



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

**WEDNESDAY, APRIL 17, 2019
10:00 A.M.**

DIRECTORS PRESENT:

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

DIRECTORS ABSENT:

None

STAFF PRESENT:

Shivaji Deshmukh, General Manager
Chris Berch, Executive Manager of Engineering/AGM
Kathy Besser, Executive Manager of External Affairs & Policy Development/AGM
Randy Lee, Executive Manager of Operations/AGM
Shaun Stone, Acting Executive Manager of Engineering/AGM
Christina Valencia, Executive Manager of Finance & Administration/AGM
Jerry Burke, Deputy Manager of Engineering
Javier Chagoyen-Lazaro, Manager of Finance & Accounting
Tina Cheng, Budget Officer
Sally Lee, Executive Assistant
Sylvie Lee, Manager of Planning & Environmental Resources
Ken Monfore, Deputy Manager of Maintenance
Cathleen Pieroni, Manager of Government Relations
Craig Proctor, Source Control/Environmental Resources Supervisor
Jim Spears, Associate Engineer
Yvonne Taylor, Administrative Assistant II
Teresa Velarde, Manager of Internal Audit
Jeff Ziegenbein, Manager of Regional Compost Operations

OTHERS PRESENT:

Michael Boccadoro, West Coast Advisors
Jean Cihigoyenette, JC Law Firm
Eric Grubb, Cucamonga Valley Water District
Beth Olhasso, West Coast Advisors

A 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 Hofer called the meeting to order at 10:00 a.m. and led the Pledge of Allegiance to the flag. A quorum was present.

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

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

PRESENTATION

West Coast Advisors President Michael Boccadoro gave an update on the state water supply, the new state governor's transition and agenda, legislative politics, and key water issues for 2019. Discussion ensued regarding the Oroville Dam, water surplus allocation, and fire prevention.

CONSENT ITEMS

President Hofer asked if there were any Board members wishing to pull an item from the Consent Calendar for discussion. There was no one desiring to do so.

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

M2019-4-2

MOVED, to approve the Consent Calendar.

- A. The Board approved the minutes from the March 20, 2019 Board Meeting, and April 3, 2019 Board Workshop/Meeting.
- B. The Board approved the total disbursements for the month of February 2019, in the amount of \$14,770,609.27.
- C. The Board adopted Resolution No. 2019-4-3, approving the amendment to the Agency's salary schedule/matrix.

RESOLUTION 2019-4-3

RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, APPROVING THE AMENDMENT OF THE AGENCY'S SALARY SCHEDULE/MATRIX (for full text, see Resolution Book)

- D. The Board:
 1. Adopted a position of "Support" for the following seven bills: AB 292 (Quirk); AB 405 (Rubio); AB 557 (Wood); AB 654 (Rubio); AB 1180 (Friedman); AB1672 (Bloom); AJR 8 (Quirk); and
 2. Adopted a position of "Oppose Unless Amended" for SB 332 (Hertzberg).
- E. The Board:
 1. Awarded a construction contract for the RP-4 Outfall Pipeline ARV Replacement/Relocation, Project No. EN19029, to AToM Engineering Construction, Inc., in the amount of \$598,398; and
 2. Authorized the General Manager to execute the construction contract, subject to non-substantive changes.

Continued...

M2019-4-2, continued

F. The Board:

1. Awarded a five-year master service contract, with the option for up to two, one-year time extensions, to Gillis + Panichapan Architects, Inc. (GPa) for a not-to-exceed amount of \$700,000; and
2. Authorized the General Manager to execute the contract, subject to non-substantive changes.

G. The Board:

1. Approved Contract No. 4600002712 to JCE Equipment for the Hickory and Banana Basins Infiltration Restoration Services for Services for a not-to-exceed amount of \$141,741; and
2. Authorized the General Manager to execute the contract.

H. The Board:

1. Approved Contract No. 4600002713 to Jeremy Harris Construction for the RP-3 Basin Infiltration Restoration Services for a not-to-exceed amount of \$136,106; and
2. Authorized the General Manager to execute the contract.

- I. The Board adopted Resolution No. 2019-4-4, approving the Sewer System Management Plan (SSMP).

**RESOLUTION 2019-4-4
RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND
EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY,
CALIFORNIA, APPROVING THE SEWER SYSTEM
MANAGEMENT PLAN (SSMP) (for full text, see Resolution Book)**

- J. The Board adopted Resolution No. 2019-4-1, recognizing the first full week of May as International Compost Awareness Week.

**RESOLUTION 2019-4-1
RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND
EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY,
CALIFORNIA, RECOGNIZES THE FIRST FULL WEEK OF MAY AS
INTERNATIONAL COMPOST AWARENESS WEEK (for full text,
see Resolution Book)**

ACTION ITEMS

CHINO BASIN PROGRAM MEMORANDUM OF UNDERSTANDING

Manager of Planning & Environmental Resources Sylvie Lee gave an overview of the Chino Basin Project Memorandum of Understanding (MOU) and the current approval status of member agencies.

Director Elie commended staff for their work on the project. He stated that this MOU is symbolically important as it shows the region's teamwork, coordination, and cooperation.

Director Parker stated that she would like to be informed of when the MOU will be taken to the Upland City Council meeting for approval.

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

M2019-4-3

MOVED, to approve the Chino Basin Program Memorandum of Understanding to facilitate the collaborative process for the development and implementation of the CBP.

INFORMATION ITEMS

REVIEW OF PROPOSED BIENNIAL BUDGET FOR FISCAL YEAR 2019/20 AND 2020/21 FOR REGIONAL WASTEWATER, RECYCLED WATER, AND RECHARGE WATER FUNDS (WRITTEN/POWERPOINT)

Manager of Finance & Accounting Javier Chagoyen-Lazaro gave an overview of the proposed biennial budget for the Agency's Regional Wastewater, Recycled Water, and Recharge Water, fund expenses and revenues, fund reserves, major capital projects, and the timeline for the budget review and approval. Discussion ensued regarding State Revolving Fund (SRF) loans, interfund loans, sources of revenues, water rates, the grant process, and the Agency's reserve policy.

MWD TURF REMOVAL REBATE PROGRAM UPDATE

Executive Manager of Engineering/AGM Chris Berch stated that on April 1, the Metropolitan Water District of Southern California (MWD) had increased the turf removal incentive rate to \$2.00 per square foot along with some other adjustments on the program discussed prior with the Board of Directors. He stated that there is a conservation work group led by Senior Water Resource Analyst Lisa Morgan-Perales, working with the member agencies to find the best way to use funding opportunities such as MWD's program. The work group, based on discussions and feedback, decided to keep the current IEUA rate, observe the progress in the next months, and convene again for further discussion. He stated the program will be brought back to the Board after further discussion.

Director Hall asked what type of conservation programs the Agency is offering to member agencies and what data is gathered to measure the benefits of the programs. Mr. Berch stated that he will provide the Board the latest list of programs.

Director Elie stated that the Board of Directors makes decisions regarding the setting of policy and numbers for the Agency. Staff should always bring such items to the Board of Directors for approval. Mr. Berch stated that he will ensure these discussions and considerations are communicated better to the Board.

ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT UPDATE

Deputy Manager of Engineering Jerry Burke gave a PowerPoint presentation on the Engineering and Construction Management project updates. He provided updates on the following projects: RP-1 Primary Effluent Conveyance Improvements – Phase 2; Agency-wide Lighting Pole Replacements and Upgrades; NRWS Manhole Upgrades – FY 18/19; San Sevaine Basin Improvements; Victoria Basin Improvements; and Lower Day Basin Improvements.

Director Camacho left the meeting at 11:13 a.m.

Director Camacho returned to the meeting at 11:16 a.m.

Director Elie left the meeting at 11:17 a.m.

Director returned to the meeting at 11:19 a.m.

MWD UPDATE

Manager of Government Relations Cathleen Pieroni provided an update from the March 26 MWD Board Workshop on the Delta Water Conveyance, water resources, and MWD workforce and benefits planning.

CBWM UPDATE

Executive Manager of Engineering/AGM Chris Berch gave an update on the March 28 CBWM Board meeting. He gave an overview of the March 15 hearing, where the Court asked CBWM to implement all their recommendations. There was also discussion regarding the actions that will be implemented. At the meeting, CBWM General Manager Peter Kavounas gave an update on the Optimum Basin Management Program (OBMP).

Director Camacho left the meeting at 11:37 a.m.

SAWPA UPDATE

Source Control/Environmental Resources Supervisor Craig Proctor stated that the Commission acknowledged the action of Orange County Water District Board electing Mr. Denis R. Bilodeau serving as Secretary/Treasurer of the SAWPA Commissioners and Ms. Dina L. Nguyen as the alternate SAWPA Commissioner. He reported that there was a lengthy discussion on the Inland Empire Brine Line rates proposed for FY 2019/20 by Orange County Sanitation District (OCSD) and that was presented to SAWPA earlier in the week. SAWPA is planning to meet with OCSD on the proposed rate adjustments. He stated that discussion with Orange County stakeholders regarding the OWOW funding arrangements will continue. The stakeholders have reached a tentative agreement and they are currently working out minor issues.

REMOVAL OF HEADQUARTERS BOULDERS

General Manager Shivaji Deshmukh requested to pull 4N – Removal of Headquarters Boulders to give a brief presentation to the Board. Executive Manager of Operations/AGM Randy Lee gave an overview of the Headquarter Boulder Removal project.

FEDERAL LEGISLATIVE REPORT AND MATRIX FROM INNOVATIVE FEDERAL STRATEGIES

Director Hall requested an oral report on 4J – Federal Legislative Report and Matrix from Innovative Federal Strategies. Executive Manager of External Affairs & Policy Development/AGM Kathy Besser stated that Innovative Federal Strategies is planning on coming out in the near future to give the Board an update. Ms. Besser gave an overview of recent federal activities in relation to the Agency. Discussion ensued regarding various bills.

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

TREASURER’S REPORT OF FINANCIAL AFFAIRS

PUBLIC OUTREACH AND COMMUNICATION

STATE LEGISLATIVE REPORT AND MATRIX FROM WEST COAST ADVISORS

CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT

EVALUATION OF DEFERRED COMPENSATION PLANS

3RD QUARTER PLANNING & ENVIRONMENTAL RESOURCES UPDATE

AGENCY REPRESENTATIVES' REPORTS

SAWPA REPORT

Director Parker stated there was nothing additional to report.

MWD REPORT

Director Hall stated there was nothing additional to report.

REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT

Director Parker stated there was nothing additional to report.

CHINO BASIN WATERMASTER REPORT

Director Elie stated that subsequent to the Board meeting, the appellate parties had dismissed the appeal.

CHINO BASIN DESALTER AUTHORITY REPORT

There was nothing additional to report.

INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY

No report.

GENERAL MANAGER'S REPORT

General Manager Shivaji Deshmukh thanked Agency staff members for their welcome, making for a smooth transition to his new position. He stated that he has already had the opportunity to meet staff from member agencies and was also able to attend the Santa Ana River Watermaster Celebration event on April 12th with Director Parker and Director Elie. He updated the Board of two Sanitary Sewer Overflows (SSOs) and asked Executive Manager of Operations/AGM Randy Lee to provide further details. Mr. Lee briefed the Board of the two SSOs that took place on March 10 and April 11.

BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS

Director Hall requested for staff to bring the Agency's contingency plan and emergency plan for when power is shut down to mitigate fire hazardous conditions to the Board of Directors for review. Director Hall requested for staff to provide a Board presentation on how such an event will impact Agency business and how prepared the Agency is for such an event.

Director Parker requested that the Agency's Strategic Plan be brought back to the Board for review.

DIRECTORS' COMMENTS

Director Elie welcomed new General Manager Shivaji Deshmukh to his first official Board meeting. He stated that he attended the Ontario State of the City Address on March 20; the WaterNow Alliance 4th Annual Conference on March 27-28; and the Santa Ana River Watermaster Celebration on April 12.

Director Hall stated that she attended the Ontario State of the City Address on March 20; MWD California African American Museum event with Congresswoman Maxine Waters and MWD Chairwoman Gray on March 22; State of the Regional Address with Dr. John Husing on March 28; Upland State of the City Address on March 28; OWOW Santa Ana Watershed Conference on March 29; California Water Policy 28 Conference on April 4-5; Dolores Huerta Day Celebration on April 15; and the Association of the San Bernardino County Special District Dinner on April 15.

Director Parker stated that she attended the Santa Ana River Watermaster Celebration on April 12.

CLOSED SESSION

General Counsel Jean Cihigoyenette stated that there will be no closed session.

With no further business, at the request of Director Elie, President Hofer adjourned the meeting in memory of former West Covina Mayor Mike Spence at 12:14 p.m.



Kati Parker, Secretary/Treasurer

APPROVED: MAY 15, 2019