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

WEDNESDAY, AUGUST 21, 2019
10:00 A.M.

DIRECTORS PRESENT:
Paul Hofer, President
Kati Parker, Secretary/Treasurer
Steven J. Elie

DIRECTORS ABSENT:
Jasmin Hall, Vice President
Michael Camacho

STAFF PRESENT:
Shivaji Deshmukh, General Manager
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
Andy Campbell, Groundwater Recharge Coordinator/Hydrogeologist
Connie Campbell, Accounting Supervisor
Javier Chagoyen-Lazaro, Manager of Finance & Accounting
Carolyn Echavarria, Administrative Assistant II
Miriam Garcia, Office Assistant
Sharyl Heath, Accounting Technician
Jennifer Hy-Luk, Administrative Assistant II
Patricia Jackson, Senior Accounting Technician
Wanda Kline, Senior Accountant
Sylvie Lee, Manager of Planning & Environmental Resources
Suresh Malkani, Principal Accountant
Laura Mantilla, Executive Assistant
Karen McChristy, Accounting Technician
James McShane, Electrical & Instrumentation Technician III
Scott Oakden, Manager of Operations and Maintenance
Titilayo Olagunju, Senior Accountant
Cathleen Pieroni, Manager of Government Relations
Daniel Solorzano, Technology Specialist I
Sunny Sun, Accountant II
David Ta, Wastewater Treatment Plant Operator-in-Training
Kenneth Tam, Senior Engineer
Christine Thompson, Accountant II
Wilson To, Technology Specialist II
Bill Tomlinson, Accountant II
STAFF PRESENT (continued):
   Teresa Velarde, Manager of Internal Audit
   April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT:
   Jean Cihigoyenetche, JC Law Firm
   Steve Corrington, MIH
   Peter Hall, MIH
   David Schroeder, Chino Basin Water Conservation District
   Kristen Weger, Chino Basin Water Conservation District

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 10:02 a.m. and led the Pledge of Allegiance to the flag. A quorum was present.

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

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

General Counsel Jean Cihigoyenetche stated that Item 3J on the consent calendar (Increase the Number of Alternate Appointments on the Board) did not indicate how many alternates should be appointed in the board letter; however, he stated it was mentioned having three alternates per committee. He stated that the Board can approve the consent calendar subject to three alternates for each committee or the item can be pulled and discussed as an action item. The Board agreed to leave the item on the consent calendar and approved increasing the number of committee alternates to three.

NEW EMPLOYEE INTRODUCTIONS
Executive Manager of Operations/AGM Randy Lee introduced:

   • Mr. David Ta, Wastewater Treatment Plant Operator-in Training, hired August 12, 2019, Operations & Maintenance – North.

General Manager Shivaji Deshmukh introduced:

   • Ms. Miriam Garcia, Office Assistant, hired July 29, 2019, Agency Management.

The Board of Directors welcomed Mr. Ta and Ms. Garcia to the IEUA team.

PROMOTIONS
The following staff members were promoted:

   • Mr. James McShane, Electrical & Instrumentation Technician III, promoted June 2, 2019, Operations and Maintenance – North.
   • Kenneth Tam, Senior Engineer, promoted July 14, 2019, Planning & Environmental Compliance.
• Jennifer Hy-Luk, Administrative Assistant II, promoted August 11, 2019, Agency Management.

The Board of Directors congratulated Mr. McShane, Mr. Tam and Ms. Hy-Luk on their promotion.

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 Parker, seconded by Director Elie, and unanimously carried:

M2019-8-2

MOVED, to approve the Consent Calendar.

A. The Board approved the minutes from the June 19 and July 17, 2019 Board meetings.

B. The Board approved the total disbursements for the month of June 2019, in the amount of $19,764,929.64.

C. The Board:

1. Approved a consulting engineering services contract amendment for the RP-5 Expansion, Project Nos. EN19001 and EN19006, to Parsons Water and Infrastructure Inc., in the amount of $517,494; and

2. Authorized the General Manager to execute the consulting engineering services contract amendment, subject to non-substantive changes.

D. The Board:

1. Approved consultant services contract amendments for the following contracts for an aggregate amount of $600,000; and

   • 4600002051 Wallace & Associates Consulting, Inc.
   • 4600002052 Carollo Engineers, Inc.
   • 4600002152 MWH Constructors
   • 4600002054 GK & Associates

2. Authorized the General Manager to execute the contract amendments, subject to non-substantive changes.

E. The Board:

1. Approved a construction change order for the RP-1 Digester 6 Repairs, Project No. EN17042, to W.A. Rasic Construction, Inc., for the not-to-exceed amount of $160,000; and

2. Authorized the General Manager to execute the change order, subject to non-substantive changes.

Continued...
M2019-8-2, continued

F. The Board:

1. Ratified the emergency project approval for the RP-1 Digester Gas Repairs in the amount of $111,600; and

2. Authorized the General Manager to execute the emergency task order, subject to non-substantive changes.

G. The Board:

1. Awarded Task Order No. 001 to Bucknam Infrastructure Group for a not-to-exceed amount of $101,394; and

2. Authorized the General Manager to execute the task order, subject to non-substantive changes.

H. The Board:

1. Ratified Contract Amendment No. 4600002733-001 to Jeremy Harris Construction, Inc. for the Ely Basin Infiltration Restoration Services for $280,500 and a not-to-exceed total contract value of $529,050; and

2. Approved a budget amendment for FY 2018/19 Groundwater Recharge professional fees budget in the amount of $280,500 to support the proposed cost of the Ely Basin cleaning.

I. The Board:

1. Ratified Contract Amendment No. 4600002713-002 with Jeremy Harris Construction, Inc. in the amount of $89,443.28 for the RP-3 Basin Infiltration Restoration Services; and

2. Authorized the General Manager to execute the amendment.

J. The Board approved an increase in the number of appointed alternates to the Inland Empire Utilities Agency committees to three alternates per committee.

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: RP-1 12 kV Switchgear and Generator Control Upgrades; HQ Driveway Improvements; RP-1 Headworks Sump Pump Redundancy; RSS Haven Avenue Repair and Replacement; RP-1 TP-1 Waste Wash Water Basin Pumps Replacement; and 1158 Reservoir Re-coating/Painting and Upgrades.

MWD UPDATE
Manager of Government Relations Cathleen Pieroni provided a brief update on Metropolitan Water District's (MWD) preliminary financial reports for fiscal year 2019. Ms. Pieroni reported that

*A Municipal Water District
revenues totaled $1.525 million; lower than budget of $1.731 million. Expenses totaled $1.519 million; lower than budget of $1.692 million. Ms. Pieroni reviewed the MWD water sales trends for treated and untreated water. Ms. Pieroni stated that on July 23, MWD held a Board workshop on its proposed Recycled Water Program. She discussed proposed phases to develop an advance water treatment facility in Carson and the estimated cost. A second workshop is expected in the fall to review the planning, agreements and financial considerations. Discussions ensued regarding cost and California regulations. General Manager Shivaji Deshmukh stated that staff will coordinate with MWD to provide a presentation to the IEUA Board with more details.

CBWM UPDATE
Mr. Deshmukh stated that after several Listening Sessions regarding the Optimum Basin Management Program update for 2020, parties are focused on defining the action plans and developing the engineers’ estimates for those plans, which is expected to be completed in October.

SAWPA UPDATE
Senior Engineer Kenneth Tam reported that at the August 6, 2019 Commission meeting, Commissioners approved the submission of the North Orange County Stakeholders Integrated Regional Water Management Portfolio to the Department of Water Resources for Proposition 1 grant funding. The Commission also authorized the SAWPA General Manager to execute a new contract for the Regulatory Support Basin Monitoring Program Task Force/Middle Santa Ana River Pathogen Total Maximum Daily Loads (TMDL) Task Force and authorized the issuance of request for proposal to conduct feasibility analysis for weather modification or cloud seeding for the Santa Ana River Watershed. At the August 20 Commission meeting, a presentation was given by the U.S. Forest Service on the importance of forest and sub-watersheds in the San Bernardino National Forest and the Cleveland National Forests. They mentioned that they are working with the SAWPA Forest First Task Force to identify any potential projects for funding under Proposition 1. The Commission also held a public hearing and adopted the updated Brine Line Sewer System Management Plan. Additionally, they added an agenda item to consider a formal position regarding Senate Bill No. 1, which protects California from any federal rollbacks from environmental regulations. Discussion ensued regarding cloud seeding. Director Parker recommended having someone from MWD give a presentation on cloud seeding to the Board.

CHINO BASIN PROGRAM UPDATE
Manager of Planning & Environmental Resources Sylvie Lee stated that the next Chino Basin Program Ad Hoc meeting is scheduled on August 28, 2019. The Agency is working with the member agencies on the items noted in the joint letter from the member agencies dated July 11, 2019. A couple of workshops have been scheduled to focus on the water sources and the benefit analysis. IEUA asked member agencies to participate in a subgroup to provide input on assumptions and alternatives on the economic evaluation.

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

FEDERAL LEGISLATIVE REPORT AND MATRIX FROM INNOVATIVE FEDERAL STRATEGIES

CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT

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AGENCY REPRESENTATIVES' REPORTS

SAWPA REPORT
Director Parker had no additional comments.

MWD REPORT
There was nothing further to report.

REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT
General Manager Deshmukh stated that an update was provided by staff on Asset Management.

CHINO BASIN WATERMASTER REPORT
Director Elie stated that at the July 25, 2019, Board meeting, CBWM presented a proclamation of gratitude for the late James Erickson.

CHINO BASIN DESALTER AUTHORITY REPORT
There was nothing further to report.

INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY
President Hofer stated that the next meeting is in November.

GENERAL MANAGER'S REPORT

- Mr. Deshmukh announced that for the 20th consecutive year the Agency was awarded the distinguished Certificate of Achievement for Excellence in Financial Reporting award by the Government Finance Officers Association for its comprehensive annual financial report for Fiscal Year 2017/2018. Mr. Deshmukh recognized the team which included: Javier Chagoyen-Lazaro, Suresh Malkani, Connie Campbell, Wanda Kling, Titi Olagunju, Sunny Sun, Carolyn Echavarria, Bill Tomlinson, Pat Jackson, Donna Springer, Karen McChristy, Sharyl Heath, and Christine Thompson. The Board complimented and congratulated the team.

- Mr. Deshmukh stated that staff had updated the Board on the evaluation of potentially reducing the Agency's service providers to take advantage of the savings for the deferred compensation plan participants. The next steps involve a request for proposal for service providers. The Agency created an evaluation team and an administrative committee that will evaluate the proposals, interview the top firms and select a provider in November.

- Mr. Deshmukh informed the Board of the Leadership Breakfast, hosted by IEUA on September 24, 2019. He stated that Ms. Karla Nemeth, Director from the Department of Water Resources will be the keynote speaker.

BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS
There were no requested future agenda items.

DIRECTORS' COMMENTS

- Director Elie stated he attended the Chino Valley Business Awards & Recognitions Dinner on July 18; the Southern California Water Coalition Quarterly Luncheon on July 19; the Chino Police Chief Karen Comstock Walk of Honor and Ceremony on July 25; the 13th Annual San Bernardino County Water Conference on August 9. Director Elie noted he would like involved on the panel for this event; the Chino Hills Council meeting on August 13; and the Chino Valley Independent Fire District Board of Directors meeting on August 14.
Director Parker stated she attended the IEUA Service Awards Luncheon on July 17 and the Women in Water Inaugural Meeting on July 24.

CLOSED SESSION
The Board went into Closed Session at 10:58 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; B. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)4 – CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: One case; C. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)2 – CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION: Two Cases.

The meeting resumed at 12:03 p.m., and General Counsel Jean Cihigoyenetche stated that the below-mentioned matters were discussed in Closed Session, and the Board with Director Camacho and Director Hall absent, 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 – Anticipated Litigation:

Case #1

The Board took no reportable action.

Regarding Conference with Legal Counsel – Potential Litigation:

Case #1

The Board took no reportable action.

Regarding Conference with Legal Counsel – Potential Litigation:

Case #2

The Board took no reportable action.

With no further business, President Hofer adjourned the meeting at 12:04 p.m.

Kat Parker, Secretary/Treasurer

APPROVED: SEPTEMBER 18, 2019

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