



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

**WEDNESDAY, JANUARY 17, 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
Randy Lee, Executive Manager of Operations/AGM
Christina Valencia, Executive Manager of Finance & Administration/AGM
Joshua Aguilar, Senior Engineer
Blanca Arambula, Deputy Manager of Human Resources
Jerry Burke, Deputy Manager of Engineering
Pietro Cambiaso, Environmental Compliance & Energy Supervisor
Elizabeth Hurst, Water Resources Planner
Sylvie Lee, Manager of Planning & Environmental Resources
Rick Mykitta, Manager of Operations & Maintenance
Jason Pivovaroff, Senior Engineer
Jesse Pompa, Senior Engineer
John Scherck, Senior Project Manager
Travis Sprague, Senior Associate Engineer
Shaun Stone, Manager of Engineering
Teresa Velarde, Manager of Internal Audit
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT:

Vivian Castro, Chino Basin Water Conservation District
Jean Cihigoyenette, JC Law Firm
Marty Cihigoyenette, JC Law Firm

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 he dispensed with the Pledge of Allegiance. 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.

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 Camacho, seconded by Director Hofer, and unanimously carried:

M2018-1-1

MOVED, to approve the Consent Calendar.

- A. The Board approved the minutes from the December 6, 2017, Board workshop and the December 20, 2017, Board meeting.
- B. The Board approved the total disbursements for the month of November 2017, in the amount of \$16,861,175.34.
- C. The Board approved the legislative policy principles for Fiscal Year 2018/19.
- D. The Board:
 - 1. Awarded an engineering consultant services contract for the RW System Cathodic Protection Improvements, Project No. EN17080, to Corpro Companies Inc., for a not-to-exceed amount of \$198,900; and
 - 2. Authorized the General Manager to execute the contract subject to non-substantive changes.
- E. The Board:
 - 1. Approved a contract amendment for the RP-1 Mixed Liquor Return Pumps, Project No. EN16024, to RMC Water and Environment for a not-to-exceed amount of \$95,246; and
 - 2. Authorized the General Manager to execute the contract amendment, subject to non-substantive changes.
- F. The Board:
 - 1. Approved a contract amendment for the RP-1 RW Pump Station Upgrades, Project No. EN14042, to Stantec for a not-to-exceed amount of \$88,900; and
 - 2. Authorized the General Manager to execute the contract amendment, subject to non-substantive changes.
- G. The Board adopted Resolution No. 2018-1-2, authorizing the Agency-wide organizational memberships for Fiscal Year 2018/19.

Continued...

M2018-1-1 continued.

**RESOLUTION 2018-1-2
RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE
UTILITIES AGENCY* (AGENCY), SAN BERNARDINO COUNTY,
CALIFORNIA, AUTHORIZING AGENCY-WIDE ORGANIZATIONAL
MEMBERSHIPS AND AFFILIATIONS (for full text, see Resolution Book)**

H. The Board:

1. Awarded a three-year contract to Technical Systems, Inc., for PlantPAX programming and all associated support services required to maintain a standard controls platform for a not-to-exceed total amount of \$1,800,000; and
2. Authorized the General Manager to execute the contract subject to non-substantive changes.

ACTION ITEM

ADOPTION OF THE IEUA ADMINISTRATIVE HANDBOOK

General Counsel Jean Cihigoyenatche stated that this item of the Administrative Handbook was brought to a Board Workshop meeting in December 2017. At the end of that workshop, the Board had no additional comments. However, there are two changes to the document being brought forth today. First, on Chapter 8 regarding the complaint procedures from employees, Board members, or members of the public regarding ethical violations. Typically, those concerns will be directed to the General Counsel to determine the process. Historically, the time perimeters provided by Resolution 2015-2-9, provide a 15-day investigation and review period. In the Administrative Handbook, the Agency sought to lengthen this time period because it has been difficult to complete the investigation and review in the 15-day time frame. Labor representatives felt that this was a material change to the existing policy and there should be a negotiation before a change is made. Therefore, the change in section 8 is reverting back to the original complaint procedures. The second change was prompted by a conversation that took place in a Board workshop about the fiduciary responsibilities of the elected officials. Included in section 6.1 of the Administration Handbook is a brief paragraph that explains the elected official's fiduciary obligations. In concurrence with the law, the Administrative Handbook states that elected official's fiduciary obligations lie with the Inland Empire Utilities Agency. Discussion ensued about particular cases of this obligation.

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

M2018-1-2

MOVED, to adopt the updated IEUA Administrative Handbook.

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: DL37141 – CDA Structures Coating; EN11031 – RP-5 Flow Equalization; EN16021 – TCE Plume

Cleanup; EN16049 – Conference Rooms Audio Visual Upgrades; EN17052 – RP-1 and RP-4 Safety Improvements; and EN17059 – RP-1 Iron Sponges Installation.

President Elie stated that he would like to see the percentage of change orders especially for the more completed projects at future meetings. Director Camacho requested that if the change orders can be specified as changes Agency had requested or caused by unforeseen circumstances.

MWD UPDATE

Senior Engineer Jason Pivovarovoff gave an update on the MWD water conditions & sales and rates & charges. He stated that the North Sierra precipitation was at 71 percent, about 16 inches to date. Regarding snowpack, it is 18 percent above normal and at 2.2 inches of snow water equivalent. Storage for the Oroville and San Luis Reservoir is at 54 percent. In regard to the supply and demand outlook, allocation is currently at 15 percent. If it doesn't change throughout the water year, MWD is forecasting a shortfall of 350,000 AF. To allow the supply and demand to balance, MWD is looking at a demand of 25 to 50 percent. The Agency has a Dry-Year Yield Program with MWD to replenish surplus supply into the Chino groundwater basin and based on the lower initial allocation and their goal of meeting put capacities, MWD will most likely stop their deliveries into the Chino Basin.

MWD is conducting a cost of service for FY 2018/19 and 2019/20. The current finance plan shows the cost of service at \$738 per acre feet (AF) by 2019 and \$783 per AF by 2020. Discussion ensued about the Oroville Dam construction.

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

2nd QUARTER PLANNING & ENVIRONMENTAL RESOURCES UPDATE

COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEM (CMMS)

AGENCY REPRESENTATIVES' REPORTS

SAWPA REPORT

Director Jasmin Hall gave an update on the January 16, SAWPA Commission Meeting. She stated that the Commissioners had met the Executive Officer of the Santa Ana Regional Water Quality Control Board - Hope Smythe. The Commissioners had asked staff to develop policy principles for the Commission to consider regarding collaboration with other entities in the use of Disadvantaged Community Involvement project development funding. SAWPA's goals is not to assist in developing homes but to help any agencies along the watershed to help clean and treat the water and remove any waste. She also stated that Amendment 2 to the Waster Water Interceptor Capacity Agreement of 1972, that addresses adjustments to identified reaches and cost shares resulting from the SARI realignment project was approved. Lastly, Commissioners

directed staff to file a CEQA notice of exemption with the Riverside County Clerk's office for the proposed Reach 4B Upper Relocation Project.

MWD REPORT

Director Camacho had nothing additional to report.

REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT

Director Parker stated that the January 4, 2018 Policy Committee meeting was cancelled.

CHINO BASIN WATERMASTER REPORT

President Elie stated that the December Chino Basin Watermaster was cancelled. The next meeting will be on January 25, 2018. A group of appellants, along with three other groups have an interim agreement and asked the Superior Court and court appeals for a 10 month extension. The superior court has granted 8 months to work on their deal terms, and the court of appeals stated that they had 90 days to report their status.

GENERAL MANAGER'S REPORT

General Manager Halla Razak had nothing additional to report.

BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS

There were no Board requested future agenda items.

DIRECTORS' COMMENTS

Director Hall stated that from November 15-17, 2017, she had attended the AWWEE 10th Annual Anniversary Conference; on November 17, she attended Congresswoman Torres' the Water Roundtable, which was held at the Chino Basin Water Conservation District; from November 28 to December 1, she attended the ACWA Conference; on December 7, she attend the BIA Holiday Gala; on December 9, she attended the Fontana Christmas parade; and on December 14, she attended the Christmas Reception hosted by Supervisor Janice Rutherford.

Director Hall added her comments about the changes in the Administrative Handbook about fiduciary responsibility as a regional Board member. She stated that she listens to her regional constituents concerns and perception of unfairness. She brings these concerns when working together with the Board for the greater good of all.

CLOSED SESSION

The Board went into Closed Session at 10:43 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) Spicer vs W.A. Rasic Construction, Case No. CIDVS 1711812 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 NEGOTIATOR: Meet and Confer Negotiations – All Bargaining Units, Negotiating Parties: General Manager Halla Razak; D. PURSUANT TO GOVERNMENT CODE SECTION 54954.5 – PUBLIC EMPLOYMENT: (1) Manager of Internal Audit; (2) Board Secretary/Office Manager

The meeting resumed at 11:36 a.m., and General Counsel Jean Cihigoyenetché 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 with Legal Counsel – Existing Litigation:

Spicer vs. W.A. Rasic Construction, Case No. CIVDS 11711812

The Board took no reportable action.

Regarding Conference Anticipated Litigation:

One 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.

Regarding Public Employment:

Manager of Audit

The Board took no reportable action.

Regarding Public Employment:

Board Secretary/Office Manager

The Board took no reportable action.

With no further business, President Elie adjourned the meeting at 11:37 a.m.



Jasmin A. Hall, Secretary/Treasurer

APPROVED: FEBRUARY 21, 2018