



**MINUTES OF THE REGULAR  
MEETING OF  
THE BOARD OF DIRECTORS  
OF  
THE INLAND EMPIRE UTILITIES AGENCY\*  
WEDNESDAY, JULY 16, 2014  
10:00 A.M.**

**DIRECTORS PRESENT:**

Michael Camacho, Vice President  
Terry Catlin, President  
Steven J. Elie, Secretary/Treasurer  
Jasmin A. Hall  
Gene Koopman

**STAFF PRESENT:**

P. Joseph Grindstaff, General Manager  
Christina Valencia, Chief Financial Officer/Assistant General Manager  
Ernest Yeboah, Executive Manager of Operations/Assistant General Manager  
Blanca Arambula, Deputy Manager of Human Resources  
Kathryn Besser, Manager of External Affairs  
Sharmeen Bhojani, Manager of Human Resources  
Tina Cheng, Budget Officer  
Kevin Gomes, Compost Worker  
Warren Green, Manager of Contracts and Facilities Services  
Sylvie Lee, Manager of Planning and Environmental Compliance  
Lisa Morgan-Perales, Water Resources Analyst II  
Albert VanBreukelen, Deputy Manager of Maintenance  
Teresa Velarde, Manager of Internal Audit  
Jose Zepeda, Deputy Manager of Operations  
Jeff Ziegenbein, Deputy Manager of Operations and Organic Management  
Jamal Zughbi, Senior Engineer  
April Woodruff, Board Secretary/Office Manager  
Stephanie Riley, Administrative Assistant

**OTHERS PRESENT:**

Jean Cihigoyenette, Cihigoyenette Grossberg & Clouse

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 Catlin called the meeting to order at 10:03 a.m., and he led the pledge of allegiance to the flag. A quorum was present.

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

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

### **NEW HIRE INTRODUCTIONS**

Deputy Manager of Operations and Organics Management Jeff Ziegenbein introduced Mr. Kevin Gomes, Compost Worker, who was hired on June 23, 2014.

The Board welcomed Mr. Gomes to the IEUA team.

### **1. CONSENT CALENDAR**

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

#### **M2014-7-1**

MOVED, to approve the Consent Calendar.

- A. The Board approved the minutes from the June 18, 2014 Board Meeting.
- B. The Board approved the total disbursement for the month of May 2014, in the amount of \$9,528,907.61.
- C. The Board ratified the purchase of the following Agency-wide insurance policies with an effective date of July 1, 2014, providing coverage through July 1, 2015, for the amounts 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;  
  
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.

*Continued...*

***M2014-7-1, continued.***

3. Excess Workers' Compensation and Employer's Liability:  
Provides coverage against bodily injury and illness to employees in the scope of their employment insurance from Midlands Insurance, with a Self-Insured Retention (SIR) of \$1,000,000.
  
- D. The Board approved the amendment to Resolution No. 2014-5-14, Exhibit No. 1, amending the salary/matrix for Executive Management employees.
  
- E. The Board:
  1. Approved the construction contract award for the Agency-wide HVAC Improvements Package No. 2, Project No. EN13056, to Allison Mechanical, Inc. for their low bid of \$571, 315; and
  2. Authorized the General Manager to execute the contract.
  
- F. The Board:
  1. Approved the construction contract award for the Westside Interceptor Repair, Project No. EN14050, to RePipe California LP for their low bid of \$307,445; and
  2. Authorized the General Manager to execute the contract.
  
- G. The Board:
  1. Approved the contract award to IT Vizion for support and services on the Construction Management Capital Improvement Program Office (CIPO) for a not-to-exceed amount of \$206,768 for a term of seven years; and
  2. Authorized the General Manager to execute the consultant contract.
  
- H. The Board:
  1. Amended the professional services contract with Carollo Engineers for the Water and Recycled Water Rate and Fee Study, for a not-to-exceed amount of \$164,963; and
  2. Authorized the General Manager to execute the contract.
  
- I. The Board approved the purchase of two gravity thickener (GT) sludge transfer pumps from Cortech Engineering of Yorba Linda, California for a not-to-exceed amount of \$55,380, including sales tax and freight charges.

*Continued...*

**M2014-7-1, continued.**

- J. The Board approved the repair services for the Regional Water Recycling Plant No. 1 (RP-1) power reliability building (PRB) controls. The authorized services will be provided for a not-to-exceed amount of \$71,511, from GE Zenith Controls, Inc.
- K. The Board approved the purchase of replacement filter cloth media from Aqua-Aerobic Systems Inc. (Aqua-Aerobic) of Rockford, Illinois for a not-to-exceed amount of \$78,000, including sales tax and freight charges.
- L. The Board:
  - 1. Authorized the General Manager to approve the establishment of a capital project in the Recharge Water (RW) Fund for FY 2013/14 in the amount of \$27,774.84 for the purchase of an aquatic all-terrain vehicle for vector control treatment at recharge sites; and
  - 2. Authorized the General Manager to approve a transfer from the Recharge Water Fund to the Recycled Water (WC) Fund in the amount of \$27,774.84 to correct recording of original payment of purchase under Recycled Water Fund.
- M. The Board:
  - 1. Approved a one-year contract for the Landscape Transformation Program to The Brickman Group Ltd., LLC for a not-to-exceed amount of \$400,000; and
  - 2. Authorized the General Manager to execute the contract.
- N. The Board:
  - 1. Approved a one-year contract for the Regional Residential Landscape Retrofit Program to Conserv Construction, Inc., for a not-to-exceed amount of \$400,000, with two optional one-year extensions for a not-to-exceed contract amount of \$1,000,000; and
  - 2. Authorized the General Manager to execute the contract.

**2. ACTION ITEMS**

**A. PROPOSED CHANGES TO THE AGENCY'S MISSION, VISION, AND VALUES**

Chief Financial Officer/Assistant General Manager Christina Valencia gave a PowerPoint presentation on the Agency's proposed mission, vision, and values. Ms. Valencia highlighted the comments received from the committee presentations, stating that all changes and recommendations were made. She stated that the revised Agency's vision emphasizes environmental stewardship and water resource management. The Agency's

values statement focuses on the customers and communities served throughout the region.

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

**M2014-7-2**

MOVED, to: adopt the Agency's Mission, Vision, and Values Statements.

**B. IEUA/CBWM MASTER COST SHARING AGREEMENT**

Acting Manager of Engineering Majid Karim gave a PowerPoint presentation on the cost sharing agreement between Chino Basin Water Master (CBWM) and IEUA. He provided a brief history of the agreement, stating that both IEUA and Watermaster have approved the 2013 amendment to the 2010 Recharge Master Plan Update. Mr. Karim stated that the Master Cost Sharing Agreement, between IEUA and Chino Basin Wastemaster, is necessary to facilitate jointly managed projects, defining contractual responsibilities and obligations; further detail will be covered on a task order basis.

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

**M2014-7-3**

MOVED, to:

1. Approve the Master Cost Sharing Agreement (Master Agreement) between Inland Empire Utilities Agency and Chino Basin Watermaster; and
2. Authorize the General Manager to make non-substantive changes and execute the Master Agreement.

**3. INFORMATION ITEMS**

**A. DROUGHT RESPONSE PLAN**

Manager of Planning and Environmental Compliance Sylvie Lee gave presentation on the review of draft regulations from State Water Resources Control Board (SWRCB). Ms. Lee highlighted draft regulations, including new regulations on street runoff and water suppliers must implement mandatory conservation measures that are consistent with drought contingency plan. She stated that if the regulations are not met, daily fines will be imposed until compliant with the regulations. Ms. Lee stated that meetings are being held to review the IEUA drought plan, once completed the plan will be brought back to the Board for review and approval. Mr. Grindstaff stated that these new regulations are to be effective August 1, 2014.

**B. MWD UPDATE**

Executive Manager of Engineering/Assistant General Manager Chris Berch provided an update on the water supply management meeting, stating that working will be ongoing with MWD. He stated that MWD is looking at extending the Agency's water purchase order for two more years before renegotiating the terms of the agreement.

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

**C. MORNINGSTAR CHURCH SEWER OVERPAYMENT**

**D. LEASE AGREEMENT WITH THE SANTA ANA WATERSHED ASSOCIATION**

**E. TREASURER'S REPORT OF FINANCIAL AFFAIRS**

**F. PUBLIC OUTREACH AND COMMUNICATION**

**G. LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES**

**H. LEGISLATIVE REPORT FROM THE DOLPHIN GROUP**

**I. LEGISLATIVE REPORT FROM AGRICULTURAL RESOURCES**

**J. CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT**

**K. 2014 LEGISLATIVE TRACKING MATRIX**

**L. ENGINEERING AND CONSTRUCTION MANAGEMENT FY 2013/14 MONTHLY UPDATE**

**M. IEUA QUARTERLY WATER UPDATE**

**N. 4<sup>TH</sup> QUARTER PLANNING & ENVIRONMENTAL COMPLIANCE UPDATE**

**4. AGENCY REPRESENTATIVES' REPORTS**

**A. SAWPA REPORT**

Director Hall reported that the SAWPA meeting deferred the drought grant project selection. Director Hall stated that a construction contract was approved for the SAWPA Brine Line Rehabilitation project. Director Hall also stated that SAWPA is currently working on holding a public hearing regarding a pretreatment customer violation.

**B. MWD REPORT**

Director Camacho reported that he had no additional comments.

**C. REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT**

The July 3 meeting was cancelled. The next meeting is scheduled for August 7.

**D. CHINO BASIN WATERMASTER REPORT**

Director Elie reported that discussions are ongoing regarding the safe yield. He also stated that the Ag Pool Committee meetings will be held biweekly.

**5. GENERAL MANAGER'S REPORT**

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

General Manager P. Joseph Grindstaff stated that IEUA came to an agreement in regards to the annexation with CSI/Speedway. He mentioned that IEUA staff is currently working with the City of Chino regarding the usage and payment of recycled water at Prado Lake. Mr. Grindstaff highlighted a recent construction bid for a 72-inch pipeline came in significantly higher than the engineers estimate. Mr. Chris Berch stated that Construction Management staff is currently reviewing the bids and believe the bids received are in fact accurate. Mr.

Grindstaff recognized Ms. Sylvie Lee, Manager of Planning and Environmental Compliance, for her help in reaching an agreement with CBWM regarding the dry year yield program.

**9. BOARD OF DIRECTORS REQUESTED FUTURE AGENDA ITEMS**

There were no requested future agenda items.

**10. BOARD OF DIRECTORS' COMMENTS**

Director Elie stated that he attended the State of the City of Chino Address with Manager of External Affairs Kathryn Besser on June 19, 2014. Director Elie also stated that he received a call from the Whittier Daily News regarding Board of Directors contributions.

Director Camacho stated that he also received the same call.

**11. CLOSED SESSION**

The Board went into Closed Session at 10:42 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) Sheilds vs. IEUA, Case No. CIVRS 1301638; (4) Desaddi vs. IEUA, Case No. CIVRS 1304617; (5) Kaveh Engineering and Construction Inc. Corp vs. IEUA, Case No. CIVRS 1402048 B. PURSUANT TO GOVERNMENT CODE SECTION 54956.9 – CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: Two (2) Cases; C. PURSUANT TO GOVERNMENT CODE SECTION 54956.8 – CONFERENCE WITH REAL PROPERTY NEGOTIATOR: (1) Property: 117.509036, 34.076044 (Prologis Lagoon), Negotiating Parties: General Manager P. Joseph Grindstaff, Under Negotiation: Price and Terms of Purchase; (2) Property: Jurupa Community Services District MOU; Negotiating Parties: General Manager P. Joseph Grindstaff, Under Negotiation: Price and Terms of Purchase; (3) Supplemental Water Transfer/Purchase; Negotiating Parties: General Manager P. Joseph Grindstaff, Under Negotiation: Price and Terms of Purchase; D. PURSUANT TO GOVERNMENT CODE SECTION 54957 – PERSONNEL MATTERS – PUBLIC EMPLOYEE PERFORMANCE EVALUATION: General Manager

The meeting resumed at 12:15 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:

Martin vs. IEUA, Case No. CIVRS 1000767

Sheilds vs. IEUA, Case No. CIVRS 1301638

Desaddi vs. IEUA, Case No. CIVRS 1304617

Kaveh Engineering and Construction Inc. Corp. vs. IEUA, Case No. CIVRS 1402048

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

The Board did not discuss this item.

Regarding Conference with Legal Counsel – Anticipated Litigation:

Case No. 1 and 2

The Board took no reportable action.

Regarding Conference with Real Property Negotiator:

Property: 117.509036, 34.076044 (Prologis Lagoon)

Property: Jurupa Community Services District MOU

Supplemental Water Transfer/Purchase

The Board took no reportable action.

Regarding Personnel Matters – Public Employee Performance Evaluation

General Manager

The Board took no reportable action. .

With no further business, President Catlin adjourned the meeting at 12:17 p.m.

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Steven J. Elie, Secretary/Treasurer

**APPROVED: AUGUST 20, 2014**