



**MINUTES OF THE REGULAR  
MEETING OF  
THE BOARD OF DIRECTORS  
OF  
THE INLAND EMPIRE UTILITIES AGENCY\*  
WEDNESDAY, AUGUST 21, 2013  
10:00 A.M.**

**DIRECTORS PRESENT:**

Michael Camacho, Vice President  
Terry Catlin, President  
Steven J. Elie, Secretary/Treasurer  
Gene Koopman

**DIRECTOR ABSENT:**

Angel Santiago

**STAFF PRESENT:**

P. Joseph Grindstaff, General Manager  
Christina Valencia, Chief Financial Officer  
Ernest Yeboah, Executive Manager of Operations  
Rosemary Alvarado, Supervisor of Contracts and Programs Administration  
Kathleen Baxter, Supervisor of Contracts and Programs Administration  
Chris Berch, Manager of Planning & Environmental Compliance  
Andrea Carruthers, Community Outreach and Education Coordinator  
Tina Cheng, Budget Officer  
Warren Green, Interim Manager of Human Resources, Safety & Support Services  
Gricela Guzman, Senior Internal Auditor  
LeAnne Hamilton, Senior Engineer  
Joel Ignacio, Senior Engineer  
Majid Karim, Deputy Manager of Engineering  
Cameron Langner, Manager of Contracts and Procurement  
Randy Lee, Manager of Operations  
Sylvie Lee, Deputy Manager of Engineering  
Rebecca Long, Manager of External Affairs  
Nasrin Maleki, Senior Engineer  
Liza Munoz, Senior Office Engineer  
Paddy Mwembu, Manager of Financial Planning  
Craig Parker, Manager of Engineering  
Veronica Shebroe, Senior Internal Auditor  
Jeanette Smith, Intern  
Travis Sprague, Senior Operations Assistant  
April Woodruff, Board Secretary

**OTHERS PRESENT:**

Ronak Patel, Cihigoyenette Grossberg & Clouse

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

President Catlin called the meeting to order at 10:02 a.m., and he led the pledge of allegiance to the flag. A quorum was present.

President Catlin stated that members of the public may address the Board. There was no one desiring to do so.

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

## 1. PUBLIC HEARING

### A. PUBLIC HEARING AND ADOPTION OF PROCUREMENT ORDINANCE NO. 95

President Catlin called the Public Hearing to order. Manager of Contracts and Procurement Cameron Langner provided an overview of the purpose of the Public Hearing. Mr. Langner stated that the purpose of the Ordinance is to provide Board policy with respect to contracting procurements, solicitations, and business-related activities. He briefly highlighted the key changes, which include; elimination of the provision for employment contracts, as well as all references to the Assistant General Manager position; incorporation of a provision to permit the solicitation of bids through reverse auctions; increasing the thresholds for Board approval of competitive awards that are specifically identified in the adopted budget; and addressing the pre-qualification process previously approved by the Board.

President Catlin opened the Public Hearing at 10:08 a.m. Hearing no public comments, the Public Hearing was closed at 10:08 a.m.

Upon motion by Director Camacho, seconded by Director Koopman, the motion carried (4-0):

#### **M2013-8-5**

MOVED, to adopt Ordinance No. 95, establishing and setting forth the policies governing Agency authority and dollar limits for best value procurements and procurement-related activities.

#### **ORDINANCE NO. 95**

**ORDINANCE OF THE INLAND EMPIRE UTILITIES AGENCY, A MUNICIPAL WATER DISTRICT, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING AND SETTING FORTH THE POLICIES GOVERNING AGENCY AUTHORITY AND DOLLAR LIMITS FOR BEST VALUE PROCUREMENTS AND PROCUREMENT-RELATED ACTIVITIES** *(For full text, see Ordinance Book)*

With the following roll call vote:

Ayes: Elie, Camacho, Koopman, Catlin  
Noes: None  
Absent: Santiago  
Abstain: None

## **2. CONSENT CALENDAR**

Upon motion by Director Elie, seconded by Director Koopman, and unanimously carried:

### **M2013-8-6**

MOVED, to approve the Consent Calendar.

- A. The Board approved the minutes from the August 7, 2013 Board Meeting.
- B. The Board approved the total disbursements for the month of July 2013 in the amount of \$12,426,510.88.
- C. The Board:
  - 1. Awarded the construction contract for the casing extensions on the 27-inch Regional and 8-inch NRW sewers crossing Union Pacific Railroad North (Project Nos. EN11044 and EN12327) to Bali Construction, Inc. for their low bid of \$258,740; and
  - 2. Authorized the General Manager to execute the construction contract.
- D. The Board:
  - 1. Adopted the California Environmental Quality Act (CEQA) Initial Study/Mitigated Negative Declaration, and Mitigation, Monitoring and Reporting Program for the Mountain Avenue Improvements (Project No. EN13024); and
  - 2. Authorized the General Manager to file the Notice of Determination (NOD) with the San Bernardino County Clerk of the Board.
- E. The Board approved the purchase and installation of 36 total chlorine residual analyzers, Project No. EP14004, (16 of the units to be delivered and installed in FY 2014/15), from Electro-Chemical Devices of Irvine, California for a not-to-exceed amount of \$360,000, including sales tax and freight charges.
- F. The Board approved the purchase of 15 luminescent dissolved oxygen (LDO) meters (Project No. EP14002) from Hach Company of Loveland, Colorado for a not-to-exceed amount of \$100,000, including sales tax and freight charges.

## **3. ACTION ITEM**

### **A. RP-1 DEWATERING FACILITY PROJECT BUDGET AMENDMENT**

Manager of Operations Randy Lee presented staff's recommendation for the Board to approve a budget amendment of \$768,000 to be recorded in FY 2012/13 for the RP-1 Dewatering Facility Project (EN06015). The amendment will support the additional biosolids hauling and processing costs incurred due to the delay in the project startup. He stated that staff is also requesting the purchase of polymer

product made without the benefit of approved contractual instruments. Mr. Lee stated since the RP-1 Operations Department originally anticipated the full use of the new Dewatering Facility in fiscal year (FY) 2012/13; the RP-1 biosolids hauling and processing costs were budgeted accordingly. However, due to the extended delay of the new facility startup, an increase of \$768,000 of actual costs were incurred above the budgeted costs. Mr. Lee also stated that during the startup and transition period of April 2012 through July 2013, RP-1 Operations continued to order the belt press polymer from Aqua Ben for an aggregated value of approximately \$43,000. Therefore, staff is requested a budget amendment of \$768,000 for these costs.

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

**M2013-8-7**

MOVED, to:

1. Approve a budget amendment of \$768,000 in FY 2012/13 for the RP-1 Dewatering Facility Project, EN06015, to support additional biosolids hauling and processing costs incurred during FY 2012/13 due to the delay in the project startup, and authorize staff to record the budget amendment in fiscal year 2012/13; and
2. Approve the purchase of polymer product made without benefit of approved and executed procurement instruments.

**B. CONSERVATION EASEMENT FOR RP-3 MITIGATION WETLANDS**

Senior Engineer LeAnne Hamilton stated that this item was presented to the Finance, Legal, and Administration Committee and Public, Legislative Affairs, and Water Resources Committee on August 14, 2013. Ms. Hamilton stated that in 2003, the U.S. Army Corps of Engineers issued a permit to the Agency allowing construction of multiple recharge basins as part of the Chino Basin Facilities Improvement Program ("CBFIP"). She stated that the permit required that a Conservation Easement be placed on the property and deeded in favor of an independent third party trustee organization, and establish an endowment that would pay for perpetual management, maintenance, and monitoring of the property. She reported that the Agency issued a Request for Proposal to local trustee agencies on July 5, 2013, and one proposal was submitted by Riverside Land Conservancy (RLC). She stated RLC is one of only two trustee agencies in the local area approved by the California Department of Fish and Wildlife to mitigation lands. Ms. Hamilton stated that due to their qualifications and fully responsive proposal, staff is recommending the selection of RLC as the Grantee.

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

**M2013-8-8**

MOVED, to:

1. Authorize preparation and recordation of a conservation easement deed ("Conservation Easement") in favor of Riverside Land Conservancy ("Grantee") for the property known as Chino Basin Facilities Improvement Program RP-3 Mitigation Wetlands ("Property");

Continued...

**M2013-8-8**, continued.

2. Transfer to the Grantee, upon recording of the Conservation Easement, a non-wasting endowment (“Endowment”) in an amount not-to-exceed \$132,142 for perpetual management , maintenance, monitoring of the Property as required under the Conservation Easement; and
3. Authorize the General Manager to sign a Conservation Easement and all necessary legal documents on behalf of the Agency.

**C. AWARD CONTRACT FOR DEVELOPMENT OF AN INTEGRATED RESOURCES PLAN**

Manager of Planning and Environmental Compliance Chris Berch stated that staff is recommending that the Board approve the award of a contract to RMC for the development of an Integrated Resources Plan. He stated that this item was presented to the Public, Legislative Affairs, and Water Resources Committee and the Finance, Legal and Administration Committee on August 14, 2013. He stated that the Request for Proposal was submitted in June, and interviews were conducted in July. He stated that the selection panel included Chino Basin Watermaster and Cucamonga Valley Water District staff, and it was open to any of the member agencies who desired to participate on panel. He reported RMC was unanimously selected. He stated that staff is recommending that the Board amend the project budget to \$539,179, and award the contract to RMC. Mr. Berch noted that there is a pending foundation action plan grant with MWD, that staff will soon know if this will benefit this project. He stated that there are also inter-exchanges with outside members such as Jurupa Community Services District and Three Valleys MWD.

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

**M2013-8-9**

MOVED, to:

1. Amend the Integrated Resources Plan (Project No. WR14019) total project budget from \$200,000 to \$539,179, and increase the annual appropriation for FY 2013/14 from \$50,000 to \$450,000;
2. Award a contract to RMC for development of an Integrated Resources Plan, for a not-to-exceed amount of \$539,179; and
3. Authorize the General Manager to execute the contract.

**D. CONSTRUCTION CONTRACT AWARD FOR THE RP-4 PHASE 3 AND RP-5 DRAINAGE IMPROVEMENTS**

Deputy Manager of Engineering Sylvie Lee gave a PowerPoint presentation on the RP-4 Drainage Improvements, Phase 3 and RP-5 Drainage Improvements. She stated that the RP-4 project will address storm water flooding at various areas and eliminate its impact on operations and maintenance of the plant. She stated that the project will construct additional drainage gutters to direct run-off, re-grade existing surfaces to prevent ponding, and add gravel and harden surfaces to minimize silt and sand movement. Ms. Lee reported that the RP-5 Emergency Pond is an earthen

pond that receives storm water from RP-5 and treated wastewater that does not meet regulatory compliance. She stated that the earthen Emergency Pond is severely eroded and require maintenance. Ms. Lee stated that the project will repair and upgrade the existing rip-rap, construct curb and gutters to direct the flow to the upgraded rip-rap, replace existing broken culvert, improve the grading around the emergency pond, and repair the eroded area of the pond. She stated that staff advertised for bids, and bids will be received on August 22, 2013. Ms. Lee stated that to prevent construction during the rainy season, staff is requesting that the Board authorize the General Manager to award to the lowest responsive bidder with a not-to-exceed amount of \$600,000.

Director Koopman asked staff how the Regional Board allowed the Agency to build an earthen basin and not a sealed basin. Staff clarified that the flow that actually enters the basin is tertiary treated water.

Upon motion by Director Koopman, seconded by Director Elie, and unanimously carried:

**M2013-8-10**

MOVED, to:

1. Award the construction contract for the RP-4 Drainage Improvements Phase 3 (Project No. EN12017), and RP-5 Drainage Improvements (Project No. EN12021), to the lowest responsive bidder for the not-to-exceed amount of \$600,000; and
2. Authorize the General Manager to execute the contract after the bid opening on August 22, 2013.

**E. AWARD OF CONTRACT FOR INSTALLATION OF MONITORING WELLS AND AMENDMENT TO CHINO BASIN WATERMASTER COST SHARING AGREEMENT**

Manager of Planning and Environmental Compliance Chris Berch stated that staff is recommending that the Board award a contract to Tri-County Drilling for cone penetrometer testing and monitoring wells installation; and associated with that is the approval of a cost-sharing agreement amendment with Chino Basin Watermaster (CBWM). He stated that this item was presented to the Public, Legislative Affairs, and Water Resources Committee and the Finance, Legal and Administration Committees on August 14. He stated that in December 2010, IEUA approved the Peace II Subsequent Environmental Impact Report (SEIR). He stated that the Peace II SEIR laid the foundation for the continued implementation of hydraulic control and reoperation of the Chino Basin. He stated that under the Peace II SEIR, the Chino Basin stakeholders committed to ensuring that the Peace II agreement actions will not significantly impact the Prado Basin riparian habitat. He stated that to comply with the mitigation measure, IEUA and CBWM need to amend the term and budget in the cost-sharing agreement. Mr. Berch also noted that IEUA applied for grant funding with USBR and DWR; however IEUA was not awarded any grant funding. He stated that staff's concern with waiting any longer on this project is that if the Agency does not have good baseline data before operation of the CDA expanded desalter operations, the Agency may not have a defensible position if there was any indication that it was impacted by CDA operations. He stated that the cost-sharing agreement is on the CBWM's August 22, 2013 Board meeting agenda.

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

**M2013-8-11**

MOVED, to:

1. Award a contract to Tri-County Drilling, Inc. for construction and installation of monitoring wells for the low bid amount of \$148,414, for the Prado Basin Habitat Sustainability Program (Project No. WR13022);
2. Amend the reimbursement agreement with the Chino Basin Watermaster to increase the 50/50 cost-sharing from \$440,000 to \$660,000, and extend the term to FY 2022/23; and
3. Authorize the General Manager to execute the contract and amend the agreement.

**3. INFORMATION ITEMS**

**A. MWD UPDATE**

Manager of Planning and Environmental Compliance Chris Berch reported that at the MWD meeting this week there was discussion on the tax levy for FY 2013/14. He stated that the assessed valuations for the MWD service area are \$2.3 trillion, which is up slightly from last fiscal year by 4%. Mr. Berch stated that IEUA holds 3.2% of the MWD service area, which equates to one representative on the MWD Board. He reported that part of the action included maintaining the .0005% levy, which yields just below \$100 million of property tax. Mr. Berch stated there was discussion on the exchange and purchase agreement with San Gabriel Valley Municipal Water District, which allows for MWD to access up to 5,000 AFY from San Gabriel Valley Municipal Water District, by either exchange or purchase. He stated there was also discussion on the adoption on the Ethics Office Policy and Investigation Procedures, which will authorize the Ethics Officer to be the primary contact for any complaints or ethics allegations from staff.

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

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

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

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

**E. LEGISLATIVE REPORT FROM DOLPHIN GROUP (WRITTEN)**

**F. LEGISLATIVE REPORT FROM AGRICULTURAL RESOURCES (WRITTEN)**

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

**H. LABORATORY SEMI-ANNUAL STATUS REPORT (POWERPOINT)**

**I. RECHARGE MASTER PLAN UPDATE - DRAFT UPDATE AND RECOMMENDATIONS (WRITTEN/POWERPOINT)**

#### **4. AGENCY REPRESENTATIVES' REPORTS**

##### **SAWPA REPORT**

President Catlin reported that at the August 6 Commission meeting the commissioners authorized the purchase of a pretreatment data management system, which will require SAWPA member agencies to interact with the software.

##### **MWD REPORT**

Director Camacho had nothing further to report.

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

Policy Committee meeting was cancelled for August.

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

July meeting was cancelled.

#### **5. GENERAL MANAGER'S REPORT**

The General Manager's Report was received and filed by the Board.

General Manager P. Joseph Grindstaff reported on the Agency's ongoing issue involving pipeline easements or licenses with the San Bernardino County Flood Control District. He stated that this has been a dispute for many years, and recently the Flood Control District had stopped allowing construction permits hoping to force resolution. The parties have agreed that IEUA will purchase permanent easements rather than agree to limited licenses with ongoing payments. Mr. Grindstaff stated that Manager of Engineering Craig Parker will be negotiating the purchase of the easements from the Flood Control District.

#### **6. BOARD OF DIRECTORS REQUESTED FUTURE AGENDA ITEMS**

There were no requests for future agenda items.

#### **7. BOARD OF DIRECTORS' COMMENTS**

Director Elie reported that he, Director Camacho, and Director Santiago attended the Fontana Water Company dedication of their new perchlorate removal treatment plant. He reported that Fontana Mayor Acquanetta Warren, U.S. Representative Gloria Negrete-McLeod, California State Senator Norma Torres, California Assembly Member Cheryl Brown, and Supervisor Josie Gonzalez also attended the event.

#### **8. CLOSED SESSION**

The Board went into Closed Session at 10:50 a.m., A. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION: (1) Chino Basin Municipal Water District vs. City of Chino, Case No. RCV51010; (2) Martin vs. IEUA, Case No. CIVRS 1000767; (3) Dezham vs. IEUA, Case No. CIVRS 1109761; (4) Sheilds vs. IEUA, Case No. CIVRS 1301638; (5) Desaddi vs. IEUA, Case No. CIVRS 1304617. B. PURSUANT TO GOVERNMENT CODE SECTION 54956.9 – CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: Three (3) Cases; C. PURSUANT TO GOVERNMENT CODE SECTION 54956.8 - CONFERENCE WITH REAL PROPERTY NEGOTIATOR: Property: 117.509036, 34.076044 (Prologis Lagoon), Negotiating Parties: General Manager P. Joseph Grindstaff, Under Negotiation: Price and Terms of Purchase; D. PURSUANT TO GOVERNMENT CODE SECTION 54957.6 – CONFERENCE WITH LABOR NEGOTIATOR: Meet and Confer Negotiations – General Unit, Operators' Association, Laboratory Unit, and Supervisors' Unit; Negotiating Parties: Mark Meyerhoff, Liebert, Cassidy, Whitmore

The meeting resumed at 11:50 a.m. and General Counsel Jean Cihigoyenette stated that the below-mentioned matters were discussed in Closed Session, and the Board took the following actions:



Regarding Conference with Legal Counsel – Existing Litigation:

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

Martin vs. IEUA, Case No. CIVRS 1000767

Dezham vs. IEUA, Case No. CIVRS 1109761

Sheilds vs. IEUA, Case No. CIVRS 1301638

Desaddi vs. IEUA, Case No. CIVRS 1304617

The Board took no reportable action.

Regarding Conference with Legal Counsel – Anticipated Litigation:

Three (3) cases

The Board took no reportable action.

Regarding Conference with Real Property Negotiator:

Property: 117.509036, 34.076044 (Prologis Lagoon)  
Negotiating Parties: General Manager P. Joseph Grindstaff  
Under Negotiation: Price and Terms of Purchase

The Board took no reportable action.

Regarding Meet and Confer Negotiations

Meet and Confer Negotiations – General Unit, Operators’ Association, Laboratory Unit,  
and Supervisors’ Unit;  
Negotiating Parties: Mark Meyerhoff, Liebert Cassidy Whitmore

The Board took no reportable action.

**ACTION ITEM**

**ADOPTION OF RESOLUTION NOS. 2013-8-1 THROUGH 2013-8-6, APPROVING THE MEMORANDUM OF UNDERSTANDING (MOU) FOR THE LABORATORY, SUPERVISORS’, AND OPERATORS’ GROUP, THE PERSONNEL MANUALS FOR THE UNREPRESENTED AND EXECUTIVE MANAGEMENT GROUPS, AND PROVIDING FOR RESPECTIVE EMPLOYER PAID MEMBER CONTRIBUTIONS (EPMC) TO CALPERS**

The Board of Directors pulled this item from the Agenda. This item will be added to the September 4, Board meeting agenda.

With no further business, President Catlin adjourned the meeting at 11:55 a.m.

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Steven J. Elie, Secretary/Treasurer

**APPROVED: SEPTEMBER 18, 2013**