

**MINUTES OF THE REGULAR
MEETING OF
THE BOARD OF DIRECTORS
OF
THE INLAND EMPIRE UTILITIES AGENCY*
WEDNESDAY, JULY 15, 2015
10:00 A.M.**

DIRECTORS PRESENT:

Michael Camacho, Vice President
Steven J. Elie, Secretary/Treasurer
Jasmin A. Hall

DIRECTORS ABSENT:

Terry Catlin, President
Gene Koopman

STAFF PRESENT:

P. Joseph Grindstaff, General Manager
Chris Berch, Executive Manager of Engineering/Assistant General Manager
Christina Valencia, Chief Financial Officer/Assistant General Manager
Joshua Aguilar, Senior Associate Engineer, PE
Blanca Arambula, Deputy Manager of Human Resources
Sharmeen Bhojani, Manager of Human Resources
Andy Campbell, Deputy Manager of Planning
Warren Green, Manager of Contracts and Facilities Services
Jill Kiefer, Executive Assistant
Matt Melendrez, Deputy Manager of Operations
David Mendez, Acting Deputy Manager of Engineering
Liza Munoz, Senior Engineer
Jason Pivovarov, Senior Engineer
John Scherck, Acting Deputy Manager of Construction Management
Peter Soelter, Senior Internal Auditor
Teresa Velarde, Manager of Internal Audit
Jamal Zughbi, Senior Engineer
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT:

Jean Cihigoyenetché, Cihigoyentché, Grossberg, & Clouse
Justin Scott Coe, MVWD
Van Jew, MVWD
Shawn Perumean, CVWD
Darron Poulsen, City of Pomona

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

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

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

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

1. NEW HIRE INTRODUCTION

Board Secretary/Office Manager April Woodruff introduced the following new employee.

- Ms Jill Kiefer, Executive Assistant, hired on 6/22/15

The Board welcomed Ms Kiefer to the IEUA team

2. CONSENT CALENDAR

Vice President Camacho 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 Elie, seconded by Director Hall, and unanimously carried

M2015-7-1

MOVED, to approve the Consent Calendar

- A The Board approved the minutes from the June 17, 2015, Board meeting
- B The Board approved the total disbursements for the month of May 2015, in the amount of \$12,569,573 77.
- C The Board adopted Resolution No 2015-7-3, supporting the nomination of Kathleen Tieg as Association of California Water Agencies President

RESOLUTION NO. 2015-7-3

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY CALIFORNIA, SUPPORT THE NOMINATION OF KATHLEEN TIEGS AS THE ASSOCIATION OF CALIFORNIA WATER AGENCIES' PRESIDENT *(for full text, see Resolution Book)*

- D The Board elected incumbent Mr Jo MacKenzie to serve as Director on the CSDA Board for Seat A, Region 6.

Continued

E The Board

- 1 Approved Contract No 4600001897 for financial advisory services with Public Financial Management (PFM), and
2. Authorized the General Manager to execute the contract.

F The Board ratified the purchase of the following Agency-wide insurance policies with an effective date of July 1, 2015, providing coverage through July 1, 2016, for the amount included with the budget, which will provide the following coverage

- 1 General Liability Provides third party liability coverage for bodily injury and property damage through the Insurance Company of the State of Pennsylvania for up to \$20,000,000 per policy year, with a Self-Insured Retention (SIR) of \$500,000, and

Automobile Liability Covers losses to other parties for bodily injury and property damage caused by Agency vehicles. Limits of coverage are \$20,000,000 per accident, with a SIR of \$500,000, and

Public Entity Errors and Omissions Provides \$20,000,000 per policy year of protection against claims for damages arising from the negligent acts, errors, and omissions of the Board of Directors and/or Agency staff acting within their professional capacity, with a SIR of \$500,000.

- 2 Property, and Boiler and Machinery. Provides insurance protection resulting from damage and destruction of property through the California Sanitation Risk Management Authority (CSRMA) Property Program; with a deductible level of \$25,000
- 3 Excess Workers' Compensation and Employer's Liability: Provides \$25,000,000 per policy year coverage against bodily injury and illness to employees in the scope of their employment insurance from Midlands Insurance, with a SIR of \$1,000,000

G The Board

- 1 Approved the construction contract award to Mike Bubalo Construction Company for the Chino Creek Invert Repair, Project No EN12020, in the amount of \$156,000; and
- 2 Authorized the General Manager to execute the contract

Continued. . .

M2015-7-1, continued

H The Board

- 1 Approved the construction contract award for the Agency-Wide HVAC Improvements Package No. 3, Project No. EN15032, to Allison Mechanical, Inc for their low bid of \$431,216; and
- 2 Authorized the General Manager to execute the contract.

I The Board

- 1 Approved the construction contract award for the Prado, Montclair, and Philadelphia Communication Monopoles, Project Nos EN13040, EN13043, and EN13042, to Davis Electric Inc for the not-to-exceed amount of \$563,900; and
- 2 Authorized the General Manager to execute the contract

J The Board

- 1 Approved the Memorandum of Understanding (MOU) between Inland Empire Utilities Agency, Monte Vista Water District, and the City of Pomona for the development of a Recycled Water Interconnection, and
- 2 Authorized the General Manager to make non-substantive changes and execute the final MOU

K The Board

- 1 Approved Contract No 4600001899 to Olin Corporation, establishing a one-year contract for the supply of bulk 12.5% sodium hypochlorite with options for two additional one-year extensions, for a potential total contract term of three years, and
- 2 Authorized the General Manager to execute the contract with the two potential contract extensions

3. ACTION ITEMS

A. WATER FACILITIES MASTER PLAN

Executive Manager of Engineering/AGM Chris Berch gave a PowerPoint Presentation providing an overview of the Wastewater Facilities Master Plan (WFMP). He reported that the WFMP is an update to the previous 2002 Master Plan. He stated that significant changes have occurred due to flow profiles and solids loading into the treatment plants. He stated that the WFMP analyzed flow diversion alternatives in order to maximize recycled water supply in correlation with the Recycled Water Program Strategy. Ultimately, the findings will develop the Capital Improvement Program, which will define the project funding. Mr. Berch highlighted the projected influent flows, and the major

capital projects to meet future influent flows. He stated that the next steps are to implement the preliminary design reports on the RP-1 and RP-5 solids and liquids treatment expansions of the TYCIP projects, and complete the Programmatic Environmental Impact Report. Mr. Berch stated that staff is recommending that the Board concur with the findings of the WFMP, knowing that staff cannot request approval from the Board until the environmental document is completed. Once all the Master Plans are completed, staff will come back to the Board, as a bundle, for approval.

Upon motion by Director Hall, seconded by Director Elie, and unanimously carried

M2015-7-2

MOVED, to concur with the findings of the Wastewater Facilities Master Plan

4. INFORMATION ITEMS

A. MWD AND DROUGHT UPDATE

Senior Engineer Jason Pivovarov provided a brief PowerPoint presentation on MWD's water condition and sales, conservation and water use efficiency, and budget and rates. He also highlighted water deliveries to member agencies comparing June 2014 vs. June 2015. He noted that IEUA is 55% lower, and is among the top three member agencies who had the greatest AF reductions.

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

B. ENGINEERING AND CONSTRUCTION MANAGEMENT MONTHLY UPDATE (POWERPOINT)

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

D. PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)

E. LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES (WRITTEN)

F. LEGISLATIVE REPORT FROM WEST COAST ADVISORS (WRITTEN)

G. LEGISLATIVE REPORT FROM AGRICULTURAL RESOURCES (WRITTEN)

H. CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT (WRITTEN)

I. FEDERAL LEGISLATION TRACKING (WRITTEN)

J. STATE LEGISLATION TRACKING (WRITTEN)

K. 4TH QUARTER UPDATE - PLANNING & ENVIRONMENTAL RESOURCES

5. AGENCY REPRESENTATIVES' REPORTS

A. SAWPA REPORT

The June 16, SAWPA Commission meeting was reported at the June 17, Board meeting. The next scheduled SAWPA Commission meeting is scheduled for July 21.

B. MWD REPORT

Director Camacho has nothing further to report.

C. REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT

The July 2, meeting was cancelled.

D. CHINO BASIN WATERMASTER REPORT

Director Elie reported that the safe yield report is in the drafting stage; therefore the attorneys are meeting regularly. He reported that they are moving on to other issues.

6. GENERAL MANAGER'S REPORT

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

General Manager P. Joseph Grindstaff reported that last week, he was asked on two different occasions to go to Sacramento. He reported that there is a new groundwater report that will be released in the next week or two, and it will be more detailed. He also reported that he received a call from Senator Feinstein's office. Senator Feinstein would like one of her staff persons to come out and tour the recycled water desalination recharge facility.

7. BOARD OF DIRECTORS REQUESTED FUTURE AGENDA ITEMS

The Board had no requested future agenda items.

8. BOARD OF DIRECTORS' COMMENTS

There were no comments from the Board.

9. CLOSED SESSION

The Board went into Closed Session at 10:28 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) Shields vs. IEUA, Case No. CIVRS 1301638, (4) Desaddi vs. IEUA, Case No. CIVRS 1304617, (5) Mwembu vs. IEUA, Case No. CIVDS 1415762, (6) Southern California Edison vs. IEUA, Case No. CIVRS 1308595. B. PURSUANT TO GOVERNMENT CODE SECTION 54956.8 – CONFERENCE WITH REAL PROPERTY NEGOTIATOR (1) Property: Water and Pipeline Capacity/Cadiz, Negotiating Parties: General Counsel Jean Cihigoyenette, (2) Supplemental Water Transfer/Purchase, General Manager P. Joseph Grindstaff; C. PURSUANT TO GOVERNMENT CODE SECTION 54956.9 – CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION TWO (2) Cases, D. PURSUANT TO GOVERNMENT CODE SECTION 54957 – PERSONNEL MATTERS (1) Various Positions – Compensation Study, (2) Various Positions.

The meeting resumed at 11:14 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

Martin vs IEUA, Case No CIVRS 1000767

Sheilds vs IEUA, Case No CIVRS 1301638

Mwembu vs IEUA, Case No CIVDS 1415762

The Board took no reportable action

Regarding Conference with Legal Counsel – Existing Litigation:

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

Southern California Edison vs IEUA, Case No CIVRS 1308595

The Board did not discuss

Regarding Conference with Legal Counsel – Existing Litigation

Desaddi vs IEUA, Case No CIVRS 1304617

General Counsel reported that a settlement agreement was reached on the Desaddi vs. IEUA case Mr Desaddi will dismiss his claim in exchange for a waiver of costs and fees. He will take nothing by way of his complaint

Regarding Conference with Real Property Negotiator

Property Water and Pipeline Capacity/Cadiz

Supplemental Water Transfer/Purchase

The Board took no reportable action

Regarding Conference with Legal Counsel – Anticipated Litigation

The first case of (2) Cases

The Board took no reportable action

Regarding Conference with Legal Counsel – Anticipated Litigation

The second case of (2) Cases

The Board did not discuss

Regarding Personnel Matters

Various Positions – Compensation Study

Various Positions

The Board took no reportable action

3. ACTION ITEMS - Continued

B. ADOPTION OF RESOLUTION NO. 2015-7-1, AMENDING THE MEMORANDUM OF UNDERSTANDING (MOU), SALARY MATRIX AND CLASSIFICATION PLAN FOR ALL OPERATORS' AND PROFESSIONAL UNIT EMPLOYEES

The Board approved both action items together with one motion

Upon motion by Director Elie, seconded by Director Hall, and unanimously carried

M2015-7-3

MOVED, to

- 1 Approve and adopt the recently completed classification and compensation study (Study) for all Operators' and Professional Unit employees,
- 2 Approve the modification of various position titles for all the Operators' and Professional Unit employees, as a result of the Study, and
- 3 Adopt Resolution No. 2015-7-1 to amend the 2013 through 2018 MOUs for the Operators' and Professional Units with a new salary matrix and classification plan based on the results of the Study.

RESOLUTION NO. 2015-7-1
RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, AMENDING THE MEMORANDUM OF UNDERSTANDING, SALARY MATRIX AND CLASSIFICATION PLAN FOR ALL OPERATORS' ASSOCIATION AND PROFESSIONAL UNIT EMPLOYEES *(for full text, see Resolution Book)*

C. ADOPTION OF RESOLUTION NO. 2015-7-2, AMENDING THE SALARY SCHEDULE/MATRIX FOR THE UNREPRESENTED, EXECUTIVE MANAGEMENT, LABORATORY UNIT, OPERATORS' ASSOCIATION, AND PROFESSIONAL UNIT EMPLOYEES


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

M2015-7-3

MOVED, to Adopt Resolution No. 2015-7-2 approving the amendments to the salary schedule/matrix for the Operators' unit and Professional Unit.

**RESOLUTION NO. 2015-7-2
RESOLUTION OF THE BOARD OF DIRECTORS OF THE
INLAND EMPIRE UTILITIES AGENCY*, SAN
BERNARDINO COUNTY, CALIFORNIA, AMENDING THE
SALARY SCHEDULE/MATRIX FOR THE
UNREPRESENTED, EXECUTIVE MANAGEMENT,
LABORATORY UNIT, OPERATORS' ASSOCIATION, AND
PROFESSIONAL UNIT
(for full text, see Resolution Book)**

With no further business, Vice President Camacho adjourned the meeting at 11:15 a.m.



Steven J. Elie, Secretary/Treasurer

APPROVED: AUGUST 19, 2015