



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

**WEDNESDAY, JULY 17, 2019
10:00 A.M.**

DIRECTORS PRESENT:

Paul Hofer, President
Jasmin A. Hall, Vice President
Kati Parker, Secretary/Treasurer
Michael Camacho
Steven J. Elie

DIRECTORS ABSENT:

None

STAFF PRESENT:

Shivaji Deshmukh, General Manager
Kathy Besser, Executive Manager of External Affairs & Policy Development/AGM
Randy Lee, Executive Manager of Operations/AGM
Shaun Stone, Acting Executive Manager of Engineering/AGM
Christina Valencia, Executive Manager of Finance & Administration/AGM
Adham Almasri, Senior Engineer
Jerry Burke, Deputy Manager of Engineering
Pietro Cambiaso, Deputy Manager of Planning & Environmental Resources
Andrea Carruthers, Manager of External Affairs
Javier Chagoyen-Lazaro, Manager of Finance & Accounting
Tina Cheng, Budget Officer
Gabriel Holguin, Senior Wastewater Treatment Plant Operator
Kurt Hull, Construction Inspector
Nicolas Jones, Construction Inspector
Sylvie Lee, Manager of Planning & Environmental Resources
Chander Letulle, Manager of Operations & Maintenance
Scott Oakden, Manager of Operations & Maintenance
Cathleen Pieroni, Manager of Government Relations
Craig Proctor, Source Control/Environmental Resources Supervisor
Alan Reyes, External Affairs Intern
John Scherck, Senior Project Manager
Daniel Solorzano, Technology Specialist I
Travis Sprague, Senior Associate Engineer
Wilson To, Technology Specialist II
Teresa Velarde, Manager of Internal Audit
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT:

- Victor Carno, ECA
- Keagan Chern, Chino Hills High School
- Jean Cihigoyenetché, JC Law Firm
- Chris Clarke, NPCA
- Steve Corrington, MIH Water
- Kathleen Diver, Los Osos High School
- Gregory Foster, SCPFJ
- Sydney Gavela, Chino Hills High School
- Eric Grubb, CVWD
- Peter Hall, MIH Water
- Doug Hutchings, Upland High School
- Rich Lambros, ECA
- Junior Lin, Chino Hills High School
- Matthew Litchfield, TVMWD
- Jake Loukeh, City of Chino Hills
- Keane Misawa, Chino Hills High School
- John Monsen, NPCA
- Cynthia Moran, City of Chino Hills
- Roman Nava, BIA
- Luis Portillo, IEEP
- Josh Rodriguez, Chino Hills High School
- Kevin Tang, LOHS
- Kathy Tiegs, CVWD
- Ricky Yu, Chino Hills High School

A 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 Hofer called the meeting to order at 10:05 a.m. and led the Pledge of Allegiance to the flag. A quorum was present.

PUBLIC COMMENTS

President Hofer stated that due to the high number of individuals who would like to address the Board, the public comment section of the agenda will come after the Solar Cup Team Recognition.

PRESENTATION

2019 SOLAR CUP PRESENTATION

President Hofer stated that IEUA partnered with the Metropolitan Water District of Southern California (MWD) for their 17th Annual Solar Cup Competition. He gave an overview of the Solar Cup Competition and commended all of the students and schools for their efforts and successes. President Hofer asked Director Elie to present the Chino Hills High School with their recognition certificate.

Director Elie commended the Chino Hills High School team of their display of hard work and teamwork shown. He introduced the Mayor of Chino Hills Cynthia Moran, who thanked the Board of Directors for investing in the youth in the Agency's district. She presented the recognition to the students of the Chino Hills High School Solar Cup. Chino Hills High School's Solar Boat President Josh Rodriguez stated his team worked hard and thanked the Board for their funding. Chino Hills High School Teacher Keane Misawa stated that he is very grateful for youth programs by various organizations. He thanked the Board of Directors for their support.

Director Hofer stated that Director Camacho, who spent all three days at the Solar Cup competition, will be presenting the next award. Director Camacho invited Cucamonga Valley Water District (CVWD) Director Kathy Tiegs to present the recognition award to Los Osos High School for being first place in the Inland region for their technical reports, endurance race, sprint race, and public service message. They also placed 6th place overall. Director Tiegs thanked the Agency's Board of Directors for their involvement with this program. She recognized all three schools for participating in this race and congratulated Los Osos High School for their hard work and perseverance throughout the Solar Cup competition. Director Tiegs commended Ms. Kathy Diver for mentoring the Los Osos team throughout this seven-month program and thanked the Board of Directors for allowing CVWD to co-sponsor the Los Osos team.

Los Osos High School students Kevin Tang and Ron thanked the Board for sponsoring the team and stated that he and the team have learned a lot through this experience. Director Camacho presented the recognition certificate to the Los Osos High School team. He stated that every year he attends an event, he is impressed with the team and looks forward to the next event the following year.

President Hofer congratulated Los Osos High School and thanked everyone for attending the Board meeting. He asked Director Parker to present Upland High School a recognition certificate. Director Parker invited Upland High School advisor Mr. Doug Hutchings to the podium. She stated that Upland High School has been participating in the Solar Cup for approximately a decade and Mr. Hutchings has always been committed to the students and the program. She stated that this year, Upland High School received second place in the sprint race for the Inland Region and 11th place overall. She congratulated the team for this accomplishment. She stated that she had gone to Upland High School with Manager of External Affairs Andrea Carruthers and was able to witness firsthand the first launching of the boat in the swimming pool. Upland High School teacher Mr. Doug Hutchings stated that he is grateful for the sponsorship and opportunity to lead the team. He stated he was grateful for the opportunity for the students to receive hands on experience in high school.

President Hofer thanked everyone for taking the time to be at the Board meeting.

NEW EMPLOYEE INTRODUCTIONS

Acting Executive Manager of Engineering/AGM Shaun Stone introduced:

- Mr. Kurt Hull, Construction Project Inspector, hired March 10, 2019, Engineering and Construction Management.
- Mr. Nicolas Jones, Construction Project Inspector, hired May 20, 2019, Engineering and Construction Management.

Executive Manager of Operations/AGM Randy Lee introduced:

- Mr. Michael Zuniga, Control Systems Analyst I, hired May 20, 2019, Integrated System Services.
- Ms. Rea Margaret Tom, Office Assistant, hired June 16, 2019, Operations and Maintenance.

The Board of Directors welcomed Mr. Hull, Mr. Jones, Mr. Zuniga, and Ms. Tom to the IEUA team.

PROMOTIONS/RECOGNITIONS

Executive Manager of Operations/AGM Randy Lee introduced the following promotions:

- Mr. Scott Oakden, Manager of Operations & Maintenance, promoted May 19, 2019, Operations and Maintenance – North.
- Mr. Gabriel Holguin, Senior Wastewater Treatment Plant Operator, promoted May 19, 2019, Operations and Maintenance – North.

The Board of Directors congratulated Mr. Oakden and Mr. Holguin on their promotion.

PUBLIC COMMENT

General Manager Shivaji Deshmukh stated the Board has received speaking requests for item 5C – related to Senate Bill 307 (SB 307). He suggested that the Board take public comments not related to SB 307 at this time and any comments related to SB 307 to be given after staff's presentation on the subject.

President Hofer stated that members of the public may address the Board for any items not related to item 5C. There was no one desiring to do so.

ADDITIONS TO THE AGENDA

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

SB 307 (ROTH): WATER CONVEYANCE: USE OF FACILITY WITH UNUSED CAPACITY

Mr. Deshmukh stated that at the June 19, 2019 Board meeting, Director Parker requested that staff bring SB 307 back to the Board of Directors. He mentioned that since the Agency has taken a position on this item, there has been some updates. He stated that currently, SB 307 is on the Governor's desk. Staff would like to provide an update on the new information from the past months.

Manager of Government Relations Cathleen Pieroni gave a background on CEQA, SB 307, the Cadiz Project, and who have supported and opposed it. She stated that the Agency is concerned that the precedence set by SB 307 will open the door to other similar projects to be subject to review even after the CEQA environmental review, interjecting unnecessary uncertainty on what is already a very rigorous review process. She stated that the Agency has no agreement to purchase water from the Cadiz Project and has opposed SB 307 because it will set precedence by requiring post CEQA environmental review requirements and impose state restriction on water conveyance facilities.

PUBLIC COMMENT

President Hofer stated that members of the public may address the Board and requested that the Board of Directors hold their comments until the end.

Mr. John Monsen from National Parks Conservation Association (NPCA) stated that he has asked the Board to rescind the letter of opposition. He stated that the Cadiz Project is unsustainable, and the United States geological survey found that the Cadiz Water Project will remove up to 40,000-acre feet a year, which is more than what the aquifer will be recharged by. He stated that the referenced study is controversial and indirectly funded by Cadiz.

Mr. Chris Clarke from the NPCA thanked the Directors for the opportunity to speak. He addressed some omissions in staff's report. He stated that he noticed two studies that were peer reviewed and published in scientific journals that were not mentioned. He stated that these studies show that this project will severely damage the California desert. He stated that NPCA are strong supporters of CEQA as well. CEQA does not require that the lead agency establish what is the most authoritative science in the environmental impact report (EIR). In cases like this, where there is discussion about motives and substantial new information that underscores the weaknesses in

the scientific model of the preferred alternative, it is ethically appropriate for the state to reevaluate this matter and it's not unprecedented.

Mr. Gregory Foster stated that he is from the Southern California Partnership for Jobs, who represents over 2,700 construction firms and over 90,000 union and nonunion construction workers. He stated that he hopes that the Agency continues their current stance and oppose SB 307.

Mr. Rich Lambros stated that he is from the Engineering Contractors Association (ECA), which is composed of 200 member companies engaged in construction, mostly focused on underground utility and utility work. Their members have a specific emphasis on water, water treatment, and wastewater. He stated that ECA agrees with the Board on opposing the bill, not based on the project but based on policy. He asked on behalf of ECA to continue their opposition stance on SB 307. He stated that SB 307 undermines local control and CEQA.

Mr. Roman Nava stated that he is the Director of Governmental Affairs at the Building Industry Association of Southern California (BIA). He stated that BIA represents over 1,200 members that make up the housing industry. He stated that he would like to publicly reaffirm BIA's opposition to SB 307, which will undermine the existing state environmental review framework and make it more difficult for California to manage its ongoing water infrastructure and economic development challenges. He stated that California is facing a housing crisis that has not been seen in decades and Governor Newsom has issued a call to action to build 3.5 million homes by 2025. If SB 307 becomes law, any hope of addressing this housing crisis diminishes. While this bill targets the Cadiz Water Project, it sets a dangerous precedence and poses a potential threat to any infrastructure in the state by taking regulatory authority from local officials and giving it to bureaucrats who are not accountable to local residents. If SB 307 becomes law, the finality of any project's environmental review processes, including for local water supply reliability, drought response planning, affordable housing, and transportation projects will be in doubt. At a time when California is working on a collaborative approach to address its shared water supply reliability, SB 307 will set a contradictory precedence by stifling the delivery of clean safe drinking water to communities across the state. He stated that BIA asks the Board to oppose SB 307.

Director Kathy Tiegs from the CVWD mentioned that this bill is still in the Senate. She said that the bill does not mention Cadiz but it mentions a geographic location. She stated that the principle that is being put forth should be examined and not the company that is looking to improve water sustainability for this region. She noted that SB 307 threatens to undermine local control and CEQA by enacting unnecessary, duplicative, and undefined state review from outside agencies that do not have to have a relation to the project they are questioning. SB 307 proposes an additional layer of approvals that will set bad precedent for water projects in California that are compliant with CEQA. She stated that SB 307 attempts to circumvent the judgement and discretion of numerous authorities involved in the rigorous CEQA process. If the legislature allows a tax to projects after state agencies have already participated in the CEQA process, this method will be applied continuously and will inject uncertainty for other much needed projects, including vital community projects in our region. She asked on behalf of CVWD that the Board stay consistent with their oppose position on SB 307, taking into consideration how this will impact the region and not just the fact that the Agency may not be an importer of Colorado River Water.

Mr. Matthew Litchfield, the General Manager/Chief Engineer from Three Valleys Municipal Water District (TVMWD), stated that he would like IEUA to maintain an opposed position on SB 307. He stated that the bill sets a dangerous precedent by disregarding long standing environmental and state water policies. SB 307 threatens all other water infrastructure projects as public agencies pursue to provide reliability to the region and invites similar challenges to future transfers, water supply and infrastructure projects. He noted that SB 307 is opposed by the TVMWD, the Association of California Water Agencies, and 50 other organizations. Their opposition is based

primarily on the precedent of this bill. He stated that last month, TVMWD approved a year long study that will involve project critics, government agencies, and their choice of scientists to gather real data on the issue. This will proceed with or without SB 307. He asked the Board of Directors to support local efforts to investigate Cadiz and to continue to oppose SB 307.

Mr. Luis Portillo stated that he is with the Inland Empire Economic Partnership, an organization comprised of larger employers in the Inland Empire region. He asked the Board to continue their opposition to SB 307. He stated that this bill sets a dangerous precedent for any future water projects. California and the Inland Empire region will continue to grow and every water project that seeks to increase the water capacity in the state will face opposition. He asked the Board to continue to oppose SB 307.

President Hofer asked the audience if there were any other members of the public who would like to make a public comment. With no one desiring to do so, President Hofer closed public comment and asked the Board of Directors to make any comments.

Director Camacho stated that he would like to echo CVWD, TVMWD, BIA, Inland Empire Economic Partnership, and the ECA. He stated that he believes this bill implements bad policy and is a legislative overreach. He stated that there is already a process in place and this bill is dangerous to any projects that can be selected and challenged for any personal or political reasons.

Director Parker stated that she had asked for this item to be brought back to the Board because this item was never presented to the full Board of Directors for a decision, but was only presented at the Community & Legislative Affairs Committee. She wanted the opportunity to have a discussion, especially because there has been significant public comment on this matter. She noted that the Agency has no plans to take water from this project and this isn't the Agency's fight. She stated it seems to be a moot point, as there is support from legislature, as it has passed the State assembly last week. As an engineer, she has a practical understanding of not setting precedent of going around CEQA. She stated that she appreciated everyone's comments, and this is an extremely difficult decision. She suggested the Agency take a neutral position from this point forward.

Director Hall stated that she agreed with Director Parker that the Board should not take an action on this matter. She stated that she did her research and spoke to residents and she would like to recommend a neutral position.

Director Elie stated that the Board of Directors have historically taken positions on various matters that impact not just individuals who show up to the Board meeting but all constituents whom the Board serves including the member agencies and partners in many projects. The Agency has taken a position of opposition to this bill, which has nothing to do with the Cadiz project and whether the Agency is going to take water from the project. He stated that the Cadiz project was subject to seven different lawsuits and appeals, seven different published opinions of the California Court of appeal out of the Orange County District, which is unprecedented. This bill purports to send a project to the California State Lands Commission for review. As an environmental practitioner, he stated he has never seen a project go before the California State Lands Commission. This caused him to look up the California State Lands Commission. The members of the Commission currently are the lieutenant governor, the controller, and the finance director. He stated that the mission of this entity is to manage four million acres of tide and submerged lands and monitors sovereign land granted by the California legislature. It protects state waters reign invasive species. He stated that this does not sound like real environmental review but a place for a project to be parked. It's a dangerous precedent and overreach of the legislature and it directly impacts not just this Agency, but also our member agencies. He stated that the Board has a duty to consider the entire region and historically the Agency has taken

principled positions, which deal with bills that don't directly impact IEUA. He stated that the CEQA process is rigorous, expensive, and extensive. He stated that he believes the Board took the right action by opposing SB 307 and should not take any action today.

President Hofer stated that the Inland Empire Utilities Agency's name is a little confusing. The Agency serves from the eastern boundary from the city of Fontana up to the foothills in the city of Rancho Cucamonga, city of Upland, and over to the Los Angeles county line in the city of Montclair. He stated that the Agency is primarily a sewer agency and that is the service the Agency provides to the public. It is a vital, technical, and serious function. The reason this subject is a matter of concern is because the Agency has some large projects that will serve this basin for many years into the future, costing millions of dollars, converting sewer water to potable water that will return to this basin. To save the use of other water sources as much as possible, the Agency is here to serve the public by recycling water. He stated that the region has the potential to experience an enormous amount of growth and the Agency must be prepared for that. He stated that the CEQA process is already cumbersome, lengthy and expensive. The public pays for this process and the Agency must be mindful of this cost and the time it takes to push projects through. The Agency's concern is not with the Cadiz project in opposing this bill, but the Agency is concerned that this bill will be adding another layer of oversight and regulation in addition to what is already an incredible, lengthy, and technical process. He stated that if the Agency's future projects are stopped, there will be a negative impact on this basin, which will incur costs to the ratepayers and member agencies. He stated that he understands the point of view of those who spoke at the Board meeting today regarding the environmental consequences of the Cadiz project. However, the Agency is aiming to contain an already lengthy, cumbersome, and expensive process. He stated he understands Director Hall's position as the Agency should consider MWD's neutral position, as they provide large amounts of water to Southern California and because the Agency is an MWD member agency. However, the Agency's Board must do what they feel is in the best interest of this Agency.

Discussion ensued regarding MWD's neutral position.

Upon motion by Director Camacho, seconded by Director Elie, the motion carried (3:2):

M2019-7-4

MOVED, to maintain the current position of "oppose" on SB 307 (Roth) and take no further action based on the updated information provided.

President Hofer thanked everyone who commented on SB 307.

CONSENT ITEMS

President Hofer 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 Elie, seconded by Director Camacho, and unanimously carried:

M2019-7-1

MOVED, to approve the Consent Calendar.

A. The Board approved the total disbursements for the month of May 2019, in the amount of \$13,142,309.82.

Continued...

M2019-7-1, continued

B. The Board:

1. Executed the license agreement with BNSF Railway Company for a not-to-exceed amount of \$163,569; and
2. Authorized the General Manager to negotiate and execute the agreement, subject to non-substantive changes.

C. The Board ratified the purchase of Agency-wide insurance policies providing coverage through Fiscal Year 2019/20, for the following amounts:

- a. Excess General Liability insurance in the amount of \$406,495;
- b. Property, Boiler & Machinery insurance in the amount of \$328,580;
- c. Excess Workers' Compensation insurance in the amount of \$76,846; and
- d. Master Crime/Fraud insurance in the amount of \$19,948.

D. The Board:

1. Awarded a construction contract for the RP-1 Primary Effluent Conveyance Improvements Phase II, Project No. EN15012.01, to J.R. Filanc Construction, Inc., for the not-to-exceed amount of \$1,853,777; and
2. Authorized the General Manager to execute the contract, subject to non-substantive changes.

ACTION ITEMS

APPROVAL FOR SUBMITTAL OF WIFIA LOAN APPLICATION

Executive Manager of Finance & Administration/AGM Christina Valencia stated that the RP-5 Expansion Project is the largest project the Agency has undertaken. At \$325 million, it's important for the Agency to search out the lowest cost of financing to ensure the project is built at the lowest cost possible for the rate payers. Since 2003, the Agency has been successful in leveraging the State Revolving Fund (SRF) loans. She stated that the Agency issued an SRF application for the RP-5 Expansion Project and has been notified that the Agency was given 31 percent, \$101.5 million in SRF funding. She stated that another option is a federal program ran by the United States Environmental Protection Agency (EPA). The Water Infrastructure Finance and Innovation Act (WIFIA) is similar to the SRF loan program in that it is a low interest program. It is a different process than the SRF loan and authority from the Board is required to move forward with submittal of an application. She stated that it is highly competitive. The Agency submitted an application in 2017 for the RP-5 Expansion as well as the RP-1 Recovery Capacity. At that time, due to the timeline execution for the two projects over a ten-year period, the EPA recommended the letter of intent (LOI) be resubmitted with focus on a single project that can be completed within a 5-year period. She acknowledged the Engineering, Grants, and the Finance department for submitting a very comprehensive LOI. The RP-5 Expansion LOI application was one of 42 projects across the nation that was invited to apply. She stated for the Agency to move forward, a formal application must be submitted by December 2019. If approved by the Board, the application will be submitted by the end of July 2019. She stated that a \$100,000 application fee must be paid along with the application. If the application is approved, the filing fee can be applied against the loan or associated fees, which applies into our loan amount as a payment. WIFIA hires engineers,

analysts, legal assistants to go through the credit review process for every application that is submitted. Those fees are passed onto the applicants. She stated that the maximum amount the Agency is eligible for is 49 percent of the total project cost. Including the application fee, the cost of issuance is still low when compared to fees the Agency has paid when bonds have been issued in the market. She recommended that the Board approve for staff to move forward to submit a WIFIA loan application for the RP-5 Expansion Project.

Discussion ensued on past bond issues and application fees.

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

M2019-7-2

MOVED, to approve to apply for a WIFIA loan in the not-to-exceed amount of \$161,124,250 to finance the RP-5 Expansion project.

APPOINTMENT OF AN ALTERNATE REPRESENTATIVE FOR SAWPA PROJECT AGREEMENT 23 AND PROJECT AGREEMENT 24

General Manager Shivaji Deshmukh stated according to SAWPA's Joint Power's Agreement, SAWPA agencies must appoint representatives and alternate representatives to Project Agreements (PAs). He stated that Director Kati Parker has been appointed as the representative for both PA 23 and PA 24. He stated that the Board has not yet appointed the alternate representative for PA 23 and 24. Currently, Director Parker is the Agency's SAWPA representative and Director Hall is the alternate representative. Discussion ensued regarding other PA representatives and the different PAs.

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

M2019-7-3

MOVED, to:

1. Appoint Director Jasmin A. Hall as the alternate representative for the SAWPA PA 23; and
2. Appoint Director Jasmin A. Hall as an alternate representative for the SAWPA PA 24.

INFORMATION ITEMS

ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT UPDATES

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: RP-5 RW Pipeline Bottleneck; RP-1 Flare Improvements; Baseline Recycled Water Pipeline Extension; RP-4 Outfall Pipeline Air Release Valve Replacement/Relocation; CBWM Pomona Extensometer Construction; and Montclair Basin Improvements.

Discussion ensued regarding change orders, amendments, and details on the projects.

MWD UPDATE

Manager of Government Relations Cathleen Pieroni noted that this has been a wet year and there have been low demands locally, which has resulted in the need for storage. She gave an overview of the storage of state systems and Colorado River system. She stated that the newly appointed Secretary of Natural Resources Mr. Wade Crowfoot came to speak at the MWD Committee regarding moving the Delta Conveyance, formerly known as the California WaterFix, process forward. She gave an overview of the timeline and modeling of the Delta Conveyance.

Discussion ensued regarding the water released into the ocean and the Notice of Preparation (NOP).

CBWM UPDATE

General Manager Shivaji Deshmukh stated that staff submitted comments on the storage needs for the Optimum Basin Management Program (OBMP). In June 2019, the 2018 Annual Prado Adaptive Management Plan report was received and filed with no significant comments received.

SAWPA UPDATE

Source Control/Environmental Resources Supervisor Craig Proctor stated at the July 2 Commission meeting, Orange County Water District's Director of Water Quality and Technical Resources Jason Dadakis gave a presentation on perfluorooctanoic acid (PFAS). Twelve Orange County Water District water retailers received testing orders and have found PFAS in their wells greater than the state's Division of Drinking Water notification levels. The Division of Drinking Water suggests any retailers to discontinue using any source with a contamination greater than the interim state drinking water response level. If the water districts continue to use the wells, the Division of Drinking Water recommends extensive monitoring and public notification. Mr. Proctor gave an overview of how this has impacted the Agency and staff's plans moving forward. He also stated that Department of Drinking Water informed SAWPA that the OWOW Prop 1 Integrated Regional Water Management grant submittal plan is 100 percent compliant.

Discussion ensued regarding the notification levels, impacts on water retailers, and letters received regarding the PFAS matter.

CHINO BASIN PROJECT UPDATE

General Manager Shivaji Deshmukh stated that he and the Manager of Planning & Environmental Resources Sylvie Lee traveled to Sacramento where he observed how well represented the Agency is working with the Department of Water Resources (DWR) and Department of Fish and Wildlife. He stated that Ms. Lee coordinated with the Agency's consultants, GEI, Mark Cowin, and Roger Putty for the meetings that took place in Sacramento. She also coordinated with MWD staff members to exhibit a united front in meeting with the agencies.

Ms. Lee stated that the meetings were beneficial to ensure that conversation takes place between DWR and the state water contractors. She stated that having MWD staff in the room for the conversation was effective and MWD staff have been increasingly more engaged. The discussion with the Department of Fish & Wildlife was also productive because it allowed them to consider concepts that haven't been considered in the past. She also stated that Mr. Deshmukh sent out a letter that was received from the Agency's contracting agencies. She gave an update on progress and plans of the Agency's response to the letter.

Discussion ensued regarding the timeframe of the response to the letter.

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

TREASURER'S REPORT OF FINANCIAL AFFAIRS

PUBLIC OUTREACH AND COMMUNICATION

STATE LEGISLATIVE REPORT AND MATRIX FROM WEST COAST ADVISORS

FEDERAL LEGISLATIVE REPORT AND MATRIX FROM INNOVATIVE FEDERAL STRATEGIES

CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT

2018 ANNUAL REPORT OF THE PRADO BASIN HABITAT SUSTAINABILITY COMMITTEE

4TH QUARTER PLANNING & ENVIRONMENTAL RESOURCES UPDATE

AGENCY REPRESENTATIVES' REPORTS

SAWPA REPORT

Director Parker had nothing further to report.

MWD REPORT

Director Hall had nothing further to report.

REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT

There was nothing to report.

CHINO BASIN WATERMASTER REPORT

Director Elie stated that the employment contract with General Manager Peter Kavounas was completed. He stated that the joint meeting with CBWM and IEUA was well received from the CBWM pools and individuals.

CHINO BASIN DESALTER AUTHORITY REPORT

There was nothing additional to report.

INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY

President Hofer stated that the next IERCA Board meeting is scheduled for August 5, 2019.

GENERAL MANAGER'S REPORT

General Manager Shivaji Deshmukh stated that staff is hosting a tour for future leaders of the United States Army Corp of Engineers to highlight our LEED Platinum Building. He stated that staff is planning to release a scope of work for a request for proposals (RFP) for support on the strategic planning process. He stated that he has worked with executive management to draft approximately 20 goals that will be presented to the Board of Directors most likely in September. He stated that the new Manager of Human Resources will begin on August 12th.

BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS

Director Elie stated that he would like an information item addressing whether any of the member agencies, water providers, or sewerage agencies are within disadvantaged communities or if there are pockets within their service areas. He stated that he would like a better understanding of what qualifies as disadvantage community within the service areas.

DIRECTORS' COMMENTS

Director Parker stated she attended the 2019 City of Chino State of the City event on June 26. Director Parker requested that the Agency purchase a table at this event in the future.

Director Hall stated she attended the Technical Environmental Analytical Meeting at Babcock Laboratories on June 20; the Future of the Cities Symposium – State of the Subregional Dinner on June 20; the Fontana Chamber of Commerce 78th Annual Board of Directors Installation Gala on June 21; the Building Industry Association of Southern California, Baldy View Chapter Housing Policy Conference on June 28; and the Association of the San Bernardino County Special Districts Meeting on July 15.

Director Elie stated he attended the 2019 City of Chino State of the City event on June 26 and the Chino Hills Independence Celebration on July 3.

CLOSED SESSION

The Board went into Closed Session at 12:20 p.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; B. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)4 – CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: One case ; C. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)2 – CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION: Two Cases.

The meeting resumed at 1:03 p.m., and General Counsel Jean Cihigoyenatche stated that the below-mentioned matters were discussed in Closed Session, and the Board with Director Camacho absent, 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 took no reportable action

Regarding Conference with Legal Counsel – Anticipated Litigation:

Case #1

The Board unanimously voted to treat the June 18, 2019 letter from the Allen Matkins as a tort claim and a claim for damages, and rejected the claim by unanimous vote.

Regarding Conference with Legal Counsel – Potential Litigation:

Case #1

The Board took no reportable action.

Regarding Conference with Legal Counsel – Potential Litigation:

Case #2

The Board took no reportable action.

With no further business, Vice President Hall adjourned the meeting at 1:04 p.m.



Kati Parker, Secretary/Treasurer

APPROVED: AUGUST 21, 2019