

MINUTES

**FINANCE, LEGAL, AND ADMINISTRATION
COMMITTEE MEETING
INLAND EMPIRE UTILITIES AGENCY*
AGENCY HEADQUARTERS, CHINO, CA
WEDNESDAY, FEBRUARY 9, 2011
11:00 AM**

COMMITTEE MEMBERS PRESENT

Terry Catlin
Steven J. Elie

COMMITTEE MEMBER ABSENT

Gene Koopman

STAFF PRESENT

Thomas A. Love, General Manager
Christina Valencia, Chief Financial Officer
Patrick Sheilds, Executive Manager of Operations
Chris Berch, Manager of Planning and Environmental Compliance
Tina Cheng, Budget Officer
Jason Gu, Grants Officer
Alex Lopez, Senior Financial Management Analyst
Craig Parker, Manager of Engineering
Jessica Sarmiento, Financial Analyst
Teresa Velarde, Manager of Internal Audit
Ernest Yeboah, Manager of Maintenance
April Woodruff, Board Secretary

OTHERS PRESENT

None.

The meeting was called to order at 10:45 a.m. There were no public comments received or additions to the agenda.

ACTION ITEMS

The Committee:

- ◆ Approved the Finance, Legal, and Administration Committee meeting minutes of January 12, 2011.
- ◆ Recommended that the Board:
 1. Authorize the General Manager to extend the current agreement with Shell Energy North America (SENA) US, L.P., for two years to purchase 3 megawatts (MW) of electricity at a fixed price within the range of \$45.95 to \$48.95 per megawatt hour (MWh), and 2 MW at a variable rate;
 2. Authorize the General Manager, during the same two-year period, to enter into an agreement with SENA or an alternate Energy Service Provider (ESP), if dictated by market conditions, and convert up to 2 MW from the variable rate to a fixed price for a not-to-exceed cost of \$45.95 per MWh; and
 3. Authorize the General Manager to terminate the agreement with SENA US, L.P., if dictated by market changes;

as a Consent Calendar Item on the February 16, 2011, Board meeting agenda.

◆ Recommended that the Board:

1. Approve a two-year agreement for the supply of natural gas with Shell Energy North America (SENA) US, L.P., for a fixed price within the range of \$5.16 to \$5.19 per Decatherm (Dth); and
2. Authorize the General Manager to execute the agreement;

as a Consent Calendar Item on the February 16, 2011, Board meeting agenda.

- ◆ Recommended that the Board approve the purchase of replacement Parkson membrane panels for the RP-1 aeration basins, for a total aggregate not-to-exceed amount of \$520,000, including all taxes and freight;

as a Consent Calendar Item on the February 16, 2011, Board meeting agenda.

INFORMATION ITEMS

The following information item was presented, received, and filed by the Committee:

- ◆ Fiscal Year 2011/12 Rate Increases for Regional Wastewater and Recycled Water Programs
- ◆ Preliminary Ten-Year Capital Improvement Plan
- ◆ FY 2010/11 Second Quarter Budget Variance and Performance Goals Updates
- ◆ Treasurer's Report of Financial Affairs for December, 2010

COMMITTEE MEMBER COMMENTS

There were no Committee Member comments.

COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

There were no Committee Member requests for future agenda items.

With no further business, the meeting adjourned at 11:05 a.m.

Respectfully submitted,

April Woodruff
Board Secretary

*A Municipal Water District

APPROVED: MARCH 9, 2011