



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

**WEDNESDAY, APRIL 11, 2018
10:00 A.M.**

DIRECTORS PRESENT:

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

STAFF PRESENT:

Halla Razak, General Manager
Chris Berch, Executive Manager of Engineering/AGM
Kathryn Besser, Executive Manager of External Affairs & Policy Development/AGM
Christina Valencia, Executive Manager of Finance & Administration/AGM
Jerry Burke, Deputy Manager of Engineering
Javier Chagoyen-Lazaro, Manager of Finance & Accounting
Nel Groenveld, Manager of Laboratories
Jason Gu, Manager of Grants
Elizabeth Hurst, Water Resources Planner
Sylvie Lee, Manager of Planning & Environmental Resources
Chander Letulle, Manager of Operations & Maintenance
Rick Mykitta, Manager of Operations & Maintenance
Liza Muñoz, Senior Engineer
Jason Pivovarovff, Senior Engineer
Craig Proctor, Source Control & Environmental Resources Supervisor
John Scherck, Senior Project Manager
Shaun Stone, Manager of Engineering
Ken Tam, Senior Associate Engineer
Teresa Velarde, Manager of Internal Audit
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT:

Jean Cihigoyenette, JC Law Firm
Dennis Diemer
Michael Flores, CWEA
Mike Harty, Kearns & West
Mike Rudinica, MPRconsulting

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. and Manager of Operations & Maintenance Chander Letulle 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.

PRESENTATIONS:

SANTA ANA RIVER BASIN SECTION (SARBS) 2017/18 ANNUAL AWARD PRESENTATION

Mr. Michael Flores, a volunteer with California Water Environment Association (CWEA), presented awards that IEUA staff had won at the Santa Ana River Basin Section 2017/18 Annual Award Event. He stated that Mr. Art Maldonado won Electrical Instrumentation Person of the Year, Mr. Larry Lucas won Mechanical Technician Person of the Year, and Mr. Jim Buchanan won Supervisor of the Year.

He thanked and congratulated them for their service in the industry. He also thanked Deputy Manager of Maintenance Ken Monfore for nominating these employees for the awards.

President Elie thanked Mr. Michael Flores, and congratulated the IEUA employees on their awards.

NEW HIRE INTRODUCTIONS

Manager of Operations & Maintenance Chander Letulle introduced the following new hires:

- Mr. Daniel Marin, Wastewater Plant Operator III, hired 3/7/2018
- Mr. Nicolas Depierola, Wastewater Plan Operator II, hired 3/7/2018
- Mr. Luis Lara, Wastewater Treatment Plant Operator II, hired 4/2/2018

The Board of Directors welcomed Messieurs Marin, Depierola, and Lara to the IEUA team.

CONSENT ITEMS

President Elie 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 Hofer, and unanimously carried:

M2018-4-1

MOVED, to approve the Consent Calendar.

- A. The Board approved the total disbursements for the month of February 2018, in the amount of \$15,306,467.23.
- B. The Board:
 - 1. Approved a five-year electrical engineering master service contract to Power Engineering Services for a not-to-exceed amount of \$202,000; and
 - 2. Authorized the General Manager to execute the master service contract subject to non-substantive changes.

M2018-4-1 continued.

C. The Board:

1. Approved a five-year electrical testing and emergency maintenance master service contract to Power Systems Services for a not-to-exceed amount of \$466,000; and
2. Authorized the General Manager to execute the master service contract subject to non-substantive changes.

D. The Board:

1. Approved a contract amendment for the RP-1 Primary Effluent Conveyance Improvements, Project No. EN15012, to Stantec Consulting Services, Inc., for a not-to-exceed amount of \$232,000; and
2. Authorized the General Manager to execute the contract amendment subject to non-substantive changes.

E. The Board authorized the General Manager to sign the letter to withdraw the sphere adjustment and reorganization application.

F. The Board authorized the General Manager to enter into negotiations with IEUA member agencies for SARCCUP performance within the Chino Basin and develop the Memorandum of Understanding.

G. The Board:

1. Adopted Resolution No. 2018-4-1, authorizing an annual contribution of \$1,000 for the CASA Education Foundation Scholarship Fund.

**RESOLUTION 2018-4-1
RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND
EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY,
CALIFORNIA, AUTHORIZING THE INLAND EMPIRE UTILITIES
AGENCY TO APPROVE AN ANNUAL CONTRIBUTION TO THE
CALIFORNIA ASSOCIATION OF SANITATION AGENCIES (CASA)
EDUCATION FOUNDATION SCHOLARSHIP FUND (for full text, see
Resolution Book)**

ACTION ITEM

LAFCO REGULAR AND ALTERNATE SPECIAL DISTRICT MEMBER VOTING BALLOT FOR COUNTYWIDE REDEVELOPMENT OVERSIGHT BOARD

Executive Manager of Finance & Administration/AGM Christina Valencia stated that nominations have been received for the new Countywide Redevelopment Oversight Board, which will take effect on July 1, 2018. The new Countywide Redevelopment Oversight Board will consist of seven board members, one of which will be a representative for the Special Districts. She gave an overview of the nominations for the Regular Member nomination and Alternate Member nomination.

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

M2018-4-2

MOVED, to vote to elect Ms. Cindy Saks as a Regular Member for the Countywide Oversight Board.

with the following roll call vote:

Ayes: Hofer, Hall, Camacho, Parker, Elie
Noes: None
Absent: None
Abstain: None

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

M2018-4-3

MOVED, to vote to elect Mr. T. Milford Harrison as an Alternate Member for the Countywide Oversight Board.

with the following roll call vote:

Ayes: Hofer, Hall, Camacho, Parker, Elie
Noes: None
Absent: None
Abstain: None

LAFCO REGULAR SPECIAL DISTRICT MEMBER VOTING BALLOT

Executive Manager of External Affairs & Policy Development/AGM Kathy Besser gave an overview of the nominations and recommended the Board of Directors to elect a candidate for the position of regular Special District Member.

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

M2018-4-4

MOVED, to vote to elect Mr. James Curatalo as a candidate for the position of regular Special District Member.

with the following roll call vote:

Ayes: Hofer, Hall, Camacho, Parker, Elie
Noes: None
Absent: None
Abstain: None

NAPA LATERAL DESIGN-BUILD CONTRACT AWARD

Manager of Engineering Shaun Stone stated that this item was taken to the Regional Sewerage Program Technical and Policy Committees, Engineering, Operations, & Water Resources

Committee, and the Finance & Administration Committee. He gave a brief overview of the project, contractor selection, project budget and schedule, and staff recommendations.

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

M2018-4-5

MOVED, to:

1. Award a design-build contract for the Napa Lateral, Project No. WR15021, to Ferreira Construction Company, Inc., in the amount of \$5,332,122; and
2. Authorize the General Manager to execute the design-build contract subject to non-substantive changes.

FY 2018/19 PROPOSED BUDGET AMENDMENT FOR REGIONAL WASTEWATER, RECYCLED WATER, AND GROUNDWATER RECHARGE PROGRAMS

Executive Manager of Finance & Administration/AGM Christina Valencia stated that in June 2017, the Agency adopted its second bi-annual budget. The budget is brought back to the Board after the first year to provide any updates or changes of assumptions that were made the prior year. The regional wastewater, recycled water, and groundwater recharge programs make up about 70 percent of the adopted budget, and 95 percent of the amendments coming forward are with these programs. She gave an overview of the uses of funds, sources of funds, and proposed amendments.

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

M2018-4-6

MOVED, to amend the FY 2018/19 Adopted Budget to increase total sources and Funds by \$26.1 million and total Uses of Funds by \$4.9 million which includes the advanced repayment of the inter-fund loan from the Recycled Water to the Non-Reclaimable Wastewater program.

INFORMATION ITEMS

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: EN18036 – Carbon Canyon Water Recycling Facility Asset Management and Improvements - III; EN15012 – Regional Water Recycling Plant No. 1 Primary Effluent Conveyance Improvements; EN18055 – Headquarters Roofing Replacement; EN13028 – Preserve Lift Station; EN14019 – Regional Water Recycling Plant No. 1 Headworks Primary and Secondary Upgrades; and EN15008 – Water Quality Laboratory.

MWD UPDATE

Director Camacho stated that there was a historic and controversial vote at the MWD Board meeting on April 10, 2018. He stated that he expressed his support for California WaterFix, as did 60.83 percent of the Board. He stated that this project is an insurance policy for Southern California, protecting the region from catastrophe, protecting our deliveries, and ensuring better quality of water. He commended the leadership of the Chairman Randy Record.

General Manager Halla Razak stated that this is a generational decision. There are a variety of obstacles that remains and will be a long process.

President Elie and Director Hofer commended Director Camacho for his leadership for the California WaterFix project at the Board meeting.

Senior Engineer Jason Pivovarovff gave an update on the MWD water conditions, sales, rates, and charges. He stated that precipitation has increased, which can indicate that the allocation may be increased. He gave an update of the budget and rates that were adopted for calendar years 2019/20.

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

TREASURER'S REPORT OF FINANCIAL AFFAIRS

PUBLIC OUTREACH AND COMMUNICATION

LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES

LEGISLATIVE REPORT FROM WEST COAST ADVISORS

CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT

FEDERAL LEGISLATIVE TRACKING MATRIX

STATE LEGISLATIVE TRACKING MATRIX

FISCAL YEAR 2018/19 TEN YEAR CAPITAL IMPROVEMENT PLAN

3RD QUARTER PLANNING & ENVIRONMENTAL RESOURCES UPDATE

SUPPORT FOR AB 2050 – THE SMALL WATER AUTHORITY ACT OF 2018

SAWPA REPORT

Director Hall reported that the SAWPA meeting was routine as normal.

MWD REPORT

Director Camacho had nothing additional to report.

REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT

Director Parker reported that the Regional Sewerage Program Policy Committee met on April 5, 2018. The major action item was the Napa Lateral Design-Build Project, which was approved.

CHINO BASIN WATERMASTER REPORT

President Elie stated that the budget was released shortly after the March 22, 2018 meeting. There are ongoing discussions at the Court of Appeals, as the appellants and respondents issued another delay paper. The Agricultural Pool has filed requesting to be a respondent and opposing the continuing of the hearings and filing of the briefs.

CHINO BASIN DESALTER AUTHORITY REPORT

Director Hall stated that at the April 5, 2018 meeting there was an action item to approve Amendment No. 1 for Phase 2 Expansion with Dudek for \$84,263. This amendment was for the design of the dual product water pipelines using horizontal directional drilling and all other item were routine in nature.

INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY

The next meeting is scheduled for Monday, May 7, 2018.

GENERAL MANAGER'S REPORT

General Manager Halla Razak stated that she had recently toured the lab project and wanted to schedule a tour for the Board members. However, for the sake of time, a video was made to share the project's progress. She stated that construction is nearing completion and the Agency is planning a grand opening event in the fall 2018. Executive Manager of External Affairs & Policy Development/AGM Kathy Besser is working on getting the schools in the area involved with the opening of this innovative laboratory. Discussion ensued about the history of the laboratory.

BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS

There were no Board requested future agenda items.

DIRECTORS' COMMENTS

Director Hall stated that she attended the following events: California Water Policy Conference on March 22-23, WaterReuse California Annual Conference on March 25-27, State of the Region with Dr. John Husing on March 29, and will be attending the Celebrating 50 Years of the Fair Housing Act event today.

President Elie stated that he had attended the Ontario State of the City Address on March 28. He informed all that there is a Rose Garden Dedication for his predecessor Mr. John Anderson after Closed Session today.

CLOSED SESSION

The Board went into Closed Session at 11:09 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 54957.6 – CONFERENCE WITH LABOR NEGOTIATIONS: Meet and Confer Negotiations – All Bargaining Units, Negotiating Parties: General Manager Halla Razak

President Elie called for a short recess at 12:10 p.m. The Board returned to closed session @ 12:30 p.m.

The meeting resumed at 12:58 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 Anticipated Litigation:

First Case

The Board took no reportable action.

Regarding Conference Anticipated Litigation:

Second Case

The Board did not discuss.

Regarding Conference with Labor Negotiator:

Meet and Confer Negotiations – All Bargaining Units

Negotiating Parties: General Manager Halla Razak

The Board did not discuss.

With no further business, President Elie adjourned the meeting at 12:59 p.m.



Jasmin A. Hall, Secretary/Treasurer

APPROVED: MAY 16, 2018