just enough votes. MWD's legislation to allow for alternative project delivery methods for several of their projects recently also moved out of the Assembly, while similar legislation (SB 991, Newman) to allow for alternative project delivery for projects over \$5 million also easily passed out of the Senate. Policy committees will again start to work feverishly ahead of the July summer recess.

Inland Empire Utilities Agency Status Report – May 2022

Water Supply Conditions

Summer is rolling into California and with it, any hope of measurable precipitation vanishes until the fall. Once at 103 percent of normal, the Sierra snowpack it is down to just 10 percent of normal. Lake Oroville is sitting at 69 percent of historical average and 55 percent capacity. San Luis Reservoir, the main south-of-Delta storage facility for the State Water Project, is at just 63 percent of average for this time of the year and 46 percent capacity.

SWRCB Approves Emergency Conservation Regulation

In response to the Governor's March Executive Order on drought, the SWRCB has approved their proposal to implement the order. The highlights include:

- Requires urban water suppliers to implement, at a minimum, all demand reduction actions identified in Level 2 of their locally adopted Water Shortage Contingency Plans.
- Requires urban water suppliers to submit a preliminary water supply and demand assessment to the Department of Water Resources by June 1, 2022.
- Prohibits irrigation of non-functional turf with potable water in the commercial, industrial, and institutional sector. The ban on irrigation would include non-residential grass areas that are considered ornamental and not otherwise used for recreation or other community purposes.

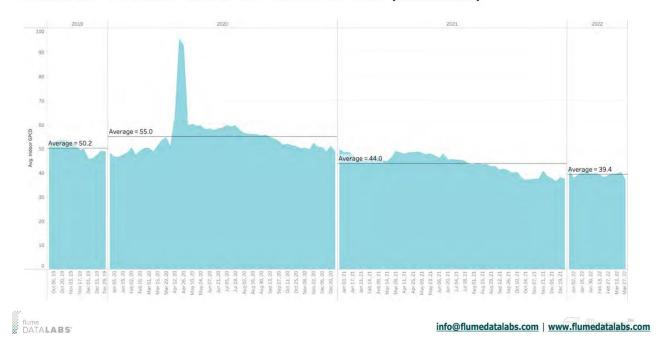
The regulation is expected to go into effect June 6.

Notably, when the Governor was meeting with water leaders recently, he warned that if voluntary conservation numbers don't soon improve, he is prepared to issue mandatory conservation orders "sometime this summer."

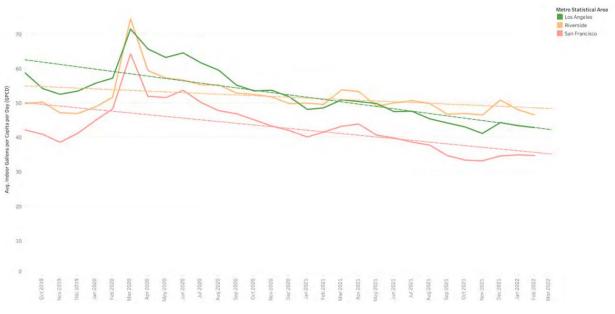
SWRCB Workshop on Efficiency Standards

The State Water Resources Control Board (SWRCB) recently held a workshop to discuss how water-use efficiency standards may impact local wastewater management. While the presentation wasn't terribly robust when talking about specific POTW impacts, they did spend significant time trying to quantify current indoor water use by analyzing flume sensor data throughout the state. It is important to understand what data regulators are looking at as they move to implement the urban water use objective. Throughout the presentation, it was clear that staff believe 35 GPCD is attainable. They did not recommend a 35 GPCD, but using the number as a scenario signals they believe more extreme indoor conservation is achievable in CA.

Indoor Water Use in California (all Flume Sensors)



Indoor Water Use in California (Selected MSA'S)



flume DATA**LABS**"

info@flumedatalabs.com | www.flumedatalabs.com

Advanced Clean Fleets Proposal Released

The California Air Resources Board recently released a revised regulatory proposal and held a workshop on the state's Advanced Clean Fleets rule. The primary requirement under the proposed rules is for state and local government fleets to purchase half of vehicles they purchase starting in 2024 to be zero-emission and all additions to be ZEV starting in 2027. There are several exemptions including a "ZEV or NZEV Unavailability Exemption."

"May Revise" Released

As is custom, the Governor released his May Revision of his proposed 2022-23 state budget. The Revise reflects the financial status of the state after April 15 tax filings. The state is flush with cash with a \$96 billion surplus, but there are concerns for the next few years. The Legislative Analyst's Office (LAO) has noted that the "May Revision sets up a fiscal cliff for 2023-23." The LAO estimates that 2023-24 could have a \$25 billion deficit, resulting in a significant budget problem, which would require reductions to programs.

Included in the May Revise is an additional \$1.5 billion for drought response and resilience- bringing his 2022-23 total to about \$2 billion. In addition to the drought package, the Governor proposes \$500 million in FY 2025-26 for Prop 1 Water Storage Investment Program projects.

Drought Resilience and Response

Department of Water Resources State Water Resources Control Board Control Report Services Control Report Cont	Investment Category	Department	Program	2021 Package Total	Accelerated Drought Resilience Package		Total
Department of Water Natural Resources Salate Water Natural Resources Control Board State Water Rosuces Control Board Services Department of Social Services Department of Social Services Department of Flood State Resources Control Board Services Department of Flood State Resources Control Board Services Department of Flood State Resources Control Board State Water Resources Control Board State Water Resources Control Board State Revolving Fund State Fund Revolving Fund State Fund Revolving Fund State Fund Revolving Fund Revolvin						May Revision	Iolai
Immediate Drought Support State Water Resources Control Board Resilience Support Suppo			Water Management Grants			\$180	\$784
Immediate Drought Support Services Drought Food Assistance \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0			Water Rights Modernization and Drought			\$20 \$44	\$20 \$44
Data, Research, and Communications \$127 \$0 : Drought Permitting, Compliance, Curtailments and Water Right Enforcement \$1300 \$50 Drought Permitting, Compliance, Curtailments and Water Right Enforcement \$1300 \$50 Drought Permitting, Compliance, Curtailments and Water Right Enforcement \$1300 \$50 Drought Permitting, Compliance, Curtailments and Water Right Enforcement \$1300 \$50 Drought Permitting, Compliance, Curtailments \$43 \$50 PFAs Support \$100 \$50 Water Recycling/Groundwater Cleanup \$400 \$50 Water Recycling/Groundwater Cleanup \$400 \$50 Water Recycling/Groundwater Cleanup \$400 \$50 Water Conveyance \$220 \$50 Water Conveyance \$220 \$50 Water Conveyance \$220 \$50 Aqueduct Solar Panel Pilot Study \$25 \$50 Natural Resources Agency Clear Lake Rehabilitation \$5.7 \$50 Department of Water Resources Agency Clear Lake Rehabilitation \$5.7 \$50 Department of Resources Agency Clear Lake Rehabilitation \$5.7 \$50 Department of Food and Agriculture and Delta Drought Response Programs \$8 \$50 Agriculture and Delta Drought Response Programs \$8 \$50 Department of Conservation Varier Water Water Use and Agriculture Technical \$5 \$50 Advance Water Use and Agriculture Technical \$50 Water Conservation Programs (Small and Urban), Turf Replacement, and State Water Conservation \$0 \$75 Water Conservation Programs (Small and Urban), Turf Replacement, and State Water Conservation \$60 Projects Fish and Wildiffer Protection \$60 Department of Water Rources Activities \$60 Department of Water Rources Activities \$60 Climate Induced Hatchery Upgrades \$53 \$50 And Conservation Programs \$50 Department of Water Rources \$60 Department of Water Rources Activities \$60 Climate Induced Hatchery Upgrades \$50 Sound Proj		Department of Social		\$0	\$0	\$23	\$23
Drought Response \$57 \$25 Drought Permitting, Compliance, Curtailments and Water Right Enforcement and Water Right Enforcement \$1,300 \$0 Drinking Water, Water Control Board State Revoking Fund \$1,300 \$0 Drinking Water, Water Support \$100 \$0 Department of Water Revoking/Groundwater Cleanup \$400 \$0 Department of Water Revoking/Groundwater Cleanup \$400 \$0 Water Revoking Fund \$100 \$0 Water Revoking Fund \$100 \$0 Water Revoking Fund \$100 \$0 Department of Water Revoking Fund \$100 \$0 Water Conveyance \$200 \$0 Plood \$438 \$0 Aparetic Fund Studies \$25 \$0 Water Conveyance \$200 \$0 Water Conveyance \$200 \$0 Water Revoking Fund \$100 \$0 SAMA Implementation \$300 \$30 SAMA Implementation \$300 \$30 Agriculture and Delta Drought Response Programs \$8 \$0 SAMA Implementation \$300 \$50 Water Conveyance \$200 \$0 Water Conveyance \$200 \$0 Water Revoking Fund \$200 \$0 Program \$200 \$0 SAMA Implementation \$300 \$30 Water Revoking Fund Programs \$200 \$50 Water Conveyance \$200 \$0 Water Conveyance \$200 \$0 Program \$200 \$0 SAMA Implementation \$300 \$30 Agriculture and Delta Drought Response Programs \$8 \$0 SAMA Implementation \$300 \$30 Water Conveyance \$200 \$0 SAMA Implementation \$300 \$30 SAMA Implementation \$300 \$30 SAMA Implementation \$300 \$30 SAMA Implementation \$300 \$30 Water Conveyance \$200 \$0 Water Conveyanc	Support		Data, Research, and Communications	\$127	\$0	\$116.8	\$244
State Water Resources Control Board PFAs Support \$100 \$0 Drinking Water, Water Supply and Reliability, Flood Pfood Resources Department of Water Resources Natural Resources Agency Agriculture Conservation/ Agriculture Department of Food and Agriculture Department of Food Conservation Various Department of Fish and Wildlife Various Department of Fish and Wildlife Projects Department of Fish and Wildlife Projects Fish and Wildlife Protection Department of Water Resources PFAs Support \$100 \$0 Water Revolving Fund State Revolving Fund State Revolving Fund State Revolving Fund \$1,300 \$0 \$0 \$0 \$0 Water Conveyance \$200 \$0 Aqueduct Solar Panel Pilot Study State Rehabilitation \$5.7 \$0 SGMA Implementation \$5.7 \$0 SGMA Implementation \$300 \$30 Relief for Small Farmers \$0 \$5 Conservation Projects Fish and Wildlife Protection \$5 Fish and Wildlife Protection \$0 State Revolving Fund State Water Conservation Programs (Small and Urban), Turf Replacement, and State Water Conservation \$0 \$185 Papartment of Fish and Wildlife Protection \$0 \$75 Improving Drought Resiliency on State-Owned Land and Migratory Bird Habilat Nature-Based Solutions Department of Water Rources Climate Induced Hatchery Upgrades \$33 \$0 Aqualtic Habilat and Drought Resilience and \$600 \$0 State Water Conservation Programs (Small and Urban), Turf Replacement, and State Water Conservation \$0 \$185 \$100			· · · · · · · · · · · · · · · · · · ·	\$57	\$25	\$161	\$243
State Water Resources				\$43	\$0	\$8	\$51
Drinking Water, Water Supply and Reliability, Flood Place Resources Department of Water Resources Natural Resources Agency Department of Water Resources Natural		State Water Pesaurces		\$1,300	\$0	\$400	\$1,700
Drinking Water, Water Supply and Reliability, Flood Plood Resources Resources Plood Aqueduct Solar Panel Pilot Study Watershed Climate Studies Natural Resources Agency Clear Lake Rehabilitation SGMA Implementation SGMA Implementation SGMA Implementation Agriculture and Delta Drought Response Programs Resources Agriculture and Delta Drought Response Programs Relief for Small Farmers Department of Food and Agriculture Program Department of Conservation Department of Conservation Various Department of Food and Agriculture Department of Conservation Various Department of Food Conservation Program Multi-benefit Land Repurposing Water Conservation Programs (Small and Urban), Turf Replacement, and State Water Conservation Projects Fish and Wildlife Protection Department of Water Rources Solutions Salton Sea Water Conveyance \$200 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$			PFAs Support	\$100	\$0	\$0	\$100
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Flood Department of Water Resources Resources Flood Aqueduct Solar Panel Pilot Study Watershed Climate Studies Natural Resources Agency Clear Lake Rehabilitation SGMA Implementation SGMA Implementation SGMA Implementation SGMA Implementation Agriculture and Delta Drought Response Programs Resources Agriculture and Delta Drought Response Programs Relief for Small Farmers On-farm Water Use and Agriculture Technical Assistance State Water Efficiency and Enhancement Program Department of Conservation Water Conservation Programs (Small and Urban), Turf Replacement, and State Water Conservation Projects Fish and Wildlife Protection Department of Fish and Wildlife Protection Noture-Based Solutions For the Water Conservation Programs (Small and Urban), Turf Replacement, and State Water Conservation Projects Fish and Wildlife Protection Studying Salmon and Tribal Co-Management Activities Climate Induced Hatchery Upgrades \$30 \$40 \$40 \$40 \$40 \$40 \$40 \$40			Salton Sea	\$220	\$0	\$0	\$220
Resources Resources Resources Resources Aqueduct Solar Panel Pilot Study \$20 \$0	111	Department of Water	Water Conveyance	\$200	\$0	\$0	\$200
Aqueduct Solar Panel Pilot Study \$20 \$0 Watershed Climate Studies \$25 \$0 Natural Resources Agency Clear Lake Rehabilitation \$5.7 \$0 Pepartment of Water Resources Agency Clear Lake Rehabilitation \$5.7 \$0 Department of Water Resources Agency Clear Lake Rehabilitation \$5.7 \$0 SGMA Implementation \$300 \$30 Agriculture and Delta Drought Response Programs \$8 \$0 Relief for Small Farmers \$0 \$5 Pepartment of Food and Agriculture State Water Use and Agriculture Technical Assistance State Water Efficiency and Enhancement \$100 \$20 Program Multi-benefit Land Repurposing \$50 \$40 Water Conservation Programs (Small and Urban), Turf Replacement, and State Water Conservation \$0 \$185 Projects Fish and Wildlife Protection \$0 \$75 Improving Drought Resiliency on State-Owned Land and Migratory Bird Habitat Nature-Based Solutions Department of Water Rources Climate Induced Habitat and Drought Resilience and \$0 \$0 Projects Studying Salmon and Tribal Co-Management	11000		Flood	\$638	\$0	\$0	\$638
Department of Water Resources Agency Clear Lake Rehabilitation \$5.7 \$0			Aqueduct Solar Panel Pilot Study	\$20	\$0	\$30	\$50
Department of Water Resources SGMA Implementation \$300 \$30			Watershed Climate Studies	\$25	\$0	\$0	\$25
Conservation Agriculture Resources Agriculture and Delta Drought Response Programs \$8 \$0		Natural Resources Agency	Clear Lake Rehabilitation	\$5.7	\$0	\$0	\$6
Resources Agriculture and Delta Drought Response Programs \$8 \$0 \$5 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0			SGMA Implementation	\$300	\$30	\$26	\$356
Conservation/ Agriculture Department of Food and Agriculture Program Department of Conservation Various Multi-benefit Land Repurposing Water Conservation Programs (Small and Urban), Turf Replacement, and State Water Conservation Projects Fish and Wildlife Protection Department of Fish and Wildlife Protection Part Replacement Activities Solutions Department of Water Rources Department of Water Rources Climate Induced Hatchery Upgrades Aquatic Habitat and Drought Resilience and Sto.			Agriculture and Delta Drought Response Programs	\$8	\$0	\$60	\$68
Assistance		and Agriculture	Relief for Small Farmers	\$0	\$5	\$20	\$25
Agriculture State Water Efficiency and Enhancement Program \$100 \$20	Conservation/		——————————————————————————————————————	\$5	\$0	\$15	\$20
Conservation Conservation Water Conservation Programs (Small and Urban), Turf Replacement, and State Water Conservation Projects Fish and Wildlife Protection Department of Fish and Wildlife Protection Habitat/ Nature-Based Solutions Department of Water Rources Climate Induced Hatchery Upgrades Aquatic Habitat and Drought Resilience and \$0 \$75 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0			·	\$100	\$20	\$40	\$160
Various Turf Replacement, and State Water Conservation Projects Fish and Wildlife Protection \$0 \$75 Department of Fish and Wildlife Protection \$10 \$75 Improving Drought Resiliency on State-Owned Land and Migratory Bird Habitat Habitat/ Nature-Based Rources Activities \$10 \$10 \$10 \$10 \$10 \$10 \$10 \$10 \$10 \$10			· · · -	\$50	\$40	\$0	\$90
Department of Fish and Wildlife/ Land and Migratory Bird Habitat Habitat/ Department of Water Nature-Based Solutions Department of Water Activities Department of Water Rources Studying Salmon and Tribal Co-Management Activities Climate Induced Hatchery Upgrades \$33 \$0 Department of Water Aquatic Habitat and Drought Resilience and \$0 \$0 \$0 \$0 Solutions Solutions Department of Water Aquatic Habitat and Drought Resilience and \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0		Various	Turf Replacement, and State Water Conservation	\$0	\$185	\$26	\$211
and Wildlife/ Land and Migratory Bird Habitat Habitat/ Department of Water Nature-Based Solutions Solutions Solutions Land and Migratory Bird Habitat Studying Salmon and Tribal Co-Management Activities \$0 \$0 Climate Induced Hatchery Upgrades \$33 \$0 Department of Water Aquatic Habitat and Drought Resilience and \$0 \$0	Nature-Based	and Wildlife/ Department of Water	Fish and Wildlife Protection	\$0	\$75	\$100	\$175
Nature-Based Rources Activities \$0 \$0 Solutions Climate Induced Hatchery Upgrades \$33 \$0 Department of Water Aquatic Habitat and Drought Resilience and \$0 \$0				\$8	\$0	\$25	\$33
Department of Water Aquatic Habitat and Drought Resilience and				\$0	\$0	\$7.3	\$7.3
N) N1			Climate Induced Hatchery Upgrades	\$33	\$0	\$17	\$50
resources Expediming range scale rigidity		Department of Water Resources	Aquatic Habitat and Drought Resilience and Expediting Large Scale Habitat	\$0	\$0	\$130.6	\$130.6
Various Additional Nature-Based Solutions \$1,033 \$0		Various	Additional Nature-Based Solutions	\$1,033	\$0	\$0	\$1,033

In addition to the May Revise, Senate Democrats also released their "Budget Blueprint" which proposed to invest significantly more funds in water and drought. Specifically, the Senate proposes \$7.5 billion in state and federal funds to build a climate resilient water system. Priorities include:

- \$2 billion to rebalance state water supply and water rights
 - \$1.5 billion for new CA Water Trust to acquire lands with senior water rights from willing sellers.
 - o \$500 million to acquire and repurpose lands to implement SGMA
- \$1.5 billion for safe drinking water
- \$1.5 billion for improving watershed climate resilience regionally.
- \$1.5 billion for Drought Resilient Water Supply grants to assist with recycling, stormwater capture and groundwater cleanup.
- \$1 billion for flood management and dam safety

Both the Senate and Assembly Budget Sub Committees on Resources have discussed the drought proposal. No vote was taken yet as the two houses and the Governor move into a period of negotiation. The budget is required to be passed by June 15, however as in the past years, budget amendments will continue to be made during the legislative session.

Legislative Update

Legislators have been working feverishly to shepherd their bills through their house of origin. The deadline for bills to get out of their first house was May 27. Policy committees will now resume hearings the first week of June and work through the month before the July summer recess.

Updates on priority bills:

AB 2142 (Gabriel): This bill would provide an income tax exemption for rebates from a turf removal program. Sponsored by ACWA. The bill passed out of the Revenue and Taxation Committee and moved off the Assembly floor onto the Senate.

AB 1845 (Calderon): MWD sponsored bill to allow for alternative project delivery methods for specific MWD projects. The bill was heard in the Assembly Local Government Committee and Water, Parks and Wildlife Committees and passed out unanimously and passed off the Assembly floor 70-0

SB 991 (Newman): This bill is similar to MWD's AB 1845 but it would allow for progressive design build to be used on any project over \$5 million. The bill is already over in the Assembly and will be heard in the Local Government Committee in June.

AB 2247 (Bloom): CASA sponsored bill would require products sold in CA that contain PFAS to register the product on a publicly accessible reporting platform. The bill was recently amended to remove some of the enforcement language, which should remove some of the opposition. The bill was heard in the Environmental Safety & Toxic Materials Committee where manufacturing community voiced their opposition. The bill passed out 7-2, with Republicans voting no. The bill passed out of the Assembly with *just* enough votes and will move onto the Senate.

AB 2787 (Quirk): An extension of the original microbeads bill, this legislation would ban the sale or distribution of products that contain intentionally added microplastics. The bill passed out of both Natural Resources and Environmental Safety and Toxic Materials Committee. Dr. Quirk decided to hold the bill in the Assembly and it will not move this year.

AB 2811 (Bennett): Would require newly constructed large commercial buildings to be dual plumbed for recycled water and also require large commercial buildings to install onsite reuse systems. The bill could not overcome the concerns of the water and labor community and was not ever considered by the Environmental Safety and Toxic Materials Committee.

SB 1157 (**Hertzberg**): This legislation is identical to AB 1434 (Friedman) from 2021. The bill would implement the indoor GPCD targets outlined in the DWR/SWRCB draft report to the Legislature for 47 GPCD by 2025 and 42 GPCD by 2030. The bill passed out of Natural Resources and Water Committee despite significant concerns from Senator Ben Hueso (D-San Diego). The bill was quickly moved to the floor of the Senate where it passed 28-9. Throughout the whole process, the author has committed to working with the opposition, so there is still a possibility that the amendments the water community is looking for will be amended into the bill. The amendments, if taken, would require DWR and the SWRCB to study the effects 2030 target would have on wastewater flows before instituting the 42 GPCD requirement.

IEUA BILLS—BILLS WITH POSITIONS- 2022 Session May 27, 2022

Bill Number	Author/Sponsor	Title and/or Summary	Summary	IEUA Position/ Bill Location	Positions Taken by Associations & Regional Agencies
AB 1845	Calderon	Metropolitan Water District of Southern	Would authorize the Metropolitan Water District of Southern California to use the design-build procurement process for certain regional recycled water projects or other water infrastructure	SUPPORT	MWD, ACWA,
	MWD Sponsored	California: alternative project delivery methods	projects. The bill would define "design-build" to mean a project delivery process in which both the design and construction of a project are procured from a single entity. The bill would require the district, if using this procurement process, to follow certain	Passed out of Assembly	WRCA in support
			procedures, including preparing and issuing a request for qualifications, preparing a request for proposals including the scope and needs of the project or contract, and awarding projects based on certain criteria for projects utilizing either lowest responsible bidder or best value selection criteria.	In Senate	
AB 2142	Gabriel	Income taxes: exclusion: turf replacement water conservation program	This bill would, for taxable years beginning on or after January 1, 2022, and before January 1, 2027, under both of these laws, provide an exclusion from gross income for any amount received as a rebate, voucher, or other financial incentive issued by a local water agency or supplier for participation in a turf replacement water conservation program.	SUPPORT Passed out of Assembly	ACWA, MWD in Support
AB	Bloom	PFAS products:	This bill would require the Department of Toxic Substances	In Senate	
2247	CASA Sponsored	disclosure: publicly accessible reporting platform	Control to work with the Interstate Chemicals Clearinghouse to establish, on or before January 1, 2024, a publicly accessible reporting platform to collect information about PFAS and products or product components containing regulated PFAS, as defined, being sold, offered for sale, distributed, or offered for promotional purposes in, or imported into, the state. The bill	SUPPORT Passed out of Assembly	CASA, WRCA, ACWA in support
			would require, on or before March 1, 2024, and annually thereafter, a manufacturer, as defined, of PFAS or a product or a product component containing regulated PFAS that is sold, offered for sale, distributed, or offered for promotional purposes in, or imported into, the state to register the PFAS or the product or product component containing regulated PFAS, and specified other information, on the publicly accessible reporting platform.	In Senate	

AB	Rubio	Open meetings:	This bill would authorize a local agency to use teleconferencing	SUPPORT	ACWA &
2449	114010	local agencies:	without complying with those specified teleconferencing	Seri orti	MWD Support
2119	Three Valleys	teleconferences	requirements if at least a quorum of the members of the	Passed out of	W Bupport
			legislative body participates in person from a singular location	Assembly	
			clearly identified on the agenda that is open to the public and	,	
			situated within the local agency's jurisdiction. The bill would		
			impose prescribed requirements for this exception relating to	In Senate	
			notice, agendas, the means and manner of access, and procedures		
			for disruptions. The bill would require the legislative body to		
			implement a procedure for receiving and swiftly resolving		
			requests for reasonable accommodation for individuals with		
			disabilities, consistent with federal law.		
AB	Quirk	Microplastics in	The Microbeads Nuisance Prevention Law prohibits a person	SUPPORT	
2787		products	from selling or offering for promotional purposes in the state any		
			personal care products containing plastic microbeads that are		CASA in support
			used to exfoliate or cleanse in a rinse-off product, including, but	Held in	
			not limited to, toothpaste. This bill would, on and after specified	Assembly	
			dates that vary based on the product, ban the sale, distribution in		
			commerce, or offering for promotional purposes in the state of	NOT MOVING	
			designated products, such as leave-in cosmetics products and	FORWARD IN	
			waxes and polishes, if the products contain intentionally added	2022	
			microplastics, as defined. The bill would exclude from this ban		
			products consisting, in whole or in part, of specified substances		
			or mixtures containing microplastics. The bill would make a		
			violator liable for a civil penalty not to exceed \$2,500 per day for		
			each violation.		
AB	Bennett	California	Would require, commencing January 1, 2024, all newly	Oppose	CASA & WRCA
2811		Building	constructed nonresidential buildings be constructed with dual		oppose unless
		Standards	plumbing to allow the use of recycled water for all applicable	Env. Safety &	amended. ACWA
	Plumbers	Commission:	nonpotable water demands, as defined, if that building is located	Toxic Materials	& CMUA
	Union	recycled water:	within an existing or planned recycled water service area, as	Comm no	Oppose
		nonpotable	specified.	hearing	
		water systems			
				Bill not moving	
				forward this	
a.p.		***		year.	
SB	Sen. Dodd	Water	Would establish the Water Affordability Assistance Fund in the		Opposed by
222		Affordability	State Treasury to help provide water affordability assistance, for		ACWA

		Assistance Program	both drinking water and wastewater services, to low-income ratepayers and ratepayers experiencing economic hardship in California. The bill would make moneys in the fund available upon appropriation by the Legislature to the state board to provide, as part of the Water Affordability Assistance Program established by the bill, direct water bill assistance, water bill credits, water crisis assistance, affordability assistance, and short-term assistance to public water systems to administer program components.	Two-Year Bill Assembly Floor	
SB 230	Portantino/ CMUA & MWD	State Water Resources Control Board: Constituents of Emerging Concern	Would require the State Water Resources Control Board to establish, maintain, and direct an ongoing, dedicated program called the Constituents of Emerging Concern Program to assess the state of information and recommend areas for further study on, among other things, the occurrence of constituents of emerging concern (CEC) in drinking water sources and treated drinking water. The bill would require the state board to convene, by an unspecified date, the Science Advisory Panel to review and provide recommendations to the state board on CEC for further action, among other duties. The bill would require the state board to provide an annual report to the Legislature on the ongoing work conducted by the panel.	Assembly waiting for committee assignment	Favor by ACWA
SB 991	Newman Water Collaborative Delivery Association (formerly the Water Design-Build Council)	Public contracts: progressive design-build: local agencies	Current law, until January 1, 2025, authorizes local agencies, as defined, to use the design-build procurement process for specified public works with prescribed cost thresholds. Current law requires specified information submitted by a design-build entity in the design-build procurement process to be certified under penalty of perjury. This bill, until January 1, 2033, authorizes local agencies, defined as any city, county, city and county, or special district authorized by law to provide for the production, storage, supply, treatment, or distribution of any water from any source, to use the progressive design-build process for public works projects in excess of \$5,000,000, similar to the progressive design-build process authorized for use by the Director of	SUPPORT Passed out of Senate Assembly Local Gov Comm.	WRCA Support

			G 10 ' 771 1'11 11 ' 'C' 1' C .'		
			General Services. The bill would require specified information to		
			be verified under penalty of perjury.		
SB	Hertzberg	Urban water use	Current law requires the Department of Water Resources, in	Passed out of	Oppose unless
1157	_	objectives:	coordination with the State Water Resources Control Board, and	Senate	amended by
		indoor	including collaboration with and input from stakeholders, to		WateReuse &
		residential water	conduct necessary studies and investigations and authorizes the		ACWA, CASA
		use	department and the board to jointly recommend to the Legislature		& CMUA
			a standard for indoor residential water use. Current law, until	Assembly Water,	
			January 1, 2025, establishes 55 gallons per capita daily as the	Parks & Wildlife	
			standard for indoor residential water use. Existing law	Committee	
			establishes, beginning January 1, 2025, the greater of 52.5 gallons		
			per capita daily or a standard recommended by the department		
			and the board as the standard for indoor residential water use, and		
			beginning January 1, 2030, establishes the greater of 50 gallons		
			per capita daily or a standard recommended by the department		
			and the board as the standard for indoor residential water use.		
			This bill would eliminate the option of using the greater of 52.5		
			gallons per capita daily and the greater of 50 gallons per capita		
			daily, as applicable, or a standard recommended by the		
			department and the board as the standard for indoor residential		
			water use.		

INFORMATION ITEM

3K



Date: June 15, 2022

To: The Honorable Board of Directors From: Shivaji Deshmukh, General Manager

Committee: Community & Legislative Affairs 06/08/22

Executive Contact: Shivaji Deshmukh, General Manager

Subject: Public Outreach and Communication

Executive Summary:

- June 5, World Environment Day
- June 7, IERCA Celebration, 12645 6th Street, Rancho Cucamonga, 10:00 a.m. 11:00 a.m.
- June 8, World Oceans Day
- June 23, Intl. Women in Engineering Day
- June 30, World Social Media Day

Staff is working with MWD and customer agencies to enhance and implement drought messaging and collateral across the region. The Agency's campaign strategy and messaging have led to the development of "The Time is Now" brand for drought awareness. IEUA has partnered with customer agencies for feature campaign ads.

The Agency recognized May as Water Awareness Month through a social media giveaway. The public was encouraged to share their water-wise tips and techniques to qualify for different giveaways throughout the month. Social media messaging and emails were accepted for participation.

Staff's Recommendation:

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

Budget Impact Budgeted (Y/N): Y Amendment (Y/N): Y Amount for Requested Approval: Account/Project Name:

Fiscal Impact (explain if not budgeted):

Prior Board Action:

N/A

Environmental Determination:

Not Applicable

Business Goal:

IEUA is committed to providing a reliable and cost-effective water supply and promoting sustainable water use throughout the region.

IEUA is committed to enhancing and promoting environmental sustainability and the preservation of the region's heritage.

Attachments:

Attachment 1 - Background

Board-Rec No.: 22145



Background

Subject: Public Outreach and Communication

June

- June 5, World Environment Day
- June 7, IERCA Celebration Event, 12645 6th Street, Rancho Cucamonga, 10:00 a.m. 11:00 a.m.
- June 8, World Oceans Day
- June 21, First Day of Summer
- June 23, Intl. Women in Engineering Day
- June 30, World Social Media Day

July

July 20, IEUA Employee Appreciation Summer Picnic, HQA Grass Area, 11:00 a.m. – 3:00 p.m.

Media and Outreach

- Staff continues to utilize the Pledge to Save Water QR code campaign. Once scanned, the QR code takes readers to the IEUA Take the Pledge webpage where they can learn more about the Agency, current drought conditions, water-wise tips, and participate by taking the pledge to save water.
- IEUA and its customer agencies launched a new drought tagline and campaign collateral, *The Time is Now*, which features real photos, facts, and people to encourage the public to know the facts, change their habits, and step up their efforts. The collateral still utilizes the #StepItUpIE message and follows the campaign plan framework that was developed by the Inland Empire Clean Water Partnership as well as adopts a serious tone to convey the severity of the State's current situation. A toolkit has been made available to all customer agencies for their use. Staff continues to meet with representatives from each of its customer agencies for further support regarding outreach and/or collaboration opportunities (i.e., partnership ads) for this campaign and makes regular updates to the toolkit based on feedback. New backgrounds with *The Time is Now* branding have been uploaded to the network and are available for use on Teams.
- The Agency recognized May as Water Awareness Month through a social media giveaway. The public was encouraged to share their water-wise tips and techniques to qualify for different prizes throughout the month. Members of the public without a social media account were also invited to participate by sending an email sharing their waterwise tips.
- Staff recognized International Compost Awareness Week throughout the first week of May. Information on IERCA's awards, milestones, and a partnered compost giveaway with the City of Chino were shared to IEUA's social media channels.

- The Agency recognized May as Internal Audit Awareness Month. Staff features of the IEUA Internal Audit team were shared on social media.
- Staff issued a joint press release on May 24 with the Chino Basin Water Conservation District highlighting the partnership grant from MWD for the Stormwater for Recharge Pilot Program.
- The Agency continues to publish content on LinkedIn and has gained 77 followers since April, with 467 page views in the last 30 days.
- May: 33 posts were published to the IEUA Facebook page, 35 tweets were sent on the @IEUAWater Twitter handle, 33 posts were published to IEUA's Instagram grid, and 19 posts were published to the IEUA LinkedIn page.
 - o The top three Facebook posts, based on reach and engagement, in the month of May were:
 - 5/5 International Compost Awareness Week- IERCA Spotlight
 - 5/12 IEUA Board President Elie Elected to NWRI Board of Directors
 - 5/22 Intl. Day for Biological Diversity
 - The top three Twitter tweets, based on reach and engagement, in the month of May were:
 - 5/12 IEUA Board President Elie Elected to NWRI Board of Directors
 - 5/5 International Compost Awareness Week- IERCA Spotlight
 - 5/2 IEUA and Monte Vista Water District RP-5 Tour
 - The top three Instagram posts, based on reach and engagement, in the month of May were:
 - 5/9 The Time is Now
 - 5/5 International Compost Awareness Week- IERCA Spotlight
 - 5/2 IE Landscape Contest Promotion
 - The top three LinkedIn posts, based on impressions and reactions, in the month of May were:
 - 5/12 IEUA Board President Elie Elected to NWRI Board of Directors
 - 5/2 IEUA and Monte Vista Water District RP-5 Tour
 - 5/11 IEUA Change Management Workshop
- A "Water-Wise Education" ad ran on April 22 in the Inland Empire Magazine.
- A "Water-Wise Education" spadea ran on May 22 in the Daily Bulletin.
- A "Water-Wise Education" ad ran on May 2 in La Opinion.
- A partnership ad with the city of Chino, Chino Hills, and Monte Vista Water District as well as an advertorial ran in the Champion Newspaper's *Progress Edition* on May 28.
- An article featuring IEUA, written by IEUA Board President Steve Elie, was featured in the Champion Newspaper's *Progress Edition* on May 28.

For the month of May, there were 11,412 searches for a park in IEUA's service area on Yelp, where Chino Creek Wetlands and Educational Park was viewed 765 times.

Education and Outreach Updates

• Three high schools within IEUA's service area competed in MWD's Solar Cup 2022: Colony High School – Ontario, Chino Hills High School – Chino Hills and Upland High School – Upland. All teams were recognized during MWD's Virtual Awards Ceremony on May 12, with the three schools winning a total of 16 awards for the Inland Empire

- region. Staff is working with team advisors, captains, and their respective cities to coordinate further recognition at upcoming Board and City Council meetings throughout the following month.
- Staff hosted the US Army Corps of Engineers on May 16. The day began with a welcome from General Manager Deshmukh and followed with a discussion on Engineering with Nature featuring San Bernardino Valley Municipal Water District CEO/General Manager Heather Dyer and Santa Ana Watershed Project Authority General Manager Jeff Mosher. The event concluded with a tour of the Chino Creek Wetlands and Educational Park led by External Affairs staff.
- Chino Basin Water Conservation District (CBWCD) has completed the garden design and install and is collaborating on planting days for Our Loving Savior School in Chino Hills for the Garden in Every School® (GIES) program. Staff is working with Randall Pepper Elementary in Fontana and CBWCD to proceed with their garden install. Both gardens are scheduled to be completed by mid-June.

Agency-Wide Membership Updates

- Randy Lee, Director of Operations and Maintenance, attended the California Water Environment Association (CWEA) Awards Luncheon on April 14.
- Richard Lao, Senior Environmental Resources Planner, attended the Southern California Alliance of Publicly Owned Treatment Works (SCAP) Air Quality Committee Meeting on April 19.
- Richard Lao, Senior Environmental Resources Planner, attended the California Association of Sanitation Agencies (CASA) Regulatory Workgroup Meeting on April 21.
- Randy Lee, Director of Operations, attended the Southern California Water Coalition Quarterly Luncheon (SCWC) on April 22.
- Richard Lao, Senior Environmental Resources Planner, attended the California Association of Sanitation Agencies (CASA) Air Quality, Climate Change, & Energy Workgroup Meeting on April 28.
- Randy Lee, Director of Operations, attended the Southern California Alliance of Publicly Owned Treatment Works (SCAP) Board Strategic Planning Session on April 28.

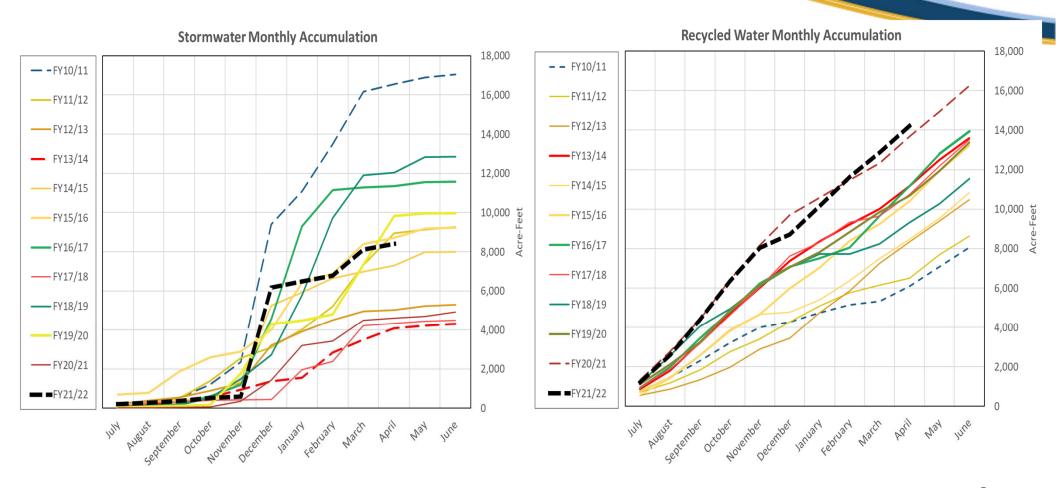
INFORMATION ITEM

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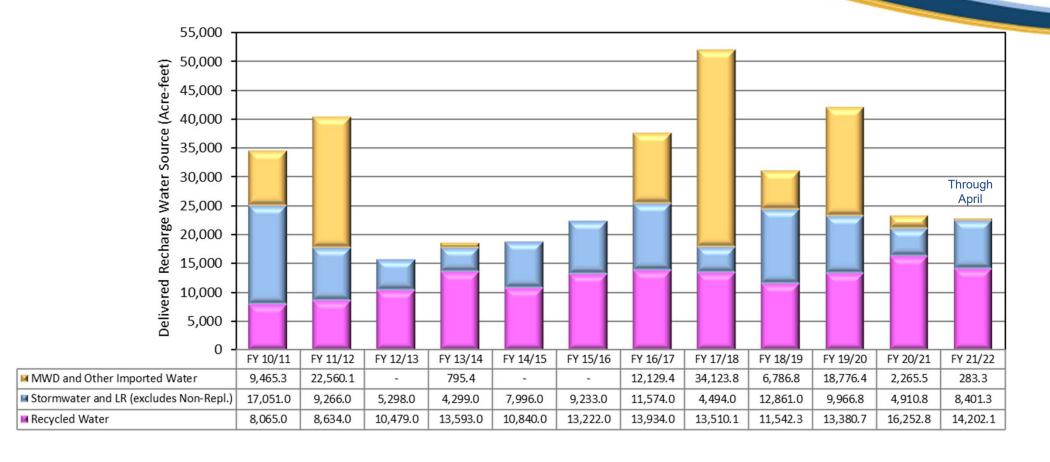


Annual Recharge Monthly Accumulation



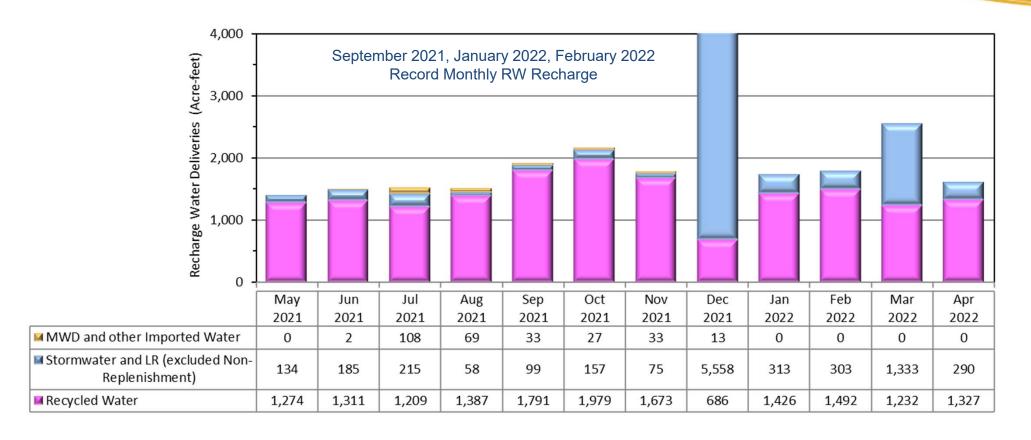
Groundwater Recharge Annual History





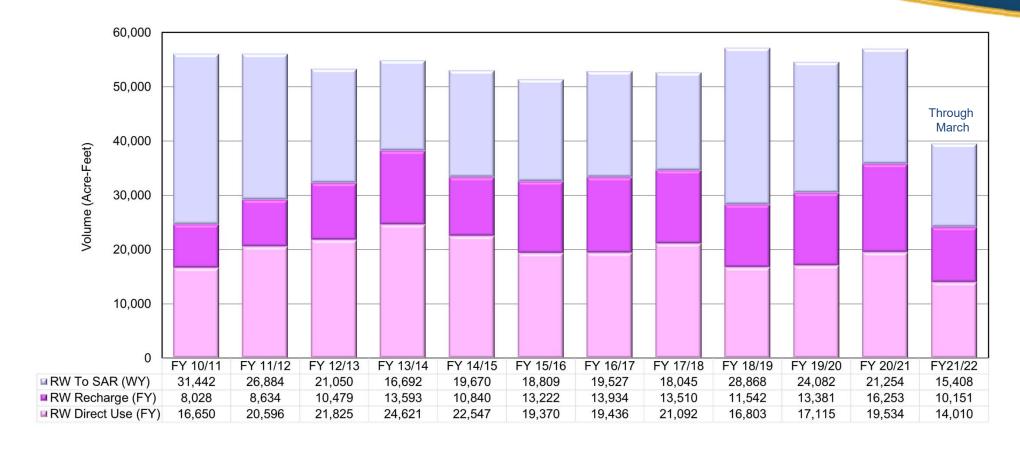


Groundwater Recharge Deliveries Past 12 Months



Recycled Water (RW) Deliveries





April 2022 - Rubber Dam Inspections





Bracket Corrosion Hickory





Contractor conducted a condition assessment at all Rubber Dams

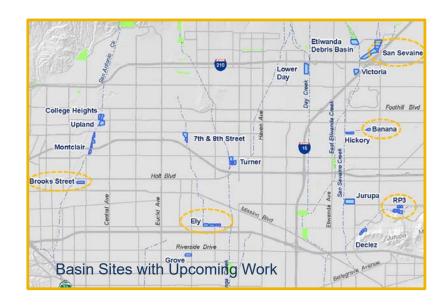






Upcoming Recharge Site Maintenance

- Spring Maintenance Activities
 - -Infiltration restoration work at RP3, Brooks, and Banana Basins
 - -Vegetation/debris removal by CalFire at San Sevaine 3, Ely, and Banana Basins
 - —State Street storm drain inlet to Brooks Basin repair





INFORMATION ITEM

3M







- ☐ Participation with Verily Life Sciences

 WastewaterSCAN PCR Technology
- National testing services
- ☐ Study Requirements

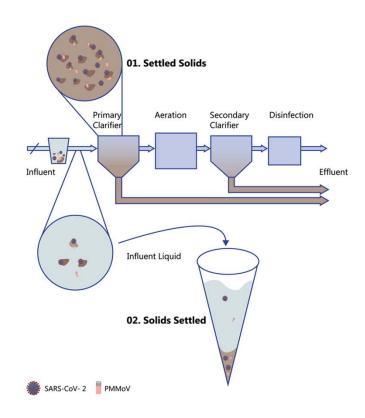
Regional Water Recycling Plant No. 1 (RP-1)















IEUA Sampling Results



Download data dictionary (PDF)

Wastewater SCAN Dashboard

Timely detection of viruses like SARS-CoV-2, through community wastewater partnerships.

This dashboard reports results from the methods developed by SCAN. Learn more



PublicHealth.Verily.com



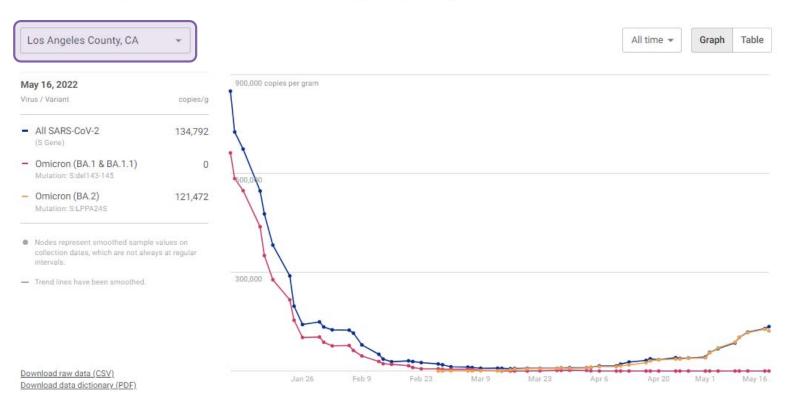
Los Angeles Results



Wastewater SCAN Dashboard

Timely detection of viruses like SARS-CoV-2, through community wastewater partnerships.

This dashboard reports results from the methods developed by SCAN. Learn more



INFORMATION ITEM

3N



Date: June 15, 2022

To: The Honorable Board of Directors From: Shivaji Deshmukh, General Manager

Committee: Engineering, Operations & Water Resources 06/08/22

Staff Contact: Christiana Daisy, Deputy General Manager

Subject: Annual Report of the Prado Basin Habitat Sustainability Committee

Executive Summary:

The 2021 Annual Report of the Prado Basin Habitat Sustainability Committee for Water Year 2021 was prepared on behalf of the Prado Basin Habitat Sustainability Committee (PBHSC), pursuant to the mitigation monitoring and reporting requirements of the Peace II Subsequent Environmental Impact Report (SEIR). This report is an annual requirement for the re-operation and expansion of the Chino Basin Desalters to monitor potential environmental impacts that could result from attaining hydraulic control of groundwater outflow from the Chino Basin to the Santa Ana River. The Annual Report was published in May 2022; the monitoring and analyses indicate the quality of the riparian habitat vegetation remained stable for about half of the Prado Basin, and decreased in small and large patches along the creeks and the Santa Ana River from 2020 to 2021. The Groundwater production has increased by nearly 10,000 AFY due to an increase in the Chino Desalter pumping. There is no trend in degradation of the riparian habitat that is contemporaneous with decreasing groundwater levels; therefore, no mitigation measures are proposed at this time. Based on the analyses, a recommended scope and budget for the next annual report has been prepared to monitor the extent and quality of the riparian habitat and factors that can influence it, including augmented monitoring and analysis in three areas to track the notable changes observed.

Staff's Recommendation:

The 2021 Annual Report is an information item for the Board of Directors to receive and file.

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

Account/Project Name:

EN18021: Prado Basin AMP. The project is a cost-share at 50/50 between IEUA and CBWM.

Fiscal Impact (explain if not budgeted):

No impact.

Full account coding (internal AP purposes only): - - - Project No.:

Prior Board Action:

On June 16, 2021, the Board of Directors received and filed the 2020 Annual Report of the Prado Basin Habitat Sustainability Committee.

On June 17, 2020 the Board of Directors received and filed the 2019 Annual Report of the Prado Basin Habitat Sustainability Committee.

Environmental Determination:

Program Environmental Impact Report (Finding of Consistency)

The Annual Report for Water Year 2021 of the Prado Basin Habitat Sustainability Committee is a Mitigation Monitoring and Reporting Program requirement of the 2010 Peace II Subsequent Environmental Impact Report.

Business Goal:

The 2021 Annual Report of the Prado Basin Habitat Sustainability Committee is consistent with the Agency's Business Goal of Environmental Stewardship by being committed to the responsible use and protection of the environment through conservation and sustainable practices.

Attachments:

Attachment 1 Link - 2021 Annual Report of the Prado Basin Habitat Sustainability Committee https://www.dropbox.com/s/3on1e1inn0t44lp/20220505%20Annual%20Report%20of %20the%20PBHSC%20Water%20Year%202021%20%28Final%29.pdf?dl=0

Board-Rec No.: 22139

INFORMATIN ITEM

30



Date: June 15, 2022

To: The Honorable Board of Directors From: Shivaji Deshmukh, General Manager

Committee: Engineering, Operations & Water Resources 06/08/22

Staff Contact: Christiana Daisy, Deputy General Manager **Subject:** Regional Water Use Efficiency Business Plan Update

Executive Summary:

The Regional Water Use Efficiency Business Plan Update (The Plan) is the outcome of a collaborative process undertaken by IEUA and the Customer Agencies. The Plan is intended to position agencies for regulatory compliance, drought response, and water supply reliability. In addition, the Plan delivers an array of cost-effective, flexible water use efficiency programming.

IEUA has incorporated a two-phase approach to the WUE Business Planning process. Phase 1 as described addressed fiscal year 2021/22, and Phase 2 addresses fiscal years 2022/23 and 2023/24. Phase 2 transitions the Agency to focus on longer term strategies that align with regional priorities, such as: evolving state regulations; equitable Customer Agency program contributions, cost-effective water savings; drought response and potential extraordinary conservation.

The Customer Agencies and IEUA will continue to work collaboratively to develop accountability metrics for activities funded by the MEU Rate that assist in meeting state regulatory requirements, including Assembly Bill 1668 and Senate Bill 606 (2018).

Staff's Recommendation:

It is recommended that the Board of Directors receive and file the Regional Water Use Efficiency Business Plan.

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

Account/Project Name:

WR20026 - WUE Business Plan Update - 2020

Fiscal Impact (explain if not budgeted):

Programs that are identified in the WUE Business Plan for regional implementation are included or will be included as part of the water conservation budget in the Water Fund for FY 2022/23 and subsequent years. Several programs are also eligible for partial reimbursement to IEUA under MWD's Conservation Credits Program and Proposition 1 under the DWR.

Full account coding (internal AP purposes only): - - - Project No.:

Prior Board Action:

On May 18, 2016, the IEUA Board of Directors adopted the 2015-2020 Regional Water Use Efficiency Busines Plan Update.

On September 15, 2010, the IEUA Board of Directors adopted the 2010-2015 Regional Water Use Efficiency Business Plan.

Environmental Determination:

Not Applicable

Business Goal:

The project is consistent with IEUAs Business Goal of increasing Water Reliability by promoting water use efficiency and education to enhance water supplies within the region; and meeting the regions need to develop reliable and diverse local water resources in order to reduce dependence on imported water supplies.

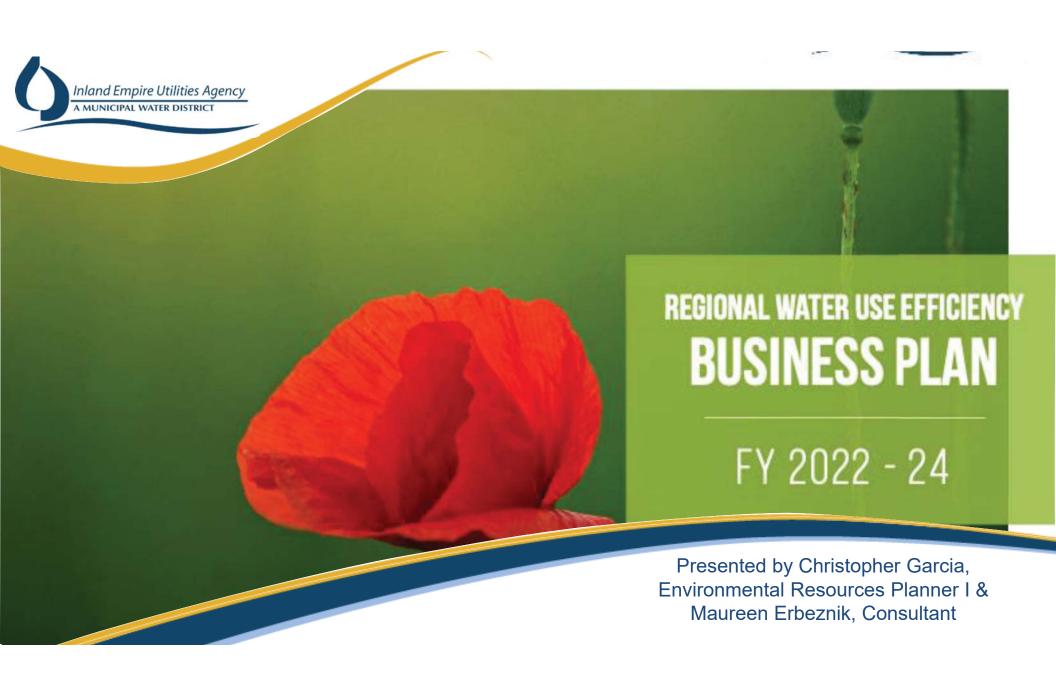
Attachments:

Attachment 1 - PowerPoint

Attachment 2 - Regional Water Use Efficiency Business Plan Update
Link: https://www.dropbox.com/s/6w7a2sqf8sk6gnl/22137%20Regional%20Water%

20Use%20Efficiency%20Business%20Plan%20Update.pdf?dl=0

Board-Rec No.: 22137







Communication Tool with Customer Agencies

Map out Needed Activities for Supply Reliability & Regulatory Compliance

Measure Water Savings Results

Estimate Budget

Evaluate Program Performance

Successful
Regional
WUE
Program



WUE Business Plan Evolution

2007 Need for a Business Plan Identified	2007	Need for	or a Business	Plan Ide	ntified
--	------	----------	---------------	----------	---------

2009 Interim Business Plan

2010 2010-2015 WUE Business Plan

In line with UMWP

2015 2015-2020 Business Plan

2021* 2021-2025 Spilt into Two Phase

Phase 1 Status Quo

2022 Phase 2 Business Plan Developed

Assessed in One Year





Planning Approach Selected

Core plus Flex Business Model



Core Programs are Cost-effective and Provide Regional Benefits

- 70% of Budget
- 73% of Core Programs are Allocated



Flex Programs offer Customer Agencies Ability to Select Programs Beneficial to Their Service Area

30% of Budget

Resulting in 81% of the WUE Regional Program Budget based on MEU Revenue Contribution



Measure	Annual Activity
CII Turf Replacement Rebates	139,000
Res Turf Replacement Rebate	120,000
SCWS CII High Efficiency Sprinkler Nozzle Rebates	4,000
SCWS Res High Efficiency Sprinkler Nozzle Rebates	4,000
Sprinkler Tune-Up Program	1,362
SCWS Res High Efficiency Clothes Washer Rebates	1,000
Small Controller Upgrade Program	782
SCWS Res Smart Controller Rebates	600
Large Smart Irrigation Program	200
SCWS CII Premium Efficiency Toilet Rebate	200
SCWS Res Premium Efficiency Toilet Rebates	200
SCWS CII Laminar Flow Restrictor Rebates	150
SCWS Large Landscape Smart Controller Rebates	100
SCWS Res Leak Detection Device Rebate	100
SCWS Plumbing Flow Control Rebates	25
SCWS Rain Barrel Rebates	25

FY 2022/23 Program Activity





Plan Overview FY 2022 - 2023

Water Savings

Annual Water Savings				
Core Programs	599 AF			
Flex Programs	197 AF			
Total	796 AF			
Lifetime Water Savings				
Core Programs	4,069 AF			
Flex Programs	1,317 AF			
Total Lifetime	5,386 AF			

Program Costs

Budget					
Annual Budget	\$2.5 M				
Cost Effectiveness					
Cost per Acre-foot IEUA Only	\$352/AF				
Cost per Acre-foot IEUA, MWD, & Grants Combined	\$718/AF				
Avoided Costs Imported Water Purchases	\$4.6 M				



New WUE Dashboard

- In Development
 - Kennedy Jenks and IEUA IT
 - IEUA WUE and Customer Agency Representatives
- Track and Visualize Metrics

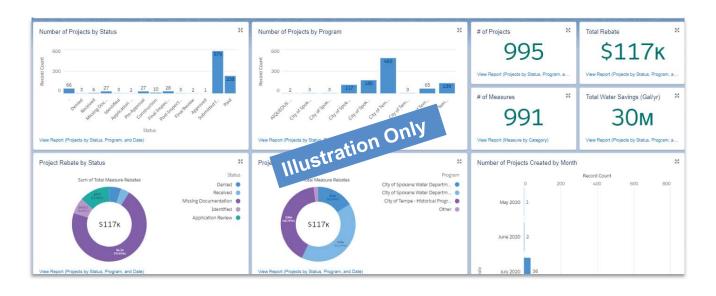
Phase 1 - Internal IEUA

- Prototype by July 1, 2022

Phase 2 – Access for Customer Agencies

- Data security focused
- Allows agency to access their own data.

Phase 3 – Automation and More





Questions?

The project is consistent with IEUAs Business Goal of increasing Water Reliability by promoting water use efficiency and education to enhance water supplies within the region; and meeting the regions need to develop reliable and diverse local water resources in order to reduce dependence on imported water supplies.

INFORMATION ITEM

3P



Date: June 15, 2022

To: The Honorable Board of Directors From: Shivaji Deshmukh, General Manager

Committee: Finance & Administration 06/08/22

Staff Contact: Javier Chagoyen-Lazaro, Acting Assistant General Manager

Subject: FY 2022/23 Adopted Budget for the Inland Empire Regional Composting Authority

Executive Summary:

The Inland Empire Regional Composting Authority (IERCA) is a Joint Power Authority (JPA) formed between IEUA and the Los Angeles County Sanitation Districts (LACSD) as a 50/50 partnership with a shared goal to developed sustainable biosolids management program. The FY 2022/23 budget for IERCA includes \$11.5 million in revenue, \$9.3 million of operating budget, \$2.3 million of capital improvement plan, and a dollar increase to the tipping fee rate from \$58 to \$59 per wet ton. Also included is a capital call of \$2 million to be shared equally by IEUA and LACSD to support capital improvement projects, as needed.

The FY 2022/23 budget and tipping fee rate were approved and adopted by the IERCA Board on June 6, 2022.

Staff's Recommendation:

The FY 2022/23 Adopted Budget for the Inland Empire Regional Composting Authority is submitted as an informational item for the Board to review and file.

Budget Impact Budgeted (Y/N): N Amendment (Y/N): N Amount for Requested Approval: Account/Project Name:

Fiscal Impact (explain if not budgeted):

None

Prior Board Action:

The FY 2021/22 budget and tipping fee rate were approved and adopted by the IERCA Board on May 3, 2021 and IEUA Board on May 19, 2021.

Environmental Determination:

Not Applicable

Business Goal:

The proposed FY 2022/23 Adopted Budget for the Inland Empire Regional Composting Authority is consistent with the IEUA Business Goals of Fiscal Responsibility and Environmental Stewardship.

Attachments:

Attachment 1 - IERCA FY 2022/23 Budget Board Letter

Attachment 2 - IERCA FY 2022/23 Budget Schedules A, B and C

Attachment 3 - IERCA FY 2022/23 Budget Presentation

Board-Rec No.: 22136



Date: June 6, 2022

To: Honorable Board of Directors

From: Javier Chagoyen-Lazaro

Acting Treasurer

Subject: Adoption of IERCA Budget for Fiscal Year 2022/23

RECOMMENDATION

It is recommended that the Board of Directors;

- 1. Adopt the Inland Empire Regional Composting Authority (IERCA) budget for fiscal year 2022/23;
- 2. Increase the tipping fee from \$58 to \$59 per wet ton; and
- 3. Approve a capital call of \$2 million to be shared equally by the Inland Empire Utilities Agency (IEUA) and Los Angeles County Sanitation Districts (LACSD) to support capital improvement project costs and meet the minimum reserve balance, as needed.

BACKGROUND

Pursuant to the Inland Empire Regional Composting Authority Joint Powers Agreement (JPA), an annual operating and capital budget is to be presented and adopted by the JPA Board prior to June 30 each year. The proposed FY 2022/23 budget is based on the following key assumptions:

Revenues

- Increased the tipping fee from \$58 to \$59 per wet ton,
- Increased biosolids receipts from 145,000 tons to 148,500 tons, and
- \$2 million capital call to support the proposed capital improvement plan (CIP).

O&M Expenses

• Maintain staffing at 25 full time equivalent (FTE) positions

Adoption of Budget for Fiscal Year 2022/23 June 6, 2022 Page 2 of 4

Capital Improvement Plan (CIP)

The proposed FY 2022/23 capital improvement plan of \$2.3 million is funded by a combination of reserves and capital call. A summary of the CIP is shown below in Table 1.

Table 1: FY 2022/23 Proposed Capital Improvement Plan

		Amended	Proposed
	Actual	Budget	Budget
(\$ 000's)	FY 2020/21	FY 2021/22	FY 2022/23
Replacement & Rehabilitation (R&R)	\$0.798	\$1,545	\$2,275
Capital Expansion	0	0	0
Total	\$798	\$1,545	\$2,275

The proposed FY 2022/23 CIP of \$2.3 million includes the replacement of two Front-End Loaders, Active Hopper, and HVAC and Fire Sprinkler Upgrade improvement projects. Capital replacement and rehabilitation (R&R) continues to be the emphasis of the proposed CIP.

FY 2022/23 Budget Summary

The following section summarizes the proposed FY 2022/23 budget for total revenues, expenses, and capital expenditures.

FY 2022/23 total revenues of \$11.6 million, as shown in Table 2 below, are \$0.5 million higher than FY 2021/22 amended budget, due to the projected increase of biosolids receipts.

Table 2: FY 2022/23 Revenues

REVENUES	\$ 000's	Assumptions
Tipping Fees	\$8,761	Based on 148,500 wet tons per year @ a rate of \$59/ton
Contributed Capital	2,000	Capital call equally shared by IEUA and LACSD to support capital process improvements
Compost Sales/ Organics Waste Recycling/Compost Deliveries	710	100% sales of compost products compost delivery service and green waste recycling.
Biosolids Administration Fees	20	Tipping fee surcharge paid by third party biosolids suppliers.
Interest Income & Other Revenues	64	Assumes 1.0% annual interest rate.
Total Revenues	\$11,555	

Total operating expenses of \$9.3 million proposed for FY 2022/23 are approximately \$.2 million higher than FY 2021/22 amended budget of \$9.1 million. The key driver for the increase is employment costs related to cost of living adjustment, merit increases, and higher pension and health benefit costs. No change in the authorized staffing level of 25 full time equivalent (FTE) position is proposed. A summary of the FY 2022/23 operating expenses is reported in Table 3.

Adoption of Budget for Fiscal Year 2022/23 June 6, 2022 Page 3 of 4

Table 3: FY 2022/23 Expenses

OPERATING EXPENSES	\$ 000's	Assumptions
Employment	\$4,595	Maintain 25 FTE operation support provided by IEUA/ LACSD.
Materials & Supplies	1,371	Includes facility maintenance supplies, fuel, and biofilter media replacement reserve.
Utilities	1,182	Includes power purchases from the grid, solar renewable energy, and disposal service.
Professional Services	1,190	Includes compost transport and contracted services.
Office & Admin/Insurance	738	Includes software license fees, memberships, insurance and office supplies.
Other Expenses	209	Includes leases/rental and financial expenses, operating fees (Non-Reclaimable Wastewater charges, permits and licenses.)
Total Expenses	\$9,285	

Major capital includes loader and hopper replacements, and HVAC and fire sprinkler upgrades. A capital replacement contingency project of \$500,000 is also proposed to support unforeseen expenditures. Schedule C provides a detailed listing of the proposed CIP.

Table 4: FY 2022/23 Capital Improvement Plan

CAPITAL PROJECTS	\$ 000's	Project Description
Front End Loader Replacement	\$1,200	Procure 2 new Liebherr L-566-wheel loaders to reduce the need for repairs or down time and increase efficiency.
Capital Replacement	500	For minor construction projects and unforeseen capital expenditures.
Active Hopper Replacement	200	Replacement or rehabilitation of the active hopper due to its end of useful life.
Fire Sprinkler Upgrades	200	Replacement of seven Post Indicator Valves (PIV) as recommended during annual inspection.
South MCC HVAC Upgrade	175	Project is necessary to keep regulated temperatures in South MCC Building, needed to protect sensitive electrical equipment.
Total Capital Improvement Plan	\$2,275	

Fund Balance

Based on the proposed budget, the total ending fund balance is estimated to be \$4.2 million at the end of FY 2022/23; no change from the FY 2021/22 amended budget ending balance of \$4.2 million.

Adoption of Budget for Fiscal Year 2022/23 June 6, 2022 Page 4 of 4

Designation of Fund Balance

Maintaining an adequate fund balance is essential in ensuring the JPA's ability to support day-to-day operations and near term operating and capital requirements. Table 5 below summarizes the proposed designation for the estimated fund balance of \$4.2 million at the end of FY 2022/23, along with the intended funding sources. The projected ending reserves meet the minimum required level as defined in the Board adopted Reserve Policy.

Table 5: FY 2022/23 Fund Balance

Fund Balance Category	Description	Estimated Ending Balance as of 6/30/2023 (\$ 000's)	Funding Source
Operating Contingency	Equal to three months of operating expenses to address unforeseen events	\$2,259	Tipping
Bio-Filter Replacement	Replacement of one sector per year	350	fees
Commercial Insurance	Self-insurance program	250	
Capital/Replacement/ Rehabilitation	Projected R&R costs over the next 5 years averages about \$8.80 per wet ton	1,338	Capital Call and Tipping Fees
Total		\$4,197	

PRIOR BOARD ACTION

The Board adopted the FY 2021/22 budget on May 3, 2021.

IMPACT ON BUDGET

None.

Attachments:

Attachment A – 2022/23 IERCA Budget Summary (Schedule A)

Attachment B – 2022/23 IERCA Budget Details (Schedule B)

Attachment C – 2022/23 IERCA Budget Project Lists (Schedule C)

Attachment D – 2022/23 IERCA Budget Presentation

_	Actual	Actual	ACTUAL	ADOPTED	AMENDED	PROJECTED	PROPOSED				
	2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Rate Per Ton	\$56.00	\$56.00	\$57.00	\$58.00	\$58.00	\$58.00	\$59.00	\$60.00	\$61.00	\$62.00	\$63.00
Actual/Projected Tonnage	151,527	147,606	150,217	145,000	145,000	145,000	148,500	148,500	148,500	148,500	148,500
Revenues											
Contributed Capital	\$0	\$0	(\$500,000)	(\$2,000,000)	(\$2,000,000)	(\$1,000,000)	(\$2,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)
Biosolids Recycling (Tipping Fees)	(8,520,727)	(8,331,673)	(8,606,406)	(8,410,000)	(8,410,000)	(8,410,000)	(8,761,500)	(8,910,000)	(9,058,500)	(9,207,000)	(9,355,500)
Biosolids Recycling Admin Fees	(22,800)	(14,325)	(19,002)	(20,000)	(20,000)	(19,999)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
Compost Delivery Svs	(148,750)	(225,750)	(192,752)	(150,000)	(150,000)	(149,999)	(250,000)	(200,000)	(200,000)	(225,000)	(225,000)
Compost Sales	(301,634)	(372,832)	(398,680)	(450,000)	(450,000)	(449,999)	(460,000)	(450,000)	(450,000)	(475,000)	(475,000)
Interest Income	(99,734)	(62,576)	(11,928)	(30,000)	(30,000)	(30,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)
Proceeds from Sale of Assets	(4,791)	(58,977)	11,507	-	-	-	(3,987)	(4,107)	(4,230)	(4,357)	(4,487)
Other Non Operating Revenues	(3,969)	(57,246)	(3,691)	(5,000)	(5,000)	(5,000)	(25,255)	(26,012)	(26,793)	(27,596)	(28,424)
Total Revenues Available for Expenses	(\$9,102,405)	(\$9,123,379)	(\$9,720,952)	(\$11,065,000)	(\$11,065,000)	(\$10,064,997)	(\$11,555,742)	(\$10,645,119)	(\$10,794,523)	(\$10,993,953)	(\$11,143,411)
Expenses											
Labor	\$4,007,594	\$4,205,388	\$4,135,598	\$4,461,100	\$4,461,100	\$4,334,385	\$4,594,900	\$4,732,700	\$4,874,700	\$5,020,900	\$5,171,500
Office & Administration	30,016	37,520	29,447	45,500	45,500	23,486	52,070	53,632	55,241	56,899	58,604
Professional Fees & Services	938,372	1,382,259	1,204,212	1,126,500	1,276,500	1,249,134	1,149,890	1,185,006	1,220,556	1,257,171	1,294,885
Professional Fees - Contract Labor LACSD		\$105,063	\$73,372	\$44,500	\$44,500	\$73,134	\$40,500	\$41,715	\$42,966	\$44,255	\$45,583
Materials & Supplies/O&M Projects	1,130,470	994,681	1,087,677	1,164,000	1,164,000	894,111	1,121,165	1,154,799	1,189,444	1,225,127	1,261,881
Materials - Bio Filter Media Replacement	57,162	100,000	194,103	250,000	100,000	100,000	250,000	250,000	250,000	250,000	250,000
Insurance	265,293	406,254	621,799	647,000	647,000	602,031	686,050	673,672	693,881	714,698	736,139
Operating Fees	102,777	77,554	74,494	84,000	84,000	71,188	90,743	93,466	96,269	99,157	102,131
Utilities	1,158,177	1,182,701	1,134,048	1,154,000	1,154,000	1,113,934	1,181,870	1,217,327	1,253,847	1,291,463	1,330,205
Leases & Rentals	122,757	158,257	106,694	145,000	145,000	113,872	117,700	121,231	124,868	128,614	132,473
Financial Expenses/Non Operating Expense	71,459	85,937	6,323	300	300	300	300	309	318	328	338
Total Expenses	\$7,884,077	\$8,735,614	\$8,667,766	\$9,121,900	\$9,121,900	\$8,575,575	\$9,285,188	\$9,523,857	\$9,802,089	\$10,088,613	\$10,383,739
Capital Projects											
Capital Replacement Project	\$2,164,174	\$838,895	\$797,470	\$1,000,000	\$1,544,800	\$1,312,221	\$2,275,000	\$700,000	\$1,400,000	\$700,000	\$500,000
Capital Expansion Projects	2,702	343,565	-	-	-	-	-	-	-	-	-
Total Capital Projects	\$2,166,876	\$1,182,459	\$797,470	\$1,000,000	\$1,544,800	\$1,312,221	\$2,275,000	\$700,000	\$1,400,000	\$700,000	\$500,000
Not Des Collins	(\$948,549)	(\$704 CO4)	\$255.716	\$943.100	ć200 200	\$177.201	(64.446)	\$421.262	(\$407,566)	\$205.340	\$259,672
Net Profit/(Loss)	(\$948,549)	(\$794,694)	\$255,/16	\$943,100	\$398,300	\$1/7,201	(\$4,446)	\$421,262	(\$407,566)	\$205,340	\$259,672
Reserves											
Beginning Reserve Balance	\$5,290,533	\$4,341,984	\$3,547,290	\$2,789,739	\$3,803,006	\$3,803,006	\$4,201,306	\$4,196,860	\$4,618,122	\$4,210,555	\$4,415,895
Ending Reserve Balance	\$4,341,984	\$3,547,290	\$3,803,006	\$3,732,839	\$4,201,306	\$3,980,207	\$4,196,860	\$4,618,122	\$4,210,555	\$4,415,895	\$4,675,568
Lifting Reserve Dalance	7 -, 3 -1,30-	73,347,230	73,003,000	73,732,033	Ş 4 ,201,300	\$3,360,207	Ş 4 ,130,600	Ş 4 ,010,122	74,210,333	74,413,033	74,073,300
Operating Contingency (3mths Expenses)	\$1,956,729	\$2,158,904	\$2,118,416	\$2,217,975	\$2,255,475	\$2,118,894	\$2,258,797	\$2,318,464	\$2,388,022	\$2,459,653	\$2,533,435
Replacement Reserve - BioFilter	250,000	250,000	250,000	250,000	250,000	250,000	350,000	350,000	350,000	350,000	350,000
Commercial Insurance	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Capital Replacement & Construction	1,885,255	888,386	1,184,590	1,014,864	1,445,831	1,361,313	1,338,063	1,699,657	1,222,533	1,356,242	1,542,133
Total Reserve Balance	\$4.341.984	\$3,547,290	\$3,803,006	\$3,732,839	\$4,201,306	\$3,980,207	\$4,196,860	\$4,618,122	\$4,210,555	\$4,415,895	\$4,675,568
Total Nood To Data Nood	+ 1,0 12,004	+0,0 ,200	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	70,.02,033	+ .,=02,000	40,500,207	Ÿ .,255,000	Ų .,010,11L	7 .,220,000	7 ., .20,000	Ţ.,U.U,300

			Actual	Actual	ACTUAL	ADOPTED	AMENDED	PROJECTED	PROPOSED					
Cost Center	Cost Element		2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
-			-	-	-			-		-		-	-	
Tonage/Rate														
ronage, nati	Tons		151,527	147,606	150,217	145.000	145.000	145.000	148,500	148.500	148.500	148.500	148.500	148.500
	O&M Cost per ton	Ś	52.03	,		-,	-,	-,		-,	-,	-,	-,	-,
	Biofilter Media Replacement Reserve	Ś	1.40	\$ 1.40	\$ -	\$ -	; \$ -	\$ -	\$ -	•	\$ -	; \$ -	\$ -	\$ -
	Capital Expansion Cost per Ton	Ś	0.02				; \$ -	\$ -	\$ -	\$ -	\$ -	; ; -	\$ -	\$ -
	Capital Replacement Cost per Ton	Ś	14.28	•		\$ 6.90	\$ 10.65	\$ 9.05	\$ 15.32	\$ 4.71	\$ 9.43	\$ 4.71	\$ 3.37	\$ 4.71
	Total Cost Per Ton	\$	67.73	•				-	•	\$ 68.85		\$ 72.65	•	
	Member Contributions	\$		T	\$ 3.33	•				•	•	•	•	•
	CIP Funded by Reserves	Ş	14.30		\$ 1.98	1 ()	,	•		. ,		(2.02)	. ,	,
	Rate Per Ton	\$	53.43											
	Adopted Rate Per Ton	\$	56.00	\$ 56.00	\$ 57.00	\$ 58.00	\$ 58.00	\$ 58.00	\$ 59.00	\$ 60.00	\$ 61.00	\$ 62.00	\$ 63.00	\$ 64.00
Revenues														
20011	2 406000 Compost Delivery Svs		(\$148,750)	(\$225,750)	(\$192,752)	(\$150,000)	(\$150,000)	(\$149,999)	(\$250,000)	(\$200,000)	(\$200,000)	(\$225,000)	(\$225,000)	(\$250,000)
20011	2 406200 Compost Sales		(301,634)	(372,832)	(398,680)	(450,000)	(450,000)	(449,999)	(460,000)	(450,000)	(450,000)	(475,000)	(475,000)	(500,000)
	Service Charges		(450,384)	(598,582)	(591,432)	(600,000)	(600,000)	(599,998)	(710,000)	(650,000)	(650,000)	(700,000)	(700,000)	(750,000)
20011	2 404010 Biosolids Recycling (Tipping Fees)		(8,520,727)	(8,331,673)	(8,606,406)	(8,410,000)	(8,410,000)	(8,410,000)	(8,761,500)	(8,910,000)	(9,058,500)	(9,207,000)	(9,355,500)	(9,504,000)
20011	2 409920 Biosolids Recycling Admin Fees		(22,800)	(14,325)	(19,002)	(20,000)	(20,000)	(19,999)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
	Sales		(8,543,527)	(8,345,998)	(8,625,407)	(8,430,000)	(8,430,000)	(8,429,999)	(8,781,500)	(8,930,000)	(9,078,500)	(9,227,000)	(9,375,500)	(9,524,000)
21111	2 412030 Energy/Cap Rebates					-			-	-	-	-	-	-
	Other Revenues		-			-			-	-	-	-	-	-
	Operating Revenues		(\$8,993,911)	(\$8,944,580)	(\$9,216,839)	(\$9,030,000)	(\$9,030,000)	(\$9,029,997)	(\$9,491,500)	(\$9,580,000)	(\$9,728,500)	(\$9,927,000)	(\$10,075,500)	(\$10,274,000)
21111	2 480110 Interest Income		(\$99,734)	(\$62,576)	(11,928)	(\$30,000)	(\$30,000)	(\$30,000)	(\$35,000)	(\$35,000)	(\$35,000)	(\$35,000)	(\$35,000)	(\$35,000)
	2 483010 Contributed Capital		(399,754)	(302,370)	(500,000)	(2,000,000)	(2,000,000)	(1,000,000)	(2,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
	2 493110 Proceeds from Investments		(4,791)	(58,977)	11,507	(2,000,000)	(2,000,000)	(1,000,000)	(2,000,000)	(4,107)	(4,230)	(4,357)	(1,000,000)	(4,622)
							/F 000\							
21111.	2 499010 Other Non Operating Revenues		(3,969)	(57,246)	(3,691)	(\$2,035,000)	(5,000)	(5,000)		(26,012)	(26,793)	(27,596)	(28,424)	(29,277)
	Non Operating Revenues		(\$108,493)	(\$178,799)	(\$504,113)	(\$2,035,000)	(\$2,035,000)	(\$1,035,000)	(\$2,064,242)	(\$1,065,119)	(\$1,066,023)	(\$1,066,953)	(\$1,067,911)	(\$1,068,899)
	TOTAL REVENUES		(\$9,102,405)	(\$9,123,379)	(\$9,720,952)	(\$11,065,000)	(\$11,065,000)	(\$10,064,997)	(\$11,555,742)	(\$10,645,119)	(\$10,794,523)	(\$10,993,953)	(\$11,143,411)	(\$11,342,899)
			(+-,-5=) .00)	(+-,-20,0,0)	(+-). 20)552)	(+,-30,000)	(+==,=00)000)	(+==,=0 1)007	(+,500), (-)	(+,- 10)220)	(+==,: 3 :)===)	(+==,===)	(+,- 10) 122)	(7-2,5 12)0007

Γ	Actual	Actual	ACTUAL	ADOPTED	AMENDED	PROJECTED	PROPOSED					
Cost Center Cost Element	2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Expenses			· ·				-					
Office & Administration												
211112 511220 Travel Costs - Mileage Reimbursement	\$462	\$44	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
211112 511330 Safety Awards	283		_	150	150		500	515	530	546	563	580
211112 512010 Office Supplies-General	5,374	6,006	9,418	8,000	8,000	7,699	8,240	8,487	8,742	9,004	9,274	9,552
211112 512210 Forms, Printing and Copying costs	451	609	709	5,000	5,000	600	4,000	4,120	4,244	4,371	4,502	4,637
211112 512350 Postage and Delivery Charges	2,983	2,731	2,896	2,500	2,500	600	2,575	2,652	2,732	2,814	2,898	2,985
211112 512351 Courier/Shipping Charges						663						
211112 512510 Comptr SW Lic's ,\$5,000 - Use AC 512520												
211112 512520 Computer Software & License Fees	15,303	5,097	_	16,000	16,000		16,000	16,480	16,974	17,484	18,008	18,548
211112 513010 Meeting Expenses	391	688	575	350	350	1,125	2,000	2,060	2,122	2,185	2,251	2,319
211112 513020 Conference Expenses						,	,	,	,	,	,	ŕ
211112 513030 Committee Expenses												
211112 514010 Memberships - Agency Wide	5,563	12,200	11,450	12,000	12.000	12,000	12,000	12,360	12,731	13,113	13,506	13,911
211112 514210 Registration-DMV, Title, Permit, Applic	-,	,	,	500	500	,	515	530	546	563	580	597
211112 515030 Contributions-Sponsorships	1,425	750	750	1,000	1,000	1,000	1,000	1,030	1,061	1,093	1,125	1,159
211112 516010 Ad's-Newspaper/Mag Announce	, -			,	,	,	,	,	,	,	,	,
211112 519110 Inventory-Count Adjustment	(2,878)	2,315	2,009			(100)	3,090	3,183	3,278	3,377	3,478	3,582
211112 519130 Inventory-Freight/Price	7,045	7,347	2,026			(100)	4,120	4,244	4,371	4,502	4,637	4,776
211112 519160-Price Adjustment Inventory	(3,358)	(873)	(1,594)			(1)	(3,000)	(3,090)	(3,183)	(3,278)	(3,377)	(3,478)
211112 519510 Othr Admin Expense	240	()	(=//			(-)	(=,===,	(=,===)	(=,===)	(=/=:=/	(=/=:-/	(=,=,
211112 519530 Fines & Penalties	373											
211112 519590 GI/IR Expense Clearing	(3,640)	606	1,207	_			1,030	1,061	1,093	1,125	1,159	1,194
Office & Administration Expenses	\$30,016	\$37,520	\$29,447	\$45,500	\$45,500	\$23,486	\$52,070	\$53,632	\$55,241	\$56,899	\$58,604	\$60,362
Materials & Supplies				. ,	. ,			. ,				
211112 512110 Operating Supplies - General	\$34,871	\$8,991	\$378	\$0	\$0	\$12,503	\$0	\$0	\$0	\$0	\$0	\$0
211112 512140 Uniform / Throw Rugs	32,668	31,755	32,629	36,000	36,000	35,091	37,080	38,192	39,338	40,518	41,734	42,986
211112 512170 Operations & Maintenance Supplies	667,361	590,251	797,405	650,000	650,000	547,081	700,000	721,000	742,630	764,909	787,856	811,492
211112 512190 Disaster Preparedness Supplies												
211112 512410 Fuel	150,979	126,459	123,954	166,000	166,000	145,398	170,980	176,109	181,393	186,834	192,439	198,213
211112 512450 Fleet Parts & Supplies		2,403				89						
211112 512610 Equipment - Small Tools/Equip. <\$1000		1,093	-	1,500	1,500	-	1,540	1,586	1,634	1,683	1,733	1,785
211112 512660 Equipment - Small Tools/Equip.< \$2000		1,030	-	500	500	0	515	530	546	563	580	597
211112 512710 Equipment Maintenance & Supplies	224,771	220,555	133,013	275,000	275,000	153,949	175,000	180,250	185,658	191,227	196,964	202,873
211112 512910 Other Materials & Supplies	19,820	12,144	298	35,000	35,000		36,050	37,132	38,245	39,393	40,575	41,792
211112 512920 Biofilter Media Replacement	57,162	100,000	194,103	250,000	100,000	100,000	250,000	250,000	250,000	250,000	250,000	250,000
Materials & Supplies	\$1,187,632	\$1,094,681	\$1,281,780	\$1,414,000	\$1,264,000	\$994,111	\$1,371,165	\$1,404,799	\$1,439,444	\$1,475,127	\$1,511,881	\$1,549,738
Insurance												
211112 517010 Insurance Premiums - Liability	\$264,186	\$406,254	\$621,799	\$600,000	\$600,000	\$602,031	\$650,000	\$636,540	\$655,636	\$675,305	\$695,564	\$716,431
211112 517110 Insurance Premiums - Motor vehicles	1,107											
211112 517210 Insurance Premiums - Casualty	<u> </u>			47,000	47,000		36,050	37,132	38,245	39,393	40,575	41,792
Insurance	\$265,293	\$406,254	\$621,799	\$647,000	\$647,000	\$602,031	\$686,050	\$673,672	\$693,881	\$714,698	\$736,139	\$758,223

		Actual	Actual	ACTUAL	ADOPTED	AMENDED	PROJECTED	PROPOSED					
Cost Center	Cost Element	2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Professional	Fees & Services												
211112	2 520110 External Audit Services	\$4,230	\$4,310	\$4,400	\$4,500	\$4,500	\$4,500	\$4,500	\$4,635	\$4,774	\$4,917	\$5,065	\$5,217
211112	2 520210 Legal Fees - General	26,990	7,860	8,670	20,000	20,000	13,000	20,000	21,218	21,855	22,510	23,185	23,861
211112	2 520980 Professional Services - Other		243,088	269,909	250,000	250,000	249,375	249,375	256,856	264,562	272,499	280,674	289,094
211112	2 521015 Contract Labor_IEUA (211112-701009-2	3,940,241	4,205,388	4,135,598	4,461,100	4,461,100	4,334,385	4,594,900	4,732,700	4,874,700	5,020,900	5,171,500	5,326,600
211112	2 521010 Contract Labor - LACSD	46,868	104,474	62,963	36,000	36,000	65,237	33,000	33,990	35,010	36,060	37,142	38,256
212112	2 521018 Contract Labor-LACSD	9,024	178	10,409	8,500	8,500	7,897	7,500	7,725	7,957	8,195	8,441	8,695
211112	2 521030 Contract Burden - LACSD	11,462	412					0	0	0	0	0	0
211112	2 521050 Contract Materials	1,792	62	3,304			3,153						
211112	2 521080 Other Contractual Services	856,980	1,086,246	849,873	800,000	950,000	921,366	824,000	848,720	874,182	900,407	927,419	955,242
211112	2 521110 Outside Svc's-Lndscaping/Weed/Pest C	10,820	6,590	16,838	14,000	14,000	12,218	12,360	12,731	13,113	13,506	13,911	14,329
211112	2 521120 Outside Services - Security	16,332	15,257	21,113	15,000	15,000	18,271	15,450	15,914	16,391	16,883	17,389	17,911
211112	2 521130 Outside Services - Janitorial	13,998	13,801	14,685	15,000	15,000	22,815	15,450	15,914	16,391	16,883	17,389	17,911
211112	2 521220 Laboratory Services - Outside	6,334	5,044	3,477	7,000	7,000	4,436	7,725	7,957	8,195	8,441	8,694	8,955
211112	521410 Computer Systems Maintenance	895		11,943	1,000	1,000		1,030	1,061	1,093	1,125	1,159	1,194
	Prof. fees & Services	\$4,945,966	\$5,692,710	\$5,413,181	\$5,632,100	\$5,782,100	\$5,656,653	\$5,785,290	\$5,959,421	\$6,138,222	\$6,322,326	\$6,511,968	\$6,707,265
Operating Fe													
	2 519310 Operating Permits, Licenses & Fees	\$17,496	\$16,734	\$17,785	\$22,000	\$22,000	\$18,800	\$22,660	\$23,340	\$24,040	\$24,761	\$25,504	\$26,269
	2 540110 Wastewater-Volumetric Fees	13,617	8,462	7,455	10,500	10,500	5,250	10,815	11,139	11,474	11,818	12,172	12,537
	2 540210 Strength Charges-BOD/COD	9,546	8,957	7,448	8,500	8,500	7,250	8,755	9,018	9,288	9,567	9,854	10,149
	2 540211 Strength Charges-BOD/COD Imbalance	4,067	1,184	1,904	1,000	1,000	1,150	2,060	2,122	2,185	2,251	2,318	2,388
	2 540220 Strength Charges-TSS	13,249	8,102	5,993	6,500	6,500	4,672	9,785	10,079	10,381	10,692	11,013	11,343
	2 540221 Wste - TSS Imbal			1,042									
	2 540223 Strength Charges-TSS Discrepancy Charg	8,516	3,944	1,877	5,500	5,500	4,066	5,768	5,941	6,119	6,303	6,492	6,687
211112	2 540330 Capital Improv Proj (CIP) Fees	36,287	30,171	30,990	30,000	30,000	30,000	30,900	31,827	32,782	33,765	34,778	35,822
	Operating Fees	\$102,777	\$77,554	\$74,494	\$84,000	\$84,000	\$71,188	\$90,743	\$93,466	\$96,269	\$99,157	\$102,131	\$105,195
<u>Utilities</u>	545440 Flatherick.	6044 002	¢0.40.045	¢004.473	¢004 000	¢004 000	6075 504	¢020.020	¢055 074	C004 F47	Ć4 04 4 00 4	Ć4 044 F0C	Ć4 07E 044
	2 545110 Electricity	\$911,093	\$948,915	\$894,172	\$901,000	\$901,000	\$875,584	\$928,030	\$955,871	\$984,547	\$1,014,084	\$1,044,506	\$1,075,841
	2 545220 Solar Power 2 545310 Cell Phone Accessories	221,315 50	206,120	211,820	225,000 200	225,000 200	212,000	225,000 206	231,750 212	238,703 219	245,864 225	253,240 232	260,837 239
	2 545311 Cell Phone Expenses	7,875	6,906	6,764	7,500	7,500	6,200	7,725	7,957	8,195	8,441	8,694	8,955
	2 545320 Telephone	,	,	146	,	,	150	309	,	,	338	348	358
	2 545360 Disposal Service	333 12,653	1,962 11,643	16,555	300 15,000	300 15,000	15,000	15,450	318 15,914	328 16,391	16,883	17,389	17,911
	2 545370 Water	4,859	7,156	4,592	5,000	5,000	5,000	5,150	5,305	5,464	5,628	5,796	5,970
211112	Utilities	\$1,158,177	\$1,182,701	\$1,134,048	\$1,154,000	\$1,154,000	\$1,113,934	\$1,181,870	\$1,217,327	\$1,253,847	\$1,291,463	\$1,330,205	\$1,370,111
Leases / Rent		31,130,177	\$1,162,701	31,134,046	31,134,000	31,134,000	31,113,334	31,161,670	31,217,327	31,233,647	31,231,403	31,330,203	31,370,111
	2 512730 Equipment Rental (Non Lease)	\$37,730	\$71,744	\$11,890	\$55,000	\$55,000	\$39,387	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138	\$28,982
	2 547110 Building / Trailer Leases	85,028	86,513	86,962	90,000	90,000	78,286	92,700	95,481	98,345	101,296	104,335	107,465
	547220 Equipment Lease/Rental - Operations & N	,	00,010	7,842	-	-	(3,801)	-	-	-	-	-	10.,.00
	Lease/Rentals	122,757	158,257	106,694	145,000	145,000	113,872	117,700	121,231	124,868	128,614	132,473	136,447
	•	,	,	,	-,	-,	-,	,	, , , _	,	-,		
	Operating Expenses	\$7,863,198	\$8,649,677	8,661,444	\$9,121,600	\$9,121,600	\$8,575,275	\$9,284,888	\$9,523,548	\$9,801,771	\$10,088,285	\$10,383,401	\$10,687,340

	Actual	Actual	ACTUAL	ADOPTED	AMENDED	PROJECTED	PROPOSED					
Cost Center Cost Element	2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
<u>Financial Expenses</u>												
211112 551010 Bank Service Charges / Fees	\$394	\$0	\$86	\$300	\$300	\$300	\$300	\$309	\$318	\$328	\$338	\$348
211112 580020 Loss on Sale of Asset												
211112 580050 Bad Debt Expense	3,016	3,728	3,987									
Financial Expenses	\$3,410	\$3,728	\$4,073	\$300	\$300	\$300	\$300	\$309	\$318	\$328	\$338	\$348
Other Non-Operating Expenses												
211112 580090 Non-Operating Other Expenses	\$17,469	\$82,209	\$2,250									
Interest Expenses	\$17,469	\$82,209	\$2,250	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
Non-Operating Expenses	\$20,879	\$85,937	\$6,323	\$300	\$300	\$300	\$300	\$309	\$318	\$328	\$338	\$348
Capital Projects												
Capital Replacement Projects	\$2,164,174	\$838,895	\$797,470	\$1,000,000	\$1,544,800	\$1,312,221	\$2,275,000	\$700,000	\$1,400,000	\$700,000	\$500,000	\$700,000
Capital Expansion Projects	2,702	343,565		-	-		-	-	-	-	-	-
Capital Projects	\$2,166,876	\$1,182,459	\$797,470	\$1,000,000	\$1,544,800	\$1,312,221	\$2,275,000	\$700,000	\$1,400,000	\$700,000	\$500,000	\$700,000
TOTAL EXPENSES	\$10,050,954	\$9,918,073	\$9,465,236	\$10,121,900	\$10,666,700	\$9,887,796	\$11,560,188	\$10,223,857	\$11,202,089	\$10,788,613	\$10,883,739	\$11,387,688
Net Profit/(Loss)	(\$948,549)	(\$794,694)	\$255,716	\$943,100	\$398,300	\$177,201	(\$4,446)	\$421,262	(\$407,566)	\$205,340	\$259,672	(\$44,789)
		·		·	·		·		·	·	·	

Inland Empire Regional Composting Authority Schedule C - Projects

	,											
		ACTUAL	ACTUAL	ACTUAL	ADOPTED	AMENDED	PROJECTED	PROPOSED				
Project No.	Project Title	2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Capital Projects	5											
Capital Replace	ement											
RA17001	IERCF Transition Air Duct Improvements	10,644	15,982	18,665				-	-	-	-	-
RA17007	IERCF Building Improvements	37,698	168,678	299,521				-	-	-	-	-
RA19002	IERCF Trommel Screen Improvements	1,363,765	75,893	43,046	200,000	-			-	200,000		-
RA19003	IERCF Front End Loader Replacement		101,019		-	7,127						
RA20003	IERCF Belt Conveyor Improvements	137,165									200,000	
RA20004	IERCF Misc Fan Improvements								-			
RA20005	RCA Capital Replacement		193,563	132,099	500,000	419,000	227,328	500,000	500,000	500,000	500,000	500,000
RA20006	IERCF Exterior Paint		153,750									
RA20007	Compost Storage Conveyor		1,310	(1,310)			27,269					
RA20008	Glulam Repair Roof		3,636	305,449								
RA21001	IERCF Fire Sprinkler Improvements				300,000	-						
RA21002	Front End Loader Replacement					1,037,673	994,964					
RA22001	IERCF Column Repair					81,000	62,660					
RA23001	IERCF Inner Roof Lining Repair								-			
RA23002	IERCF South MCC HVAC Upgrade							175,000				
RA23003	IERCF Active Hopper Replacement							200,000				
RA23004	IERCF Front End Loader Replacement							1,200,000				
RA23005	IERCF Fire Sprinkler Upgrades							200,000				
RA24001	IERCF Corrosion Replacement								200,000			
RA25001	IERCF Compost Storage Facility Tent Cover									700,000		
RA26001	IERCF Projects AMP											
	Total Capital Replacement Projects	\$2,164,174	\$838,895	\$797,470	\$1,000,000	\$1,544,800	\$1,312,221	\$2,275,000	\$700,000	\$1,400,000	\$700,000	\$500,000
Capital Expansi	on											
RA15001	IERCF Baghouse Improvements	2,702	343,532		-			-	-	-	-	-
	Total Capital Expansion Projects	\$2,702	\$343,565	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Capital Projects	\$2,166,876	\$1,182,459	\$797,470	\$1,000,000	\$1,544,800	\$1,312,221	\$2,275,000	\$700,000	\$1,400,000	\$700,000	\$500,000
	Total Projects	\$2,166,876	\$1,182,459	\$797,470	\$1,000,000	\$1,544,800	\$1,312,221	\$2,275,000	\$700,000	\$1,400,000	\$700,000	\$500,000
	Total Flojects	32,100,670	71,102,433	\$151,470	31,000,000	31,344,600	31,312,221	\$2,275,000	\$700,000	\$1, 4 00,000	\$700,000	\$500,000



FY 2022/23 Proposed Budget



Key Assumptions



\$59 per wet Ton – Tipping Fees (\$1 increase)



\$2 Million
Capital Call



25 FTE Staffing Level Maintained



Timely Upkeep of Assets to Support Level of Service



FY 2022/23 Proposed Budget

(\$ in thousand)	FY 2021/22 Amended Budget	FY 2022/23 Proposed Budget	Increase/ (Decrease)
Tipping fee per wet ton	\$58	<i>\$59</i>	<i>\$1</i>
Wet tons	145,000	148,500	3,500
Operating Revenues	\$9,030	\$9,491	\$461
Operating Expenses	9,122	9,285	163
Net Operating Increase/(Decrease)	(\$92)	\$206	\$298
Other Funding Sources ¹	\$2,035	\$2,064	\$29
Other Uses of Funds ²	1,545	2,275	730
Net Non-Operating Increase/(Decrease)	\$490	(\$211)	(\$701)
Total Net Change	\$398	(\$5)	(\$403)

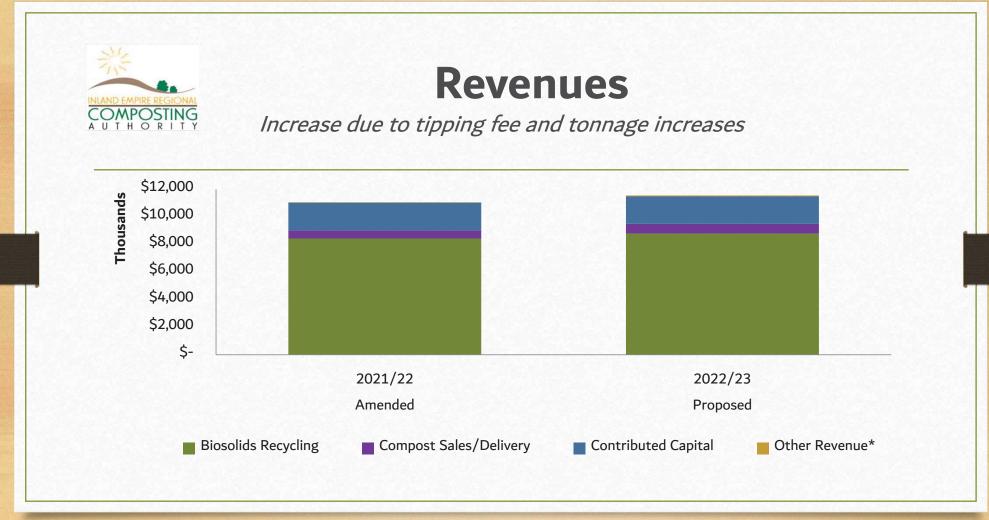
¹ Includes proposed capital call, interest income, and other non-operating revenues

² Includes planned capital project costs



Capital Improvement Plan

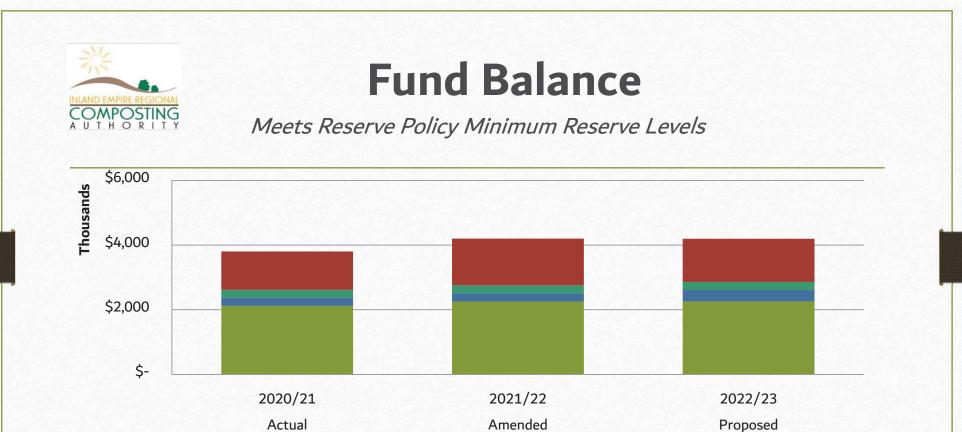
Project Description (\$ in thousand)	FY 2021/22 Amended Budget	FY 2022/23 Proposed Budget	Increase/ (Decrease)
Capital Replacement & Rehabilitation (R&R)	\$419	\$500	\$81
Front End Loader Replacement	1,045	1,200	155
Active Hopper Replacement	-	200	200
South MCC HVAC Upgrades	-	175	175
Column Repair	81	-	(81)
Fire Sprinkler Upgrades	-	200	200
Total Capital Improvement Plan	\$1,545	\$2,275	\$730





^{*}Operating costs include operating fees, biofilter replacement, materials & supplies

^{**}Other expenses include lease & rentals, financial expenses

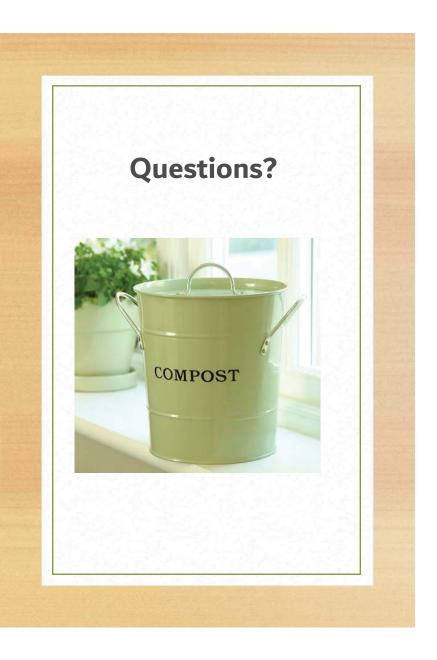


Insurance

■ Biofilter Replacement

Operating Contingency

■ Capital Replacement & Improvements





INFORMATION ITEM

3Q



Date: June 15, 2022

To: The Honorable Board of Directors From: Shivaji Deshmukh, General Manager

Committee: Finance & Administration 06/08/22

Staff Contact: Javier Chagoyen-Lazaro, Acting Assistant General Manager

Subject: Fiscal Year 2021/22 Third Quarter Budget Variance, Performance Updates, and Budget

Transfers

Executive Summary:

The budget variance report presents the Agency's financial performance through the third quarter ended March 31, 2022 and various analyses are provided in the attachments.

The Agency's total revenues and other funding sources were \$207.2 million, or 93.5 percent of the fiscal year to date amended budget of \$221.6 million.

The Agency's total expenses and other uses of funds were \$242.4 million, or 64.6 percent of the fiscal year to date amended budget of \$375.3 million. Lower than budgeted administrative and operating expenses and timing of capital project execution account for the favorable variance.

The net change of the unaudited total revenues and other funding sources over the total expenses and other uses of funds for the quarter ended March 31, 2022 is an estimated decrease of \$35.2 million.

Staff's Recommendation:

The Fiscal Year (FY) 2021/22 third quarter budget variance, performance goal updates, and budget transfers is an informational item for the Board of Directors to receive and file.

Budget Impact Budgeted (Y/N): N Amendment (Y/N): N Amount for Requested Approval: Account/Project Name:

Fiscal Impact (explain if not budgeted):

The net change of the total revenues and other funding sources over total expenses and other uses of funds is a decrease of \$35.2 million for the quarter ended March 31, 2022.

Full account coding (internal AP purposes only): - - - Project No.:

Prior Board Action:

On March 16, 2022 the Board of Directors received the Fiscal Year 2021/22 Second Quarter Budget Variance, Performance Goal Updates, and Budget Transfers.

Environmental Determination:

Not Applicable

Business Goal:

The quarterly budget variance report is consistent with the Agency's business goal of fiscal responsibility to demonstrate the Agency has appropriately funded operational, maintenance, and capital costs.

Attachments:

Attachment 1 - Background

Exhibit A - Q3 Budget Variance Summary and Detail Report

Exhibit B - Business Goals Status Updates by Department

Exhibit C-1 - Summary of Annual Budget Transfers through the First Quarter

Exhibit C-2 - Summary of the GM Contingency Account Activity

Exhibit D - Project Budget Transfers for Capital and Non-Capital Projects

Attachment 2 - Power Point

Board-Rec No.: 22140



Background

Subject: Fiscal Year 2021/22 Third Quarter Budget Variance, Performance Goal Updates, and Budget Transfers

The Budget Variance report presents the Agency's financial performance through the third quarter ended March 31, 2022, and includes the following highlights.

TOTAL REVENUES AND OTHER FUNDING SOURCES

Overall, the Agency's total revenue and other funding sources were \$207.2 million, or 93.5 percent of the fiscal year amended year-to-date budget of \$221.6 million for the quarter ended March 31, 2022 (Exhibit A). The following section highlights key variances:

- *User Charges* Total user charges were \$71.9 million or 102.3 percent of the year to date amended budget. The category includes monthly sewer charges based on equivalent dwelling units (EDU) of \$56.8 million, \$8.9 million of non-reclaimable wastewater fees paid by industrial and commercial users connected to the Agency's brine line system and sale of initial capacity charge and rights for disposal of non-reclaimable and industrial wastewater, and \$6.2 million of monthly meter equivalent unit charges (MEU) imposed on all potable water connections; and Readiness-to-Serve Ten Year Rolling Average (RTS TYRA) charges to meet our Readiness-to-Serve obligation to Metropolitan Water District (MWD).
- Recycled Water Sales Total recycled water direct sales were \$7.2 million for 13,971 acre feet (AF) and groundwater recharge sales were \$7.5 million for 13,043 acre feet (AF), for a combined total of \$14.7 million and 27,014 AF. Total deliveries of 32,000 AF (17,000 AF Direct and 15,000 AF Recharge) were budgeted for the fiscal year. Sales demand for direct use and groundwater recharge varies depending on weather patterns, water use conservation efforts, reuse supply, and basin availability.
- *MWD Water Sales* Total Metropolitan Water District of Southern California (MWD) sale of pass-through imported water was \$34.2 million or 96.1 percent of the fiscal year-to-date amended budget. Imported water deliveries were 35,662 AF compared to the annual budget of 60,000 AF. Additional Dry Year Yield Conjunctive Use totaled 18,000 AF.
- Connection Fees Total connection fee receipts of \$30.3 million were 106.7 percent of the year to date amended budget. Receipts include \$23.8 million for new regional wastewater system connections and \$6.5 million for new water connections. The number of new wastewater connections reported for through March were 3,234 equivalent dwellings unit (EDU) compared to the annual budget of 4,000. The total number of new water connections were 3,485-meter equivalent dwelling units (MEU) compared to the budgeted 4,700.
- **Property Taxes** Property tax receipts through the third quarter were \$43.5 million.

General ad-valorem property tax receipts from the San Bernardino County Tax Assessor were \$27.5 million and "pass through" receipts of incremental Redevelopment Agencies (RDA) taxes were \$16.0 million. The second installment "pass through" incremental Redevelopment Agency taxes from the county are due in June. Property tax receipts are budgeted based on valuation projected by the county, increased home sales, and anticipated adjustments in property tax distribution due to the dissolution of the redevelopment agencies.

- Grants & Loans Grants received through the third quarter totaled \$5.0 million. Grants and loan receipts are primarily reimbursable in nature and as such are dependent upon related capital projects expenditures. Annual budgeted grants of \$15.5 million include \$9.5 million for Recharge Master Plan Update (RMPU) projects in the Recharge Water fund, \$5.8 million for Plume Cleanup project in the Regional Wastewater Operations fund, \$0.2 million for various water conservation and drought relief projects in the Water Resources fund. State Revolving Fund (SRF) loan proceeds annual budget of \$8.0 million is for Recharge Master Plan Update projects in the Recharge Water Fund.
- Cost Reimbursements Total contract cost reimbursements were \$4.6 million, or 87.5 percent of the fiscal year to date amended budget. Actuals include reimbursements of \$2.7 million from the Inland Empire Regional Composting Authority (IERCA) and \$1.0 million from Chino Basin Desalter Authority (CDA) for the Agency's operation & maintenance of the IERCA Composter and CDA Desalter facilities respectively. Also included were \$0.9 million for operations & maintenance costs related to the groundwater recharge basins, net of the Agency's pro-rata share for the recycled water recharge costs.

TOTAL EXPENSES AND USES OF FUND

The Agency's total third quarter expenses and uses of funds were \$242.4 million, or 64.6 percent of the \$375.3 million fiscal year-to-date amended budget. Key expense variances include:

Administrative and Operating Expenses

• *Employment* – Employment expenses were \$36.8 million or 77.5 percent of the fiscal year to date budget. At the end of the third quarter, total filled regular positions were 262 and 10 limited term positions compared to the 312 authorized positions (302 FTE and 10 LT positions). Continued recruitment of key positions from Agency's succession plan is expected to net a lower vacancy factor going forward. The budget includes \$7.5 million of payment towards unfunded retirement liabilities with actuals of \$5.9 million through March.

Office and Administration – Office and administrative expense for the third quarter was \$0.7 million or 39.1 percent of the fiscal year to date amended budget. The favorable variance was due to non-essential staff continuing to work remotely and not fully utilizing office supplies, meeting expense, and travel budget. Also contributing the variance is the inclusion of \$250 thousand of GM contingency budget that serves as a funding source for unexpected operating expense.

- Professional Fees & Services Total expenses were \$5.6 million or 47.5 percent of the
 fiscal year to date amended budget. Some professional services are anticipated to ramp up
 in the fourth quarter such as planned maintenance of the recycled water distribution system
 control valves, recharge water basin infiltration restoration, and consultant support for
 project management and administrative services.
- *O&M (Non-capital) and Reimbursable Projects* O&M and reimbursable project costs were \$7.1 million or 42.5 percent of the fiscal year to date amended budget. The favorable budget is mainly due to lower spending for water use efficiency projects, emergency, and miscellaneous on-call projects. Also contributing to the positive variance were project scope changes, timeline extensions, and field coordination delays.
- Operating Fees Spending in this category was \$8.6 million or 88.5 percent of the amended budget. A major part of this category are the "pass-through" fees from Los Angeles County Sanitation District (LACSD) and Santa Ana Watershed Project Authority (SAWPA) for the Agency's non-reclaimable wastewater system (NRWS).
- *MWD Water Purchases* Total Metropolitan Water District of Southern California (MWD) purchase of pass-through imported water were \$34.2 million or 96.1 percent of the fiscal year-to-date amended budget. Imported water deliveries were 35,661 AF compared to the annual budget of 60,000 AF. Additional Dry Year Yield Conjunctive Use totaled 18,000 AF.
- *Utilities* Total utilities expenses were \$9.2 million or 97.7 percent of the year-to-date budget. This category includes the purchase of electricity from Southern California Edison (SCE), natural gas, and purchase of renewable energy generated on site from solar and wind. The favorable variance is mainly attributed to lower consumption of natural gas and wind power. Through the third quarter, the average rate for imported electricity ranged between \$0.147/kWh \$0.170/kWh compared to the budgeted rate of \$0.140/kWh.

Non-Operating Expenses

- Capital Projects Total capital project expenditures year to date were \$110.3 million or 51.2 percent of the fiscal year to date amended budget. The favorable variance can be attributed to operational constraints while taking equipment out of service for condition assessments, design and construction delays to utility conflicts, and equipment procurement delays. Capital project budget related to the Regional Wastewater program was \$220.4 million, or 84 percent of the \$264.0 million of the annual project budget.
- *Financial Expenses* Total financial expenses were \$19.1 million or 130.9 percent through the end of the third quarter. Actual costs include \$8.1 million of principal payments for the 2017A Revenue bonds and State Revolving Fund loans. Total interest and financial administrative fees were \$11.0 million.

A detailed explanation of significant revenues and expenses are included in the attached Exhibit A.

FUND BALANCES AND RESERVES

The estimated net change of the total revenues and other funding sources over the total expenses and other uses of funds for the third quarter is a decrease of \$35.2 million. Table 1 provides an overview of the fiscal year to date budget variance for revenues, expenses, and net change to overall fund balance.

Table 1: Fiscal Year and Year to Date (YTD) Revenues, Expenses, and Fund Balance (\$ Millions) Quarter Ended March 31, 2022

Operating	FY 2021/22 YTD Budget	Third Quarter Actual	% YTD Budget Used
Operating Revenue	\$126.6	\$126.5	99.8%
Operating Expense	(\$145.1)	(\$112.5)	77.5%
Net Operating Increase/(Decrease)	(\$18.5)	\$14.0	

Non- Operating	FY 2021/22 YTD Budget	Third Quarter Actual	% YTD Budget Used
Non-Operating Revenue	\$95.0	\$80.7	85.0%
Non-Operating Expense	(\$230.2)	(\$129.9)	56.4%
Net Non-Operating Incr./(Decrease)	(\$135.2)	(\$49.2)	

Total Sources of Funds	\$221.6	\$207.2	93.5%
Total Uses of Funds	(\$375.3)	(\$242.4)	64.6%
Total Net Increase/(Decrease)	(\$153.7)	(\$35.2)	

^{+/-} difference due to rounding

GOALS AND OBJECTIVES

Exhibit B provides information on division and related department goals and objectives and the status through the end of the third quarter. The key performance indicators (KPIs) are used to track the volume and complexity of work by type and to track the effort invested to accomplish that work. Staff use KPIs to track productivity and to justify current resource allocations, re-allocation, and requests for additional staff.

BUDGET TRANSFERS AND AMENDMENTS

Intra-fund O&M budget transfers of \$495,843 were recorded in the third quarter as detailed in Exhibit C-1.

General Manager (GM) Contingency Account of the \$250,000 adopted budget in the Administrative Services Fund. No GM Contingency Account funds were utilized through the third quarter as detailed in Exhibit C-2.

Inter-fund Capital and O&M project budget transfers accounted for \$335,446 as listed in Exhibit D.

The budget variance analysis report is consistent with the Agency's business goal of fiscal responsibility: to demonstrate the Agency appropriately funded operational, maintenance, and capital costs.

IMPACT ON BUDGET

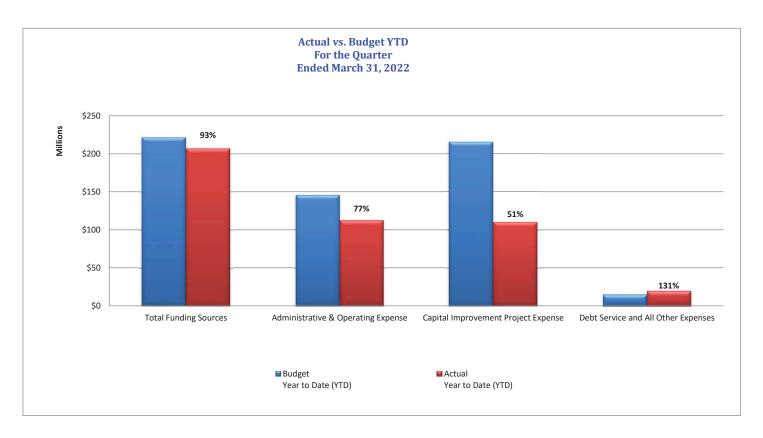
For quarter ended March 31, 2022, total revenues and other funding sources were lower than expenses and other uses of funds by \$35.2 million.



I. Actual vs. Budget Summary:

Quarter Ended March 31, 2022

	Amended Budget	Budget Year to Date (YTD)	Actual Year to Date (YTD)	Budget YTD vs. Actual	% of Budget Used YTD
Operating Revenues	\$168,838,846	\$126,629,135	\$126,432,851	(\$196,284)	99.8%
Non-Operating (Other Sources of Fund)	126,665,339	94,999,004	80,724,887	(14,274,117)	85.0%
TOTAL FUNDING SOURCES	295,504,185	221,628,139	207,157,738	(14,470,401)	93.5%
Administrative & Operating Expense	(193,515,365)	(145,136,524)	(112,455,561)	32,680,963	77.5%
Capital Improvement Project Expense	(286,993,585)	(215,245,189)	(110,276,311)	104,968,878	51.2%
Debt Service and All Other Expenses	(19,943,834)	(14,957,875)	(19,658,914)	(4,701,039)	131.4%
TOTAL USES OF FUNDS	(500,452,784)	(375,339,588)	(242,390,786)	132,948,802	64.6%
Surplus/(Deficit)	(\$204,948,599)	(\$153,711,449)	(\$35,233,048)	\$118,478,401	



2. Actual Revenue vs. Budget:

Quarter Ended March 31, 2022

	Amended Budget	Budget Year to Date (YTD)	Actual Year to Date (YTD)	Budget YTD vs. Actual	% of Budget Used YTD
Operating Revenues:					
User Charges	\$93,769,323	\$70,326,992	\$71,955,744	\$1,628,752	102.32%
Recycled Water Sales	17,290,000	12,967,500	14,681,862	\$1,714,362	113.22%
MWD Water Sales	47,412,000	35,559,000	34,161,022	(\$1,397,978)	96.07%
Cost Reimbursement	6,987,687	5,240,765	4,587,867	(\$652,898)	87.54%
Interest	3,379,836	2,534,877	1,046,356	(\$1,488,521)	41.28%
OPERATING REVENUES	168,838,846	126,629,134	126,432,851	(196,283)	99.8%
Non-Operating Revenues:					
Property Tax - Debt, Capital, Reserves	\$57,486,000	\$43,114,500	\$43,529,714	\$415,214	101.0%
Connection Fees	37,913,139	28,434,854	30,341,874	\$1,907,020	106.7%
Grants & Loans	29,618,503	22,213,877	4,982,135	(\$17,231,742)	22.4%
Other Revenue	1,647,697	1,235,774	1,871,164	\$635,390	151.4%
NON-OPERATING REVENUES	126,665,339	94,999,005	80,724,887	(14,274,118)	85.0%
Total Revenues	\$295,504,185	\$221,628,139	\$207,157,738	(\$14,470,401)	93.5%

User Charges, 102.3%

User charges were \$71.9 million, or 102.3 percent of the year to date budget. The category includes \$56.8 million monthly sewer charges based on equivalent dwelling units (EDU), \$8.9 million non-reclaimable wastewater fees paid by industrial and commercial users connected to the brine line system and sale of initial capacity charge and rights for disposal of non-reclaimable and industrial wastewater; and \$6.2 million of monthly meter equivalent unit charges (MEU) imposed on all potable water connections; and Readiness-to-Serve Ten Year Rolling Average (RTS TYRA) charges to meet our Readiness-to-Serve obligation to Metropolitan Water District (MWD).

Property Tax/ AdValorem, 101%

Property tax receipts through the third quarter totaled \$43.5 million. General ad-valorem property tax receipts from the San Bernardino County Tax Assessor were \$27.5 million and former redevelopment agencies (RDA) pass through tax receipts were \$16.0 million through March. The third payment of "pass through" of incremental Redevelopment Agencies (RDA) taxes are due from the county in June. Property tax receipts are budgeted based on valuation projected by the county, increased home sales, and anticipated adjustments in property tax distribution due to the dissolution of the redevelopment agencies.

Recycled Water Sales, 113.2%

Recycled water direct sales were \$7.2 million for 13,971 acre feet (AF) and groundwater recharge sales were \$7.5 million for 13,043 acre feet (AF), for a combined total of \$14.7 million and 27,014 AF. Total deliveries of 32,000 AF (17,000 AF Direct and 15,000 AF Recharge) were budgeted for the fiscal year. Demand for direct use and groundwater recharge varies depending on weather patterns, water use conservation efforts, reuse supply, and basin availability.

Interest Income, 41.3%

Interest Income was \$1.0 million or 41.3 percent of the year to date budget. The Agency earns interest income by investing funds not immediately required for daily operations. The Agency's average portfolio yield for March 2022 was 0.86%. The budgeted interest rate assumption for FY 2021/22 is 1.75% based on the Agency's overall fund balance which is higher than that of the agency's investment portfolio.

MWD Water Sales, 96.1% Total Metropolitan Water District of Southern California (MWD) pass-through imported water revenue was \$34.2 million or 96.1 percent of the year to date budget. Imported water deliveries were 35,662 AF compared to the annual budgeted quantity of 60,000 AF. Additional Dry Year Yield Conjunctive Use totaled 18,000 AF. Steady demands through the third quarter can be attributed to due to continued dry weather conditions.

Connection Fees, 106.7% Total connection fee receipts of \$30.3 million or 106.7 percent of the year to date budget. Receipts include \$23.8 million for new regional wastewater system connections and \$6.5 million for new water connections. The number of new wastewater connections reported for through March were 3,234 equivalent dwellings unit (EDU) compared to the annual budget of 4,000. The total number of new water connections were 3,485 meter equivalent dwelling units (MEU) compared to the budgeted 4,700.

Grants and Loans, 22.4% Grant and loan receipts received through the third quarter totaled \$5.0 million. Grant receipts included \$3.8 million for the Chino Basin Program and other Water Conservation grant receipts, \$0.8 million of receipts for the Recharge Master Plan Update (RMPU) and other projects in the Recharge Water program, with the remaining receipts for the Plume clean-up and recycled water projects. There were no SRF loan receipts through the third quarter. Grants and loan receipts are primarily reimbursable in nature and as such are dependent upon related capital project expenditures

> Annual budgeted grants of \$15.5 million include \$9.5 million for Recharge Master Plan Update (RMPU) projects in the Recharge Water fund, \$5.8 million for Plume Cleanup project in the Regional Wastewater Operations fund, \$0.2 million for various water conservation and drought relief projects in the Water Resources fund.

State Revolving Fund (SRF) loan proceeds annual budget of \$8.0 million are for Recharge Master Plan Update projects in the Recharge Water Fund.

Cost Reimbursements JPA, 87.5%

Total cost reimbursements of \$4.6 million or 87.5 percent of the year to date budget were received through the third quarter. Actuals include reimbursements of \$2.7 million from the Inland Empire Regional Composting Authority (IERCA) and \$1.0 million from Chino Basin Desalter Authority CDA) for the Agency's operation & maintenance of the IERCA Composter and CDA Desalter facilities respectively. Also included is \$0.9 million for operations & maintenance costs related to the groundwater recharge basins, net of the Agency's pro-rata share for the recycled water recharge costs.

Other Revenues, 151.4% Total other revenues and project reimbursements were \$1.9 million, or 151.4 percent of the year to date budget. Actual receipts include of \$0.4 million from Chino Basin Waster Master (CBWM) for their share of the 2020A bond debt service and fixed project costs, \$0.4 million of miscellaneous revenues for Non-Reclaimable Wastewater leased capacity units, \$0.5 gain on investments, and \$0.6 million of other fees and miscellaneous reimbursements.

3. Actual Operating and Capital Expense vs. Budget:

Quarter Ended March 31, 2022

	Amended Budget	Budget Year to Date (YTD)	Actual Year to Date (YTD)	Budget YTD vs. Actual	% of Budget Used YTD
Operating Expenses:	•	•			
Employment	\$63,225,828	\$47,419,371	\$36,766,783	\$10,652,588	77.5%
Admin & Operating	82,877,537	62,158,152	41,527,756	\$20,630,396	66.8%
MWD Water Purchases	47,412,000	35,559,000	34,161,022	\$1,397,978	96.1%
OPERATING EXPENSES	\$193,515,365	\$145,136,523	\$112,455,561	\$32,680,962	77.5%
Non-Operating Expenses:					
Capital	286,993,585	215,245,189	110,276,311	\$104,968,877	51.2%
Debt Service and All Other Expenses	19,943,834	14,957,876	19,658,913	(\$4,701,037)	131.4%
NON-OPERATING EXPENSES	\$306,937,419	\$230,203,065	\$129,935,224	\$100,267,840	56.4%
Total Expenses	\$500,452,784	\$375,339,588	\$242,390,785	\$132,948,802	64.6%

Employment Expenses net of allocation to projects

Employment, 77.5%

Employment expenses were \$36.8 million or 77.5 percent of the year to date budget. At the end of the third quarter, total filled regular positions were 262 and 10 limited term positions compared to the 312 authorized positions (302 FTE and 10 LT positions). Current recruitment efforts to fill key positions have resulted in increased internal promotional opportunities for staff creating vacancies for the positions they have left behind. Continued recruitment of key positions from Agency's succession plan is expected to net a lower vacancy factor going forward. The budget includes \$7.5 million of payment towards unfunded retirement liabilities with actuals of \$5.9 million through March.

Administrative & Operating Expenses Office and Administrative, 39.1%

Total expenses through the third guarter were \$0.7 million or 39.1 percent. The favorable variance was due to non-essential staff continuing to work remotely and not fully utilizing office supplies, meeting expense, and travel budget. Also contributing the variance is the inclusion of \$250 thousand of GM contingency budget that serves as a funding source for unexpected operating expense

Professional Fees & Services, 47.5%

Total expenses were \$5.6 million, or 47.5 percent through the end of third quarter. Some professional services are anticipated to ramp up in the final quarter such as; planned maintenance of the recycled water distribution system control valves, recharge water basin infiltration restoration, and consultant support for project management and administrative services.

Materials & Supplies/Leases/Contribution, 76.1%

Expenses through the of the third quarter were \$2.1 million or 76.1 percent of year to date budget. The favorable variance was primarily due to staff's effort to monitor operational equipment usage to ensure maximum use from supplies, replacement parts, and consumables used by treatment plants.

Biosolids Recycling, 77.6%

Biosolids expenses through the end of the third quarter were \$2.9 million or 77.6 percent of the year to date budget. The biosolids budget includes costs for hauling and disposal of biosolids and non-biological materials. Year to date tonnage of the Agency's biosolids generated from all its water recycling facilities. Total shipped to IERCA was 49,741 tons with a hauling rate of \$58 per ton.

Chemicals, 85.6%

Chemical expenses were \$4.5 million, or 85.6 percent of the year to date budget. Chemicals are essential in meeting regulatory requirements, treatment process performance goals, and sustainment of high quality recycled water. The positive variance is due in part to continued tertiary process improvements at RP-4. However, due to increasing chemical costs the majority of the budget is projected to be utilized by fiscal year end

MWD Water Purchases, 96.1%

Total Metropolitan Water District of Southern California (MWD) pass-through imported water purchased was \$34.2 million or 96.1 percent of the year to date budget. Imported water deliveries were 35,661 AF compared to the annual budgeted quantity of 60,000 AF. Additional Dry Year Yield Conjunctive Use totaled 18,000 AF. Steady demand through the third quarter can be attributed to dry weather conditions.

Operating Fees, 88.5%

Total expenses were \$8.6 million or 88.5 percent of the year to date budget. A major part of this category are the "pass-through" fees from Los Angeles County Sanitation District (LACSD) and Santa Ana Watershed Project Authority (SAWPA) for the Agency's non-reclaimable wastewater system (NRWS).

Utilities, 97.7%

Total utilities expenses were \$9.2 million or 97.7 percent of the year to date budget. This category includes the purchase of electricity from Southern California Edison (SCE), natural gas, and purchase of renewable energy generated on site from solar and wind. Through the third quarter, the average rate for imported electricity ranged between \$0.147/kWh - \$0.170/kWh compared to the budgeted rate of \$0.140/kWh.

O&M and Reimbursable Projects, 42.7% and 40.4%

The combined O&M and reimbursable project costs were \$7.1 million or 42.5 percent of the combined year to date budget. The favorable budget is mainly due to lower spending for conservation projects, emergency, and other miscellaneous on call projects. Project scope changes, timeline extensions, and field coordination delays also contributed to the positive variance.

Financial Expenses

Financial Expense, 130.9%

Total financial expenses were \$19.1 million or 130.9 percent through the end of the third quarter. Actual costs include \$8.1 million of principal payments for the 2017A Revenue bonds and State Revolving Fund loans. Total interest and financial administration fees were \$11.0 million.

Other Expenses

Other Expenses, 152.6%

Total other expenses were \$0.6 million or 152.6 percent of the year to date budget. The category expense includes the annual contribution-in-aid to the Santa Ana Watershed Project Authority and other miscellaneous expense.

Capital Expenses

Capital Costs, 51.2%

Total capital project expenditures year to date were \$110.3 million or 51.2 percent of the year to date budget. The favorable variance can be attributed to operational constraints while taking equipment out of service for condition assessments, design and construction delays to utility conflicts, and equipment procurement delays. Capital project budget related to the Regional Wastewater program was \$220.4 million, or 84 percent of the \$264.0 million of the annual project budget.

Summary of major capital and non-capital project expenses and status as of March 31.	
	2022

Capital Projects		Annual Budget	Actual YTD	% of Budget Used YTD
EN19006	RP-5 Solids Handling Facility Design of the offsite pump stations and Radio Tower is still ong final permit issuance in May 2020. Second lift of all digest construction of second floor walls. Dewatering Building first flo	er walls nearly complete. Thickening	Building first floor c	omplete, continuin
EN19001	RP-5 Expansion to 30 mgd Improvements at RP-5 are expected to increase the treatment Facility to RP-5 is required due to the facility being located of future flood plain upon completion of USACE project to raise the ongoing. Received AQMD submitted permit to construct to EPA walls nearly complete. Membrane Bioreactor Phase 1 concrete	on United States Army Corps of Enginee ne Prado Dam Spillway. Design of the o A for review, anticipated final permit is	ers (USACE) property, v ffsite pump stations and	vhich is located in a d Radio Tower is stil
EN23002	Philadelphia Lift Station Replace the force mains, as well as provide inspection manho proposed pipeline alignment has been coordinated and approsometime in the 4th quarter.		•	•
EN22044	RP-1 Thickening Building The project is currently completing the 30% Design phase. beginning in late 2023 or early 2024. Project expenditures th review activities. The major exception will be the purchase or Board Meeting.	rough then will be largely limited to p	rofessional fees associa	ated with design and
RW15003	Recharge Master Plan Per the approved 2013 Amendment to the 2010 Recharge Marecommended new projects which have been selected by the recharge basins. The basins considered for yield enhancement Victoria basin in complete, Wineville, Jurupa, and RP3 improve is scheduled for construction bid in June 2022 and construction	RMPU Steering Committee to enhance are: SCI, Wineville, Jurupa, RP3, Victor ements are in construction with a sched	stormwater yield for r oria, Turner, Ely, and N	nine (9) groundwate Montclair basins. The

O&M & Reimburs	able Projects	Annual Budget	Actual YTD	% of Budget Used YTD
EN19024	Collection System Asset	2,541,262	1,259,779	49.6%
	The project when complete will provide IEUA with an optimized as repairs of the Regional System. CDM Smith and its sub-contractor, siphon systems for the Regional Sewer System. The field work is be flows, implementing extensive traffic control requirements, and re	Northwest Pipe Service, are finalizir ing extended to September 2022 to	ng their condition assess address additional effo	ment of IEUA's
PA17006	Agency-Wide Aeration	2,500,000	1,440,763	57.6%
	Replacement of aeration panels for each aeration basins/trains at The current construction contract is to replace the aeration diffus project. The project is projected to be complete before end of the	er membranes at RP-1, the last faci	lity that will be rehabil	tated as part of thi

IEUA will contribute funding and administer the project, which will strengthen CDA's groundwater supply infrastructure while also acting as a remedial solution to the South Archibald TCE plume. Construction of the project is completed. IEUA and CDA are coordinating on the next steps to meet ongoing progress reports for Prop 68 & Prop 1 funding. Also, IEUA and CDA are evaluating the need of addition monitoring wells. IEUA is working with West Yost to perform a particle analysis to model groundwater flows to determine the need of constructing additional monitoring wells. This task is scheduled to be completed by March 2024.

Asset Management Plan 500,976 76,821 15.3% Program content and components for Strategic Asset Management Plan (SAMP) have been identified, from the roadmap, before task order to be issued for consultant support. The low budget utilization for Q3 is due to delays from consultant in providing the required proposal for the Agency to initiate a task order.

EN19023

INLAND EMPIRE UTILITIES AGENCY

Fiscal Year 2021/22

CONSOLIDATED BUDGET VARIANCE ANALYSIS REPORT

Quarter Ended March 31, 2022

					% Budget	% Annual
	Amended	Budget YTD	Actual YTD	Variance YTD	YTD Used	Budget Used
	Budget	עוו	טוז	ווט	Used	Used
OPERATING REVENUES						
User Charges	\$93,769,323	\$70,326,992	\$71,955,744	\$1,628,752	102.3%	76.7%
Recycled Water	17,290,000	12,967,500	14,681,862	1,714,362	113.2%	84.9%
MWD Water Sales	47,412,000	35,559,000	34,161,022	(1,397,978)	96.1%	72.1%
Cost Reimbursement from JPA	6,987,687	5,240,765	4,587,867	(652,899)	87.5%	65.7%
Interest Revenue	3,379,836	2,534,877	1,046,356	(1,488,521)	41.3%	31.0%
TOTAL OPERATING REVENUES	\$168,838,846	\$126,629,135	\$126,432,851	(\$196,284)	99.8%	74.9%
NON-OPERATING REVENUES						
Property Tax	\$57,486,000	\$43,114,500	\$43,529,714	\$415,214	101.0%	75.7%
Connection Fees	37,913,139	28,434,854	30,341,874	1,907,019	106.7%	80.0%
Grants	15,484,203	11,613,152	4,982,135	(6,631,017)	42.9%	32.2%
SRF Loan Proceeds	14,134,300	10,600,725	0	(10,600,725)	0.0%	0.0%
Project Reimbursements	1,334,697	1,001,023	417,658	(583,365)	41.7%	31.3%
Other Revenue	313,000	234,750	1,453,507	1,218,757	619.2%	464.4%
TOTAL NON OPERATING REVENUES	\$126,665,339	\$94,999,004	\$80,724,887	(\$14,274,117)	85.0%	63.7%
TOTAL REVENUES	\$295,504,185	\$221,628,139	\$207,157,738	(\$14,470,401)	93.5%	70.1%
ADMINISTRATIVE and OPERATING EXPENSES						
EMPLOYMENT EXPENSES						
Wages	\$36,727,959	\$27,545,969	\$21,952,784	\$5,593,185	79.7%	59.8%
Benefits	26,497,870	19,873,402	14,813,999	5,059,405	74.5%	55.9%
TOTAL EMPLOYMENT EXPENSES	\$63,225,828	\$47,419,371	\$36,766,783	\$10,652,590	77.5%	58.2%
ADMINISTRATIVE EXPENSES						
Office & Administrative	\$2,483,840	\$1,862,880	\$728,313	\$1,134,568	39.1%	29.3%
Insurance Expenses	1,212,278	909,209	787,144	122,064	86.6%	64.9%
Professional Fees & Services	15,693,275	11,769,957	5,589,597	6,180,360	47.5%	35.6%
O&M Projects	20,833,747	15,625,310	\$6,667,330	8,957,980	42.7%	32.0%
Reimbursable Projects	1,432,679	1,074,509	\$433,685	640,824	40.4%	30.3%
TOTAL ADMINISTRATIVE EXPENSES	\$41,655,819	\$31,241,864	\$14,206,069	\$17,035,796	45.5%	34.1%

INLAND EMPIRE UTILITIES AGENCY

Fiscal Year 2021/22

CONSOLIDATED BUDGET VARIANCE ANALYSIS REPORT

Quarter Ended March 31, 2022

	Amended Budget	Budget YTD	Actual YTD	Variance YTD	% Budget YTD Used	% Annual Budget Used
OPERATING EXPENSES						
Material & Supplies/Leases	\$3,721,378	\$2,791,033	\$2,123,099	\$667,935	76.1%	57.1%
Biosolids Recycling	4,971,469	3,728,602	2,893,920	834,682	77.6%	58.2%
Chemicals	7,029,973	5,272,479	4,512,510	759,970	85.6%	64.2%
MWD Water Purchases	47,412,000	35,559,000	34,161,022	1,397,978	96.1%	72.1%
Operating Fees/RTS Fees/Exp. Alloc.	12,963,794	9,722,846	8,607,561	1,115,285	88.5%	66.4%
Utilities	12,535,104	9,401,328	9,184,598	216,730	97.7%	73.3%
TOTAL OPERATING EXPENSES	\$88,633,718	\$66,475,288	\$61,482,709	\$4,992,580	92.5%	69.4%
TOTAL ADMINISTRATIVE and OPERATING EXPENSES	\$193,515,365	\$145,136,524	\$112,455,561	\$32,680,966	77.5%	58.1%
NON-OPERATING EXPENSES						
CAPITAL OUTLAY	\$286,993,585	\$215,245,189	\$110,276,311	\$104,968,877	51.2%	38.4%
FINANCIAL EXPENSES						
Principal, Interest and Financial Expenditures	19,448,833	14,586,625	19,092,384	(4,505,759)	130.9%	98.2%
OTHER NON-OPERATING EXPENSES	495,001	371,251	566,529	(195,278)	152.6%	114.5%
TOTAL NON-OPERATING EXPENSES	\$306,937,419	\$230,203,064	\$129,935,225	\$100,267,840	56.4%	42.3%
TOTAL EXPENSES	\$500,452,784	\$375,339,588	\$242,390,786	\$132,948,806	64.6%	48.4%
REVENUES IN EXCESS/						
(UNDER) EXPENSES	(\$204,948,598)	(\$153,711,449)	(\$35,233,049)	\$118,478,401		
Totals may not add up due to rounding						

Business Goals & Objectives Report

Division(s): ALL DIVISIONS, Agency Management, External & Government Affairs, Finance and Administration, Operations, Technical Resources Report Month: March 2022

Print Date: 5/19/2022

	Reporting							Note		
		Business Goal	Work Plan	Department Goal	Time Line	КРІ	Assigned To	Month	Status	Notes
	/ Managem									
Agency 570	Managemer Semi-Annual	nt Business Practices	Update the Agency's 5-Year Strategic Plan	Conduct Strategic Planning assessment and produce a 5-Year Strategic Plan	Complete by June 30, 2022	Complete Strategic Planning Assessment Finalize 5-Year Strategic Plan	Denise Garzaro	March	Behind Schedule	This goal is on hold until the next fiscal year due to limited resources.
567	Quarterly	Workplace Environment	Continue to promote employee engagement, achievement, and retention	Provide employees with opportunities for continued development and growth through training courses and cross-training	Ongoing	Allocate time for department employees to participate in training courses and professional development opportunities (both in-house and external offerings)	Denise Garzaro	March	On Schedule	Agency Management staff participated in training offered by the Agency (Topics: : Granicus Agenda management system and Laserfiche 101) and CSDA (Topics: Brown Act Refresher, Online ADA Compliance and Disaster Response and Recovery). One staff member also had a professional development opportunity with an acting assignment in the Agency's Warehouse.
568	Quarterly	Workplace Environment	Ensure open, timely and transparent governance	Implement Agency-wide agenda management system for Committee and Board meetings	1st Quarter FY 2021/22	Implement agenda management system and partner with Agency departments to learn and utilize the new system	Denise Garzaro	March	Behind Schedule	Staff is currently implementing the Granicus Peak Agenda system. Training and introduction of the new system is expected to be completed in the fourth quarter.
569	Quarterly	Workplace Environment	Ensure open, timely and transparent governance	Implement electronic filing system for Statements of Economic Interests (Form 700s) to transition to a paperless solution and allow for increased transparency to the public	2nd Quarter FY 2021/22	Implement electronic filing system approved by the FPPC to utilize paperless solution for filers in positions designated to file Form 700s under the Agency's Conflict of Interest Code	Denise Garzaro	March	On Schedule	The implementation of the electronic Form 700 filing system is currently on hold due to recent guidance released from the FPPC allowing electronic signatures for internal staff.
Externa	l Affairs									
612	Semi-Annual	Business Practices	Continue to improve relationships with customer agencies by ensuring open, timely, and transparent communication regarding Agency projects and initiatives	Build and maintain a strong working relationship with regional stakeholders to assist in promoting the Agency's priorities and investments	Ongoing	Work with customer agencies to implement communication toolkits based on regional need Implement networking opportunities	Andrea Carruthers	March	On Schedule	Continue to collaborate on drought messaging and enhance toolkit per customer agency requests. Work with regional agencies on large drought campaign as well as CEC issues and water supply issues. Engage in partnership opportunities for ads in publications, etc.
613	Semi-Annual	Business Practices	Continue to improve relationships with customer agencies by ensuring open, timely, and transparent communication regarding Agency projects and initiatives	Hold department brainstorming and lessons learned sessions to successfully implement trends and communication initiatives into outreach programs	Ongoing	Hold bi-annual brainstorming sessions and lessons learned following campaign or project conclusion Adjust communication strategy based on findings	Andrea Carruthers	March	On Schedule	Continue to be a part of San Bernardino County Schools advisory committee as well as regional committees such as WEWAC. Hold Project WET workshop for education and curriculum enhancement. Work with customer agencies to collaborate on education programming and outreach.
614	Semi-Annual	Business Practices	Continue to improve relationships with customer agencies by ensuring open, timely, and transparent communication regarding Agency projects and initiatives	Continue to cultivate strong working relationships with elected officials and governmental agencies to help ensure IEUA continues to be a regional leader in water, wastewater, and renewable energy issues	Ongoing	Develop customer agency highlight campaign through social media Coordinate with other agencies to develop outreach partnerships Facilitate/ Coordinate Agency VIP tours and develop communication assets for distribution. – Coordinate Agency events (virtual or in-person) and include Elected Officials in the communication outreach	Andrea Carruthers	March	On Schedule	Held Virtual Earth Week event. Facilitated multiple college tours of CCWRF and CCP. Worked with HR to facilitate IE Works tour. Planning IERCA celebration event. Developed collab posts on social media to highlight partnerships. Work on RFP for Chino Basin Program to implement successful communication plan and campaign strategy.
615	Quarterly	Business Practices	Continue to improve relationships with customer agencies by ensuring open, timely, and transparent communication regarding Agency projects and initiatives	Implement regional communication and education programming to the community and work with customer agencies to execute programs in their respective areas	Ongoing	Communicate Agency projects and initiatives through multiple communication channels including website, social media, newsletters, and in-person presentations Utilize communication channels and methods for print and digital messaging on an ongoing basis Implement communication trends as they develop	Andrea Carruthers	March	On Schedule	Increased social media output and press release distribution. Earned media has increased over the last quarter. Additional ads have been placed in publications (Daily Bulletin, IE Magazine, La Opinion, Fontana Herald News)

Business Goals & Objectives Report

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	(s): ALL DIVISI Month:March 2		Management, External & Gov	vernment Affairs, Finance and Adn	ninistration, Operations, T	echnical Resources				Print Date: 5/19/2022
Goal ID	Reporting Frequency	Business Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Status	Notes
Externa	ıl Affairs (Con	tinued)								
616	Semi-Annual	Business Practices	Continue update of Administrative Policies	Continue to evaluate and update department policies for communication and outreach	Ongoing	Update social media policy as the development of communication trends and functions begin to develop and are implemented into the Agency's social media profile	Andrea Carruthers	March	On Schedule	Draft social media policy and social media use agreement has been drafted.
609	Semi-Annual	Workplace Environment	Continue to improve relationships with customer agencies by ensuring open, timely, and transparent communication regarding Agency projects and initiatives	Continue to incorporate the Agency's mission, vision and values throughout all Agency communication assets and ensure branding aligns with and is consistent with all Agency communication	Ongoing	Implement updated templates for PowerPoint presentations and Agency documents to Agency employees Work with BIS on the "Branding Tools" AIM page and implement templates and assets for employee ease of use Quarterly check-ins on branding guidelines and communication to employees on changes, etc. Ensure all documents have updated branding guidelines implemented. Complete Annual Report. Update Agency brochures per branding guidelines	Andrea Carruthers	March	On Schedule	Completed Agency Annual Report. Implemented updates per redistricting process for new division boundaries.
610	Semi-Annual	Workplace Environment	Continue to promote employee engagement, achievement, and retention	Provide employees with opportunities for continued development and growth through trainings (both in-house and externally)	Ongoing	Provide training opportunities to department employees as they develop and adapt to provide time for growth. Schedule in-house department trainings bi-annually	Andrea Carruthers	March	On Schedule	Employees have taken advantage of training opportunities through Adobe, CAPIO, and PRSA as well as leadership training opportunities for the Communications Officer.
611	Quarterly	Workplace Environment	Continue to promote employee engagement, achievement, and retention	Work with departments to recognize Agency and employee efforts and achievements through multiple media channels; Highlight Agency achievements to educate on the Agency's services and mission	Ongoing	Implement employee and Agency recognition plan by publishing highlights on multiple media channels monthly	Andrea Carruthers	March	On Schedule	Continue to highlight employee's recognitions on Linkedin as well as highlight new employees through the "New Splash" feature on social media. Work with Human Resources to highlight and recognize employees for nationally recognized events including Administrative Professionals Day, etc.
Grants	Administration	<u>1</u>								
618	Quarterly	Fiscal Responsibility	Timely execution and funding of the Agency's Capital Improvement Program (CIP) with emphasis on securing grant funding and optimal use of low-cost borrowing	grant opportunities that align with the Agency mission and goals	Ongoing	Continuous submittal of grant applications	Jesse Pompa	March	On Schedule	The Grants Department recently completed applications for the Integrated Regional Water Management and Habitat Conservation Fund programs. Funding agreements were executed for the RP-5 Expansion, Wineville/Jurupa/RP-3, Lower Day, and Montclair Improvements projects, as well as the Regional Wastewater System Improvements Program. Discussions are ongoing between Finance and Engineering to determine viable SRF applications for this year's capital program.
Human 577	Resources Quarterly	Business Practices	Continue update of Administrative Policies	Complete a comprehensive review of Agency documents that govern the employment relationship	Complete by June 30, 2023	Implement a Personnel Policy Framework Implement an updated Employer-Employee Relations Resolution Implement a set of revised personnel policies	Alex Najera	March	On Schedule	Project on track to provide meet and confer notice to bargaining units in July 2022.
573	Quarterly	Workplace Environment	Evaluation of staffing levels to appropriately support the Agency's Mission, Goals, and Objectives	Develop a pipeline of talent to ensure continuity of Agency operations	Complete by June 30, 2023	Implement Operations/Engineering Rotation Program Partner with community colleges to develop wastewater operator career pathways Continue Career Outreach programming	Alex Najera	March	On Schedule	Agency working with San Bernardino Valley College, IE Works, and other agencies to develop operator apprenticeship program. Agency is also exploring partnership opportunities with Cal Poly Pomona College of Engineering to formalize college relations and partnership agreements for civil engineering students.

Division(s): ALL DIVISIONS, Agency Management, External & Government Affairs, Finance and Administration, Operations, Technical Resources Report Month: March 2022

oal ID	Reporting Frequency	Business Goal	Work Plan	Department Goal	Time Line	КРІ	Assigned To	Note Month	Status	Notes
anc	e & Informa	ation Techno	logy							
usines	ss Information	n Services								
672	Quarterly	Business Practices	Update the Agency's Planning Documents: Cyber Security Technology Master Plan	Evaluate solutions for streamlining Board meeting preparation and documentation processing and provide recommendations	Complete by September 2021	Provide recommendations to the executive team, obtain approval, and implement the solution by target date	Kanes P	March	Behind Schedule	The Agency defer the go-live due to changes necessa to adopt the recent reorganization. The changes impart the embedded workflow within the solution. The proje is now expected to go live in Q4.
673	Semi-Annual	Business Practices	Update the Agency's Planning Documents: Cyber Security Technology Master Plan	Implement enhancements to Manager Self-Service and Employee Self-Service to maximize automation and data quality, including integrations to non-SAP applications (e.g., NeoGov)	Complete NeoGov project by December 2021 Ongoing for enhancements	Report project progress per project timeline	Kanes P	March	Behind Schedule	Due to the reorganization, key resources needed to support the implementation were diverted to address trestructuring changes. These changes also impacted the technical changes in both NeoGov and SAP applications. The team will resume the development i Q4.
674	Quarterly	Business Practices	Update the Agency's Planning Documents: Cyber Security Technology Master Plan	Complete integration between Laserfiche and SAP	Complete by June 2022	Complete full integration between SAP attachments and Laserfiche by set date	Kanes P	March	On Schedule	IS Unit plans to extract majority of the attachments in SAP and properly store them in Laserfiche. This effor will reduce the database size in SAP production syster which will help reduce the hardware needs as well as backup storage. The project is tentatively planned to the completed by end of this fiscal year.
675	Semi-Annual	Business Practices	Update the Agency's Planning Documents: Cyber Security Technology Master Plan	Evaluate cloud-based alternatives to existing software solutions for the purpose of planning both budget and possible implementations	Completed by March 2022	Report list of proposed solutions along with potential benefits and risks to management	Kanes P	March	On Schedule	IS Unit is jointly evaluting solutions with various departments to improve efficiency through automation minimal data entry, ease of report generation and more Below is a list of solutions we are considering. Online recruiting and onboarding tools for HR Organization Charting tool for HR Invoice automation for Accounting Electronic logbook for Operations SAP test automation for IT
668	Quarterly	Fiscal Responsibility	Evaluation of staffing levels to appropriately support the Agency's Mission, Goals, and Objectives	Maintain SAP professional services expenses within annual budgeted amount	Ongoing	Report actual quarterly spending as percentage of average annual budgeted amount	Kanes P	March	On Schedule	In Q3, BIS spent ~31% of professional services budge for FY2022. In total (Q1, Q2, Q3), BIS spent ~57% so far.
669	Quarterly	Fiscal Responsibility	appropriately support the	Evaluate options for lowering SAP annual maintenance and propose recommendations with pros/cons	Complete by September 2021	Complete the evaluation of options and provide recommendations to executives to decide no later than 9/30/2021	Kanes P	March	On Schedule	No additional update needed. This was completed.
670	Annual	Fiscal Responsibility	appropriately support the	Evaluate software needs to assess more cost-effective alternatives and/or potential consolidation (e.g., legacy CIPO, Primavera, Sage ABRA)	Ongoing	Provide list of recommendations to Agency executives and stakeholders, including potential cost savings	Kanes P	March	On Schedule	IS unit is working with business process owners on evaluationg options for invoice automation, electronic logbook, online recruitment and onboarding, and organizational charting tool.
671	Semi-Annual	Fiscal Responsibility	Evaluation of staffing levels to appropriately support the Agency's Mission, Goals, and Objectives	electronic signature solution to	Complete by December 2021 and June 2022	Complete evaluation of appropriate digital signature solutions based on use cases; complete the contract(s) for fee-based solution(s)	Kanes P	March	On Schedule	IS Unit plans to renew DocuSign licenses for one mor year. It will reassess the licensing needs after the Agency has determine whether to implement the invoi automation tool. With this automation and the online recruitment tool, the Agency's needs for DocuSign will be reduced significantly.

Business Goals & Objectives Report

Division(s): ALL DIVISIONS, Agency Management, External & Government Affairs, Finance and Administration, Operations, Technical Resources Report Month: March 2022

	Reporting							Note		
Goal ID	Frequency	Business Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Month	Status	Notes
	ts and Proc									
592	Quarterly	Business Practices	Continue to improve relationships with customer agencies by ensuring open, timely, and transparent communication regarding Agency projects and intiatives	Increase participation and response to RFP, IFB, etc. through PlanetBids with collaborative discussion with requesting departments. Promote Agency programs related to contracts, procurement, and mutual aid agreements	Complete by the end of June 30, 2022	Provide training on Scope of Work development Increase department collaboration through advance planning opportunities to ensure comprehensive RFP, IFB, etc.	Warren Green	March	On Schedule	CAP is working with Engineering on developing project marketing information to regularly broadcast through PlanetBids. We are also being more aggressive in our selection of NIGP codes to target a broader audience.
593	Annual	Business Practices	Continue update of Administrative Policies	Annually review and update department related policies, procedures, and ordinances	Complete by the end of June 30, 2022	Through department outreach and collaborative meetings, work with various staff to review and update department guidance	Warren Green	March	On Schedule	CAP is working on updating SOPs and policies as a result of the recent reorganization. In addition, staff is working through changes that will need to be made to the Procurement Ordinance.
594	Semi-Annual	Business Practices	Update the Agency's 5-Year Strategic Plan	Encourage the inclusion of green products in various Agency projects	Ongoing	Provide guidance and support to include green products as a viable alternative in the Agency's scope of work	Warren Green	March	On Schedule	This is ongoing discussion as we move forward with RFPs and RFQs for goods and services. We can also discuss at the CAP Cafe events to share information.
595	Monthly	Business Practices	Update the Agency's Planning Documents: Asset Management Plan	Work with departments throughout the Agency to support long-term service contracts for complex and critical equipment	Complete by the end of June 30, 2022	Recommend three to five-year contracts to secure competetive services and rates	Warren Green	March	On Schedule	CAP works with project managers on the terms and climates associated with all RFPs. The recent chemica market is extremely challenging, with vendors not willin to hold long term pricing. As such, we are exploring alternative options, as well as multiple service provider
585	Semi-Annual	Fiscal Responsibility	Evaluation of staffing levels to appropriately support the Agency's Mission, Goals, and Objectives	responsible through appropriate	Ongoing	Ensure expenditures are properly reviewed and solicited through proper channels Work with sister agencies to broaden the vendor participation	Tony Arellano	March	On Schedule	Staff continue to pursue avenues that support the Agency's initiatives. We work with sister agencies, collaborate with departments throughout the Agency, communicate with vendors and support alternative methods consistent with regulatory and Agency requirements.
590	Monthly	Workplace Environment	Evaluation of staffing levels to appropriately support the Agency's Mission, Goals, and Objectives	department are consistently	Ongoing	Monitor 100% compliance with Agency, State, and Federal standards using staff updates in weekly/monthly department meetings	Warren Green	March	On Schedule	This is an ongoing task to ensure we collaboratively work with internal stakeholders to support their initiative and needs while maintaining compliance with regulator and Agency requirements.
inance	and Accour	ntina								
596	Quarterly	Fiscal Responsibility	Timely execution and funding of the Agency's Capital Improvement Program (CIP) with emphasis on the RP-5 Expansion Project	Optimize the use of the 2020B revenue notes interim financing to support the execution of the RP-5 Expansion project	Ongoing	Minimize debt service costs associated with the interim financing	Javier Chagoyen-Lazaro	March	On Schedule	ongoing. Timing the calls from 2020B Notes based on estimated project costs through monthly meetings with Engineering to update projections.
597	Quarterly	Fiscal Responsibility	Timely execution and funding of the Agency's Capital Improvement Program (CIP) with emphasis on securing grant funding and optimal use of low-cost borrowing	Optimize the use of the 2020B revenue notes interim financing to support the execution of the RP-5 Expansion project	Complete by the end of June 30, 2022	Finalize negotiation of an SRF loan to finance a portion of the RP-5 Expansion project and the second WIFIA loan contract	Javier Chagoyen-Lazaro	March	On Schedule	Ongoing.
598	Quarterly	Fiscal Responsibility	Timely execution and funding of the Agency's Capital Improvement Program (CIP) with emphasis on securing grant funding and optimal use of low-cost borrowing	Support grant applications, WIFIA and SRF loan applications	Ongoing	Secure funding prior to the execution of critical projects	Javier Chagoyen-Lazaro	March	On Schedule	Complete and close the financing of the second WIFIA loan, in amount of \$120 million. Reviewing multiple SRI loan agreements the will be completed in Q4.

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Goal ID	Reporting Frequency	Business Goal	Work Plan	Department Goal	Time Line	КРІ	Assigned To	Note Month	Status	Notes
inance	and Accoun	ting (Continue	<u>d)</u>							
599	Quarterly	Fiscal Responsibility	Evaluation of program rates: 2021 Rate Study for Recycled Water and the NRW Rate Structure Evaluation	Support the 2021 Rate Study for Recycled Water and NRW rate structure evaluation	Complete by the end of June 30, 2022	Implementation of new rates and rate structure within program budgets Prepare rate resolutions for new rates Ensure billing practices are modified to support new rate structures	Javier Chagoyen-Lazaro	March	On Schedule	Ongoing. participating in workshops and presentations of recycled water rates to Regional Committees and IEUA Board, with expected adoption of new rates prior the end of current FY.
600	Quarterly	Fiscal Responsibility	Evaluation of program rates: MEU rate evaluation	Support the evaluation of MEU rates with a focus on fiscal impacts	Complete by the end of June 30, 2023	Estimate fiscal impact of any proposed changes in MEU rates	Javier Chagoyen-Lazaro	March	On Schedule	not started yet.
604	Quarterly	Fiscal Responsibility	Update the Agency's Planning Documents: Asset Management Plan	Support the Agency's efforts in updating the Asset Management Plan	Complete by the end of June 30, 2023	Incorporate the fiscal impact of Asset Management efforts in the Agency's budget and financial plans	Javier Chagoyen-Lazaro	March	On Schedule	Ongoing. Participating in the AM steering committee.
605	Quarterly	Fiscal Responsibility	Evaluation of staffing levels to appropriately support the Agency's Mission, Goals, and Objectives	Evaluate key roles and responsibilities of each position in the Finance and Accounting department to ensure optimal utilization of limited resources	Ongoing	Reassignment of responsibilities or reclassification of positions as needed	Javier Chagoyen-Lazaro	March	On Schedule	Delay in filling the Financial analyst positions up to Q4. Recruiting 2 Accounting Supervisors to implement the revised structure to will integrate grant accounting with the accounting unit.
606	Quarterly	Fiscal Responsibility	Continue to improve relationships with customer agencies by ensuring open, timely, and transparent communication regarding Agency projects and initiatives	The department will support the Executive Manager of Finance & Administration /AGM during periodic meetings with Finance Directors of customer agencies	Ongoing	Participate in and provide support during quarterly meetings	Javier Chagoyen-Lazaro	March	On Schedule	Continue quarterly meetings with Finance Directors.
607	Monthly	Fiscal Responsibility	Continue to promote employee engagement, achievement, and retention	Promote internal communication, teamwork, recognition, and healthy relationships within the department and with other areas of the Agency	Ongoing	Hold regular department meetings and periodic meetings with external departments Provide regular feedback to employees and timely performance evaluations	Javier Chagoyen-Lazaro	March	On Schedule	internal meetings include the biweekly cash flow meeting, weekly accounting meeting, monthly meeting with Engineering, Operations.
ntegrate	ed Systems	Services								
678	Quarterly	Business Practices	Update the Agency's Planning Documents: Cyber Security Technology Master Plan	Continued adoption of Center for Internet Security (CIS) Critical Controls to ensure business and SCADA system reliability	Complete by June 2022	Apply the 20 CIS Critical Controls	Don Hamlett	March	On Schedule	A new firewall was installed, and the final go-live is scheduled for Q4. We are implementing a new passworp olicy and initiating the purchase of incident response services.
680	Quarterly	Wastewater Mgmt	Update the Agency's Planning Documents: Cyber Security Technology Master Plan	Cybersecurity Patching for Business and SCADA systems	Ongoing	Install critical security patches within 30 days	Don Hamlett	March	On Schedule	Over 90% of critical patches were installed in 30 days or the Business and SCADA network.

Division(s): ALL DIVISIONS, Agency Management, External & Government Affairs, Finance and Administration, Operations, Technical Resources Report Month: March 2022

Goal ID	Reporting Frequency	Business Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Status	Notes
echnic	cal Resoui	rces								
sset M	<u>lanagement</u>									
624	Quarterly	Wastewater Mgmt	Update the Agency's Planning Documents: Asset Management Plan	Enhance CMMS Data Quality and Integrity. Ensure assets are properly recorded (added/removed) during the RP-5 Expansion project:	Complete by June 30, 2023	A. Enter all new equipment into SAP with maintenance schedule B. Remove old equipment from SAP	Ken Monfore	March	On Schedule	CMMS data quality (QA/QC) added to RP-4 pilot. AM assisting the Maintenance Manager (the CMMS Uptim tile owner.
nginee	ering									
629	Quarterly	Business Practices	Timely execution and funding of the Agency's Capital Improvement Program (CIP) with emphasis on the RP-5 Expansion Project	Engineering will ensure member agencies are informed and involved with the projects of the Capital Improvement Program	Ongoing	Member agencies contacted 6 times a year to review projects within their service area	Rachael Solis	March	On Schedule	3rd Qtr.: During the months of January through April, staff had 6 outreach opportunities. Updates were presented on projects in design and construction to th Regional Tech and Policy Committees. RP5 Project Manager, Brian Wilson conducted 4 tours of the RP-5 Expansion Project construction site for City of Chino, Chino Mayor Pro Tem Marc Lucio, Board President El Vice President Camacho, Director Tule, Monte Vista Water District (MWVD), and Eastern Municipal Water District (EWWD). Lastly, Cucamonga Valley Water District (CVWD), Construction Inspector, Randy Rockwell was informed about the possibility that a concrete thrust block maybe encountered on EN20022-1299 Bypass pipeline.
625	Quarterly	Fiscal Responsibility	Timely execution and funding of the Agency's Capital Improvement Program (CIP) with emphasis on the RP-5 Expansion Project	Provide high quality project management for the completion of Capital Improvement Projects	Ongoing	Maintain department capital costs with the goal of equal to or greater than 80% of the Fiscal Year budget Maintain quarterly actual expenditures equal to or greater than 80% of forecasted expenditures. Project costs should be within 110% of the total project budget established in the Preliminary Design Report	Rachael Solis	March	On Schedule	Maintain department capital costs with the goal of equato or greater than 80% of the Fiscal Year budget. As o April 2022, staff is projecting to spend ~59% of our fisc year budget. Maintain quarterly actual expenditures equal to or greater than 80% of forecasted expenditures As of April 2022, staff has spent 70% of expenditures forecasted expenditures. Project costs should be within 110% of the total project budget established in the Preliminary Design Report. As of April 2022, 88.89% (8/9) Projects met the goal.
631	Quarterly	Wastewater Mgmt	Timely execution and funding of the Agency's Capital Improvement Program (CIP) with emphasis on the RP-5 Expansion Project	Provide high quality project management for the completion of Capital Improvement Projects	Ongoing	Completed project design, bid, and award should within 110% of the days allotted for design as established in the Preliminary Design Report Complete project construction within 110% of the days allotted for the construction duration established in the project bid documents Design scope amendments should be equal to or less than10% of original contract value Change Orders should be equal to or less than 20% of the original contract value of less than \$100,000 Change Orders should be equal to or less than 15% of original contract values greater than \$100,000 and less than \$500,000 Change Orders should be equal to or less than 10% of the original contract values greater than \$500,000 the construction duration established in the project bid document	Rachael Solis	March	On Schedule	Complete project design, bid, and award should within 110% of the days allotted for design as established in the Preliminary Design Report. As of April 2022, 50% (4/8) projects met the goal . Complete project construction within 110% of the days allotted for the construction duration established in the project bid documents. As of April 2022, 43% of projects made the goal (6/14). Design scope amendments should be equal to or less than 10% of original contract value. At the en of April 2022, the ratio was 11.26%. Change Orders should be equal to or less than 20% of the original contract value of less than \$100,000. At the end of April 2022, the ratio was 7.52%. Change Orders should be equal to or less than 15% of original contract values greater than \$100,000 and less than \$500,000. At the end of April 2022, the ratio was 1.35%. Change Orders should be equal to or less than 10% of the original contract values greater than \$500,000. At the end of April 2022, the ratio was 2.24%.

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	Reporting							Note		
		Business Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Month	Status	Notes
Engine	ering (Contin	ued)								
630	Annual	Water Reliability	Timely execution and funding of the Agency's Capital Improvement Program (CIP) with emphasis on the RP-5 Expansion Project	Ensure all projects reliably meet or exceed the needs of the project stakeholders	Ongoing	Perform an End-of-Year Survey with the goal of reaching greater than 90% Customer Satisfaction	Rachael Solis	March	On Schedule	Nothing to Report at this time
626	Monthly	Workplace Environment	Safety and wellness of employees and the communities we serve	Ensure IEUA staff, all consultants, and contractors are adhering to appropriate safety procedures	Ongoing	Zero lost time incidents	Rachael Solis	March	On Schedule	As of April 2022, RP-5 Expansion has 8 safety incidents. No other areas have 2 safety incidents to report.
627	Quarterly	Workplace Environment	Timely execution and funding of the Agency's Capital Improvement Program (CIP) with emphasis on the RP-5 Expansion Project.	Continue to provide training opportunities to Engineering staff	Ongoing	Staff to attend training ten times per year	Rachael Solis	March	On Schedule	3rd Quarter: During the months of January through April, staff had 11 training sessions. The department conducted training sessions including, New Employee on boarding and New Employee training documentation, Junior Engineering check in meeting where IEUA Careers and Facility tours were discussed, a Lunch and Learn session discussing Cured In Place Piping (CIPP), KRD discussed the Onboard Training Plan Draft Document. As part of our monthly Engineering meetings staff conducted sessions on Quarterly Capital Call training, File Management System, and Indoor Air Quality Pilot Program. Lastly staff attended Webinars on topics such as Rehabbing Aging Concrete Wastewater Infrastructure and Build America Buy America.
628	Quarterly	Workplace Environment	Continue to promote employee engagement, achievement, and retention	Review and evaluate all projects for best practices that can be applied to future projects. (Lessons Learned)	Ongoing	Complete reviews six times per year	Rachael Solis	March	On Schedule	3rd Qtr: During the months of January through April, Staff had 5 Lessons Learned sessions. Topics included: The Mechanical Restoration Project (EN17082), Prequalification for projects HQA/B Parking Lot (EN20008/EN20040) and Agencywide Roofing (FM21005.01), Rehabbing Aging Concrete Wastewater Infrastructure, Construction Inspection Training, and RP-1 Flare Improvements Project - National Electrical Code Class 1 Division 1 Requirements
Inter-A	ency Relation	ons								
637	Quarterly	Business Practices	Continue update of Administrative Policies	Update Records Management Policies	Complete by June 30, 2022	Update Policies A-10, A-72 and add a new policy on E-mail Managed Folders	Linda Johnson	March	On Schedule	No update on Records policies for Q3.This effort was put on hold by management until Agency wide review of all policies is completed.
638	Quarterly	Business Practices	Continue to improve relationships with customer agencies by ensuring open, timely and transparent communication regarding Agency projects and initiatives	Provide toolbox that will support the implementation of the State's long-term WUE Regulations	Complete by June 30, 2022	Alliance for Water Efficiency (AWE) and the California Water Efficiency Partnership (CalWEP) to develop a CA WUE Standards Compliance Tool And update the California-specific version of the AWE Water Conservation Tracking Tool	Lisa Morgan-Perales	March	On Schedule	IEUA is in the process of developing an online Dashboard that will provide real-time data for Customer Agencies. Phase 1 completion is scheduled for June 30th. The SWRCB has not finalized the long-term WUE regulations at the time of this reporting.
639	Semi-Annual	Business Practices	Continue to improve relationships with customer agencies by ensuring open, timely and transparent communication regarding Agency projects and initiatives	Implement the Water Use Efficiency Business Plan the Long-Term Water Use	Complete by June 30, 2023	Annual water savings through the various initiatives	Lisa Morgan-Perales	March	On Schedule	The WUE Business Plan has not yet been finalized and WUE metrics have not been set or adopted by IEUA's BOD. Discussions are underway to move water savings metrics to what has been identified in the UWMP and the new annual water supply and demand assessment metrics.

Division(s): ALL DIVISIONS, Agency Management, External & Government Affairs, Finance and Administration, Operations, Technical Resources Report Month: March 2022

Goal ID	Reporting Frequency	Business Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Status	Notes
<u>640</u>	<u>gency Relatio</u> Semi-Annual	ons (Continued Business Practices	Continue to improve relationships with customer agencies by ensuring open, timely and transparent communication regarding Agency projects and initiatives	Provide support and Implementation of the Long-Term Water Use Efficiency Regulations	Complete by June 30, 2023	Identify and develop activities, actions, and/or programs that will support the implementation and compliance with the new Regulations	Lisa Morgan-Perales	March	On Schedule	IEUA has established three new committees, Accountability, Advocacy, and new Program Design, to assess current and future WUE programming in order t meet and/or exceed the new State WUE framework. The standards have not yet been finalized.
641	Semi-Annual	Business Practices	Continue to improve relationships with customer agencies by ensuring open, timely and transparent communication regarding Agency projects and initiatives	Collaborate as opportunities arise and identify funding sources to implement initiatives identified in the WUEBP	Ongoing	Implement the initiatives as opportunities arise	Lisa Morgan-Perales	March	On Schedule	Staff continues to share all relevant WUE information as it is received, such as developing a comment letter to respond to the SWRCB's proposed regulations prohibiting the use of potable water for the irrigation of non-functional turf at CII and HOA sites.
632	Quarterly	Fiscal Responsibility	Evaluation of program rates: MEU rate evaluation	Provide input and analysis, as needed, in support of the evaluation of the Meter Equivalent Unit (MEU) rate	Ongoing	Participate in GM meetings and support Finance with evaluation of MEU rate as needed	Cathleen Pieroni	March	On Schedule	At it's May 17 Board meeting, sAWCo unanimously approved a dispute resolution on its payment of the MEI rate.
642	Annual	Water Reliability	Update the Agency's Planning Documents: Recycled Water Program Strategy	Ensure that activities are consistent with defined strategic planning documents, such as the Water Use Efficiency (WUE) business plan and the IEUA Water Shortage Contingency Plan	Complete each year by December 31st	Produce the Annual Water Use Efficiency Programs Report and complete the annual budget process	Lisa Morgan-Perales	March	On Schedule	The production of the annual WUE Programs Report occurs between July and October of each year. The WUE Team will begin the update when data becomes available after July 1st.
633	Quarterly	Workplace Environment	Continue to promote employee engagement, achievement, and retention	Provide IAR staff with opportunities for technical and professional training	Ongoing	Develop and implement personalized training plans for Departmental staff	Cathleen Pieroni	March	On Schedule	Employee professional development is on the agenda o every weekly 1:1 meetings with staff.
634	Quarterly	Workplace Environment	Continue to promote employee engagement, achievement, and retention	In accordance with best practices, conduct annual Agency-wide trainings on Records Management Best Practices and the proper use of Laserfiche (the Agency's system for Electronic Records Management)	Ongoing	Continue Records Management New Hire Training for Agency Employees Establish schedule for Agency-wide trainings on proper use of Laserfiche and assure continuous learning	Linda Johnson	March	On Schedule	Records management continues to train Agency employees. Q3 training consisted of 118 employees trained in either mandatory New Hire, Laserfiche or All staff training sessions.
635	Quarterly	Workplace Environment	Continue to promote employee engagement, achievement, and retention	Departmental migration of records into Agency Electronic Records Management System (Laserfiche)	Ongoing	Continue management of Agency records throughout the life cycle from inception to destruction. Continue to develop Agency-wide processes through Laserfiche forms	Linda Johnson	March	On Schedule	Destruction of Records approved by Attorney and Board Report on number of records destroyed to be presented in Q4. The Agency continues its effort with Laserfiche forms. Report on total number of Laserfiche forms presented in Q4.

Division(s): ALL DIVISIONS, Agency Management, External & Government Affairs, Finance and Administration, Operations, Technical Resources Report Month:March 2022 Print Date: 5/19/2022 Note Reporting Goal ID Frequency **Business Goal Work Plan Department Goal Time Line** KPI **Assigned To** Month Status Notes Laboratory 651 Quarterly Business Continue to improve Participate in stakeholder meetings As needed in Fys 2021/22 Attend ELTAC, CWEA, CASA, SCCWRP, Sushmitha Reddy March On Jan 17-21: Attended the semiannual forum on relationships with customer to evaluate the impacts of current meetings and provide updates to Agency Schedule Environmental Accreditation held in San Antonia, TX. Practices and 2022/23 agencies by ensuring open, or new regulations management The Forum featured open public meetings of TNI timely, and transparent committees to allow quality professionals, chemists, communication regarding analysts, microbiologists, engineers, and managers from Agency projects and federal and state agencies; commercial, municipal, initiatives state, and federal laboratories; who are actively involved and interested in laboratory accreditation issues to participate in the efforts to establish national programs for environmental accreditation At the conference, I elected to serve on the Quality Management and Expert Chemistry Committee. I was added to both as Associates. Most of the work done to further the efforts of TNI to establish and maintain a national accreditation program is performed by the hundreds of volunteers who serve on TNI's boards, committees, and subcommittee. The committee members actively participate in this effort. CWEA: I serve as the as the vice chair for CWEA laboratory Committee representing the South. In addition to attending the monthly meetings held virtually, I attended the annual CWEA conference for the day. Tuesday April 12 focused on lab related items. Recognizing the uncertainty associated with laboratory's transition to implementing new regulation, conference topics were focused largely on equipping labs with tools to comply with the various requirements by Jan 1, 2024. CASA Toxicity Cerio Study workgroup: I am working with CASA in coordinating the SCCWRP study focused on reducing intra-laboratory (within-laboratory) variability and increasing inter-laboratory (amongst-laboratory) comparability. The group is currently working on a study plan for the split sample phase of testing, which will be a 3-phase plan. The first phase multiple rounds of split samples, second phase for optimization; and a third phase to conduct an intercalibration study 658 Quarterly Wastewater Update the Agency's Coordinate PFAS testing as per the Quarterly through Testing no later than 10 days after end of Sushmitha Reddy March On completed Planning Documents: month for NPDES compliance Mgmt waste-water order December 2021 Schedule Wastewater Facilities Masternlan Operations 691 Quarterly Business Update the Agency's 5-Year Continued commitment to Full budget utilization Operations March On Q3 budget variance completed. On track to fully utilize Ongoing the allotted budget. The OU is actively tracking chemical Strategic Plan Managers and Schedule Practices sustainable cost containment of operating and capital costs Manager of Regional and utility price increases to ensure adequate funding is Composting available. (SL) Authority On FY21/22 Q2 Budget variance review completed. 691 Business Update the Agency's 5-Year Continued commitment to Full budget utilization Operations Quarterly Ongoing March Practices Strategic Plan sustainable cost containment of Managers and Schedule Estimating full budget utilization by end of FY. (RAD) operating and capital costs Manager of Regional Composting

Authority

Division(s): ALL DIVISIONS, Agency Management, External & Government Affairs, Finance and Administration, Technical Resources Report Month: March 2022

	arch 2022									Fillit Date. 5/19/202
Goal ID	Reporting Frequency	Business Goal	Work Plan	Department Goal	Time Line	КРІ	Assigned To	Note Month	Status	Notes
<u>Operation</u> 691	Ons (Continu Quarterly	ed) Business Practices	Update the Agency's 5-Year Strategic Plan	Continued commitment to sustainable cost containment of operating and capital costs	Ongoing	Full budget utilization	Operations Managers and Manager of Regional Composting Authority	March	On Schedule	
691	Quarterly	Business Practices	Update the Agency's 5-Year Strategic Plan	Continued commitment to sustainable cost containment of operating and capital costs	Ongoing	Full budget utilization	Operations Managers and Manager of Regional Composting Authority	March	On Schedule	
692	Quarterly	Business Practices	Update the Agency's 5-Year Strategic Plan	Utilize Sourcewell when possible to obtain favorable pricing for contracts	Ongoing	Collaborate with Contracts and Procurement (CAP) on all major purchases	Robert Delgado	March	On Schedule	
692	Quarterly	Business Practices	Update the Agency's 5-Year Strategic Plan	Utilize Sourcewell when possible to obtain favorable pricing for contracts	Ongoing	Collaborate with Contracts and Procurement (CAP) on all major purchases	Robert Delgado	March	On Schedule	Facilities management has utilized Sourcewell for multiple services and product purchases such as: HVAC Maintenance Contract, Vehicle Purchase, Furniture Purchase, etc. (RAD)
693	Monthly	Business Practices	Update the Agency's 5-Year Strategic Plan	Optimize daily operations to reduce energy costs	Ongoing	Review monthly energy reports and billings for cost saving opportunities	Operations Managers and Manger of Regional Composting Authority	March	On Schedule	Operations continues to work with ISS to develop energy dashboards to better understand electrical usage. Staff continues to look for opportunities to adjust daily operations to reduce energy consumption. (SL)
693	Monthly	Business Practices	Update the Agency's 5-Year Strategic Plan	Optimize daily operations to reduce energy costs	Ongoing	Review monthly energy reports and billings for cost saving opportunities	Operations Managers and Manger of Regional Composting Authority	March	On Schedule	Ongoing
681	Semi-Annual	Fiscal Responsibility	Evaluation of staffing levels to appropriately support the Agency's Mission, Goals, and Objectives	Continue with Trades Internship Program (TIP), continue to hire prior to Full Time Equivalents (FTE) retirements to maintain a smooth transition	Complete by January 2022 and July 2022	Create a Bi-annual report of TIP success by measuring successful candidate placement from TIP	Operations Managers	March	On Schedule	MU currently employs one intern in the E&I discipline. Staff actively working with HR to recruit for additional interns for the mechanical trades under the Agency Internship Program and IEWorks. (RAD)
682	Quarterly	Fiscal Responsibility	Timely execution and funding of the Agency's Capital Improvement Program (CIP) with emphasis on the RP-5 Expansion Project	Collaborate with Technical Services department and provide necessary support to ensure the successful execution of CIP projects	Ongoing	Ensure at least 1 O&M representative is assigned to each Capital Improvement Project (CIP) impacting the division	Operations Managers and Manager of Regional Composting Authority	March	On Schedule	O&M has at least one rep from the ops or maintenance team assigned to each active project. As projects progress, reps give updates to the team usually after Work Management Meetings. SME's are brought into meetings as needed to provide input. (SL)
682	Quarterly	Fiscal Responsibility	Timely execution and funding of the Agency's Capital Improvement Program (CIP) with emphasis on the RP-5 Expansion Project	Collaborate with Technical Services department and provide necessary support to ensure the successful execution of CIP projects	Ongoing	Ensure at least 1 O&M representative is assigned to each Capital Improvement Project (CIP) impacting the division	Operations Managers and Manager of Regional Composting Authority	March	On Schedule	
682	Quarterly	Fiscal Responsibility	Timely execution and funding of the Agency's Capital Improvement Program (CIP) with emphasis on the RP-5 Expansion Project	Collaborate with Technical Services department and provide necessary support to ensure the successful execution of CIP projects	Ongoing	Ensure at least 1 O&M representative is assigned to each Capital Improvement Project (CIP) impacting the division	Operations Managers and Manager of Regional Composting Authority	March	On Schedule	
683	Quarterly	Fiscal Responsibility	Timely execution and funding of the Agency's Capital Improvement Program (CIP) with emphasis on the RP-5 Expansion Project	Work within fiscal year budget	Ongoing	Review and report quarterly via the budget variance report	Operations Managers and Manager of Regional Composting Authority	March	On Schedule	

Division(s): ALL DIVISIONS, Agency Management, External & Government Affairs, Finance and Administration, Technical Resources Report Month:March 2022

Print Date: 5/19/2022

Exhibit B

Goal ID	Reporting Frequency	Business Goal	Work Plan	Department Goal	Time Line	KPI	Assigned To	Note Month	Status	Notes
Operatio	ns (Continu	ied)		•						
683	Quarterly	Fiscal Responsibility	Timely execution and funding of the Agency's Capital Improvement Program (CIP) with emphasis on the RP-5 Expansion Project	Work within fiscal year budget	Ongoing	Review and report quarterly via the budget variance report	Operations Managers and Manager of Regional Composting Authority	March	On Schedule	Q3 budget variance reporting completed on time. (SL)
683	Quarterly	Fiscal Responsibility	Timely execution and funding of the Agency's Capital Improvement Program (CIP) with emphasis on the RP-5 Expansion Project	Work within fiscal year budget	Ongoing	Review and report quarterly via the budget variance report	Operations Managers and Manager of Regional Composting Authority	March	On Schedule	Budget variance for FY21/22 Q3 was completed on tim (RAD
684	Annual	Fiscal Responsibility	Timely execution and funding of the Agency's Capital Improvement Program (CIP) with emphasis on securing grant funding and optimal use of low-cost borrowing	Submit new CIP project request forms timely to ensure best method of funding is explored prior to project execution	Complete by December 2022 and December 2023	Confirm all project forms are submitted by no later than December of each calendar year	Operations Managers	March	On Schedule	O&M has submitted multiple new project requests forms and continues to collaborate with Asset Management and Engineering on opportunities as they come up. New process in place to route all new project requests through Asset Management. The process is on-going OU continues to provide AM with new project requests as needed. (SL)
684	Annual	Fiscal Responsibility	Timely execution and funding of the Agency's Capital Improvement Program (CIP) with emphasis on securing grant funding and optimal use of low-cost borrowing	Submit new CIP project request forms timely to ensure best method of funding is explored prior to project execution	Complete by December 2022 and December 2023	Confirm all project forms are submitted by no later than December of each calendar year	Operations Managers	March	On Schedule	O&M has submitted multiple new project requests forms and continues to collaborate with Asset Management and Engineering on opportunities as they come up. New process in place to route all new project requests through Asset Management. The process is on-going MU continues to provide AM with new project requests as needed. (RAD)
701	Quarterly	Wastewater Mgmt	Update the Agency's Planning Documents: Wastewater Facilities Masterplan	Comply with all regulatory requirements	Ongoing	Meet 100% compliance throughout the fiscal year	Operations Managers	March	On Schedule	Ongoing
694	Annual	Water Reliability	Update the Agency's Planning Documents: Wastewater Facilities Masterplan	Improve Agency asset reliability by striving for continuous improvement using the Uptime Elements as the foundation for culture change	Ongoing	Increase predictive maintenance and reduce reactive maintenance	Operations Managers and Manager of Regional Composting Authority	March	On Schedule	Planning and scheduling exclusively being done using the scheduling software (PaSTA). Some KPIs are developed and automatically being extracted from the system while other KPIs are being developed. (RAD)
696	Quarterly	Water Reliability	Update the Agency's Planning Documents: Wastewater Facilities Masterplan	Maintain 100% permit compliance	Ongoing	Strive for zero permit violations	Operations Managers	March	On Schedule	Ongoing
696	Quarterly	Water Reliability	Update the Agency's Planning Documents: Wastewater Facilities Masterplan	Maintain 100% permit compliance	Ongoing	Strive for zero permit violations	Operations Managers	March	On Schedule	In progress
696	Quarterly	Water Reliability	Update the Agency's Planning Documents: Wastewater Facilities Masterplan	Maintain 100% permit compliance	Ongoing	Strive for zero permit violations	Operations Managers	March	On Schedule	
697	Quarterly	Water Reliability	Update the Agency's Planning Documents: Recycled Water Program Strategy	Groundwater Recharge (GWR) ensure optimization of transmission and capture systems. Maintain optimal basin maintenance and appropriately prioritize deliveries of storm, recycled, and imported water	Ongoing	Preparation of quarterly basin maintenance activities update report for Groundwater Recharge Coordinating Committee	Andy Campbell	March	On Schedule	Presentation made to GRCC on 5/24/2022

Division(s): ALL DIVISIONS, Agency Management, External & Government Affairs, Finance and Administration, Technical Resources Report Month: March 2022

Goal ID	Reporting Frequency	Business Goal	Work Plan	Department Goal	Time Line	КРІ	Assigned To	Note Month	Status	Notes
Operatio	ons (Continu	ued)								
698	Monthly	Water Reliability	Update the Agency's Planning Documents: Recycled Water Program Strategy	Groundwater Recharge (GWR) ensure optimization of transmission and capture systems. Maintain optimal basin maintenance and appropriately prioritize deliveries of storm, recycled, and imported water	Ongoing	Preparation of monthly basin recharge volume report	Andy Campbell	March	On Schedule	Monthly recharge table completed though April and set to Watermaster
699	Quarterly	Water Reliability	Update the Agency's Planning Documents: Recycled Water Program Strategy	GWR to operate within the compliance of the program's rechaarge permit.	Ongoing	Meet 100% compliance goals	Andy Campbell	March	On Schedule	RW GWR had no compliance issues
685	Quarterly	Workplace Environment	Safety and wellness of employees and the communities we serve	Promote a safer work environment by administering and monitoring required safety and regulatory trainings and increase field presence of Safety staff	Ongoing	Strive to maintain lower recordable incidents than industry incident rate average	Operations Managers and Manager of Regional Composting Authority	March	On Schedule	MU is trending below industry average. May 11, 2021 was the last recordable incident for MU. We have reached 12 months without a recordable incident. Safe tailgates on track to be completed on time for calendar year 2022. (RAD)
685	Quarterly	Workplace Environment	Safety and wellness of employees and the communities we serve	Promote a safer work environment by administering and monitoring required safety and regulatory trainings and increase field presence of Safety staff	Ongoing	Strive to maintain lower recordable incidents than industry incident rate average	Operations Managers and Manager of Regional Composting Authority	March	On Schedule	The OU is trending below the industry recordable rate with one recordable for the FY in October 2021. We are on track to complete the required annual safety trainings. (SL)
685	Quarterly	Workplace Environment	Safety and wellness of employees and the communities we serve	Promote a safer work environment by administering and monitoring required safety and regulatory trainings and increase field presence of Safety staff	Ongoing	Strive to maintain lower recordable incidents than industry incident rate average	Operations Managers and Manager of Regional Composting Authority	March	On Schedule	
690	Quarterly	Workplace Environment	Continue to promote employee engagement, achievement, and retention	Clearly communicate the Agency's mission, vision, and values to staff to align their goals accordingly through regular all hands meetings. Publicly reward employees' promotions and anniversary achievements	Quarterly FYs 2021/22 and 2022/23	Meet quarterly with union leadership	Randy Lee	March	On Schedule	
690	Quarterly	Workplace Environment	Continue to promote employee engagement, achievement, and retention	Clearly communicate the Agency's mission, vision, and values to staff to align their goals accordingly through regular all hands meetings. Publicly reward employees' promotions and anniversary achievements	Quarterly FYs 2021/22 and 2022/23	Meet quarterly with union leadership	Randy Lee	March	On Schedule	Ongoing
690	Quarterly	Workplace Environment	Continue to promote employee engagement, achievement, and retention	Clearly communicate the Agency's mission, vision, and values to staff to align their goals accordingly through regular all hands meetings. Publicly reward employees' promotions and anniversary achievements	Quarterly FYs 2021/22 and 2022/23	Meet quarterly with union leadership	Randy Lee	March	On Schedule	In progress

Division(s): ALL DIVISIONS, Agency Management, External & Government Affairs, Finance and Administration, Technical Resources Report Month: March 2022

Print Date: 5/19/2022 Note Reporting Goal ID Frequency **Business Goal** Work Plan **Department Goal Time Line** KPI **Assigned To** Month Status Notes Strategic Planning & Resources Quarterly Business Finalize terms for the Update the Regional Contract Complete by June 2022 Negotiate agreement and approval of the Pietro Cambiaso March On Regional Contract Negotiations are ongoing. Draft Regional Contract with language that modernizes the Regional Contract Amendment Schedule contract was submitted to IEUA from Regional Practices Member Agencies contract to current conditions Contracting Agencies on 10/14/21, Regional Contracting Agencies and IEUA are currently drafting contract language and meeting in a plenary group format. IEUA has provided 2 batches of draft contract language redlines to regional contracting agencies. Projected timeline to complete negotiations is still December 2022. Fiscal Evaluation of Agency Update NRWS, RW Rate Study Complete by June 2022 Take Non-Reclaimable Wastewater and March On Proposed RW rate structure is being submitted for 661 Quarterly Pietro Cambiaso Responsibility Program Rates and Return to Sewer flow studies to Recycled Water rate studies and proposed Schedule Board's considerations and approval this month. If develop sustainable rate structures rates to the Board of Directors for adoption approved, it will be implemented by July 2022. NRWS that are legally defensible Rate study was temporarily put on hold and will resume upon completion of the RW Rate study Complete the Return to Sewer flow Completed by June 2023 Expanded Return to Sewer Study portion of the 662 Quarterly Fiscal Evaluation of Agency Take Return to Sewer study and any Pietro Cambiaso March On Schedule Responsibility Program Rates study and statewide flow and proposed rates/adjustments to the Board of evaluation of the wastewater rates has been loading study to provide supporting Directors for adoption rescheduled to be completed by summer of 2023 due to data to evaluate and complete a data from the participating agencies recently being sustainable and technically provided to IEUA. The other portion of the evaluation is defensible Regional Wastewater the Flow and Loading study led by CASA. The CASA rate structure steering/participant committee has proposed to reconvene in January 2023. Monitoring and sampling may resume in the spring of 2023 pending discussions. 667 Quarterly Wastewater Update the Agency's Periodically update the Wastewater Complete by September Create flow factors for wastewater and Pietro Cambiaso March On The next update for the Wastewater Facilities Update Schedule Mgmt Planning Documents: Facilities Master Plan at a minimum 2021 recycled water to generate reasonable will be in 2030. Wastewater Facilities every 15 years demand forecasts to 2040 Masterplan Water Reliability Update the Agency's Complete by September Complete RW demand forecast model Pietro Cambiaso On Pending contract negotiations and RW policy 665 Quarterly Update as needed and periodically March discussions, the Recycled Water Program Strategy is Planning Documents: based on changes in conditions or 2021 Schedule Recycled Water Program at a minimum once every 10 years scheduled to be updated by 2025 Strategy 666 Quarterly Water Reliability Update the Agency's Update as needed and periodically Complete by December Complete the PDR for external supply Pietro Cambiaso March On The technical feasibility study was completed in October Planning Documents: based on changes in conditions, or 2021 sources and advanced water treatment Schedule 2021. The PDRs for the external supplies from City of Recycled Water Program Rialto and the advanced water purification facility will be at a minimum once every 10 years completed in early 2023 Semi-Annual Workplace Evaluation of staffing levels to Ensure adequate staffing is Review staffing levels to ensure the Pietro Cambiaso March Unit managers are discussing with senior management Ongoing On available with regular or contract Schedule staffing needs and vacancies to address organizational Environment appropriately support the department can complete all assignments Agency's Mission, Goals, and services to complete department in a timely and efficient manner changes, as result of the Agency new structure, as well Objectives objectives as succession planning.

Inland Empire Utilities Agency Inter-Departmental / Division Transfers FY 2021/22 Budget Transfer

				TR	ANSFER FROM			,	TRANSFER TO			
Fund	Fund Name	Date	Cost Center	GL Account	Category	Amt Transfer Out	Cost Center	GL Account	Category	Amount Transfer In	Description	QTR
		1/20/2022	153154	512351	Office & Administration	\$15,000	151151	512351	Office & Administration	\$15,000.00	Transfer request to move the courier/shipping budget from RP-4 to RP-1. The lab samples are picked up from both RP-1 and RP-4. The cost for the courier is being paid from RP-1.	3
				511120		\$200		511120		\$200		
10200	Administrative Services			511220		\$150		511220		\$150		
				512010	Office &	\$3,000		512010	Office &	\$3,000	Transferring FY 21/22 budget to new cost center Board of	_
		3/24/2022	112100	512350	Administration	\$300	110100	512350	Administration	\$300	Directors #110100 from Agency Management #112100 as requested by Finance due to the new org structure.	3
				513010 514020		\$1,000		513010 514020		\$1,000	requested by I manife due to the new org structure.	
				516010		\$100 \$600		514020		\$100 \$600		
				310010		\$600		310010		\$600		
		1/20/2022	141151	521010	Professional Fees & Services	\$4,902	141151	512170	Materials & Supplies	\$4,902	Budget transfer for NRW budget from 141151 Contract labor to 141151 O&M Supplies. There is an anticipated need for funds since the current budget in O&M Supplies has been fully utilized.	3
10500	Non-Reclaimable Waste Water	2/9/2022	135302	521080	Professional Fees & Services	\$20,000	135302	530024	Chemicals	\$20,000	PTSC is required to maintain compliance at the County Line into LA County Sanitation districts sewer. We have seen an increase in use of this chemical due to the need to dose more ferric chloride into the system to maintain compliance.	3
10700	Water Resources	3/15/2022	136100	520980	Professional Fees & Services	\$30,591	124100	WR20026	WUE Business Plan Update	\$30,591	The transfer is being requested to cover costs associated with drought response plan development and implementation, development of programs and related budgets, documentation of Phase 2 of the Water Use Efficiency Business Plan, and assist with other tasks as necessary.	3
		2/9/2022	135100	520980	Professional Fees & Services	\$20,000	135151	530024	Chemicals	\$20,000	PTSC is required to maintain compliance at the County Line into LA County Sanitation districts sewer. We have seen an increase in use of this chemical due to the need to dose more ferric chloride into the system to maintain compliance.	3
10000	D O. M.						154100	530024		\$50,000		
10800	Regional Wastewater O&M						154100	530020		\$50,000	District Co. DDIstrict Co. d. Cl. 1111	
		3/14/2022	151151	545110	Utilities	\$400,000	154100	530016	Chemicals	\$185,000	Budget transfer from RP-1 to add funds to the Chemical budget to cover expenses for RP-2, CCWRF, & RP-5.	3
							154100	530012		\$15,000		
							154100	530028		\$100,000		
					Total O&M Transfers Out	\$495,843			Total O&M Transfers In	\$495,843		

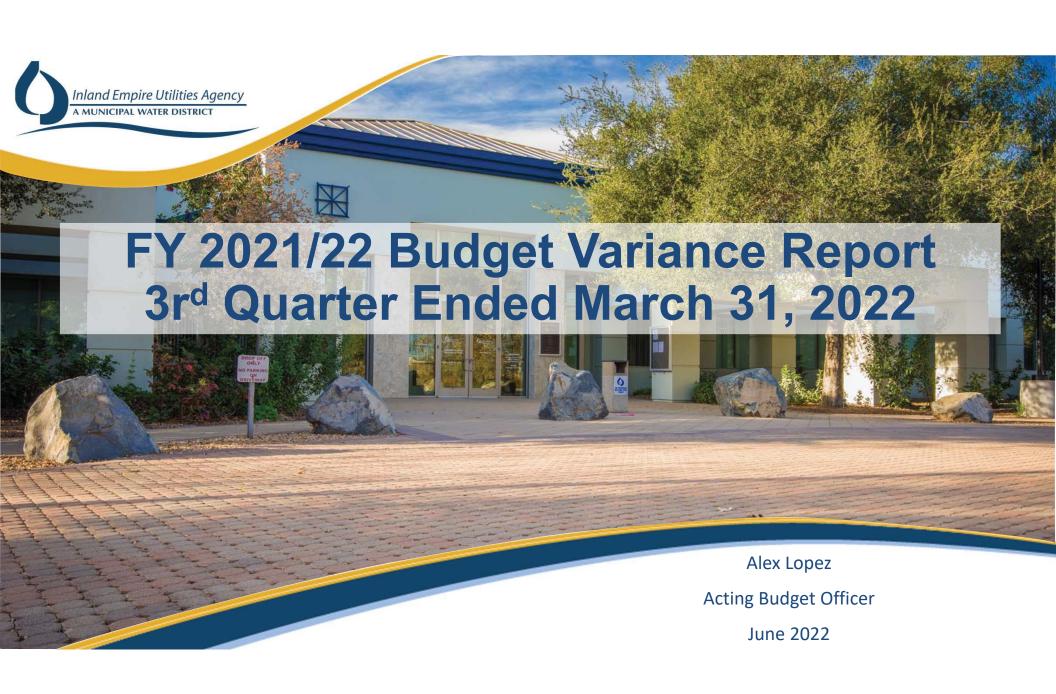
Inland Empire Utilities Agency FY 2021/22 General Manager Contingency Account Activity Budget Transfer

Date	From Expense Account	Amount Transfer Out	Receiver Fund Name	Receiver Fund Center Name	Receiver Project / Expense Account	Receiver Project / Expense Account Name	Amount Transfer In	Balance	Justification
Beginning B	Salance, July 1, 2021							\$250,000	
	No Activity								
Balance, Ma	arch 31, 2022							\$250,000	

GM Contingency Transfers Summary by Fund					
Administrative Services program	\$250,000				
Recharge Water program	-				
Non-Reclaimable Wastewater program	-				
Recycled Water program	-				
Regional Wastewater O&M program	-				
Regional Wastewater Capital program	-				
Water Resources program	-				
Total GM Contingency Transfers	250,000				

Inland Empire Utilities Agency Changes in Total Project Budget: Inter-Departmental/Division Capital & O&M Transfers FY 2021/22

Fund	Transfer Date	Project Number	Project Title	Adopted Total Project (TP) Budget	Prior TP Changes in Current FY	Amt. of Transfer In / (Out)	New TP Budget	Annual Project Budget	Annual Proj. Budget Change	New Annual Project Budget	Project Transferred To/(From)	Justification
Capital	Projects	EN21049	Main HDQ Improvements Office Addition	\$440,000	(\$108,000)	(\$57,100)	\$274,900	\$332,000	(\$57,100)	\$274,900	IS22009	BIS is requesting \$57,100 from EN21049 HDQ Main Improvements
10200	1/27/22	IS22009	Laserfiche Participant Licenses	\$0	\$0	\$57,100	\$57,100	\$0	\$57,100	\$57,100	EN21049	(which has been cancelled) for the purchase of 175 Laserfiche Forms Participant Licenses to ensure that all staff have access to Laserfiche Forms.
Subtotal	General Ac	lministrative	(CC)·	\$440,000		· .	\$332,000	\$332,000	<u> </u>	\$332,000		2 011101
Subtotal	General	ammiger active	(00).	\$110,000	Canital Tatal	Project Budget			ınual Capital B		1	
				Adopted	Capitai 10tai	rroject Buuget	Amended	Adopted	шиат Сарцаг Б	Amended		
				\$440,000			\$332,000	\$332,000		\$332,000		
O&M P	rojects											
10600		EN22055	WC On-Call/Small Projects FY 2021/22	\$150,000	\$0	(\$60,000)	\$90,000	\$150,000	(\$60,000)	\$90,000	EN21036	The budget transfer is required to finish the construction phase of the project. Unexpected costs incurred during bid and design which included additional internal labor costs incurred during the design phase.
10000	3/3/22	EN21036	WC On-Call/Small Projects FY 2020/21	\$110,000	\$0	\$60,000	\$170,000	\$97,108	\$60,000	\$157,108	EN22055	Additionally, the project was re advertised due to a lack of competitive bids which resulted in additional costs for coordination and redesign.
Subtotal	Recycled V	Vater (WC):		\$260,000			\$260,000	\$247,108		\$247,108		
	1/25/22	WR21007	Residential Rebate Incentives	\$115,669	\$0	(\$44,215)	\$71,454	\$74,672	(\$44,215)	\$30,457	WR22007	The transfer is being requested from WR21007 to supplement the receiving project's budget and consolidate funds into one account. Funds
		WR22007	Residential Rebate Incentives	\$123,500	\$0	\$44,215	\$167,715	\$123,500	\$44,215	\$167,715	WR21007	will be used to cover current, and future device rebate incentives received from MWD.
10700		WR20008	CII Rebate Incentives	\$100,000	\$0	(\$68,260)	\$31,740	\$69,550	(\$68,260)	\$1,290	WR22008	The transfer is being requested from WR20008 and WR21008 to
	1/25/22	WR21008	CII Rebate Incentives	\$100,000	(\$24,129)	(\$75,871)	\$0	\$75,871	(\$75,871)	(\$0)	WR22008	supplement the receiving project's budget and consolidate funds into one account. Funds will be used to cover current, and future device rebate
		WR22008	CII Rebate Incentives	\$130,000	\$0	\$144,131	\$274,131	\$130,000	\$144,131	\$274,131	WR20008 & WR21008	incentives received from MWD.
Subtotal	Water Rese	ources (WW)		\$569,169			\$545,040	\$473,593		\$473,593		
10800	3/3/22	EN22053	RO On-call/Small Projects FY 2021/22	\$500,000	\$0	(\$30,000)	\$470,000	\$500,000	(\$30,000)	\$470,000	EN21058	The budget amendment request is needed to cover the number of the requested hydraulic assessments, which exceeded the projected volume based on the total developments in IEUA's service area. Additionally, the
		EN21058	Regional Hydraulic Modeling	\$70,000	\$0	\$30,000	\$100,000	\$52,673	\$30,000	\$82,673	EN22053	budget is required due to a number of simulations that had to be completed by the consultant and not completed with Agency staff.
Subtotal	Regional V	Vastewater O	perations & Maint. (RO):	\$570,000			\$570,000	\$552,673		\$552,673		
					O&M Total	Project Budget		Total Annu	al O&M Projec	t Budget		
				Adopted \$1,399,169			Amended \$1,375,040	Adopted \$1,273,374		Amended \$1,273,374		





FY 2021/22 3rd Quarter Ended March 31, 2022 (\$ Millions)

	Amended Budget	Budget Year- To-Date (YTD)	Actual YTD	% Budget Used YTD
Total Sources of Funds	\$295.5	\$221.6	\$207.2	93.5%
Total Uses of Funds	(500.4)	(375.3)	(242.4)	64.6%
Net Increase/(Decrease)	(\$204.9)	(\$153.7)	(\$35.2)	

Total Sources of Funds The variance is primarily due to lower grant and loan reimbursement receipts as a result of delays in execution of capital projects. Total Uses of Funds Lower than budgeted administrative and operating expenses and timing of capital project execution.



(\$ Millions)

Sources of Funds Operating Revenues	Amended Budget	Budget Year- To-Date (YTD)	Actual YTD	% Budget Used YTD
User Charges	\$93.8	\$70.3	\$72.0	102.3%
Recycled Water Sales	17.3	13.0	14.7	113.2%
MWD Imported Water Sales	47.4	35.5	34.2	96.3%
Other Operating Revenues*	10.3	7.8	5.6	72.5%
Total Operating Revenues	\$168.8	\$126.6	\$126.5	99.8%

^{*}Other operating revenues includes contract cost reimbursement and interest revenue.

Highlights

User Charges include:

- Monthly EDU sewer charges
- Non-reclaimable wastewater pass-thru charges
- Monthly MEU charges and MWD RTS pass-thru fees

Recycled Water and MWD Imported Water Sales:

- Higher demand due to low precipitation and warm winter weather
- Recycled water deliveries totaled 27,014 Acre Feet
- Imported water deliveries totaled 35,662 Acre Feet



(\$ Millions)

Sources of Funds Non-Operating Revenues	Amended Budget	Budget Year- To-Date (YTD)	Actual YTD	% Budget Used YTD
Property Tax	\$57.5	\$43.1	\$43.5	101.0%
Connection Fees	37.9	28.4	30.3	106.7%
Grants and Loans	29.6	22.2	5.0	22.4%
Other Non-Operating Revenues*	1.7	1.3	1.9	146.2%
Total Non-Operating Revenues	\$126.7	\$95.0	\$80.7	85.0%
Total Operating Revenues	\$168.8	\$126.6	\$126.5	99.8%
Total Sources of Funds	\$295.5	\$221.6	\$207.2	93.5%

^{*}Other non-operating revenues includes project reimbursements, lease revenue, and miscellaneous sales.

Highlights

Grant and loan receipts

 Grants & loans are dependent on capital expenditures. Grant receipts through the third quarter were \$5.0 million

New Connections to Regional Systems

- Actual 3,234 EDU ~ Budget 4,000 EDU
- Actual 3,485 MEU ~ Budget 4,700 MEU



(\$ Millions)

Uses of Funds Operating Expenses	Amended Budget	Budget Year- To-Date (YTD)	Actual YTD	% Budget Used YTD
Employment Expenses (net of CIP)	\$63.2	\$47.4	\$36.8	77.5%
Professional Fees & Services	15.7	11.8	5.6	47.2%
Utilities	12.5	9.4	9.2	97.7%
MWD Water Purchases	47.4	35.6	34.2	96.1%
O&M and Reimbursable Projects	22.3	16.7	7.1	42.5%
Other Operating Expenses*	32.4	24.2	19.6	81.0%
Total Operating Expenses	\$193.5	\$145.1	\$112.5	77.5%

^{*}Other operating expenses includes insurance, operating fees, chemicals, biosolids, materials & supplies, and office & admin.

Derations & Maintenance Lower travel, conference, and office expense Project scope and timeline changes, field coordination and parts and material delays Employment Includes quarterly allocation toward unfunded liabilities Recruitment efforts expected to lower vacancy factor going forward



(\$ Millions)

Uses of Funds Non-Operating Expenses	Amended Budget	Budget Year- To-Date (YTD)	Actual YTD	% Budget Used YTD
Capital Projects	\$287.0	\$215.2	\$110.3	51.2%
Financial Expenses	19.4	14.6	19.1	130.9%
Other Non-Operating Expenses*	0.5	0.4	0.5	152.6%
Total Non-Operating Expenses	\$306.9	\$230.2	\$129.9	56.4%
Total Operating Expenses	\$193.5	\$145.1	\$112.5	77.5%
Total Uses of Funds	\$500.4	\$375.3	\$242.4	64.6%

 $^{{}^*}Other\ non-operating\ expenses\ includes\ SAWPA\ member\ contribution\ and\ other\ miscellaneous\ expenses.$

Highlights

Capital

Utility conflicts, procurement delays, project scope changes

Financial Expense

- Principal & interest payment for bonds and State Revolving Fund (SRF) loans totaled \$8.1 million
- Interest and financial expense totaled \$11.0 million





Operating and Capital Program Budget



The Inland Empire Utilities Agency is committed to meeting the needs of the region by providing essential services in a regionally planned and cost effective manner while safeguarding public health, promoting economic development and protecting the environment.

Questions

The Budget Variance Analysis report is consistent with the Agency's business goal of fiscal responsibility to ensure actual revenues and expenditures are consistent with those approved by the Board of Directors.

INFORMATION ITEM

3R



Date: June 15, 2022

To: The Honorable Board of Directors From: Shivaji Deshmukh, General Manager

Committee: Finance & Administration 06/08/22

Staff Contact: Javier Chagoyen-Lazaro, Acting Assistant General Manager

Subject: Treasurer's Report of Financial Affairs

Executive Summary:

The Treasurer's Report of Financial Affairs for the month ended April 30, 2022 is submitted in a format consistent with the State requirements.

For the month of April 2022, total cash, investments, and restricted deposits of \$516,224,168 reflects an increase of \$11,731,781 compared to the total of \$504,492,387 reported for March 2022. The increase was primarily due to \$14 million of San Bernardino County property tax receipts. As a result, the average days cash on hand increased from 194 days to 217 days for the month of April 2022.

The unrestricted Agency investment portfolio yield in April 2022 was 0.842 percent, a slight decrease of 0.019 percent compared to the March 2022 yield of 0.861 percent. The change in yield is mainly attributed to a higher balance in the Citizens Business Bank repurchase account with a lower earnings yield.

Staff's Recommendation:

The Treasurer's Report of Financial Affairs for the month ended April 30, 2022 is an information item for the Board of Director's review.

Budget Impact Budgeted (Y/N): N Amendment (Y/N): N Amount for Requested Approval: Account/Project Name:

Fiscal Impact (explain if not budgeted):

Interest earned on the Agency's investment portfolio increases the Agency's overall reserves.

Full account coding (internal AP purposes only): - - - Project No.:

Prior Board Action:

On May 18, 2022 the Board of Directors received the Treasurer's Report of Financial Affairs for the month ended March 31, 2022.

Environmental Determination:

Not Applicable

Business Goal:

The Treasurer's Report of Financial Affairs is consistent with the Agency's Business Goal of Fiscal Responsibility in providing financial reporting that accounts for cash and investment activities to fund operating requirements and to optimize investment earnings.

Attachments:

Attachment 1 - Background

Attachment 2 - PowerPoint

Attachment 3 - Treasurer's Report of Financial Affairs

Board-Rec No.: 22138



Background

Subject: Treasurer's Report of Financial Affairs

The Treasurer's Report of Financial Affairs for the month ended April 30, 2022, is submitted in a format consistent with State requirements. The monthly report denotes investment transactions that have been executed in accordance with the Agency's Investment Policy (Resolution No. 2021-4-2).

Agency total cash, investments, and restricted deposits for the month of April 2022 was \$516.2 million, an increase of \$11.7 million compared to the \$504.5 million reported for the month ended March 2022 as shown in Figure 1. The increase can primarily be attributed to San Bernardino County property tax receipts.

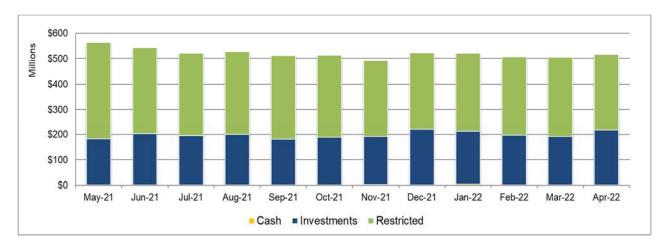


Figure 1: Cash, Investments, and Restricted Deposits

PFM continues to focus on investment discipline and maintaining a neutral duration strategy to ensure current investments align with the Agency's Investment Policy's goals of preservation of capital in the overall portfolio, provide sufficient liquidity to meet to operating requirements, and attain a market rate of return throughout budgetary and economic cycles.

Table 1 below represents the unrestricted Agency investment portfolio by authorized investment and duration with a total portfolio amount of \$216.4 million. The Agency portfolio excludes cash and restricted deposits in the amount of \$299.8 million held by member agencies and with fiscal agents, including \$151.8 million in capitalized interest and debt proceeds for the RP-5 Expansion Project.

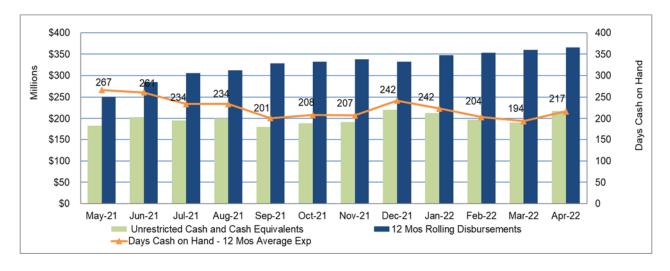
Table 1: Agency Portfolio

Authorized Investments	Allowable Threshold (\$	In	vestment ` April 30 (\$ mil	Average Yield %	Portfolio%		
	million or %)	Under 1 Year	1-3 Years	Over 3 Years	Total	Tielu 70	(Unrestricted)
LAIF*- Unrestricted	\$75	\$65.1	\$0.0	\$0.0	\$65.1	0.523%	30.08%
CAMP** - Unrestricted	n/a	2.6			2.6	0.500%	1.18%
CBB*** - Sweep	40%	35.2			35.2	0.100%	16.27%
Sub-Total Agency Managed		\$102.9	\$0.0	\$0.0	\$102.9	0.38%	47.53%
Brokered Cert. of Deposit	30%	\$3.3	\$0.0	\$0.0	\$3.3	1.079%	1.54%
Medium Term Notes	30%	4.0	8.8	4.1	16.9	1.983%	7.84%
Municipal Bonds	10%		0.8	1.3	2.1	0.986%	0.99%
Supranational Bonds	20%		1.7		1.7	0.520%	0.77%
US Treasury Notes	n/a	3.6	26.1	30.7	60.4	1.225%	27.90%
US Gov't Securities	n/a	1.3	19.5	8.3	29.1	1.003%	13.43%
Sub-Total PFM Managed		\$12.2	\$56.9	\$44.4	\$113.5	1.26%	52.47%
Total		\$115.1	\$56.9	\$44.4	\$216.4	0.842%	100.0%

^{*}LAIF - Local Agency Investment Fund

Average days cash on hand is calculated using the monthly ending balance of unrestricted cash and cash equivalents divided by disbursements associated with operating expenses, debt service costs, and capital expenditures. The average days cash on hand increased from 194 days to 217 days for the month of April 2022 as shown in Figure 2. The change in average days cash on hand is due to an increase in unrestricted cash and investments.

Figure 2: Days Cash on Hand – 12 Month Rolling Average

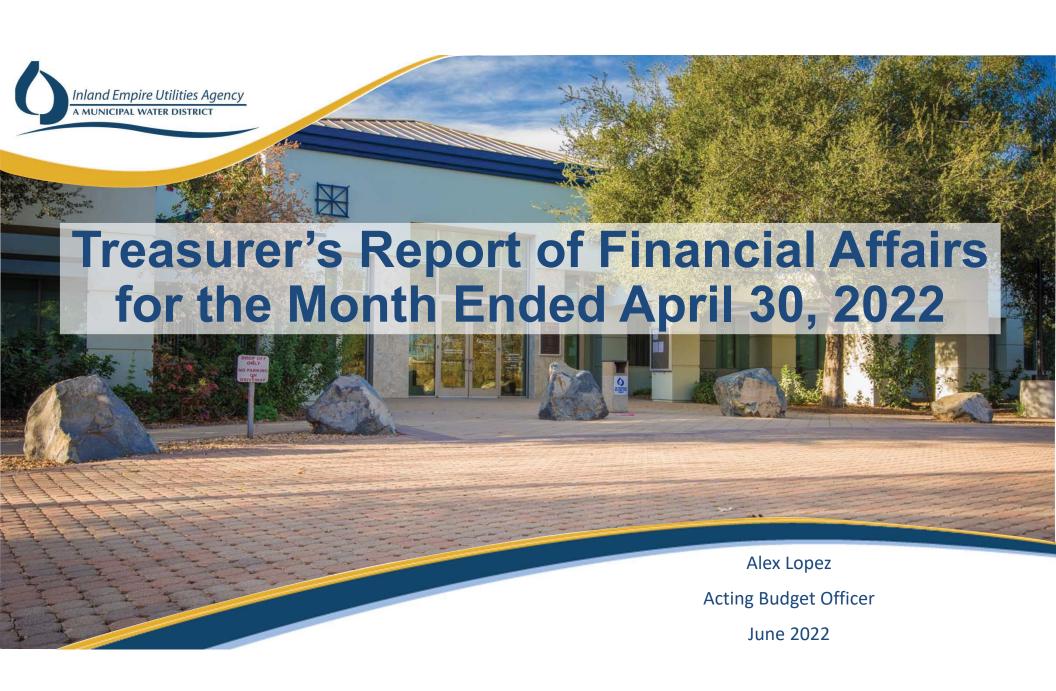


Monthly cash and investment summaries are available on the Agency's website at: https://www.ieua.org/read-our-reports/cash-and-investment/

^{**}CAMP – California Asset Management Program

^{***}CBB - Citizens Business Bank

^{+/-} due to rounding





Agency Liquidity

• Decrease in Investment Portfolio Yield is primarily due to an increased balance in the Citizens Business Bank repurchase account with a lower earnings yield.

Description	April \$ Millions	March \$ Millions	Increase / (Decrease) \$ Millions
Investment Portfolio	\$216.4	\$189.6	\$26.8
Cash and Restricted Deposits	\$299.8	\$314.9	(\$15.1)
Total Investments, Cash, and Restricted Deposits	\$516.2	\$504.5	\$11.7
Investment Portfolio Yield	0.842%	0.861%	(0.019%)
Weighted Average Duration (Years)	1.31	1.36	(0.05)
Average Cash on Hand (Days)	217	194	23

Monthly cash and investment summaries available at: https://www.ieua.org/read-our-reports/cash-and-investment/

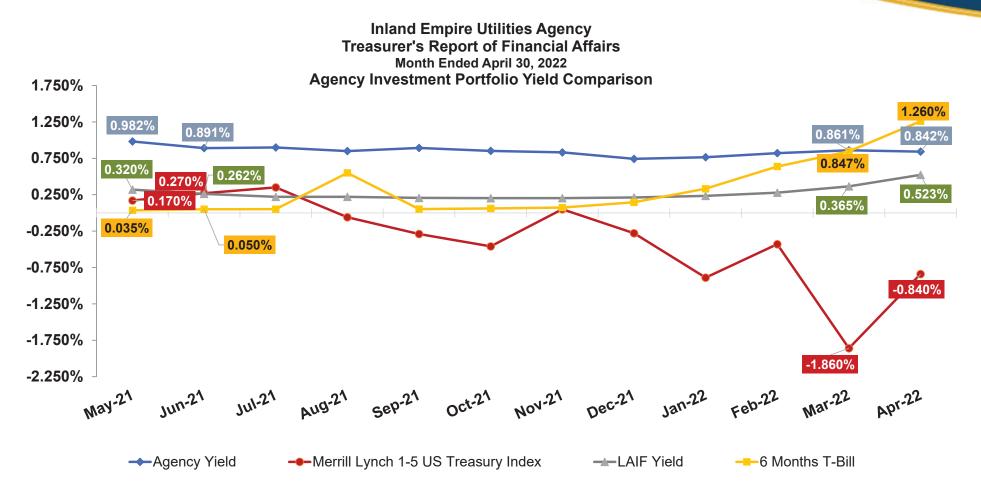


Agency Investment Position

Authorized Investments	Allowable Threshold (\$ million or %)	Under 1 Year	1 – 3 Years	Over 3 Years	Total	Average Yield %	Portfolio % (Unrestricted)
Local Agency Investment Fund	\$75	\$65.1	\$0.0	\$0.0	\$65.1	0.523%	30.08%
California Asset Management Program	n/a	2.6			2.6	0.500%	1.18%
Citizens Business Bank – Sweep	40%	35.2			35.2	0.100%	16.27%
Sub-Total Agency Managed		\$102.9	\$0.0	\$0.0	\$102.9	0.38%	47.53%
Brokered Certificates of Deposit (CD)	30%	\$3.3	\$0.0	\$0.0	\$3.3	1.079%	1.54%
Medium Term Notes	30%	4.0	8.8	4.1	16.9	1.983%	7.84%
Municipal Bonds	10%		0.8	1.3	2.1	0.986%	0.99%
Supranational Bonds	20%		1.7		1.7	0.520%	0.77%
US Treasury Notes	n/a	3.6	26.1	30.7	60.4	1.225%	27.90%
US Government Securities	n/a	1.3	19.5	8.3	29.1	1.003%	13.43%
Sub-Total PFM Managed		\$12.2	\$56.9	\$44.4	\$113.5	1.26%	52.47%
Total		\$115.1	\$56.9	\$44.4	\$216.4	0.842%	100.0%



Portfolio Yield Comparison



TREASURER'S REPORT OF FINANCIAL AFFAIRS

For the Month Ended April 30, 2022



All investment transactions have been executed in accordance with the criteria stated in the Agency's Investment Policy (Resolution No. 2021-4-2) adopted by the Inland Empire Utilities Agency's Board of Directors during its regular meeting held on April 21, 2021.

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

* A Municipal Water District

Cash and Investment Summary Month Ended

April 30, 2022

	April	March	Variance
Cash, Bank Deposits, and Bank Investment Accounts	\$914,902	\$1,609,477	(\$694,575)
<u>Investments</u>			
Agency Managed			
Citizens Business Bank (CBB) Repurchase (Sweep)	\$35,203,028	\$28,272,669	\$6,930,359
Local Agency Investment Fund (LAIF)	65,089,463	45,161,866	19,927,597
California Asset Management Program (CAMP)	2,561,031	2,559,981	1,050
Total Agency Managed Investments	102,853,522	75,994,516	\$26,859,006
PFM Managed			
Certificates of Deposit	\$3,330,000	\$3,330,000	\$0
Municipal Bonds	2,141,098	2,141,127	(29)
Supra-National Agency Bonds	1,669,012	1,668,978	34
Medium Term Notes	16,955,838	19,228,483	(2,272,645)
U.S. Treasury Notes	60,380,763	58,170,032	2,210,731
U.S. Government Sponsored Entities	29,066,500	29,067,213	(713)
Total PFM Managed Investments	113,543,211	113,086,140	(\$62,622)
Total Investments	\$216,396,733	\$189,600,349	\$26,796,384
Total Cash and Investments Available to the Agency	\$217,311,635	\$191,209,826	\$26,101,809
Restricted Deposits			
CAMP Water Connection Reserve	\$24,448,906	\$23,661,319	\$787,587
LAIF Self Insurance Reserve	6,561,677	6,437,317	124,360
	27,285,165		
Bond and Note Accounts		25,746,788	1,538,377
2020B Construction Accounts	129,701,816	149,587,914	(19,886,098)
Capital Capacity Reimbursement Account (CCRA) Deposits Held by Member Agencies**	83,370,778	79,220,800	4,149,978
California Employers' Retirement Benefit Trust Account - CERBT (Other Post Employment Benefits - OPEB)	21,210,734	22,314,275	(1,103,541)
Escrow Deposits	6,333,457	6,314,148	19,309
Total Restricted Deposits	\$298,912,533	\$313,282,561	(\$14,370,028)
Total Cash, Investments, and Restricted Deposits	\$516,224,168	\$504,492,387	\$11,731,781
Total Gash, Investments, and nest teta Deposits	Ψ310,221,100	ψυστητ /2 μυσ /	Ψ11,/01,/01

^{**}Total reported as of March 2022 net of capital call receipts

Cash and Investment Summary

Month Ended April 30, 2022

Cash, Bank Deposits, and Bank Investment Accounts

CBB Demand Account (Negative balance offset by CBB Sweep Balance)	\$380,628
CBB Payroll Account CBB Workers' Compensation Account	- 48,225
Subtotal Demand Deposits	\$428,853
Subtotal Delitaria Deposits	ψ 120,033
Other Cash and Bank Accounts	
Petty Cash	\$2,250
Subtotal Other Cash	\$2,250
US Bank Pre-Investment Money Market Account	\$483,799
Total Cash and Bank Accounts	\$914,902
<u>Unrestricted Investments</u>	
CBB Repurchase (Sweep) Investments	
Freddie Mac (FHLMC)	\$35,203,028
Subtotal CBB Repurchase (Sweep)	\$35,203,028
Local Agency Investment Fund (LAIF)	
LAIF Fund	\$65,089,463
Subtotal Local Agency Investment Fund	\$65,089,463
California Asset Management Program (CAMP)	
Short Term	\$2,561,031
Subtotal CAMP	\$2,561,031
Subtotal Agency Managed Investment Accounts	\$102,853,522
Brokered Certificates of Deposit	
Brokered Certificates of Deposit	\$3,330,000
Subtotal Brokered Certificates of Deposit	\$3,330,000
Supra-National Agency Bonds	
Inter-American Development Bank Notes	\$1,669,012
Subtotal Supra-National Agency Bonds	\$1,669,012

Cash and Investment Summary

Month Ended April 30, 2022

Unrestricted Investments Continued

Municipal Bonds	
Subtotal State and Local Municipal Bonds	\$2,141,098
Subtotal State and Municipal Bonds	\$2,141,098
Medium Term Notes	
Medium Term Notes	\$16,955,838
Subtotal Medium Term Notes	\$16,955,838
U.S. Treasury Notes	
Treasury Note	\$60,380,763
Subtotal U.S. Treasury Notes	\$60,380,763
U.S. Government Sponsored Entities	
Fannie Mae Bank	\$17,836,450
Freddie Mac Bank	7,935,228
Federal Home Loan Bank	3,294,822
Subtotal U.S. Government Sponsored Entities	\$29,066,500
Subtotal PFM Managed Investment Accounts	\$113,543,211
Subtotal PFM Managed Investment Accounts Total Investments	\$113,543,211 \$216,396,733
Total Investments	
Total Investments Restricted Deposits	
Total Investments Restricted Deposits Investment Pool Accounts	\$216,396,733
Total Investments Restricted Deposits Investment Pool Accounts CAMP - Water Connection Reserves	\$216,396,733 \$24,448,906
Total Investments Restricted Deposits Investment Pool Accounts CAMP - Water Connection Reserves LAIF - Self Insurance Fund Reserves	\$216,396,733 \$24,448,906 6,561,677
Total Investments Restricted Deposits Investment Pool Accounts CAMP - Water Connection Reserves LAIF - Self Insurance Fund Reserves Subtotal Investment Pool Accounts	\$216,396,733 \$24,448,906 6,561,677
Total Investments Restricted Deposits Investment Pool Accounts CAMP - Water Connection Reserves LAIF - Self Insurance Fund Reserves Subtotal Investment Pool Accounts Bond and Note Accounts	\$216,396,733 \$24,448,906 6,561,677 \$31,010,583
Total Investments Restricted Deposits Investment Pool Accounts CAMP - Water Connection Reserves LAIF - Self Insurance Fund Reserves Subtotal Investment Pool Accounts Bond and Note Accounts 2017A Debt Service Accounts	\$216,396,733 \$24,448,906 6,561,677 \$31,010,583
Total Investments Restricted Deposits Investment Pool Accounts CAMP - Water Connection Reserves LAIF - Self Insurance Fund Reserves Subtotal Investment Pool Accounts Bond and Note Accounts 2017A Debt Service Accounts 2020A Debt Service Accounts	\$24,448,906 6,561,677 \$31,010,583

Cash and Investment Summary

Month Ended April 30, 2022

Restricted Deposits Continued

2020B Construction Project Accounts	
LAIF Construction Project Accounts	\$119,175,803
CAMP Construction Project Accounts	10,526,013
Subtotal 2020B Construction Project Accounts	\$129,701,816
CCRA Deposits Held by Member Agencies	
City of Chino	\$12,335,990
Cucamonga Valley Water District	13,286,823
City of Fontana	17,771,878
City of Montclair	1,812,295
City of Ontario	30,600,832
City of Chino Hills	3,596,736
City of Upland	3,966,224
Subtotal CCRA Deposits Held by Member Agencies**	\$83,370,778
**Total reported as of March 2022 net of capital call receipts	
Calpers	
CERBT Account (OPEB)	\$21,210,734
Subtotal CalPERS Accounts	\$21,210,734
Escrow Deposits	
Genesis Construction	\$213,671
W.M. Lyles Construction	6,119,786
Subtotal Escrow Deposits	\$6,333,457
Total Restricted Deposits	\$298,912,533
Total Cash, Investments, and Restricted Deposits as of April 30, 2022	\$516,224,168
Total Cash, Investments, and Restricted Deposits as of 4/30/2022	\$516,224,168
Less: Total Cash, Investments, and Restricted Deposits as of 4/30/2022	504,492,387
1633. 10tal 6a311, 111463tillellis, alla Resultetea Deposits as 01 3/31/2022	307,772,307
Total Monthly Increase (Decrease)	\$11,731,781

Cash and Investment Summary Month Ended April 30, 2022

	Г	ı	-			1	1	1
	Par	Cost Basis	Term	April	%	% Yield to	Maturity	Market
	Amount	Amount	(Days)	Value	Coupon	Maturity	Date	Value
Cash, Bank Deposits, and Bank Investment Accoun	<u>ts</u>							
Citizens Business Bank (CBB)								
Demand Account	\$380,628	\$380,628	N/A	\$380,628		N/A	N/A	\$380,628
Payroll Checking	0	0	N/A	0		N/A	N/A	0
Workers' Compensation Account	48,225	67,069	N/A	48,225		N/A	N/A	48,225
Subtotal CBB Accounts	\$428,853	\$447,697	· -	\$428,853	•		· ′ –	\$428,853
US Bank (USB)								
Custodial Money Market (Investment Mgmt.)	\$107,979	\$107,979	N/A	\$107,979		0.01%	N/A	\$107,979
Custodial Money Market (Debt Service)	375,820	375,820	N/A	375,820	_	0.01%	N/A	375,820
Subtotal USB Account	\$483,799	\$483,799		\$483,799		0.01%		\$483,799
Petty Cash	\$2,250	\$2,250	N/A	\$2,250	<u>.</u>	N/A	N/A	\$2,250
Total Cash, Bank Deposits and								
Bank Investment Accounts	\$914,902	\$933,746	_	\$914,902	=.			\$914,902
<u>Investments</u>								
CBB Daily Repurchase (Sweep) Accounts								
Freddie Mac (FHLMC)	\$35,203,028	\$35,203,028	N/A	\$35,203,028		0.10%	N/A	\$35,203,028
Subtotal CBB Repurchase Accounts	\$35,203,028	\$35,203,028		\$35,203,028		0.10%		\$35,203,028
LAIF Accounts								
Non-Restricted Funds	\$65,089,463	\$65,089,463	N/A	\$65,089,463		0.523%	N/A	\$65,089,463
Subtotal LAIF Accounts	\$65,089,463	\$65,089,463		\$65,089,463		0.523%		\$65,089,463
CAMP Accounts								
Non-Restricted Funds	\$2,561,031	\$2,561,031	N/A	\$2,561,031		0.50%	N/A	\$2,561,031
Subtotal CAMP Accounts	\$2,561,031	\$2,561,031	_	\$2,561,031	•	0.50%	_	\$2,561,031
Subtotal Agency Managed Investment Accounts	\$102,853,522	\$102,853,522	-	\$102,853,522		0.38%	- -	\$102,853,522
Brokered Certificates of Deposit (CDs)								
Sumitomo Mitsui Bank	\$745,000	\$745,000	724	\$745,000	0.70%	0.70%	07/08/22	\$744,438
DNB Bank ASA NY	715,000	715,000	1092	715,000	2.04%	2.03%	12/02/22	715,031
Barclays Bank PLC NY	1,125,000	1,125,000	1153	1,125,000	1.05%	1.05%	02/01/23	1,111,154
Credit Suisse NY	745,000	745,000	724	745,000	0.59%	0.59%	03/17/23	732,674
Subtotal Brokered CDs	\$3,330,000	\$3,330,000	_	\$3,330,000	•	1.08%	· · · -	\$3,303,297

INLAND EMPIRE UTILITIES AGENCY Cash and Investment Summary Month Ended April 30, 2022

						0.4		
	Par	Cost Basis	Term	April	%	% Yield to	Maturity	Market
	Amount	Amount	(Days)	Value	Coupon	Maturity	Date	Value
Investments (continued)								
US Treasury Note								
US Treasury Note	\$690,000	\$693,962	1518	\$691,585	1.750%	0.36%	06/30/22	\$691,078
US Treasury Note	475,000	476,670	1656	476,389	1.625%	1.08%	11/15/22	475,223
US Treasury Note	745,000	744,360	527	744,741	0.125%	0.18%	11/30/22	738,714
US Treasury Note	200,000	190,453	1580	198,338	1.750%	2.93%	01/31/23	199,812
US Treasury Note	310,000	293,289	1699	307,020	1.500%	2.74%	02/28/23	308,741
US Treasury Note	1,235,000	1,189,508	1508	1,224,924	1.50%	2.44%	03/31/23	1,228,825
US Treasury Note	1,880,000	1,875,300	709	1,877,382	0.13%	0.25%	05/31/23	1,837,994
US Treasury Note	2,000,000	1,899,453	1618	1,973,589	1.38%	2.58%	06/30/23	1,978,750
US Treasury Note	1,260,000	1,196,951	1630	1,242,362	1.25%	2.44%	07/31/23	1,242,478
US Treasury Note	650,000	667,088	1611	655,484	2.88%	2.25%	09/30/23	653,351
US Treasury Note	1,875,000	1,870,898	877	1,872,367	0.25%	0.34%	11/15/23	1,809,961
US Treasury Note	3,450,000	3,484,904	1713	3,461,472	2.75%	2.52%	11/15/23	3,459,703
US Treasury Note	2,525,000	2,479,826	1786	2,510,380	2.13%	2.52%	11/30/23	2,507,641
US Treasury Note	990,000	988,608	1044	989,209	0.13%	0.17%	12/15/23	951,173
US Treasury Note	120,000	120,356	1813	120,121	2.63%	2.56%	12/31/23	120,037
US Treasury Note	810,000	806,235	917	807,438	0.13%	0.31%	01/15/24	776,208
US Treasury Note	675,000	709,778	962	699,991	2.38%	0.35%	02/29/24	671,414
US Treasury Note	2,345,000	2,355,534	1792	2,349,291	2.00%	1.90%	04/30/24	2,312,390
US Treasury Note	210,000	208,679	1059	209,071	0.25%	0.47%	05/15/24	199,697
US Treasury Note	575,000	580,930	1824	577,571	2.00%	1.78%	06/30/24	565,836
US Treasury Note	1,000,000	1,016,172	1818	1,007,312	2.13%	1.78%	07/31/24	985,469
US Treasury Note	1,310,000	1,349,146	1824	1,328,951	2.13%	1.50%	09/30/24	1,288,303
US Treasury Note	595,000	614,454	1822	604,759	2.25%	1.57%	10/31/24	586,261
US Treasury Note	510,000	521,814	1789	516,234	2.13%	1.63%	11/30/24	500,597
US Treasury Note	1,820,000	1,876,875	1273	1,862,679	1.50%	0.58%	11/30/24	1,758,575
US Treasury Note	1,445,000	1,383,588	1319	1,384,744	1.13%	2.73%	01/15/25	1,379,297
US Treasury Note	340,000	335,232	1475	336,360	0.25%	0.60%	05/31/25	313,491
US Treasury Note	1,900,000	1,866,230	1440	1,873,594	0.25%	0.71%	05/31/25	1,751,859
US Treasury Note	2,050,000	2,027,898	1532	2,031,909	0.25%	0.52%	08/31/25	1,876,391
US Treasury Note	990,000	968,228	1463	971,427	0.25%	0.81%	09/30/25	903,994
US Treasury Note	1,600,000	1,573,125	1463	1,577,368	0.25%	0.67%	09/30/25	1,461,000
US Treasury Note	435,000	427,965	1658	429,446	0.38%	0.74%	11/30/25	397,209
US Treasury Note	1,910,000	1,873,218	1623	1,880,334	0.38%	0.82%	11/30/25	1,744,069
US Treasury Note	2,925,000	2,845,591	1623	2,855,190	0.38%	1.06%	11/30/25	2,670,891
US Treasury Note	815,000	810,034	1814	811,331	0.38%	0.50%	12/31/25	742,669
US Treasury Note	1,780,000	1,751,145	1699	1,757,242	0.38%	0.73%	12/31/25	1,622,025
US Treasury Note	870,000	820,995	1730	823,310	0.38%	1.86%	01/31/26	790,748
US Treasury Note	1,520,000	1,466,088	1730	1,470,260	0.38%	1.27%	01/31/26	1,381,537
US Treasury Note	2,345,000	2,248,910	1730	2,255,927	0.38%	1.42%	01/31/26	2,131,385
US Treasury Note	2,940,000	3,257,428	1730	3,178,855	2.63%	0.43%	01/31/26	2,906,466
US Treasury Note	1,765,000	1,717,428	1850	1,721,895	0.50%	1.15%	02/28/26	1,608,908

INLAND EMPIRE UTILITIES AGENCY Cash and Investment Summary Month Ended April 30, 2022

			1		1	1	-	
	Par	Cost Basis	Term	April		%	Maturity	Market
	Amount	Amount	(Days)	Value	% Coupon	Yield to Maturity	Date	Value
US Treasury Note	3,110,000	3,068,088	1821	3,077,801	0.50%	0.78%	02/28/26	2,834,959
US Treasury N/B Note	1,360,000	1,359,469	1666	1,359,543	0.75%	0.76%	03/31/26	1,249,500
US Treasury N/B Note	1,464,000	1,453,192	1805	1,455,072	0.75%	0.90%	05/31/26	1,339,789
US Treasury N/B Note	890,000	819,461	1927	820,495	0.88%	2.77%	09/30/26	813,516
Subtotal US Treasuries	\$60,709,000	\$60,284,554	1,72,7_	\$60,380,763	0.0070	1.23%	03/30/20_	\$57,767,934
Investments (continued)								
U.S. Government Sponsored Entities								
Federal Home Loan Bank	\$1,280,000	\$1,277,645	1092	\$1,279,370	1.38%	1.44%	02/17/23	\$1,274,848
Fannie Mae Bond	1,360,000	1,355,906	365	1,358,557	0.25%	0.35%	05/22/23	1,332,358
Freddie Mac Bond	1,450,000	1,444,461	1,810	1,448,733	2.75%	2.83%	06/19/23	1,457,404
Freddie Mac Bond	1,330,000	1,326,116	1,095	1,328,507	0.25%	0.35%	06/26/23	1,299,101
Fannie Mae Bond	1,875,000	1,870,969	1,095	1,873,399	0.25%	0.32%	07/10/23	1,828,052
Fannie Mae Bond	645,000	645,000	1,092	645,000	0.36%	0.36%	08/18/23	627,203
Freddie Mac Bond	885,000	884,097	1,098	884,605	0.25%	0.28%	08/24/23	859,819
Fannie Mae Bond	855,000	853,273	1,741	854,505	2.88%	2.92%	09/12/23	859,264
Fannie Mae Bond	1,820,000	1,803,274	1,772	1,815,290	2.88%	3.08%	09/12/23	1,829,076
Freddie Mac Bond	805,000	804,203	1,095	804,576	0.25%	0.28%	12/04/23	775,513
Federal Home Loan Bank	870,000	895,642	1,772	878,480	3.38%	2.72%	12/08/23	880,229
Federal Home Loan Bank	190,000	189,327	1,824	189,759	2.50%	2.58%	02/13/24	189,344
Fannie Mae Bond	2,055,000	2,130,234	1,769	2,096,763	1.63%	0.85%	01/07/25	1,987,333
Freddie Mac Bond	1,215,000	1,214,064	1,825	1,214,478	1.50%	1.52%	02/12/25	1,169,260
Federal Home Loan Bank	950,000	945,288	1,824	947,213	0.50%	0.60%	04/14/25	884,948
Fannie Mae Bond	495,000	496,629	1,792	495,988	0.63%	0.56%	04/22/25	462,474
Fannie Mae Bond	1,275,000	1,272,374	1,824	1,273,435	0.63%	0.67%	04/22/25	1,191,221
Fannie Mae Bond	1,425,000	1,432,296	1,782	1,429,450	0.63%	0.52%	04/22/25	1,331,365
Fannie Mae Bond	240,000	241,126	1,716	240,750	0.50%	0.40%	06/17/25	222,498
Fannie Mae Bond	995,000	996,473	1,693	995,994	0.50%	0.47%	06/17/25	922,440
Fannie Mae Bond	1,435,000	1,441,931	1,778	1,439,456	0.50%	0.40%	06/17/25	1,330,353
Fannie Mae Bond	1,480,000	1,476,936	1,824	1,478,080	0.50%	0.54%	06/17/25	1,372,071
Freddie Mac Bond	895,000	890,543	1,824	892,124	0.38%	0.48%	07/21/25	825,066
Fannie Mae Bond	950,000	945,554	1,824	947,046	0.38%	0.47%	08/25/25	873,128
Freddie Mac Bond	1,365,000	1,360,891	1,824	1,362,205	0.38%	0.44%	09/23/25	1,251,667
Fannie Mae Bond	895,000	891,796	1,821	892,737	0.50%	0.57%	11/07/25	821,575
Subtotal U.S. Gov't Sponsored Entities	\$29,035,000	\$29,086,048	1,021	\$29,066,500	0.0070	1.00%		\$27,857,610
Supra-National Agency Bond	. ,,	. ,,.		. ,,.				. ,
Inter-American Development Bank Notes	\$1,670,000	\$1,668,764	1,461	\$1,669,012	0.50%	0.52%	09/23/24	\$1,578,860
Subtotal Supra-National Agency Bond	\$1,670,000	\$1,668,764	1,101	\$1,669,012	0.50 /0	0.52%	07/23/24_	\$1,578,860
Sastotal Supra Mational Agency Dona	Ψ1,070,000	Ψ1,000,704		Ψ1,007,012		0.52 /0		Ψ1,370,000

INLAND EMPIRE UTILITIES AGENCY Cash and Investment Summary Month Ended April 30, 2022

	Par	Cost Basis	Term	April	- %	% Yield to	Maturity	Market
	Amount	Amount	(Days)	Value	Coupon	Maturity	Date	Value
Investments (continued)								
Municipal Bonds								
CA State Earthquake Authority Taxable Rev	\$195,000	\$195,000	949	\$195,000	1.48%	1.48%	07/01/23	\$192,709
Maryland State GO Bond	250,000	249,930	1457	249,960	0.51%	0.52%	08/01/24	237,320
CA State Dept of Wtr Res	100,000	100,000	1578	100,000	0.56%	0.56%	12/01/24	93,583
Univ. of CA Revenue Bond	90,000	90,326	1764	90,203	0.88%	0.81%	05/15/25	83,671
Univ. of CA Revenue Bond	205,000	205,000	1764	205,000	0.88%	0.88%	05/15/25	190,584
Florida State Board of Admin. Taxable Rev	200,000	201,414	1749	200,935	1.26%	1.11%	07/01/25	187,038
Florida State Board of Admin. Taxable Rev	520,000	520,000	1749	520,000	1.26%	1.26%	07/01/25	486,299
Los Angeles CCD CA Taxable GO Bonds	375,000	375,000	1725	375,000	0.77%	0.77%	08/01/25	343,444
NJ TPK Authority	205,000	205,000	1792	205,000	1.05%	1.05%	01/01/26	188,504
Subtotal State and Local Municipal Bonds	\$2,140,000	\$2,141,670		\$2,141,098		0.99%		\$2,003,152
Medium Term Notes								
Paccar Financial Corp	\$930,000	\$929,498	1096	\$929,996	2.65%	2.67%	05/10/22	\$930,003
Amazon Inc	935,000	925,996	1409	933,102	2.40%	2.66%	02/22/23	935,884
Burlington North Santa Fe Corp	800,000	790,800	1792	798,367	3.00%	3.26%	03/15/23	803,746
Bank of NY Mellon	1,375,000	1,387,595	1555	1,377,932	3.50%	3.27%	04/28/23	1,388,430
Apple Inc. Corp.	565,000	563,463	1095	564,474	0.75%	0.84%	05/11/23	555,903
UnitedHealth Group Inc	720,000	755,741	1330	731,018	3.50%	2.08%	06/15/23	727,770
Pfizer Inc	1,260,000	1,276,393	1807	1,266,039	2.95%	2.67%	03/15/24	1,257,951
Amazon Com. Inc.	560,000	559,182	1096	559,446	0.45%	0.50%	05/12/24	533,849
Walmart Inc	1,425,000	1,495,196	1768	1,443,587	2.85%	1.78%	07/08/24	1,419,978
JP Morgan Chase	570,000	570,000	1461	570,000	0.65%	0.65%	09/16/24	550,884
Bank of America	725,000	725,000	1464	725,000	0.81%	0.81%	10/24/24	694,861
John Deere Capital Corp	790,000	770,045	1542	771,045	1.25%	2.17%	01/10/25	749,912
Toyota Motor	315,000	318,077	1724	316,819	1.80%	1.58%	02/13/25	301,252
Toyota Motor	425,000	429,152	1724	427,454	1.80%	1.58%	02/13/25	406,452
Novartis Capital	1,425,000	1,475,744	1743	1,454,314	1.75%	0.98%	02/14/25	1,369,275
JP Morgan Chase	555,000	555,000	1461	555,000	0.82%	0.82%	06/01/25	522,106
JP Morgan Chase	355,000	355,000	1530	355,000	0.77%	0.77%	08/09/25	331,646
Bristol Myers	349,000	345,524	1606	346,204	0.75%	0.98%	11/13/25	318,128
Bank of Americ Corp	880,000	880,000	1746	880,000	3.38%	3.38%	04/02/26	860,512
Microsoft Corp (Callable)	1,100,000	1,112,199	1874	1,111,682	2.40%	2.14%	08/08/26	1,062,498
Target Corp	150,000	149,745	2034	149,759	1.95%	1.99%	01/15/27	140,491
Target Corp	690,000	689,579	2034	689,600	1.95%	1.96%	01/15/27	646,261
Subtotal Medium Term Notes	\$16,899,000	\$17,058,929	_	\$16,955,838	-	1.98%	_	\$16,507,792
Subtotal PFM Managed Investment Accounts	\$113,783,000	\$113,569,965	_	\$113,543,211	. -	1.25%	- -	\$109,018,645
Total Investments	\$216,636,522	\$216,423,487		\$216,396,733				\$211,872,167
(Source of Investment Amortized Cost: PFM)			_		-		_	

Cash and Investment Summary Month Ended April 30, 2022

Г	ı				1	ı		1
	Par	Cost Basis	Term	April		%	Maturity	Market
				•	%	Yield to		
l	Amount	Amount	(Days)	Value	Coupon	Maturity	Date	Value
Restricted Deposits								
Investment Pool Accounts								
CAMP - Water Connection Reserves	\$24,448,906	\$24,448,906	N/A	\$24,448,906		0.50%	N/A	\$24,448,906
LAIF - Self Insurance Reserves	6,561,677	6,561,677	N/A	6,561,677	-	0.52%	N/A	6,561,677
Total Investment Pool Accounts	\$31,010,583	\$31,010,583	-	\$31,010,583		0.50%		\$31,010,583
Bond and Note Accounts								
2017A Debt Service Accounts	\$1,288,052	\$1,288,052	N/A	\$1,288,052		0.00%	N/A	\$1,288,052
2020A Debt Service Accounts	0	0	N/A	0		0.00%	N/A	0
2020B Debt Service Accounts	3,928,736	3,928,736	N/A	3,928,736		0.00%	N/A	3,928,736
2020B Capitalized Interest Account	22,068,377	22,068,377	N/A	22,068,377		0.50%	N/A	22,068,377
Total Bond and Note Accounts	\$27,285,165	\$27,285,165	-	\$27,285,165		0.40%		\$27,285,165
2020B Construction Project Account								
LAIF Construction Fund	\$119,175,803	\$119,175,803	N/A	\$119,175,803		0.52%	N/A	\$119,175,803
CAMP Construction Fund	10,526,013	10,526,013	,	10,526,013		0.50%	N/A	10,526,013
Subtotal 2020B Construction Fund	\$129,701,816	\$129,701,816	-	\$129,701,816	•	0.52%	,	\$129,701,816
Total 2020B Construction Project Accts	\$129,701,816	\$129,701,816		\$129,701,816		0.521%		\$129,701,816
CCRA Deposits Held by Member Agencies								
City of Chino	\$12,335,990	\$12,335,990	N/A	\$12,335,990		N/A	N/A	\$12,335,990
City of Chino Hills	3,596,736	3,596,736	N/A	3,596,736		N/A	N/A	3,596,736
Cucamonga Valley Water District	13,286,823	13,286,823	N/A	13,286,823		N/A	N/A	13,286,823
City of Fontana	17,771,878	17,771,878	N/A	17,771,878		N/A	N/A	17,771,878
City of Montclair	1,812,295	1,812,295	N/A	1,812,295		N/A	N/A	1,812,295
City of Ontario	30,600,832	30,600,832	N/A	30,600,832		N/A	N/A	30,600,832
City of Upland	3,966,224	3,966,224	N/A	3,966,224		N/A	N/A	3,966,224
Subtotal CCRA Deposits Held by Member Agencies** **Total reported as of March 2022 net of capital call receipts	\$83,370,778	\$83,370,778		\$83,370,778				\$83,370,778
CalPERS Deposits								
CERBT Account (OPEB)	\$16,000,000	\$16,000,000	N/A	\$21,210,734		N/A	N/A	\$21,210,734
Subtotal CalPERS Deposits	\$16,000,000	\$16,000,000	•	\$21,210,734	•			\$21,210,734
Escrow Deposits								
Genesis Construction	\$213,671	\$213,671	N/A	\$213,671		N/A	N/A	\$213,671
W. M. Lyles Construction	6,119,786	6,119,786	N/A	6,119,786		N/A	N/A	6,119,786
Subtotal Escrow Deposits	\$6,333,457	\$6,333,457		\$6,333,457				\$6,333,457
Total Restricted Deposits Total Cash, Investments, and Restricted Deposits	\$293,701,799	\$293,701,799	-	\$298,912,533				\$298,912,533
as of April 30, 2022	\$511,253,223	\$511,059,032	=	\$516,224,168	i			\$511,699,602

Cash and Investment Summary

Month Ended April 30, 2022

Directed Investment Category	Amount Invested	Yield
CBB Repurchase (Sweep)	\$35,203,028	0.100%
LAIF - Unrestricted	65,089,463	0.523%
CAMP - Unrestricted	2,561,031	0.500%
Brokered Certificates of Deposit	3,330,000	1.079%
Medium Term Notes	16,955,838	1.983%
Municipal Bonds	2,141,098	0.986%
Supra-National Bonds	1,669,012	0.520%
US Treasury Notes	60,380,763	1.225%
U.S. Government Sponsored Entities	29,066,500	1.003%
Total Investment Portfolio	\$216,396,733	
Investment Portfolio Rate of Return		0.842%
Restricted/Transitory/Other Accounts	Amount Invested	Yield
CCRA Deposits Held by Member Agencies	\$83,370,778	N/A
CalPERS OPEB (CERBT) Account	21,210,734	N/A
CAMP Restricted Water Connection Reserve	24,448,906	0.500%
LAIF Restricted Insurance Reserve	6,561,677	0.523%
US Bank - 2017A Debt Service Accounts	1,288,052	0.000%
US Bank - 2020A Refunding Bond Accounts	0	0.000%
US Bank - 2020B Revenue Note Accounts	25,997,113	0.500%
US Bank - Pre-Investment Money Market Account	483,799	0.010%
LAIF Construction Account	119,175,803	0.523%
CAMP Construction Account	10,526,013	0.500%
Citizens Business Bank - Demand Account	380,628	N/A
Citizens Business Bank - Workers' Compensation Account	48,225	N/A
Citizens Business Bank - Payroll Account	0	N/A
Other Accounts*	2,250	N/A
Escrow Account	6,333,457	N/A
Total Restricted/Transitory/Other Accounts	\$299,827,435	
Average Yield of Other Accounts		0.511%
Total Agency Directed Deposits	\$516,224,168	

^{*}Petty Cash

Cash and Investment Summary

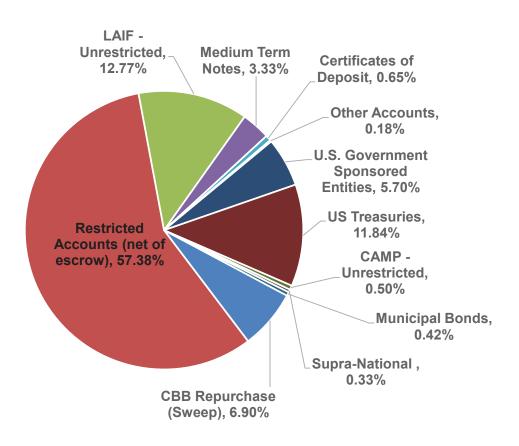
Month Ended April 30, 2022

April Purchases

No.	Date	Transaction	Investment Securi	туре	Par Amount Purchased	Investment Yield to Maturity
1	04/07/22	Purchase	US Treasury	Treasury Note	\$890,000	2.77%
2	04/12/22	Purchase	US Treasury	Treasury Note	1,445,000	2.73%
			Total Purchases		\$ 2,335,000	- =
Apri	l Investment	Maturities, Ca	lls & Sales		D 4	
					Par Amount	Investment
No.	Date	Transaction	Investment Securi	ty Type	Matured/Sold	Yield to Maturity
1	4/7/2022	Sale	Visa Inc.	Corporate Note	\$825,000	3.03%
2	4/12/2022	Sale	Johnson & Johnson	Corporate Note	1,380,000	0.81%
			Total Maturities, Calls & Sales		¢ 2205000	-
			Total Maturities, Calls & Sales		<i>\$</i> 2,205,000	

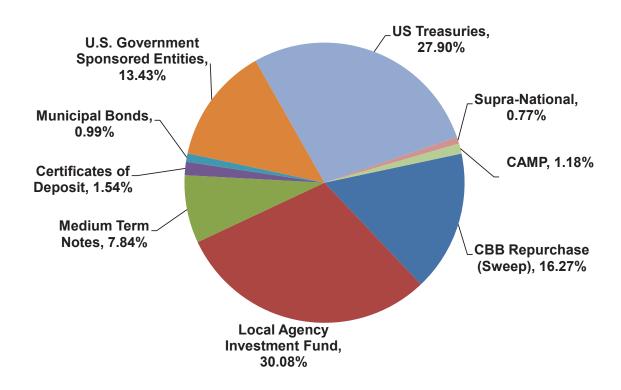
Inland Empire Utilities Agency Treasurer's Report of Financial Affairs

Month Ended April 30, 2022
Agency Investment Portfolio (Net of Escrow Accounts)
\$509,890,711



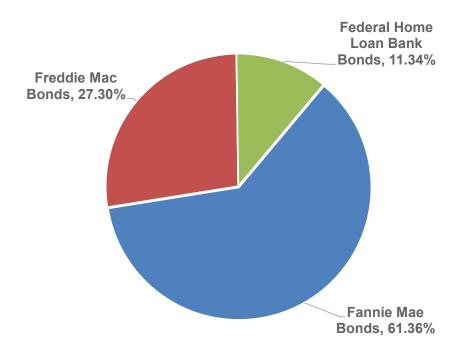
Inland Empire Utilities Agency Treasurer's Report of Financial Affairs

Month Ended April 30, 2022 Unrestricted Agency Investment Portfolio \$216,396,733

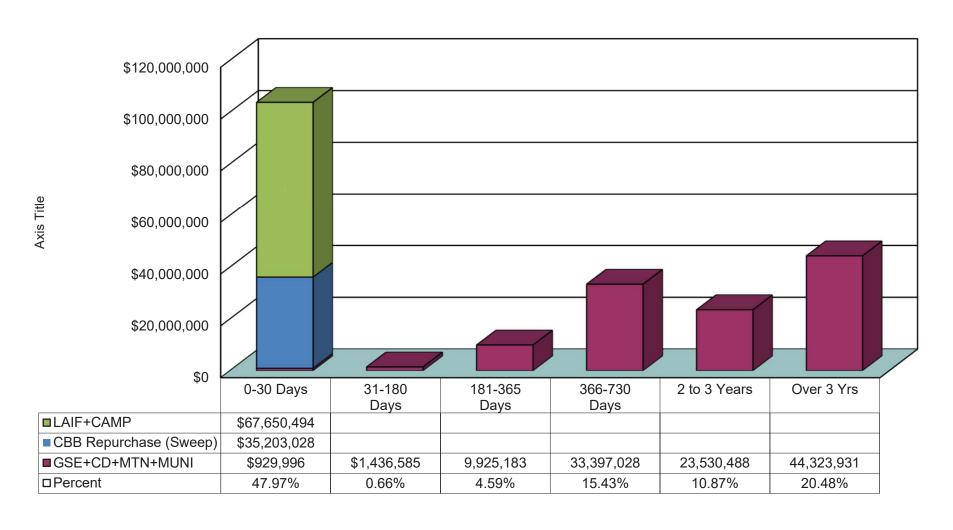


Inland Empire Utilities Agency Treasurer's Report of Financial Affairs

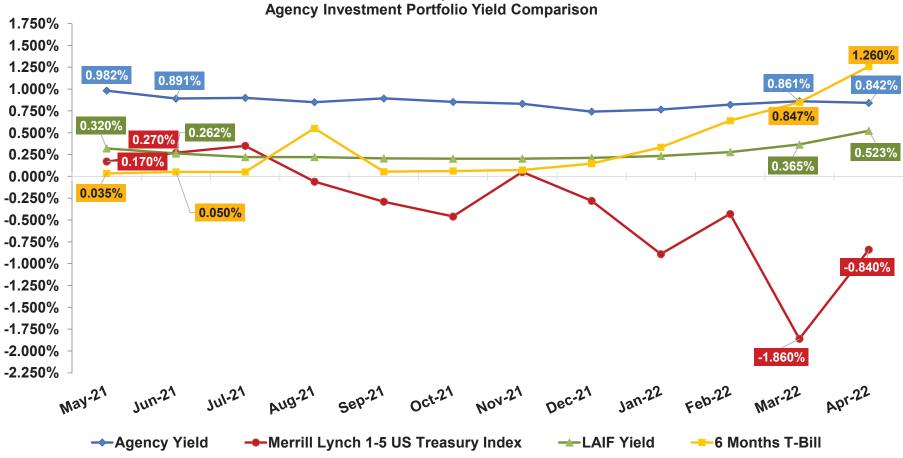
Month Ended April 30, 2022 U.S. Government Sponsored Entities Portfolio \$29,066,500



Inland Empire Utilities Agency Treasurer's Report of Financial Affairs Month Ended April 30, 2022 Agency Investment Portfolio Maturity Distribution (Unrestricted) \$216,396,733



Inland Empire Utilities Agency Treasurer's Report of Financial Affairs Month Ended April 30, 2022



AGENCY REPRESENTATIVES' REPORTS

4A



SANTA ANA WATERSHED PROJECT AUTHORITY

11615 Sterling Avenue, Riverside, California 92503 ● (951) 354-4220

PURSUANT TO THE PROVISIONS OF AB 361, THIS MEETING WILL BE CONDUCTED VIRTUALLY WITH THE OPPORTUNITY FOR PUBLIC COMMENT. ALL VOTES TAKEN WILL BE CONDUCTED BY ORAL ROLL CALL.

This meeting will be accessible as follows:

Meeting Access Via Computer (Zoom)*:	Meeting Access Via Telephone*:				
 https://sawpa.zoom.us/j/85434714159 	• 1 (669) 900-6833				
Meeting ID: 854 3471 4159	Meeting ID: 854 3471 4159				
Participation in the meeting via the Zoom app (a free download) is strongly encouraged					

REGULAR COMMISSION MEETING TUESDAY, JUNE 7, 2022 – 9:30 A.M.

AGENDA

- 1. CALL TO ORDER | PLEDGE OF ALLEGIANCE (Marco Tule, Chair)
- 2. ROLL CALL
- 3. PUBLIC COMMENTS

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

- 4. ITEMS TO BE ADDED OR DELETED
- 5. CONSENT CALENDAR

All matters listed on the Consent Calendar are considered routine and non-controversial and will be acted upon by the Commission by one motion as listed below.

A. APPROVAL OF MEETING MINUTES: MAY 17, 2022

Recommendation: Approve as posted.

B. TREASURER'S REPORT: APRIL 2022

Recommendation: Approve as posted.

- 6. NEW BUSINESS
 - A. ARUNDO HEADWATERS PROJECT OPPORTUNITY WITH INLAND EMPIRE

RESOURCE CONSERVATION DISTRICT (CM#2022.34)

Presenter: Ian Achimore

Recommendation: Receive and file.

B. <u>DISADVANTAGED COMMUNITIES INVOLVEMENT PROGRAM: RESOLUTION</u> REGARDING 2021 URBAN AND MULTIBENEFIT DROUGHT RELIEF GRANT PROGRAM SET-ASIDE FUNDING (CM#2022.35)

Presenter: Rick Whetsel

Recommendation: Adopt Resolution No. 2022-10, to authorize the application for a grant under the 2021 Urban and Multibenefit Drought Relief Grant Program for Disadvantaged Community Involvement Set-Aside Funding that designates a representative to sign the application, and in the event of an award of grant funds, a representative to execute the funding agreement and all necessary documentation.

C. SANTA ANA RIVER WATERSHED WEATHER MODIFICATION PILOT PROGRAM OPERATIONS REQUEST FOR PROPOSALS (CM#2022.36)

Presenter: Mark Norton

Recommendation: Authorize issuance of a Request for Proposals for the Santa Ana River Watershed Weather Modification Pilot Program Operations services.

7. INFORMATIONAL REPORTS

Recommendation: Receive for information.

- A. CHAIR'S COMMENTS/REPORT
- B. <u>COMMISSIONERS' COMMENTS</u>
- C. COMMISSIONERS' REQUEST FOR FUTURE AGENDA ITEMS

8. CLOSED SESSION

There were no Closed Session items anticipated at the time of the posting of this agenda.

9. ADJOURNMENT

PLEASE NOTE:

Americans with Disabilities Act: If you require any special disability related accommodations to participate in this meeting, call (951) 354-4220 or email svilla@sawpa.org. 48-hour notification prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility for this meeting. Requests should specify the nature of the disability and the type of accommodation requested.

Materials related to an item on this agenda submitted to the Commission after distribution of the agenda packet are available for public inspection during normal business hours at the SAWPA office, 11615 Sterling Avenue, Riverside, and available at www.sawpa.org, subject to staff's ability to post documents prior to the meeting.

Declaration of Posting

I, Sara Villa, Clerk of the Board of the Santa Ana Watershed Project Authority declare that on June 2, 2022, a copy of this agenda has been uploaded to the SAWPA website at www.sawpa.org and posted at SAWPA's office, 11615 Sterling Avenue, Riverside, California.

2022 SAWPA Commission Meetings/Events

First and Third Tuesday of the Month (NOTE: All meetings begin at 9:30 a.m., unless otherwise noticed, and are held at SAWPA.)

January		February	
1/4/22	Commission Workshop [cancelled]	2/1/22	Commission Workshop
1/18/22	Regular Commission Meeting	2/15/22	Regular Commission Meeting
March		April	
3/1/22	Commission Workshop	4/5/22	Commission Workshop
3/15/22	Regular Commission Meeting	4/19/22	Regular Commission Meeting
May		June	
5/3/22	Commission Workshop [cancelled]	6/7/22	Commission Workshop
5/17/22	Regular Commission Meeting	6/21/22	Regular Commission Meeting
5/3 - 5/6/2	2 ACWA Spring Conference, Sacramento, CA		
July		August	
7/5/22	Commission Workshop	8/2/22	Commission Workshop
7/19/22	Regular Commission Meeting	8/16/22	Regular Commission Meeting
Septembe	r	October	
9/6/22	Commission Workshop	10/4/22	Commission Workshop
9/20/22	Regular Commission Meeting	10/18/22	Regular Commission Meeting
Novembe	<u> </u>	December	
11/1/22	Commission Workshop	12/6/22	Commission Workshop
11/15/22	Regular Commission Meeting	12/20/22	Regular Commission Meeting
	-	11/29 - 12/	/2/22 ACWA Fall Conference, Indian Wells, CA

AGENCY REPRESENTATIVES' REPORTS

4B





Regular Board of Directors Meeting

June 14, 2022

12:00 PM

Tuesday, June 14, 2022	
Meeting Schedule	
09:30 am - OP&T	-
10:30 am - L&C	
11:30 am - Break	
12:00 pm - BOD	

Teleconference meetings will continue until further notice. Live streaming is available for all board and committee meetings on mwdh2o.com (Click Here)

A listen only phone line is also available at 1-877-853-5257; enter meeting ID: 831 5177 2466. Members of the public may present their comments to the Board on matters within their jurisdiction as listed on the agenda via teleconference only. To participate call (833) 548-0276 and enter meeting ID: 815 2066 4276.

MWD Headquarters Building - 700 N. Alameda Street - Los Angeles, CA 90012

1. Call to Order

- a. Invocation: Tyler Grossheim, Associate Engineer, Engineering Services Group
- b. Pledge of Allegiance: Director Dennis Erdman, Municipal Water District of Orange County

2. Roll Call

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

5. OTHER MATTERS AND REPORTS

A.	Report on Directors' Events Attended at Metropolitan's Expense	<u>21-1184</u>
	Attachments: 06142022 BOD 5A Report	
В.	Chairwoman's Monthly Activity Report	<u>21-1185</u>
C.	General Manager's summary of activities	21-1186

Attachments: 05242022 OWC 7-1 B-L

05242022 OWC 7-1 Presentation

Board of Directors June 14, 2022

Page 3

7-2 Approve the job description for the General Auditor and approve the hiring process for the General Auditor; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (AE)

Attachments: 05242022 AE 7-2 B-L

05242022 AE 7-2 Presentation

- 7-3 Approve up to \$1.954 million to purchase insurance coverage for Metropolitan's Property and Casualty Insurance Program for fiscal year 2022/23; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. [POSTING SEPARATELY] (FI)
- 7-4 Approve Metropolitan's Statement of Investment Policy for fiscal year 2022/23, delegate authority to the Treasurer to invest Metropolitan's funds for fiscal year 2022/23; the General Manager has determined that the proposed actions are exempt or otherwise not subject to CEQA. [POSTING SEPARATELY] (FI)
- 7-5 Authorize three-year agreements with Power-Tech Engineers, Inc., HDR, Inc., Mangan, Inc., and Burns & McDonnell Engineering Company, Inc., each in a not-to-exceed amount of \$2,250,000, for specialized technical services to enhance arc flash protection at Metropolitan facilities; the General Manager has determined that this proposed action is exempt or otherwise not subject to CEQA (EO)

Attachments: 06142022 EO 7-5 B-L

7-6 Adopt the CEQA determination that the proposed action was previously addressed in the certified 2022 Final Program EIR and related CEQA documents; and award a \$6,176,521 contract to Siemens Industry, Inc. for the construction of battery energy storage systems at the F. E. Weymouth Water Treatment Plant; and authorize an increase of \$300,000 to an agreement with Stantec Inc. for construction support for a new not-to-exceed total of \$1,750,000 (EO)

<u>Attachments</u>: <u>06142022 EO 7-6 B-L</u>

7-7	Award a \$2,257,897 contract to Leed Electric, Inc. for replacement of ozone power supply units at the Joseph Jensen Water Treatment Plant; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EO)	<u>21-1197</u>
	<u>Attachments</u> : <u>06142022 EO 7-7 B-L</u>	
7-8	Legislative Placeholder on SB 480 (Stern): Metropolitan Water District of Southern California: rules: inappropriate conduct; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. [POSTING SEPARATELY] (CL)	<u>21-1198</u>
7-9	Authorize an increase in the maximum amount payable under contract with Johnson Services Group by \$22,000.00 to an amount not-to-exceed \$271,000 for on-call temporary skilled labor; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. [POSTING SEPARATELY] (OPT)	<u>21-1199</u>
7-10	Amend Section 1106 and Section 6226 of the Metropolitan Water District Administrative Code regarding Holidays and Annual Leave to ensure benefits parity by adding Juneteenth and an across-the-board standard for payments of excess accumulated annual leave; the General Manager has determined that the proposed action is exempt of otherwise not subject to CEQA. [POSTING SEPARATELY] (OPT)	<u>21-1200</u>
7-11	Review and consider the U.S. Bureau of Land Management's Final Environmental Impact Statement certified to satisfy CEQA and take related CEQA actions, and authorize the General Manager to grant a permanent easement for transmission line purposes to Delaney Colorado River Transmission, LLC on Metropolitan-owned property near Blythe, California in the county of Riverside (RPAM)	<u>21-1201</u>
	<u>Attachments</u> : <u>06142022 RPAM 7-11 B-L</u>	
7-12	Review and consider the Lead Agency's adopted Mitigated Negative Declaration and take related CEQA actions, and adopt a resolution for Calleguas Municipal Water District Annexation No.	21-1202

Attachments: 06142022 RPAM 7-12 B-L

104 to Calleguas and Metropolitan (RPAM)

Board of Directors June 14, 2022

Page 5

7-13 Adopt resolution for Calleguas Annexation No. 106 to Calleguas Municipal Water District and Metropolitan; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (RPAM)

21-1203

Attachments: 06142022 RPAM 7-13 B-L

7-14 By a two-thirds vote, authorize the General Manager to make payment of up to \$871,680 for support of the Colorado River Board and Six Agency Committee for FY 2022/23; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. [POSTING SEPARATELY] (WPS)

21-1204

** END OF CONSENT CALENDAR ITEMS **

8. OTHER BOARD ITEMS - ACTION

NONE

9. BOARD INFORMATION ITEMS

9-1 Report on Conservation

21-1205

10. OTHER MATTERS

10-1 Update on Upcoming Department Head Performance Evaluations Process

21-1211

11. FOLLOW-UP ITEMS

NONE

12. FUTURE AGENDA ITEMS

13. ADJOURNMENT

NOTE:

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

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

AGENCY REPRESENTATIVES' REPORTS

4C



Regional Sewerage Program Policy Committee Meeting

AGENDA Thursday, June 2, 2022 3:30 p.m. Teleconference Call

In an effort to prevent the spread of COVID-19, the Regional Sewerage Program Policy Committee Meeting will be held remotely by teleconference.

Teams Conference Link: https://teams.microsoft.com/l/meetup-join/19%3ameeting_NWU1NzA2NDktM2VjMC00NDU1LTkxMmUtMjYyMjA2YWM3YWU4%40thread.v
https://teams.microsoft.com/l/meetup-join/19%3ameeting_NWU1NzA2NDktM2VjMC00NDU1LTkxMmUtMjYyMjA2YWM3YWU4%40thread.v
https://teams.microsoft.com/l/meetup-join/19%3ameeting_NWU1NzA2NDktM2VjMC00NDU1LTkxMmUtMjYyMjA2YWM3YWU4%40thread.v
https://teams.microsoft.com/l/meetup-join/19%3ameeting_NWU1NzA2NDktM2VjMC00NDU1LTkxMmUtMjYyMjA2YWM3YWU4%40thread.v
https://teams.microsoft.com/l/meetup-join/19%3ameeting_NWU1NzA2NDktM2VjMC00NDU1LTkxMmUtMjYyMjA2YWM3YWU4%40thread.v

Teleconference: 1-415-856-9169/Conference ID: 552 973 583#

This meeting is being conducted virtually by video and audio conferencing. There will be no public location available to attend the meeting; however, the public may participate and provide public comment during the meeting by calling the number provided above. Alternatively, you may email your public comments to the Recording Secretary Sally Lee at shlee@ieua.org no later than 24 hours prior to the scheduled meeting time. Your comments will then be read into the record during the meeting.

Call to Order/Flag Salute

Roll Call

Public Comment

Members of the public may address the Committee on any item that is within the jurisdiction of the Committee; 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. Comments will be limited to three minutes per speaker.

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. Technical Committee Report (Oral)

2. Action Item

- A. Approval of May 5, 2022 Policy Committee Meeting Minutes
- B. FY 2022/23 Proposed Budget Amendment for the Regional Wastewater Programs
- C. FY 2022/23 2031/32 Ten-Year Forecast

3. Informational Items

- A. Regional Contract Negotiation Update (Oral)
- B. Rotation of Chair for Monthly Regional Sewerage Program Committee Meetings

4. Receive and File

- A. Building Activity Report
- B. Recycled Water Distribution Operations Summary

5. Other Business

- A. IEUA General Manager's Update
- B. Committee Member Requested Agenda Items for Next Meeting
- C. Committee Member Comments
- D. Next Meeting July 7, 2022

Adjourn

DECLARATION OF POSTING

I, Sally Lee, Executive Assistant of the Inland Empire Utilities Agency*, a Municipal Water District, hereby certify that, per Government Code Section 54954.2, a copy of this agenda has been posted at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA and on the Agency's website at www.ieua.org at least seventy-two (72) hours prior to the meeting date and time above.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Sally Lee at (909) 993-1926 or shlee@ieua.org 48 hours prior to the scheduled meeting so that IEUA can make reasonable arrangements to ensure accessibility.

AGENCY REPRESENTATIVES' REPORTS

4D

CHINO BASIN WATERMASTER WATERMASTER BOARD MEETING

11:00 a.m. – May 26, 2022

Mr. Jim Curatalo, Chair

Mr. Jeff Pierson, Vice-Chair

At The Offices Of

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

AGENDA

FLAG SALUTE

CALL TO ORDER

ROLL CALL

PUBLIC COMMENTS

AGENDA - ADDITIONS/REORDER

I. CONSENT CALENDAR

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

A. MINUTES

Approve as presented:

- 1. Minutes of the Watermaster Board Special Meeting (Workshop No. 1) held April 26, 2022 (Page 1)
- 2. Minutes of the Watermaster Board Meeting held April 28, 2022 (Page 83)

B. FINANCIAL REPORTS

Receive and file as presented:

- 1. Cash Disbursements for the month of March 2022 (Page 89)
- 2. Watermaster VISA Check Detail for the month of March 2022 (Page 103)
- 3. Combining Schedule for the Period July 1, 2021 through March 31, 2022 (Page 106)
- 4. Treasurer's Report of Financial Affairs for the Period March 1, 2022 through March 31, 2022 (*Page 109*)
- 5. Budget vs. Actual Report for the Period July 1, 2021 through March 31, 2022 (Page 113)
- 6. Cash Disbursements for April 2022 (Information Only) (Page 139)

C. APPLICATION: WATER TRANSACTION (Page 147)

Approve the proposed transaction:

The Purchase of 7,500 acre-feet of water from Cucamonga Valley Water District by Fontana Water Company. This purchase is made from Cucamonga Valley Water District's Annual Production Rights. Date of Application: April 4, 2022.

II. BUSINESS ITEMS

A. WATERMASTER FISCAL YEAR 2022/23 APPROVED BUDGET (Page 155)

Adopt the Watermaster Fiscal Year 2022/23 Approved Budget as presented.

III. REPORTS/UPDATES

A. LEGAL COUNSEL

- 1. San Bernardino Superior Court Emergency Order
- 2. April 22, 2022 Hearing
- 3. Governor's Executive Order N-7-22
- 4. Kaiser Permanente Lawsuit

B. ENGINEER

- 1. Safe Yield Data Collection and Evaluation Report
- 2. Safe Yield Reset Methodology Update
- 3. Prado Basin Habitat Sustainability Committee Annual Report

C. CHIEF FINANCIAL OFFICER

None

D. GENERAL MANAGER

- 1. Regional Supply/Drought Update
- 2. Data Portal Status
- 3. May 26, 2022 Special Board Meeting (Workshop No. 2)
- 4. Upcoming Training Opportunity: Roberts Rules of Order
- 5. Other

IV. BOARD MEMBER COMMENTS

V. <u>OTHER BUSINESS</u>

VI. CONFIDENTIAL SESSION - POSSIBLE ACTION

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

1. General Manager Performance Evaluation

VII. FUTURE MEETINGS AT WATERMASTER

Tue	9:00 a.m.	Groundwater Recharge Coordinating Committee (GRCC)
Thu	9:30 a.m.	Watermaster Board – Special Meeting (Workshop No. 2)
Thu	11:00 a.m.	Watermaster Board
Thu	9:00 a.m.	Appropriative Pool Committee
Thu	11:00 a.m.	Non-Agricultural Pool Committee
Thu	1:30 p.m.	Agricultural Pool Committee
Thu	9:00 a.m.	Advisory Committee
Thu	11:00 a.m.	Watermaster Board
	Thu Thu Thu Thu Thu Thu	Thu 9:30 a.m. Thu 11:00 a.m. Thu 9:00 a.m. Thu 11:00 a.m. Thu 1:30 p.m. Thu 9:00 a.m.

ADJOURNMENT

AGENCY REPRESENTATIVES' REPORTS

4E

SPECIAL BOARD MEETING OF THE BOARD OF DIRECTORS CHINO BASIN DESALTER AUTHORITY

June 2, 2022 • 2:00 p.m.

NOTICE AND AGENDA

All documents available for public review are on file with the Authority's

Secretary located at 3550 E. Philadelphia Street, Suite 170, Ontario, CA 91761

According to the directives from the California Department of Public Health and Executive Order N-08-21 issued by Governor Gavin Newsom, members of the public are invited to participate via video or teleconference

To join teleconference:

Dial-in #: (669) 900 6833 Zoom Meeting ID: 813 5205 9101 Passcode: 380557

To join video conference:

Click on link: Join Zoom Meeting

Or copy URL: https://us02web.zoom.us/j/81352059101?pwd=M01uOEVteVBCTnVyZ0tKVUxrb1hHdz09

Or go to https://zoom.us/ Zoom Meeting ID: 813 5205 9101 Passcode: 380557

CALL TO ORDER

ROLL CALL

PUBLIC COMMENT

Members of the public may address the Board of Directors on any item that is within the jurisdiction of the Chino Basin Desalter Authority; 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.

Under the provisions of the Brown Act, the CDA Board is prohibited from taking action on non-agendized matters. However, Board Members may respond briefly or refer the communication to staff. The CDA Board may also request the Secretary to calendar an item related to your communication at a future CDA Board meeting.

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.

CONSENT CALENDAR ITEMS

Consent Calendar items are expected to be routine and non-controversial to be acted upon by the Board at one time without discussion. If any Board member, staff member, or interested person requests that an item be removed from the Consent Calendar, it will be moved to the first item on the Action Items

1. MINUTES OF MAY 12, 2022 SPECIAL BOARD MEETING

2. RESOLUTION 2021-15 PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY EXECUTIVE ORDERS N-25-20, N-29-20 AND N-35-20, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS FOR A THIRTY (30) DAY PERIOD PURSUANT TO BROWN ACT PROVISIONS

Staff Recommendation:

1. Approve Resolution 2021-15, proclaiming a local emergency, ratifying the proclamation of a state of emergency by Executive Orders N-25-20, N-29-20 and N-35-20, and authorizing remote teleconference meetings for a thirty (30) day period pursuant to Brown Act provisions

ACTION ITEMS

Prior to action of the CDA Finance Committee, any member of the audience will have the opportunity to address the CDA Board on any item listed on the agenda, including those on any consent calendar. Please submit a comment card to the secretary with the agenda item number noted.

3. AMENDMENT 2 TO KING LEE TECHNOLOGIES CONTRACT FOR SUPPLY OF BIOCIDE Report By: Thomas O'Neill, CDA General Manager/CEO

Staff Recommendation:

- 1. Approve Amendment 2 to the Contract for Supply of Biocide with King Lee Technologies In the not-to-exceed amount of \$45,000 for FY 2022/23.
- 2. Authorize the General Manager/CEO to finalize and execute the amendment and approve up to \$45,000 in authorized expenditures.

4. AMENDMENT 2 TO AMERICAN WATER CHEMICALS CONTRACT FOR SUPPLY OF CLEAN IN PLACE CHEMICALS

Report By: Thomas O'Neill, CDA General Manager/CEO

Staff Recommendation:

- 1. Approve Amendment 2 to the Contract for Supply of Clean in Place Chemicals with American Water Chemicals in the not-to-exceed amount of \$70,000 for FY 2022/23; and
- 2. Authorize the General Manager/CEO to finalize and execute the amendment and approve up to \$70,000 in authorized expenditures.

5. AMENDMENT 1 TO HAZEN & SAWYER PROFESSIONAL SERVICES AGREEMENT FOR ON-CALL ENGINEERING SUPPORT SERVICES

Report By: Thomas O'Neill, CDA General Manager/CEO

Staff Recommendation:

- 1. Approve Amendment 1 to the Professional Services Agreement with Hazen & Sawyer in the not-to-exceed amount of \$510,000 for engineering support services for FY 2022/23; and
- 2. Authorize the General Manager/CEO to finalize and execute the amendment and approve authorized expenditures.

6. AMENDMENT 4 TO ACCO ENGINEERED SYSTEMS, INC. MAINTENANCE SERVICES AGREEMENT FOR HVAC PREVENTIVE MAINTENANCE AND REPAIR

Report By: Thomas O'Neill, CDA General Manager/CEO

Staff Recommendation:

- Approve Amendment 4 to the agreement for HVAC Preventive Maintenance and Repair Services with ACCO Engineered Systems, Inc. in the not-to-exceed amount of \$150,000 for FY 2022/23.
- 2. Authorize the General Manager/CEO to finalize and execute the amendment and approve up to \$150,000 in authorized expenditures.

7. PROFESSIONAL SERVICES AGREEMENT WITH AQUASYSTEC FOR SCADA PROGRAMMING AND MAINTENANCE SERVICES FOR CHINO II DESALTER

Report By: Thomas O'Neill, CDA General Manager/CEO

Staff Recommendation:

- 1. Approve a Professional Services Agreement with Aquasystec, in the not-to-exceed amount of \$100,000 for SCADA Support Services at the Chino II Desalter for FY 2022/23; and
- 2. Authorize the General Manager/CEO to finalize and execute the agreement and approve up to \$100,000 in authorized expenditures.

8. PROFESSIONAL SERVICES AGREEMENT WITH CAROLLO ENGINEERS, INC. FOR ON-CALL SUPPORT SERVICES FOR CONCENTRATE REDUCTION FACILITY OPERATIONS

Report By: Thomas O'Neill, CDA General Manager/CEO

Staff Recommendation:

- Approve a Professional Services Agreement with Carollo Engineers, Inc., in the not-to-exceed amount of \$100,000 for concentrate reduction facility operations support services for FY 2022/23; and
- 2. Authorize the General Manager/CEO to finalize and execute the agreement and approve up to \$100,000 in authorized expenditures.

9. PROFESSIONAL SERVICES AGREEMENT WITH EUROFINS EATON ANALYTICAL FOR PFOS/PFOA SAMPLING ANALYSIS

Report By: Thomas O'Neill, CDA General Manager/CEO

Staff Recommendation:

- 1. Approve Professional Services Agreement with Eurofins Eaton Analytical for PFOS/PFOA sampling analysis for FY 2022/23 in the not-to-exceed amount of \$100,000.
- 2. Authorize the General Manager/CEO to finalize and execute the agreement and approve authorized expenditures up to a not-to-exceed total of \$100,000.

10. EMERGENCY SERVICES TO PERFORM PIPELINE REPAIRS AT CHINO I DESALTER Report By: Thomas O'Neill, CDA General Manager/CEO

Staff Recommendation:

- 1. The Board of Directors receive a report on recent failure; and
- **2.** Ratification by the CDA Board of Directors for the non-competitive procurement of emergency services to perform pipeline repairs.

11. EMERGENCY SERVICES TO MAKE REPAIRS TO THE SEWER LINE AT THE CHINO II DESALTER

Report By: Thomas O'Neill, CDA General Manager/CEO

Staff Recommendation:

- The Board of Directors receive a report on recent sewer line failure at the Chino II desalter; and
- 2. Ratification by the CDA Board of Directors for the non-competitive procurement of emergency services to make emergency repairs to the sewer line at the Chino II desalter.

INFORMATION ITEMS

12. EMERGENCY SERVICES TO PERFORM CLEANUP OF CHINO II CONCENTRATE REDUCTION FACILITY CLARIFIER SPILL

Report By: Thomas O'Neill, CDA General Manager/CEO

STAFF COMMENTS

- i. Deputy CDA General Counsel, Allison Burns
- ii. CDA CFO/Treasurer, Michael Chung
- iii. CDA General Manager/CEO, Thomas O'Neill

CLOSED SESSION

The Authority may adjourn to a Closed Session to consider litigation matters, personnel matters, or other matters as provided for in the Ralph M. Brown Act (Section 54950 et seq., of the Government Code).

13. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: CONSIDERATION OF INITIATION OF LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(D)(4)

(ONE POTENTIAL CASE)

14. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(D)(2)

(ONE POTENTIAL CASE)

DIRECTOR COMMENTS

ADJOURN

Declaration of Posting

Any person with a disability who requires accommodations in order to participate in this meeting or for package materials in an alternative format should telephone Executive Assistant Casey Costa at (909) 218-3730, at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation. All accommodation requests will be handled swiftly and resolving all doubts in favor of access Copies of records provided to Board Members which relate to any agenda item to be discussed in open session may be obtained from Chino Basin Desalter Authority at 3550 Philadelphia Street, Suite 170, Ontario, CA 91761.

I, Casey Costa,	Executive Assistant to the Chino Basin Desalter Authority, hereby certify that a copy of this agenda has been
posted by 2:00	p.m. at the Chino Basin Desalter Authority's main office, 3550 Philadelphia Street, Suite 170, Ontario, CA o
May 27, 2022	and the second s
(00	Ce

Casey Costa, Executive Assistant

AGENCY REPRESENTATIVES' REPORTS

4F



SPECIAL MEETING OF THE BOARD OF DIRECTORS MONDAY, June 06, 2022 10:00 A.M. (Teleconference Meeting)

Telecon:

www.ierca.org/calendar

<u>+1 415-856-9169</u> United States, San Francisco (Toll) Conference ID: 253 638 095#

PURSUANT TO AB 361, IERCA BOARD MEETINGS WILL CONTINUE TO BE CONDUCTED THROUGH TELECONFERENCE IN AN EFFORT TO PROTECT PUBLIC HEALTH AND PREVENT THE SPREAD OF COVID-19. THERE WILL BE NO PUBLIC LOCATION AVAILABLE FOR ATTENDING THE MEETING IN PERSON.

TELECONFERENCE ACCESSIBILITY FOR THE GENERAL PUBLIC:

In all efforts to prevent the spread of COVID-19, until further notice, the Inland Empire Regional Composting Authority will be holding all Board meetings by teleconferencing.

The meeting will be accessible at: (415) 856-9169 / Conf Code: 253 638 095#

The public may participate and provide public comment during the meeting by calling into the number provided above. Public comments may also be submitted to the Recording Secretary at afernandez@ieua.org no later than 24 hours prior to the scheduled meeting time. Comments will be distributed to the Board of Directors.

CALL TO ORDER

OF THE INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY BOARD OF DIRECTORS MEETING

FLAG SALUTE

PUBLIC COMMENT

Members of the public may address the Board on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) of Section 54954.2 of the Government Code. Those persons wishing to address the Board on any matter, whether or not it appears on the agenda, are requested to complete and submit to the Board Secretary a "Request to Speak" form which are available on the table in the Board Room. Comments will be limited to five minutes per speaker. Thank you.

ADDITIONS TO THE AGENDA

In accordance with Section 54954.2 of the Government Code (Brown Act), additions to the agenda require two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted.

INTRODUCTIONS

INTRODUCTION OF INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY'S NEW ELECTRICAL AND INSTRUMENTATION TECHNICIAN II, JUAN BARAJAS

1. CONSENT CALENDAR

A. ADOPTION OF RESOLUTION NO. 2022-06-02

A Resolution of the Board of Directors of the Inland Empire Regional Composting Authority, making certain findings and determinations regarding special rules for conducting meetings through teleconference.

B. MINUTES

The Board will be asked to approve the minutes from the May 2, 2022, regular meeting.

C. INVESTMENT AND DISBURSEMENT REPORT

It is recommended that the Board of Directors approve for the months of January 2022 - March 2022:

- 1. Total disbursements in the amount of \$1,481,537.66.
- 2. There were no new investments during January 1, 2022 March 31, 2022.

2. ACTION ITEMS

A. ADOPTION OF BUDGET FOR FISCAL YEAR 2022/23

It is recommended that the Board of Directors:

- 1. Adopt the Inland Empire Regional Composting Authority (IERCA) budget for fiscal year 2022/23;
- 2. Increase the tipping fee from \$58 to \$59 per wet ton; and
- 3. Approve a capital call of \$2 million to be shared equally by the Inland Empire Utilities Agency (IEUA) and Los Angeles County Sanitation Districts (LACSD) to support capital improvement project costs and meet the minimum reserve balance, as needed.

B. ANNUAL MANAGEMENT PLAN

It is recommended that the Board of Directors approve the Fiscal Year 2022/23 Annual Management Plan.

C. MASTER SERVICE AGREEMENT WITH RDO EQUIPMENT COMPANY It is recommended that the Board of Directors:

- Approve a Master Service Agreement with RDO Equipment Company (RDO) to provide parts, service, and equipment rental in support of the IERCF mobile equipment fleet and stationery trommel screens from an annual not-to-exceed aggregate value of \$1,500,000; and
- 2. Authorize the IEUA Manager of Contracts and Procurement to finalize and execute the purchase agreement.

D. ADOPTION OF THE INVESTMENT POLICY FOR FY 2022/23

It is recommended that the Board of Directors adopt Resolution No. 2022-06-01, approving the Authority's Investment Policy for FY 2022/23.

E. WHEEL LOADER PURCHASE

It is recommended that the Board of Directors:

- Approve the purchase of two Liebherr L-566 wheel loaders with high capacity buckets and cab filtration systems for approximately \$610,000 each including taxes, delivery, and extended warranty; and
- 2. Authorize the IEUA Manager of Contracts and Procurement to finalize and execute the agreement.

3. INFORMATION ITEMS

- A. PROJECT MANAGER'S REPORT
- B. TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE QUARTER ENDED MARCH 31, 2022
- C. ASSET MANAGEMENT UPDATE
- D. <u>COMPLIANCE UPDATE</u>

4. **DIRECTOR COMMENTS**

Next regular meeting is scheduled for Monday, August 1, 2022, at 10:00 a.m.

5. ADJOURN

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Recording Secretary (909-993-1744), 48 hours prior to the scheduled meeting so that the Authority can make reasonable arrangements.

Declaration of Posting

I, Adrianne Fernandez, Recording Secretary to the Inland Empire Regional Composting Authority, hereby certify that a copy of this agenda has been posted by 5:30 p.m. at the Los Angeles County Sanitation District 1955 Workman Mill Road, Whittier, CA and at the IERCA's Administrative Building, 12645 Sixth Street, Rancho Cucamonga, CA and at the IEUA's main office, 6075 Kimball Ave., Chino, CA on Wednesday, June 01, 2022.

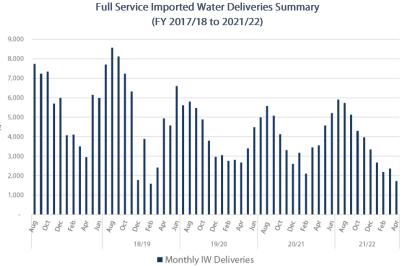
Adrianns Fernandez
Adrianne Fernandez, Recording Secretary

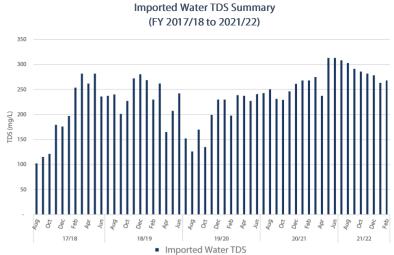
GENERAL MANAGER'S REPORT



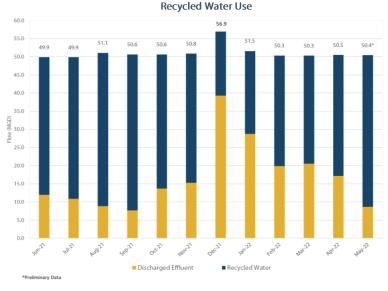
GENERAL MANAGER'S REPORT

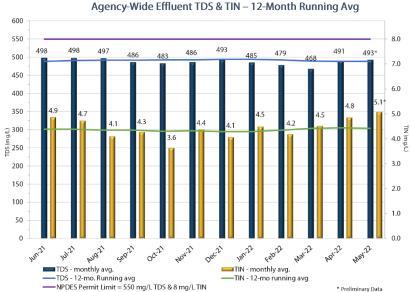
Imported Water



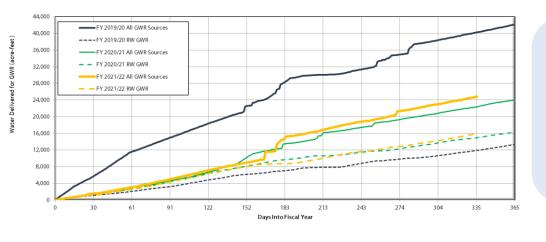


Recycled Water



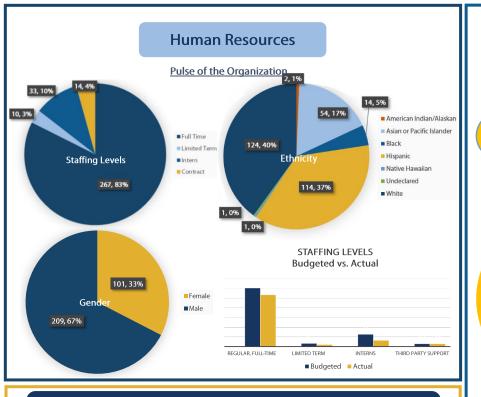


Groundwater Recharge

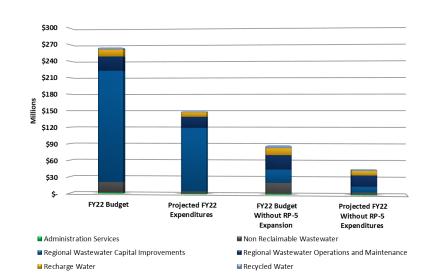


MAY 2022 NOTES:

- Total stormwater and dry weather flow recharged is preliminarily estimated at 82 acre-feet.
- Recycled water delivered for recharge totaled 1,761 acre-feet.
- Imported water recharge did not occur.
- Chino Basin Watermaster will remove 4.2% for evaporation losses from delivered supplemental water sources (imported water and recycled water).
- Considering evaporation losses, total recharge is preliminarily estimated at 1,769 acre-feet.

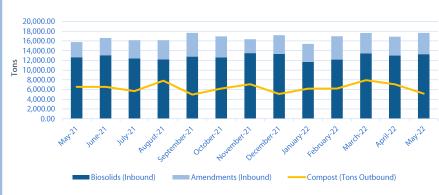


Engineering & Construction Management FY 21/22 Budget Status Update



Biosolids/Compost

IFRCF Inbound & Outbound



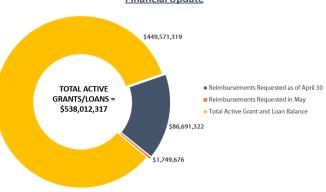
Grants

Grant Agreement and Applications Update

FUNDING APPLICATIONS SUBMITTED IN MAY

Santa Ana Water Project Authority/Department of Water Resources - Integrated Regional Water Management - City of **Rialto Recycled Water Intertie**

Financial Update



COVID-19 Response:

Management team and key staff members continue to meet when necessary to discuss Agency impacts from COVID-19.



Bid & Award Look Ahead Schedule Active Capital Improvement Project Status **Emergency Projects**

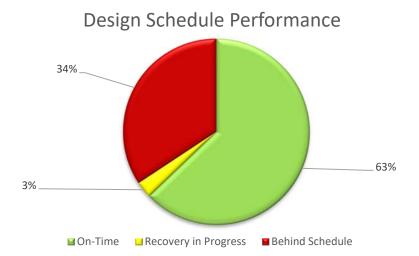
Agency Highlights

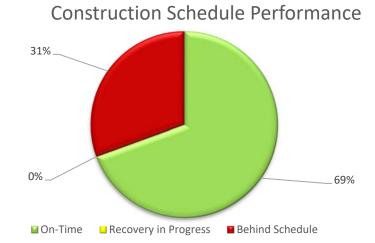
- On April 26, the Agency partnered with to host a Pre-Apprenticeship Program Tour of the Carbon Canyon Water Recycling Facility and the Chino Creek Wetlands and Educational Park. The tour led participants through the wastewater treatment featuring information and demonstrations on our various trades, and shared information on the importance of conservation and native species.
- On May 4, the Agency and the University of California, Riverside (UCR) teamed up to co-host a UCR Alumni Career Panel. The panel answered questions related to their own career journey since graduating from UCR, top skills and recommendations to develop them, what makes applicants stand out, and tips for success in a remote
- An early funding agreement between the California Water Commission and IEUA was executed in August 2021. The purpose of the agreement was to assist IEUA in financing planning related activities for the Chino Basin Program (CBP). The activities included project administration and communication, environmental documentation and permitting, and feasibility, design and technical studies for the CBP. The approved budget for the early funding is \$8,919,000 and will cover all planning work performed between August 2017 through December 2025. In late February 2022, IEUA submitted the eligible project costs for the period between August 2017 through June 2020, resulting in the amount of \$3,931,768. After the Commission's review and approval of this invoice, they applied a 10% retention per the agreement terms and issued a funding disbursement of \$3,538,591 to IEUA on May 4, 2022.
- As part of the California Water Code, municipal water districts are required to adjust division boundaries after each decennial U.S. Census. IEUA began the redistricting process in November 2021 by holding several community workshops and public meetings. On April 6, 2022, the IEUA Board of Directors held a public hearing and adopted a resolution to relocate election division boundaries.
- On May 6, as part of the RP-5 Expansion Project, the digester #3 concrete dome was poured in place.WM Lyles started the pour at 1:00 a.m. and it completed by approximately 8:00 a.m. The work took coordination of 16 concrete trucks per hour, and it took 840 yards of concrete, which is equivalent to roughly 3.5 million pounds
- Metropolitan Water District of Southern California (MWD) held its 2022 Solar Cup Recognition Webinar on May 12. This program year, IEUA sponsored three high schools including- Chino Hills High School, Colony High School in Ontario, and Upland High School. IEUA's three schools combined won a total of 16 awards. Congratulations to all teams!
- On May 20, the Operations Unit participated in a Career Fair at Santiago Canyon College. Staff enjoyed promoting Agency recruitment opportunities.

Bid and Award Look Ahead Schedule

	Bid and Award Look Ahead Schedule		
	Project Name	Projected Bid Opening Date	Projected Bid Award Date
	Aug-22		
1	EN000000066 Preserve Lift Station Improvements	7/5/2022	8/17/2022
2	RW15003.03 Montclair Basin Improvements	7/6/2022	8/17/2022
	Sep-22		
3	EN21051.00 Ely Monitoring Well	7/1/2022	9/21/2022
4	EN20064.00 NSNT Sewer Siphon Replacement	7/21/2022	9/21/2022
	Oct-22		
5	EN17042.00 Digester 6 and 7 Roof Repairs	7/28/2022	10/19/2022
6	EN22041.00 RP-1 Aeration Basins Utility Water System Improvement	9/5/2022	10/19/2022
	Nov-22		
7	EN23002.00 Philadelphia Lift Station Force Main Improvements	9/29/2022	11/16/2022
	Dec-22		
8	EN13016.05 SCADA Enterprise System - (Regional Water Recycling Plant No. 1)	10/7/2022	12/21/2022
9	EN17006.00 CCWRF Asset Management and Improvements	10/14/2022	12/21/2022
	Jan-23		
10	EN21056.00 RP-1 Evaporative Cooling for Aeration Blower Building	11/30/2022	1/18/2023
	Mar-23		
11	EN21053.00 RP-1 Old Effluent Structure Rehabilitation	1/27/2023	3/15/2023

Active Capital Improvement Project Status





	Agency-Wide										
No.	Project ID	Project Title	Total Expenditures thru 5/31 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan				
1	EN20034.03	Solids Handling Facility Evaluation	262,406	228,865	On-Time	Consultant Contract Award					
2	EN22040.00	NFPA 70E Arc Flash Labels	76,371	210,000	On-Time	Pre-Design					
3	EN19024.00	Regional System Asset Management (Assessment Only)	2,624,488	3,590,419	On-Time	Pre-Design					
4	EN19023.00	Asset Management Planning Document	576,784	977,036	On-Time	Pre-Design					
5	PA22003.00	Agency Wide Paving	51,970	3,735,000	On-Time	Design					
6	EN20038.00	Agency Wide Pavement Management Study	192,541	300,000	On-Time	Design					
7	EN19051.00	RW Hydraulic Modeling	117,090	235,537	On-Time	Design					
8	FM21005.01	Structural Agency Wide Roofing Phase III	192,294	2,600,000	On-Time	Construction					
9	EN22043.00	Agency Wide Chemical Containment Area Rehabilitation Phase 2	198,893	385,000	On-Time	Construction					
10	EN21036.01	CB-11 Turnout Cabinet Repairs	51,322	100,000	Behind Schedule	Construction	Project requires SCE to pull back cables prior to the contractor removing SCE and IEUA electrical cabinets and demolish concrete pad. Project was delayed due to response time from SCE. Recovery is not possible.				
11	EN19030.00	WC Asset Management (Assessment Only)	66,815	313,747	On-Time	Construction					
12	EN22045.00	New Regional Project PDR's	-	2,500,000	N/A	Not Started					
		Sub Total	4,410,974	15,175,604	-	•					

	Carbon Canyon									
No.	Project ID	Project Title	Total Expenditures thru 5/31 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan			
13	EN17006.00	CCWRF Asset Management and Improvements	4,235,638	26,103,299	Recovery in Progress	Design	The project's bid and award is delayed due to the pending approval of funding from WIFIA, the addition of the ammonia control design, and the issuance of the AQMD Permits. The project will be rebaselined at the start of construction.			
14	EN22054.01	CCWRF Fire Hydrant Repairs	5,776	90,000	Behind Schedule	Design	After several delays during design and an understanding of a scope of work with operations, project is now out to bid. With an award date in June 2022, project will be re-baselined upon construction contract award.			
15	EN17006.01	CCWRF 12kV Backup Generator Control Circuit Improvements	6,574	700,000	Behind Schedule	Bid & Award	The project closed bids on April 19. The bid was higher than the engineer's estimate. The project team is holding award to evaluate bid. Award is now scheduled for June 2022. The project will be re-baselined upon construction contract award.			
16	EN22055.02	CCWRF Vault Rehab and Pavement Repair	820	60,000	On-Time	Construction				
		Sub Total	4,248,808	26,953,299						
			Chi	no Desalte	r Authori	ty (CDA)				
No.	Project ID	Project Title	Total Expenditures thru 5/31 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan			
		None to report at this time.	0	0						
	Sub Total									
	Collections									
No.	Project ID	Project Title	Total Expenditures thru 5/31 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan			
17	EN21058.00	Regional Sewer-Hydraulic Modeling	86,042	100,000	On-Time	Pre-Design				
18	EN20064.00	NSNT Odor Complaints Mitigation	882,074	2,837,200	Behind Schedule	Bid & Award	Due to the current market the Engineer's estimate is now over \$2M and a Request for Qualifications is being sent out to pre-qualify contractors prior to the bid and ward phase. The project will be re-baselined at construction contract award.			
19	EN22015.00	Collection System Upgrades FY 21/22	165,003	500,000	Behind Schedule	Construction	Construction completion is a result of City of Chino permit issuance delay. Construction is scheduled to be completed in June 2022. Recovery is not possible.			
20	EN22014.00	NRWS Manhole Upgrades FY 21/22	107,981	200,000	Behind Schedule	Construction	Construction completion is a result of City of Chino permit issuance delay. Construction is scheduled to be completed in June 2022. Recovery is not possible.			
21	EN19025.00	Regional Force Main Improvements	1,592,026	4,800,000	Behind Schedule	Construction	To avoid bypassing the San Bernardino Lift station during the rainy season, construction was scheduled to resume on May 16th, 2022. Contractor will mobilize once all traffic control is approved by the County. Construction is estimated to resume early August. Project will be re-baselined once traffic control is approved, and Contractor can mobilize.			
22	EN19028.00	NRW Manhole and Pipeline Condition Assessment	615,313	915,000	On-Time	Construction				
23	EN22059.00	Prado Basin Assets Retrofit-NRWS	2,251	150,000	On-Time	Construction				
24	EN19027.00	NRW Pipeline Relining Along Cucamonga Creek	1,819,503	2,330,000	On-Time	Project Acceptance				
25	EN22002.00	NRW East End Flowmeter Replacement	3,436,607	3,600,000	On-Time	Project Acceptance				
26	EN22039.00	RP-4 SCADA Performance Improvement	791	1,012,000	N/A	Not Started				
27	EN22046.00	New NRW Project PDR's	-	500,000	N/A	Not Started				
		Sub Total	8,707,593	16,944,200						

	Groundwater Recharge									
No.	Project ID	Project Title	Total Expenditures thru 5/31 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan			
28	EN21057.00	Recharge Basin Clean-up of Illegally Dumped Materials	11,633	245,538	On-Time	Project Evaluation				
29	EN21051.00	Ely Monitoring Well	111,786	684,999	On-Time	Design				
30	RW15003.03	Montclair Basin Improvements	352,371	1,788,100	Behind Schedule	Construction	The project is still finalizing permits with CDFW. The project will continue to award construction contract in August 2022. The project will be rebaselined as the start of the construction.			
31	RW15003.05	RP-3 Basin Improvements (RMPU PID 21)	1,562,312	1,819,300	Behind Schedule	Construction	Due to unforeseen field conditions, additional work with the contractor is extending the project completion to July 30, 2022. The contractor is relocating a utility conflict which was not identified in the plan set.			
32	RW15003.06	Wineville/Jurupa/Force Main Improvements	7,141,924	20,220,952	On-Time	Construction				
33	RW15004.00	Lower Day Basin Improvements	3,964,514	4,008,000	On-Time	Project Acceptance				
34	EN22050.00	GWR Basin PLC Upgrades	-	900,000	N/A	Not Started				
35	EN22051.00	Jurupa Basin VFD Upgrades	-	300,000	N/A	Not Started				
36	EN22049.00	GWR-RW OIT Upgrades	-	56,100	N/A	Not Started				
		Sub Total	13 144 540	30 022 989	·	·				

13,144,540 30,022,989

807.199

Sub Total

	Headquarters									
No.	Project ID	Project Title	Total Expenditures thru 5/31 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan			
37	EN20008.00	HQ Parking Lot FY19/20	529,377	590,000	Behind Schedule	Construction	Schedule delay is a result of City of Chino permit issuance delay and minor weather delay. Construction is scheduled to be completed 6/23/22. Schedule recovery not possible.			
38	EN20040.00	HQ Driveway Improvements	277,822	571,213	Behind Schedule	Construction	Schedule delay is a result of City of Chino permit issuance delay and minor weather delay. Construction is scheduled to be completed 6/23/22. Schedule recovery not possible.			

1.161.213

Lift Stations Total **Total Project** Project Expenditures Schedule Recovery Plan No. Project ID Project Title Budget Schedule Status thru 5/31 Performance (\$) 43,245 On-Time EN22020.00 Philadelphia Lift Station Pump Upgrades 2,500,000 Pre-Design EN22037.00 Prado De-Chlorination Station Inundation Protection 380,000 On-Time 40 Pre-Design 105,977 EN000000066 After delays during the RFP process and drafting a reimbursement agreement between IEUA and Chino, Preserve Lift Station Improvements Behind Design there were additional delays due to unforeseen complications with the HVAC design. Project is in final 41 153,913 design and will be re-baselined upon construction contract award. EN23002.00 Philadelphia Lift Station Force Main Improvements 1,354,419 19,094,788 The delays to the schedule are attributed to addressing the City of Ontario's comments in addition to Behind 42 Design awaiting the WIFIA funding approval and availability. The project will be re-baselined at construction contract award. FM21005.02 Prado Dechlor Roofing Assessment 1,473 50,000 On-Time Design 44 EN22048.00 PLS Generator Control Panel Retrofit/Modernization 8,662 110,000 On-Time Construction Sub Total 1,667,689 22,134,788

	Regional Water Recycling Plant No. 1 (RP-1)										
No.	Project ID	Project Title	Total Expenditures thru 5/31 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan				
45	EN22022.00	RP-1 Air Compressor Upgrades	45,869	1,750,000	Behind Schedule	Pre-Design	The Consultant is currently addressing IEUA Stakeholder comments for the Preliminary Design Report. The project will be re-baselined after PDR is finalized and approved.				
46	EN22027.00	RP-1 Repurpose Lab	92,749	1,847,400	On-Time	Pre-Design					
47	EN22031.00	RP-1 Influent Pump Station Electrical Improvements	103,852	3,000,000	On-Time	Pre-Design					
48	EN22032.00	RP-1 TP-1 Stormwater Drainage Upgrades	19,813	155,000	On-Time	Pre-Design					
49	EN21053.00	RP-1 Old Effluent Structure Rehabilitation	140,322	1,480,507	Behind Schedule	Pre-Design	This project is one of the five predesign projects that were combined as a pilot approach for more efficient project execution and delivery. Delays during the predesign phase were caused by extensive coordination with stakeholders, third party condition assessment and reporting, and multiple predesign reviews to ensure compliance and reliability. Recovery is not possible. Project charter has been approved. Request for Proposal for Consulting Services for the project was solicited in April 2022. The project will rebaselined upon consultant contract award.				
50	EN21056.00	RP-1 Evaporative Cooling for Aeration Blower Building	55,060	450,000	Behind Schedule	Pre-Design	The Preliminary Design Report had to be revised to address comments from IEUA Stakeholders. The project will be re-baselined after PDR is finalized and approved.				
51	EN20051.00	RP-1 MCB and Old Lab Building Rehab	176,509	2,646,161	On-Time	Pre-Design					
52	EN22041.00	RP-1 Aeration Basins Utility Water System Improvement	63,371	141,000	On-Time	Design					
53	EN22044.00	RP-1 Thickening Building & Acid Phase Digester	1,524,001	100,000,000	On-Time	Design					
54	EN22021.00	RP-1 Digester Area Utility Water (UW) Line Replacement	5,080	100,000	Behind Schedule	Design	Scope of work understanding with Operations was delayed due to staff availability. Scope of work is expected to be finalized soon, with the project going out to bid June 2022. Project will be re-baselined upon construction contract award.				
55	EN13016.05	SCADA Enterprise System - (Regional Water Recycling Plant No. 1)	3,687,037	3,800,000	Behind Schedule	Bid & Award	The project is behind schedule because the RP-4 SCADA migration was re-sequenced and completed before RP-1. The project will be re-baselined once the construction contract is awarded for RP-1. The project is being expedited as much as possible; schedule recovery is not possible.				
56	EN22034.00	RP-1 Generator Control Panel Retrofit/Modernization	11,875	240,000	Behind Schedule	Construction	No bids were received so project was re-advertised and awarded in May 2022. The project will be rebaselined upon approval of contractor's schedule.				
57	EN11039.00	RP-1 Disinfection Pump Improvements	1,511,526	12,997,043	On-Time	Construction					
58	EN21042.00	RP-1 East Influent Gate Replacement	133,902	625,000	On-Time	Construction					
59	EN18006.00	RP-1 Flare Improvements	7,000,512	9,200,000	Behind Schedule	Construction	Due to conflict with numerous underground utilities, part of the original design such as equipment foundations and mechanical gas piping could not be constructed. Also flare control panels and PLC upgrades were initiated by IEUA. Redesign of multiple systems resulted in schedule delays, change orders and overhead cost claimed by the Contractor. Project completion is now anticipated in August 2022. Schedule recovery is not possible.				
60	EN17042.00	Digester 6 and 7 Roof Repairs	5,441,789	7,828,439	Behind Schedule	Construction	Digester 7 condition assessment and predesign effort were delayed waiting for Digester 6 to be put back in full operation. Digester 6 delayed the project due to issues with the coating subcontractor and multiple operational constraints. Digester 7 90% Detailed Design Phase is currently being reviewed. Recovery is not possible. The Project will re-baselined after construction contract award.				
61	EN22057.00	Prado Basin Assets Retrofit-SEWER	2,608	50,000	On-Time	Construction					
62	EN22053.07	RP-1 Single Line Diagrams	882	-	0.00%	Construction					
64	EN20065.00	RP-1 Solids Hot Water Loop Valves	1,746,813	1,770,000	On-Time	Project Acceptance					
65	EN19043.00	RP-1 Centrifuge Foul Air Line	368,655	445,000	On-Time	Project Acceptance					
66	EN17082.00	Mechanical Restoration and Upgrades	9,650,228	10,146,000	On-Time	Project Acceptance					
67	EN20041.00	RP-1 TP-1 Bleach Mixing Repairs	650,428	755,000	On-Time	Project Acceptance					
68	EN22025.00	RP-1 Dump Station	126	2,121,100	N/A	Not Started					
69	EN19009.00	RP-1 Energy Recovery	408	4,425,000	N/A	Not Started					
70	EN22030.00	Replace Anoxic Mixers with More Energy Efficient System	-	840,000	N/A	Not Started					
		Sub Total	32,433,416	166,812,650							
		Sub Total	52, 155, 710	100,012,000		l	1				

			Regional	Water Recy	ycling Plai	nt No. 4 (I	RP-4)				
No.	Project ID	Project Title	Total Expenditures thru 5/31 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan				
71	EN21041.00	RP-4 Contact Basin Cover & Wet Well Passive Overflow Replacement	233,642	4,334,000	On-Time	Pre-Design					
72	EN22042.00	RP-4 Ammonia Analyzer and Support System	253,138	620,000	On-Time	Construction					
73	EN17110.00	RP-4 Process Improvements	12,608,011	13,180,691	Behind Schedule	Construction	This project's contract was extended 100 days due to the addition of the new aeration blowers. Also delayed due to procurement delays related to COVID. Recovery is not possible.				
74	EN17110.03	RP-4 Aeration Basin Wall Repair	5,005,833	5,052,448	On-Time	Project Acceptance					
75	EN17043.00	RP4 Primary Clarifier Rehab	4,730,399	7,046,136	On-Time	Project Acceptance					
		Sub Total	22,831,022	30,233,275							
	Regional Water Recycling Plant No. 5 (RP-5)										
No.	Project ID	Project Title	Total Expenditures thru 5/31 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan				
76	EN22033.00	RP-5 Emergency Generator Load Bank Installation	11,271	145,000	On-Time	Construction					
77	EN19001.00	RP-5 Expansion to 30 mgd	84,541,138	245,000,000	On-Time	Construction					
78	EN19006.00	RP-5 Biosolids Facility	93,131,156	205,000,000	On-Time	Construction					
		Sub Total	177,683,566	450,145,000							
				Recyc	led Water						
No.	Project ID	Project Title	Total Expenditures thru 5/31 (\$)	Total Project Budget (\$)	Project Schedule Performance	Status	Schedule Recovery Plan				
79	EN15002.00	1158 Reservoir Site Cleanup	180,189	1,215,000	Behind Schedule	Project Evaluation	The Consultant completed the revised Soil Management Plan which was approved by the Department of Toxic Substances Control (DTSC). The 25-yard excavation was completed, and the Consultant has prepared a Risk Memo for DTSC's approval and recommendation of backfilling the excavation. Recovery is not possible.				
80	EN21045.00	Montclair Force Main Improvements	256,818	6,800,000	On-Time	Pre-Design					
81	EN22058.00	Prado Basin Assets Retrofit-RW	2,285	140,000	On-Time	Construction					
82	EN20022.00	1299 Reservoir Paint/Coating Repairs and Upgrades	206,685	300,000	On-Time	Project Acceptance					
		Sub Total	645,977	8,455,000							
		Overall Totals	266,580,785	768,038,018							

Emergency Projects

	FY21/22 Emergency Projects									
	Project ID	Contractor	Task Order Description	Location	TO #	Original Not-to-Exceed /Estimate	Actual Cost thru 5/31	Date of Award	Status	
Agei	ncy Wide									
1	EN22016.01	Mike Bubalo Construction	Bon View Ave	Agencywide	TO-005	35,700	37,423	10/25/2021	Completed	
					Sub Totals	35,700	37,423			
RP-1										
1	EN22017.03	Mike Bubalo Construction	Recycled Water Line Repair for RP-1	RP-1	TO-0004	21,710	16,684	8/10/2021	Completed	
2	EN22017.04	W.A. Rasic Construction	PL Leak Investigation & Repair at RP-1	RP-2		46,000	1,424	8/11/2021	Completed	
3	EN22019.01	W.A. Rasic Construction Co., Inc.	RP1 Scum Valve Replacement	RP-1	TO-0030	16,475	14,061	8/19/2021	Completed	
4	EN22019.02	Custom Conveyor/Schwing Bioset Inc	Vertical Conveyor Repairs at the RP1 Dewatering Bldg.	RP-1	N/A	75,000	34,969	11/30/2021	Completed	
5	EN22019.03	W.A. Rasic Construction	PL Leak Investigation & Repair at RP-1	RP-1	TO-31	46,000	137	12/1/2021	Completed	
					Sub Totals	205,185	67,275			
CCW	/RF									
6	EN22017.01	W.A. Rasic Construction Co., Inc.	CCWRF Secondary Clarifier and Headworks Leak Repair	CCWRF	TO-0028	15,888	15,103	7/22/2021	Completed	
					Sub Totals	15,888	15,103			
Recy	cled Water									
7	EN22017.02	W.A. Rasic Construction Co., Inc.	42" 1158 RW Leak	RW	TO-0029	236,000	0	7/22/2021	Completed	
					Sub Totals	236,000	0			
					Grand Total	492,773	119,801			

	May Emergency Project(s)									
Contractor	ractor Task Order Description Details of the Circumstances/Cause of Emergency		Scope of Repair	Location	Date of Call Out	Not-to-Exceed /Estimate				
	N/A									