



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

**WEDNESDAY, AUGUST 16, 2017
10:00 A.M.**

DIRECTORS PRESENT:

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

DIRECTORS ABSENT:

None

STAFF PRESENT:

P. Joseph Grindstaff, General Manager
Chris Berch, Executive Manager of Engineering/AGM
Kathy Besser, Executive Manager of External Affairs/Policy Development/AGM
Christina Valencia, Executive Manager of Finance and Administration/AGM
Joshua Aguilar, Senior Engineer
Sharmeen Bhojani, Manager of Human Resources
Jerry Burke, Deputy Manager of Engineering
Andrea Carruthers, Senior External Affairs Specialist
Lucia Diaz, Facilities Program Supervisor
Warren Green, Manager of Contracts & Procurement
Nel Groenveld, Manager of Laboratories
Liz Hurst, Environmental Resources Planner II
Joel Ignacio, Senior Engineer
Sally Lee, Executive Assistant
David Malm, Deputy Manager of Integrated Systems Services
Shaun Stone, Manager of Engineering
Teresa Velarde, Manager of Internal Audit
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT:

Jean Cihigoyenette, JC Law Firm
Betty Andrews, Environmental Science Associates
Peter Vorster, The Bay Institute
Mike Myatt, The Water Foundation
Susan Longville, San Bernardino Valley Municipal Water District

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 Elie called the meeting to order at 10:01 a.m. Director Parker led the Pledge of Allegiance to the flag. A quorum was present.

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

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

PRESENTATION

General Manager Joseph Grindstaff introduced Mr. Mike Myatt from the California Water Foundation (Foundation). Mr. Myatt gave an overview of the Foundation's history and goals, the Sustainable Water Management (SWM) program, and the pilot study conducted on IEUA. He stated that the Foundation aims to create a framework to defining sustainability and profiling different water agencies on how they measure to the framework and the goal is to provide ways to improve sustainability based on the management responses to stressors in the respective region. He stated a rating of bronze, silver, gold, and platinum is determined primarily on the management response to stressors. He stated that the Agency did very well by receiving a gold rating. Mr. Grindstaff stated that one of the reasons IEUA was able to score gold was primarily due to Santa Ana Watershed Project Authority (SAWPA) as a regional agency. SAWPA and the Metropolitan Water District of Southern California (MWD) are trying to plan and integrate across a larger region and MWD, which also operate on a larger scale. It is impossible for any one agency to ensure sustainability. It is necessary for IEUA to work with SAWPA and MWD and member agencies. The art and difficulty is to integrate and work together with all partners, which often means give and take and challenges that come with any relationship. For real success in the long run, Mr. Grindstaff stated the agency can only be successful as an interdependent agency. Director Paul Hofer asked where the Foundation is based and where the majority of the funding comes from. Mr. Myatt responded by stating that their home base was in Sacramento and they have a satellite office in Oakland. Their funding comes from philanthropic foundations such as the S.D. Bechtel, Jr. Foundation, Pisces Foundation, the David & Lucile Packard Foundation, Walton Family Foundation, and the William & Flora Hewlett Foundation and pass through grants. Director Paul Hofer asked where he can look to find the definition of sustainability as defined by the Water Foundation. Mr. Myatt referred to the SWM Profile provided. Mr. Myatt ended his presentation by expanding on the proposed next steps for IEUA.

CONSENT ITEMS

President Elie asked if there were any Board members wishing to pull an item from the Consent Calendar for discussion. Director Hofer requested that Consent Calendar Item 1H – *OPPOSE POSITION TO AB 1000 (FRIEDMAN)* be pulled from the Consent Calendar for further discussion.

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

M2017-8-2

MOVED, to approve the Consent Calendar.

- A. Approved the minutes from the July 19, 2017, Board meeting and the August 4, 2017, Special Board meeting.

(Continued...)

M2017-8-2, continued.

- B. Recommended that the Board approve the total disbursements for the month of June 2017 in the amount of \$18,765,148.91.
- C. Adopted Resolution No. 2017-8-2, commending retired Council Member Ed Graham for his 26 Years of Service with the City of Chino Hills.

**RESOLUTION 2017-8-2
RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND
EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY,
CALIFORNIA, COMMENDING RETIRED COUNCIL MEMBER ED
GRAHAM FOR HIS 26 YEARS OF SERVICE WITH THE CITY OF
CHINO HILLS (for full text, see Resolution Book)**

- D. Approved the Fiscal Year 2017/18 membership as a founding member for the Southern California Water Committee in the amount of \$25,000.
- E. The Board:
 - 1. Awarded a service contract for the RP-5 Process Painting, Project No. PA16002, PA17002, and PA18002, to Tony Painting, in the amount of \$293,000; and
 - 2. Authorized the General Manager to execute the service contract.
- F. The Board:
 - 1. Awarded a construction contract for the Declez Monitoring Well, Project No. EN17067, to Yellow Jacket Drilling, in the amount of \$243,239; and
 - 2. Authorized the General Manager to execute the construction contract.
- G. The Board:
 - 1. Approved the Upper Santa Ana River Integrated Model Cost Sharing Letter Agreement for the not-to-exceed amount of \$326,700; and
 - 2. Authorized the General Manager to execute the letter agreement, subject to non-substantive changes.
- H. PULLED
- I. The Board approved the request from Water Facilities Authority to waive the late payment penalty and interest related to IEUA Invoice #90020279 in the amount of \$92,784.46 and any loss of interest earnings estimated at \$186.00.

ACTION ITEM

OPPOSE POSITION TO AB 1000 (FRIEDMAN)

Executive Manager of External Affairs & Policy Development/AGM Kathy Besser stated that this legislation was written targeting one specific project but it leaves it open for other agencies to challenge CEQA approved projects. President Elie stated that IEUA crafted the opposition letter to not be specific to the targeted project but against the policy issues.

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

M2017-8-3

MOVED, to oppose AB 1000 (Friedman) – Water Conveyance, which would impose additional state environmental reviews by unrelated agencies on a project that has already undergone environmental review under the California Environmental Quality Act, for water conveyed in California’s water transportation systems.

SCADA ENTERPRISE SYSTEM DESIGN-BUILD CONTRACT AWARD

President Elie asked if any Board members had any questions. All Board members stated that they were all supportive of the project and Manager of Engineering Shaun Stone did not have to give a presentation.

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

M2017-8-4

MOVED, to:

1. Award a design-build contract for the SCADA Enterprise System Migration (RP-4 and RP-5) Project Nos. EN13016.03 and EN13016.04, to CDM Smith for the not-to-exceed amount of \$5,277,527; and
2. Authorized the General Manager to execute the design-build contract subject to non-substantive changes.

INFORMATION ITEMS

ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT UPDATES

Deputy Manager of Engineering Jerry Burke gave a PowerPoint presentation on the Engineering and Construction Management project updates. He provided updates on the following projects: EN22002 – East End Flow Meter; EN15012 - RP-1 Primary Effluent Conveyance Improvements; EN14018 – RP-4 Disinfection Facility Improvements; EN15013 – RP-1 TWAS and Primary Effluent; EN17003 – RP-1 Training Room.

General Manager Joseph Grindstaff stated that IEUA has begun to coordinate with cities more on construction, to ensure that city codes are met and permits are pulled when needed. IEUA has been working toward continually improving good business practices by beginning to work more closely with cities on projects and will continue to do so in the future. Mr. Burke stated that they have meetings set up with cities to work toward this process of creating and maintaining good working relationships. Discussion ensued in regards to the legal roles cities have in the construction and inspection of facilities.

LABORATORY SEMI-ANNUAL UPDATE

Manager of Laboratories Nel Groenveld stated that the Environmental Laboratory Accreditation Program (ELAP) that regulates IEUA is going through significant changes and released their draft regulations in July 2017. ELAP will follow the national standards, which means that IEUA will have some changes to make in the laboratory to update policies to meet the new requirements. She also gave a brief progress update on the Water Quality Laboratory construction.

MWD UPDATE

Executive Manager of Engineering/AGM Chris Berch stated that the main discussion in and around MWD is the California WaterFix. MWD has issued their third white paper, the first being on infrastructure, the second on how it would be operated, and third on finance and cost allocations. He stated that IEUA will be hosting a Water Association Leadership Breakfast in partnership with the Southern California Water Committee on September 7, 2017, at 7:30 a.m. at the Double Tree Hotel in Ontario. Assistant General Manager of MWD Roger Patterson will be speaking on the California WaterFix at that event. Director Camacho added that if any of IEUA's city leaders or chambers have any questions, the General Manager of MWD Jeff Kightlinger has offered to send staff to give presentations on the California WaterFix. Discussion ensued in regards to the California WaterFix.

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

PUBLIC OUTREACH AND COMMUNICATION

LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES

LEGISLATIVE REPORT FROM WEST COAST ADVISORS

LEGISLATIVE REPORT FROM AGRICULTURAL RESOURCES

CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT

FEDERAL LEGISLATIVE TRACKING MATRIX

STATE LEGISLATIVE TRACKING MATRIX

TREASURER'S REPORT OF FINANCIAL AFFAIRS

2016 ANNUAL REPORT OF THE PRADO BASIN HABITAT SUSTAINABILITY COMMITTEE

CITY OF UPLAND SEWER BILLING REIMBURSEMENT

AGENCY REPRESENTATIVES' REPORTS

SAWPA REPORT

Director Hall reported that the meeting was mostly routine in nature. Commissioners asked staff to release the public review of the draft Ordinance No. 8 and draft Resolution Establishing Local Limits regulating discharges to the Inland Empire Brine Line. Amendment No. 1 to the Middle Santa Ana River Watershed TMDL Task Force agreement to extend the agreement through December 2022 was approved.

MWD REPORT

Director Michael Camacho had nothing additional to report.

REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT

The Regional Sewerage Program Policy Committee meeting was held on July 27, 2017. The Committee unanimously approved the contract award for the SCADA system design. The next meeting is scheduled for September 7, 2017.

CHINO BASIN WATERMASTER REPORT

President Elie reported that Monte Vista Water District, Cucamonga Valley Water District, and the City of Pomona have filed an appeal to the judge's ruling on safe yield. There is ongoing discussion on whether by virtue of that appeal the rulings are stayed, pending resolution by the court of appeal.

GENERAL MANAGER'S REPORT

General Manager Joe Grindstaff reported on the current grant funding status from the State Water Resources Control Board State Revolving Fund Program. He stated that IEUA is expecting the approval of the grants applied for last year will be forthcoming in the next two or three months. Funding has been on hold because the State Board had a shortage of funds.

BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS

There were no Board requested future agenda items.

DIRECTORS' COMMENTS

Director Parker reported that she attended the Retirement Celebration of Eunice Ulloa from the Chino Basin Water Conservation District on July 31, 2017.

Director Camacho reported that he did a facilities tour with the Fontana Council Member Jesse Armendarez with Director Hall, Executive Manager of Engineering/AGM Chris Berch, and Executive Manager of Operations/AGM Randy Lee on July 24, 2017. He was also able to participate in the 11th Annual San Bernardino County Water Conference on August 11, 2017, with President Elie.

Director Hall reported that she did a facilities tour with Assembly Member Eloise Reyes with President Elie on July 21, 2017. She also attended the Assembly Member Freddie Rodriguez's open house on July 22, 2017, and 30 People under 30 event on July 22, 2017 which showcased young people within the 47th Assembly District that are making remarkable strides in their community. She also attended the tour with Fontana Council Member Jesse Armendarez on July 24, 2017, and attended the Employee Support of Guard and Reserves for IEUA employee Michael Frazier with Manager of Operations & Maintenance Chander Letulle. She also attended the IERCA Board Meeting on August 9, 2017, with Director Hofer.

President Elie reported that he attended the facilities tour with Assembly Member Eloise Reyes on July 21, 2017. He stated that these tours with Assembly Members are not only a wonderful opportunity for them to be educated on what IEUA does but also a great opportunity to create relationships. He attended the Retirement Celebration for Eunice Ulloa on July 31, 2017. He also attended the 11th Annual San Bernardino County Water Conference on August 11, 2017. He stated that he gladly accepted the Inland Empire H2O Hero Innovator of the Year Award on behalf of the Agency at the conference. He stated that it is continual recognition of the great work IEUA and staff is doing.

CLOSED SESSION

The Board went into Closed Session at 11:06 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) Mwembu vs. IEUA, Case No. CIVDS 1415762; B. PURSUANT TO GOVERNMENT CODE SECTION 54956.8 – CONFERENCE WITH REAL PROPERTY NEGOTIATOR: (1) Supplemental Water

Transfer/Purchase, Negotiating Party: General Manager P. Joseph Grindstaff, Under Negotiation: Price and Terms of Purchase; C. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(4) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION; INITIATION OF LITIGATION: One (1) Case; D. PURSUANT TO GOVERNMENT CODE SECTION 54957.6 – CONFERENCE WITH LABOR NEGOTIATOR: Meet and Confer Negotiations – All Bargaining Units, Negotiating Parties: General Manager P. Joseph Grindstaff; E. PURSUANT TO GOVERNMENT CODE SECTION 54954.5 – PUBLIC EMPLOYMENT: General Manager

The meeting resumed at 12:52 p.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

The Board did not discuss.

Regarding Conference with Legal Counsel – Existing Litigation:

Mwembu vs. IEUA, Case No. CIVDS 1415762

The Board took no reportable action.

Regarding Conference with Real Property Negotiator:

Supplemental Water Transfer/Purchase

The Board did not discuss.

Regarding Conference with Legal Counsel – Anticipated Litigation; Initiation of Litigation:

First Case

The Board took no reportable action.

Pursuant to Government Code Section 54957.6 – Conference with Labor Negotiator

Meet and Confer Negotiations – All Bargaining Units

Negotiating Parties: General Manager P. Joseph Grindstaff

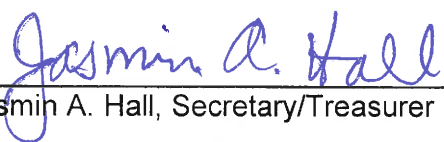
The Board took no reportable action.

Pursuant to Government Code Section 54954.5 – Public Employment

General Manager

The Board took no reportable action.

With no further business, President Elie adjourned the meeting at 12:53 p.m.



Jasmin A. Hall, Secretary/Treasurer

APPROVED: SEPTEMBER 20, 2017