

**MINUTES
OF THE
SPECIAL
COMMISSION MEETING OF
THE CHINO BASIN REGIONAL FINANCING AUTHORITY
NOVEMBER 18, 2015**

COMMISSIONERS PRESENT:

Michael Camacho
Terry Catlin, President
Steven J. Elie, Secretary
Jasmin Hall

COMMISSIONERS ABSENT:

Gene Koopman, Vice President

STAFF PRESENT:

Christina Valencia, Chief Financial Officer/Assistant General Manager
Jason Gu, Grants Officer
Sylvie Lee, Manager of Planning and Environmental Resources
Shaun Stone, Manager of Engineering
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT:

Jean Cihigoyenette, Cihigoyenette, Grossberg & Clouse
Marty Cihigoyenette, Cihigoyenette, Grossberg & Clouse

A special commission meeting of the Chino Basin Regional Financing Authority was held at the office of the Inland Empire Utilities Agency, *A Municipal Water District, 6075 Kimball Avenue Chino, California on the above date.

President Catlin called the meeting to order at 9:46 a.m., and he dispensed the pledge of allegiance. A quorum was present.

President Catlin stated that members of the public may address the Commission. There were no persons desiring to do so.

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

ACTION ITEM

MINUTES

Upon motion by Commissioner Camacho, seconded by Commissioner Elie, with Director Hall abstaining, the motion carried (3-1):

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| <p>M2015-11-1 MOVED, approval of the minutes from the Special Commission meeting of October 14, 2015.</p> |
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ACTION ITEMS

ADOPTION OF RESOLUTION NO. 2015-1 THROUGH 3, FOR THE REGIONAL WATER RECYCLING PROGRAM

Grants Officer Jason Gu stated that in 2014, in response to the Drought State of Emergency, the State Water Resources Control Board offered a 1%, 30-year State Revolving Fund loan incentive program. In 2015, the SWRCB announced the Prop 1 grant for 35% up to \$15 million dollar grant whichever is lower, for water recycling projects.

Mr. Gu informed the Board that IEUA has been working with Jurupa Community Service District, Western Municipal Water District, and the Western Riverside County Regional Wastewater Authority on a Recycled Water Intertie Project for a number of years. He explained that this project will build 80,000 linear feet of pipelines in 3 segments, and 2 pump stations to initially deliver 3,000 AFY of additional recycled water supply for groundwater recharge and direct recycled water use on public land (schools and parks) in both IEUA and JCSD service areas.

The project has a total estimated cost of \$52.4 million dollars, which will be shared by IEUA and JCSD. The SRF loan/grant application will be submitted through the Chino Basin Regional Financing Authority as a joint regional project. He stated that in order to qualify, a complete application must be submitted by 12/2/2015.

The SWRCB requires three Resolutions:

1. Resolution No. 2015-1, authorizes IEUA's General Manager to sign the SRF loan application and to execute financial agreement with the SWRCB Board on behalf of CBRFA.
2. Resolution No. 2015-2, pledges revenue sources received from the 2015 Financing Agreements with IEUA and JCSD for the repayment of the loan.
3. Resolution No. 2015-3, expresses the intent to use local cash flow for the initial project costs before the loan agreement is signed.

Grants Officer Jason Gu stated that IEUA's cost share of the \$52.4 million will be approximately \$13 million dollars. IEUA currently has \$10 million budgeted in the adopted TYCIP. Upon approval of grant/loan by the State, the IEUA's budget will be revised to align with grant agreement.

JCSD's cost share of the total \$52.4 million is approximately \$39 million dollars. JCSD will sign the 2015 Financial Agreement with the CBRFA, and pledge fund for their share of the repayment of the SRF loan.

Mr. Gu stated that staff is recommending that the Commissioners adopt Resolution Nos. 2015-1, 2015-2, and 2015-3, authorizing the CBRFA to apply for a grant/SRF loan from the SWRCB, for the joint IEUA-JCSD Recycling Intertie Project.

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

**M2015-11-2
MOVED, to:**

1. Adopt Resolution No. 2015-1, authorizing IEUA's General Manager, or his designee, to sign and file application and agreement with the State Water Resources Control Board (SWRCB), for the design and construction of the Joint Inland Empire Utilities Agency (IEUA)-Jurupa Community Services District (JCSD) Regional Water Recycling Program (Project) on behalf of the Chino Basin Regional Financing Authority (CBRFA);

Continued...

M2015-11-2, continued.

2. Adopt Resolution No. 2015-2, dedicating net revenues for the repayment of State Revolving Fund (SRF) loan from the SWRCB for the project;
3. Adopt Resolution No. 2015-3, establishing its intention to apply for and be reimbursed for expenditures related to the construction of the Project; and
4. Authorize the CBRFA to enter into Reimbursement Agreements with IEUA and the Jurupa Community Services District (JSCD) for the repayment of the SFR loan and administering the grant/loan agreements on behalf of the CBRFA for the project.

ADOPTION OF RESOLUTION NOS. 2015-4 THROUGH 6, FOR THE REGIONAL WATER INTERTIE PROJECT

Grants Officer Jason Gu stated that IEUA's Planning Department has been working with the City of Pomona and Monte Vista Water District on a Recycled Water Intertie Project for a numbers of years. He explained that this Project will build 38,000 linear feet of pipelines, a pump station, and a 3 million gallons per day (MGD) advanced recycled water treatment plant to initially deliver 1,100 acre feet per year (AFY) of recycled water for groundwater recharge and recycled water direct reuse. It will also address land subsidence problem in the area.

The project has an estimated cost of \$51.9 million dollars. The State Water Resources Control Board (SWRCB) application for a State Revolving Fund (SRF) loan and grant will be submitted through the Chino Basin Regional Financing Authority as a joint regional project.

The SWRCB requires three Resolutions for this application:

1. Resolution No. 2015-4, authorizes IEUA's General Manager to sign the SRF loan/grant application and to execute the funding agreement with the State Water Board on behalf of CBRFA.
2. Resolution No. 2015-5, pledges revenue sources received from the 2015 Financing Agreement with IEUA for the repayment of the loan.
3. Resolution No. 2015-6, expresses the intent to use local cash flow for the initial project costs before a loan agreement is signed.

Mr. Gu stated that this item also recommends that the Board of Commissioners authorize IEUA's General Manager to execute the 2015 Financing Agreement with IEUA on behalf of CBRFA. He explained that IEUA has been working with the City of Pomona and MVWD on a cost sharing agreement. Depending on the result of the cost sharing agreement, IEUA, the City of Pomona and MVWD will likely share the \$51.9 million dollars project cost equally at approximately \$17.3 million dollars each or in proportion to their individual benefits. He further stated that IEUA currently has a \$10-million dollars project in the adopted TYCIP, and upon approval of grant/loan, the TYCIP and the annual capital improvement plan (CIP) budgets will be revised to align with the Funding Agreement.

Mr. Gu stated that staff is recommending the Board of Commissioners of the CBRFA adopt three Resolutions authorizing the CBRFA to apply for a grant/SRF loan from the SWRCB, for the Joint IEUA, Pomona, MVWD Recycled Water Intertie Project.

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

M2015-11-3
MOVED, to:

1. Adopt Resolution No. 2015-4, authorizing IEUA's General Manager, or his designee, to sign and file application and agreement with the State Water Resources Control Board (SWRCB), for the design and construction of the Project on behalf of the Chino Basin Regional Financing Authority (CBRFA);
2. Adopt Resolution No. 2015-5, dedicating net revenues for the repayment of State Revolving Fund (SFR) loan from the SWRCB for the Project;
3. Adopt Resolution No. 2015-6, establishing its intention to apply for and be reimbursed for expenditures related to the construction of the Project; and
4. Authorize the CBRFA to enter into agreements with IEUA, the City of Pomona, and Monte Vista Water District (MVWD) for the repayment of the SRF loan and administering the grant/loan agreements on behalf of the CBRFA for the Project.

With no further business, President Catlin adjourned the meeting at 10:55 a.m.



Steven J. Elie, CBRFA Secretary

APPROVED: DECEMBER 16, 2015