

# Inland Empire Utilities Agency Regional Sewerage Program Technical Committee Meeting

## MINUTES OF October 7, 2010 MEETING

### **CALL TO ORDER**

A regular meeting of the IEUA/Regional Sewerage Program – Technical Committee was held on October 7, 2010, at the City of Chino Hills located at 14000 City Center Drive, Chino Hills, California. Steve Nix, City of Chino Hills called the meeting to order at 4:03 p.m.

### **ATTENDANCE**

#### **Committee Members:**

Steve Nix ..... City of Chino Hills  
Shaun Stone ..... City of Upland  
Chuck Hays ..... City of Fontana  
Mike Hudson ..... City of Montclair  
Jim Hill ..... City of Chino  
John Bosler ..... Cucamonga Valley Water District  
Mohamed El-Amamy ..... City of Ontario  
Thomas Love ..... Inland Empire Utilities Agency

#### **Absent Committee Members:**

None

#### **Others Present:**

Martha Davis ..... Inland Empire Utilities Agency  
Sylvie Lee ..... Inland Empire Utilities Agency  
Craig Parker ..... Inland Empire Utilities Agency  
Chris Berch ..... Inland Empire Utilities Agency  
Patrick Sheilds ..... Inland Empire Utilities Agency  
Christina Valencia ..... Inland Empire Utilities Agency  
Michael Chung ..... Inland Empire Utilities Agency  
Tina Cheng ..... Inland Empire Utilities Agency  
Ryan Shaw ..... Inland Empire Utilities Agency  
Craig Proctor ..... Inland Empire Utilities Agency  
Nicole Greene ..... City of Montclair  
Braden Yu ..... Cucamonga Valley Water District  
Anthony La ..... City of Upland  
Mike Maestas ..... City of Chino Hills  
Chris Bond ..... City of Chino Hills

**ACTION ITEM**

**1. Approval of Minutes – September 2, 2010**

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⋈ **Motion:** By Jim Hill/City of Chino, and seconded by Shaun Stone/City of Upland, to approve the September 2,  
⋈ 2010 minutes as written.  
⋈  
⋈ **Motion Carried: Unanimously.**  
⋈

**INFORMATIONAL ITEM**

**2. Fiscal Year 2011/12 Rate Proposals**

Thomas Love/IEUA advised that there is a workshop planned later this month in order for the committee to better understand what is behind the assumptions and budget numbers. He then introduced Christina Valencia/IEUA, Manager of Financial Planning, who gave the PowerPoint presentation. The presentation was a continuation of last month's information regarding the proposed rates for fiscal year 2011/2012 for both the regional wastewater and the recycled water programs. The rate scenarios, cost containment results, influencing factors, changes in key assumptions, cost of service objectives, debt coverage ratios, and targeted reserves and fund balances were discussed in the presentation. The key influencing factors are the decline of property tax revenues, a decline in EDU revenue, and benefits cost increases.

Mohammed El-Amamy/City of Ontario asked about Scenario A and the rate jump from \$.41 to \$1.00 in the second year and back to \$.60 in the third year. Ms. Valencia said that those revenues were necessary in the second year to be able to meet the targeted fund reserves, the debt coverage ratios, and the operating contingency for the funds.

Mike Hudson/City of Montclair stated that he has concerns about the proposed EDU rate increase. He then asked if the 7.5% increase in employee expenses was due to increases in PERS or something else, and if the 13 FTE was mostly vacant positions. Ms. Valencia said that an increase in PERS and higher insurance costs were contributing factors and the 13 FTE were mostly vacant positions.

Mr. Hudson then asked if IEUA employees contribute to the PERS retirement plan and, if not, is that something that could be on the bargaining table during the next negotiations. Ms. Valencia said they currently do not, but it would certainly be a consideration at next year's negotiations.

Anthony La/City of Upland suggested that a workshop be conducted more appropriately in an office forum as he has a lot of questions and needs to better understand the complex numbers.

Thomas Love/IEUA responded that there is a special workshop scheduled at IEUA offices on October 21. This will allow more interactive dialogue about the rate proposals and the budget.

Christina Valencia/IEUA asked that the committee members submit their questions to her in advance in order to gear the workshop to address the specific issues.

Jim Hill/City of Chino asked for clarification on the workshop day and time. Ms. Valencia verified that it would be October 21st, from 2:00 PM to 4:00 PM and that a notification would be sent.

**RECEIVE AND FILE**

**3. Pretreatment Summary Report**

Thomas Love/IEUA advised that, historically, the Pretreatment Summary Report was an "Information Item" or an early presentation item. It has been moved to "Receive and File".

**4. Recycled Water Program Quarterly Update**

Receive and file the Recycled Water Program Quarterly Update included in the agenda packet.

**5. IEUA Monthly Water Newsletter**

Receive and file the IEUA Monthly Water Newsletter included in the agenda packet.

**6. Annual Water Use Report for Fiscal Year 2009/10**

Receive and file the Annual Water Use Report for Fiscal Year 2009/10 included in the agenda packet.

**OTHER BUSINESS**

**7. Agenda Items for Next Meeting**

None

**8. Committee Member Comments**

None

**9. Next Meeting – November 4, 2010**

**ADJOURNMENT** - Meeting was adjourned at 4:34 p.m.

Transcribed by: *Pamela Sharp*  
Pamela Sharp, Administrative Secretary, City of Chino Hills