



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

**WEDNESDAY, MARCH 1, 2017  
10:00 A.M.**

**DIRECTORS PRESENT:**

Steven J. Elie, President  
Michael Camacho, Vice President  
Paul Hofer  
Kati Parker

**DIRECTORS ABSENT:**

Jasmin A. Hall, Secretary/Treasurer

**STAFF PRESENT:**

P. Joseph Grindstaff, General Manager  
Javier Chagoyen-Lazaro, Manager of Accounting and Fiscal Management  
Tina Cheng, Budget Officer  
Warren Green, Manager of Contracts and Facilities Services  
Jason Gu, Grants Officer  
Randy Lee, Executive Manager of Operations/AGM  
Sally Lee, Acting Executive Assistant  
Sylvie Lee, Manager of Planning & Environmental Resources  
Chander Letuille, Manager of Operations and Maintenance  
Alex Lopez, Senior Financial Analyst  
Jessica Sarmiento, Financial Analyst II  
Jeannette Smith, Financial Analyst I  
Shaun Stone, Manager of Engineering  
Christina Valencia, Chief Financial Officer/AGM  
Teresa Velarde, Manager of Internal Audit  
April Woodruff, Board Secretary/Office Manager

**OTHERS PRESENT:**

Jean Cihigoyenette, JC Law Firm  
Martin Cihigoyenette, JC Law Firm  
Joanna Valenzuela, Assemblymember Freddie Rodriguez

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 10:03 a.m. and 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. General Counsel Jean Cihigoyenette stated there were two closed session items that came to the Agency's attention after the posting of the agenda. The first one being the recent ruling of the Chino Basin Municipal Water District vs. City of Chino. The second item is Dean Martin vs. IEUA. General Counsel Cihigoyenette stated that we will need a motion and a unanimous vote.

Upon motion by Director Camacho, seconded by Director Hofer, and unanimously carried (4-0).

**M2017-3-1**

MOVED, to

1. Add Chino Basin Municipal Water District vs. City of Chino onto the Closed Session section of today's Agenda.
2. Add Dean Martin vs. IEUA onto the Closed Session section of today's Agenda.

**WORKSHOPS**

**BUDGET WORKSHOP**

Chief Financial Officer Christina Valencia gave a presentation on the fund overview that was covered in the Finance & Administrative Committee and included as a receive and file item for the Board in February. Ms. Valencia started her presentation with staff's recommendation to expand the Agency's small business outreach to fulfill one of the requirements from the Environmental Protection Agency (EPA). Because our Agency receives large amounts of federal and state funding, the Agency wants to ensure that it meets these requirements. She stated that the Agency does not have a formal program in place but has been doing outreach to small and local business since 2008. The Contracts and Procurement department staff leads these efforts by holding trainings and workshops for vendors. Staff recommends the Agency formally adopt a program and expand those efforts to non-federal and state solicitations as well. Ms. Valencia stated that the Agency is modeling their program after MWD's program. Ms. Valencia asked for the Board's feedback and discussion ensued about IEUA's current process and suggestions were made by the Board.

Ms. Valencia stated that she will be presenting the Agency's budget and funds with the goal to show how the Agency is performing with respect to the Agency's five-year projections when the five-year rates were adopted in 2015. She explained that the purpose of continuing to keep track of the five-year forecasts is to see how the Agency performs compared to the forecasts. The forecasts are updated every year based on the Agency's priorities, estimated connection fees, capital improvement plan (CIP), debt proceeds and grants expectations. She provided an overview of the Agency's major revenue and funding sources and explained some differences in revenues through the years and expectations of revenues in the future. General Manager Joe Grindstaff gave an overview of history of the imported water rates. Ms. Valencia went on to go over a consolidated overview of the Agency's expenditures on Operations & Maintenance, capital projects, debt service cost, and the fluctuations over the years. She explained the impact fluctuations has on the fund and the need to maintain an appropriate level of reserves to support the Agency's programs.

President Elie asked if the Agency included grants that have been applied for but not yet received in the future projections. Ms. Valencia answered by saying, yes, the Agency does factor in expected grant funding from applications but those projections are very conservative. The Agency has had a very successful history is receiving grant funding. General Manager Joe Grindstaff agreed that the Agency has been very successful in receiving grants but at times grant funding has taken longer than expected. If funding is delayed, the Agency will delay in starting certain

projects which will change our budget. Mr. Grindstaff further stated that the budget assumes financing will be available and aims to maintain a long term and strong financial position. The Agency's goal is to best prepare for the future financially so that rate increases may be minimized and the cost can be kept down.

**CLOSED SESSION**

The Board went into Closed Session at 11:15 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

The meeting resumed at 12:10 p.m., and General Counsel Jean Cihigoyenatche stated that the below-mentioned matters were discussed in Closed Session, and the Board took the following actions:

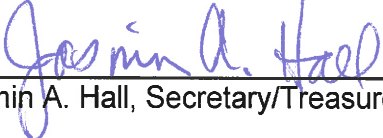
Regarding Conference with Legal Counsel – Existing Litigation:

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

Martin vs. IEUA, Case No. CIVRS 1000767

The Board took no reportable action.

With no further business, President Elie adjourned the meeting at 12:11 p.m.

  
\_\_\_\_\_  
Jasmin A. Hall, Secretary/Treasurer

**APPROVED: APRIL 19, 2017**