



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

**WEDNESDAY, AUGUST 21, 2019  
10:00 A.M.**

**DIRECTORS PRESENT:**

Pauli Hofer, President  
Kati Parker, Secretary/Treasurer  
Steven J. Elie

**DIRECTORS ABSENT:**

Jasmin Hall, Vice President  
Michael Camacho

**STAFF PRESENT:**

Shivaji Deshmukh, General Manager  
Randy Lee, Executive Manager of Operations/AGM  
Shaun Stone, Acting Executive Manager of Engineering/AGM  
Christina Valencia, Executive Manager of Finance & Administration/AGM  
Jerry Burke, Deputy Manager of Engineering  
Andy Campbell, Groundwater Recharge Coordinator/Hydrogeologist  
Connie Campbell, Accounting Supervisor  
Javier Chagoyen-Lazaro, Manager of Finance & Accounting  
Carolyn Echavarria, Administrative Assistant II  
Miriam Garcia, Office Assistant  
Sharyl Heath, Accounting Technician  
Jennifer Hy-Luk, Administrative Assistant II  
Patricia Jackson, Senior Accounting Technician  
Wanda Kling, Senior Accountant  
Sylvie Lee, Manager of Planning & Environmental Resources  
Suresh Malkani, Principal Accountant  
Laura Mantilla, Executive Assistant  
Karen McChristy, Accounting Technician  
James McShane, Electrical & Instrumentation Technician III  
Scott Oakden, Manager of Operations and Maintenance  
Titilayo Olagunju, Senior Accountant  
Cathleen Pieroni, Manager of Government Relations  
Daniel Solorzano, Technology Specialist I  
Sunny Sun, Accountant II  
David Ta, Wastewater Treatment Plant Operator-in Training  
Kenneth Tam, Senior Engineer  
Christine Thompson, Accountant II  
Wilson To, Technology Specialist II  
Bill Tomlinson, Accountant II

**STAFF PRESENT (continued):**

Teresa Velarde, Manager of Internal Audit  
April Woodruff, Board Secretary/Office Manager

**OTHERS PRESENT:**

Jean Cihigoyenette, JC Law Firm  
Steve Corrington, MIH  
Peter Hall, MIH  
David Schroeder, Chino Basin Water Conservation District  
Kristen Weger, Chino Basin Water Conservation District

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 10:02 a.m. and led the Pledge of Allegiance to the flag. A quorum was present.

**PUBLIC COMMENT**

President Hofer stated that members of the public may address the Board. 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.

General Counsel Jean Cihigoyenette stated that Item 3J on the consent calendar (Increase the Number of Alternate Appointments on the Board) did not indicate how many alternates should be appointed in the board letter; however, he stated it was mentioned having three alternates per committee. He stated that the Board can approve the consent calendar subject to three alternates for each committee or the item can be pulled and discussed as an action item. The Board agreed to leave the item on the consent calendar and approved increasing the number of committee alternates to three.

**NEW EMPLOYEE INTRODUCTIONS**

Executive Manager of Operations/AGM Randy Lee introduced:

- Mr. David Ta, Wastewater Treatment Plant Operator-in Training, hired August 12, 2019, Operations & Maintenance – North.

General Manager Shivaji Deshmukh introduced:

- Ms. Miriam Garcia, Office Assistant, hired July 29, 2019, Agency Management.

The Board of Directors welcomed Mr. Ta and Ms. Garcia to the IEUA team.

**PROMOTIONS**

The following staff members were promoted:

- Mr. James McShane, Electrical & Instrumentation Technician III, promoted June 2, 2019, Operations and Maintenance – North.
- Kenneth Tam, Senior Engineer, promoted July 14, 2019, Planning & Environmental Compliance.

- Jennifer Hy-Luk, Administrative Assistant II, promoted August 11, 2019, Agency Management.

The Board of Directors congratulated Mr. McShane, Mr. Tam and Ms. Hy-Luk on their promotion.

### **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 Parker, seconded by Director Elie, and unanimously carried:

#### **M2019-8-2**

MOVED, to approve the Consent Calendar.

- A. The Board approved the minutes from the June 19 and July 17, 2019 Board meetings.
- B. The Board approved the total disbursements for the month of June 2019, in the amount of \$19,764,929.64.
- C. The Board:
  1. Approved a consulting engineering services contract amendment for the RP-5 Expansion, Project Nos. EN19001 and EN19006, to Parsons Water and Infrastructure Inc., in the amount of \$517,494; and
  2. Authorized the General Manager to execute the consulting engineering services contract amendment, subject to non-substantive changes.
- D. The Board:
  1. Approved consultant services contract amendments for the following contracts for an aggregate amount of \$600,000; and
    - 4600002051 Wallace & Associates Consulting, Inc.
    - 4600002052 Carollo Engineers, Inc.
    - 4600002152 MWH Constructors
    - 4600002054 GK & Associates
  2. Authorized the General Manager to execute the contract amendments, subject to non-substantive changes.
- E. The Board:
  1. Approved a construction change order for the RP-1 Digester 6 Repairs, Project No. EN17042, to W.A. Rasic Construction, Inc., for the not-to-exceed amount of \$160,000; and
  2. Authorized the General Manager to execute the change order, subject to non-substantive changes.

Continued...

**M2019-8-2, continued**

**F. The Board:**

1. Ratified the emergency project approval for the RP-1 Digester Gas Repairs in the amount of \$111,600; and
2. Authorized the General Manager to execute the emergency task order, subject to non-substantive changes.

**G. The Board:**

1. Awarded Task Order No. 001 to Bucknam Infrastructure Group for a not-to-exceed amount of \$101,394; and
2. Authorized the General Manager to execute the task order, subject to non-substantive changes.

**H. The Board:**

1. Ratified Contract Amendment No. 4600002733-001 to Jeremy Harris Construction, Inc. for the Ely Basin Infiltration Restoration Services for \$280,500 and a not-to-exceed total contract value of \$529,050; and
2. Approved a budget amendment for FY 2018/19 Groundwater Recharge professional fees budget in the amount of \$280,500 to support the proposed cost of the Ely Basin cleaning.

**I. The Board:**

1. Ratified Contract Amendment No. 4600002713-002 with Jeremy Harris Construction, Inc. in the amount of \$89,443.28 for the RP-3 Basin Infiltration Restoration Services; and
2. Authorized the General Manager to execute the amendment.

**J. The Board approved an increase in the number of appointed alternates to the Inland Empire Utilities Agency committees to three alternates per committee.**

**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-1 12 kV Switchgear and Generator Control Upgrades; HQ Driveway Improvements; RP-1 Headworks Sump Pump Redundancy; RSS Haven Avenue Repair and Replacement; RP-1 TP-1 Waste Wash Water Basin Pumps Replacement; and 1158 Reservoir Re-coating/Painting and Upgrades.

**MWD UPDATE**

Manager of Government Relations Cathleen Pieroni provided a brief update on Metropolitan Water District's (MWD) preliminary financial reports for fiscal year 2019. Ms. Pieroni reported that

revenues totaled \$1.525 million; lower than budget of \$1.731 million. Expenses totaled \$1.519 million; lower than budget of \$1.692 million. Ms. Pieroni reviewed the MWD water sales trends for treated and untreated water. Ms. Pieroni stated that on July 23, MWD held a Board workshop on its proposed Recycled Water Program. She discussed proposed phases to develop an advance water treatment facility in Carson and the estimated cost. A second workshop is expected in the fall to review the planning, agreements and financial considerations. Discussions ensued regarding cost and California regulations. General Manager Shivaji Deshmukh stated that staff will coordinate with MWD to provide a presentation to the IEUA Board with more details.

#### **CBWM UPDATE**

Mr. Deshmukh stated that after several Listening Sessions regarding the Optimum Basin Management Program update for 2020, parties are focused on defining the action plans and developing the engineers' estimates for those plans, which is expected to be completed in October.

#### **SAWPA UPDATE**

Senior Engineer Kenneth Tam reported that at the August 6, 2019 Commission meeting, Commissioners approved the submission of the North Orange County Stakeholders Integrated Regional Water Management Portfolio to the Department of Water Resources for Proposition 1 grant funding. The Commission also authorized the SAWPA General Manager to execute a new contract for the Regulatory Support Basin Monitoring Program Task Force/Middle Santa Ana River Pathogen Total Maximum Daily Loads (TMDL) Task Force and authorized the issuance of request for proposal to conduct feasibility analysis for weather modification or cloud seeding for the Santa Ana River Watershed. At the August 20 Commission meeting, a presentation was given by the U.S. Forest Service on the importance of forest and sub-watersheds in the San Bernardino National Forest and the Cleveland National Forests. They mentioned that they are working with the SAWPA Forest First Task Force to identify any potential projects for funding under Proposition 1. The Commission also held a public hearing and adopted the updated Brine Line Sewer System Management Plan. Additionally, they added an agenda item to consider a formal position regarding Senate Bill No. 1, which protects California from any federal rollbacks from environmental regulations. Discussion ensued regarding cloud seeding. Director Parker recommended having someone from MWD give a presentation on cloud seeding to the Board.

#### **CHINO BASIN PROGRAM UPDATE**

Manager of Planning & Environmental Resources Sylvie Lee stated that the next Chino Basin Program Ad Hoc meeting is scheduled on August 26, 2019. The Agency is working with the member agencies on the items noted in the joint letter from the member agencies dated July 11, 2019. A couple of workshops have been scheduled to focus on the water sources and the benefit analysis. IEUA asked member agencies to participate in a subgroup to provide input on assumptions and alternatives on the economic evaluation.

#### **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**

## **AGENCY REPRESENTATIVES' REPORTS**

### **SAWPA REPORT**

Director Parker had no additional comments.

### **MWD REPORT**

There was nothing further to report

### **REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT**

General Manager Deshmukh stated that an update was provided by staff on Asset Management.

### **CHINO BASIN WATERMASTER REPORT**

Director Elie stated that at the July 25, 2019, Board meeting, CBWM presented a proclamation of gratitude for the late James Erickson.

### **CHINO BASIN DESALTER AUTHORITY REPORT**

There was nothing further to report.

### **INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY**

President Hofer stated that the next meeting is in November.

### **GENERAL MANAGER'S REPORT**

- Mr. Deshmukh announced that for the 20<sup>th</sup> consecutive year the Agency was awarded the distinguished Certificate of Achievement for Excellence in Financial Reporting award by the Government Finance Officers Association for its comprehensive annual financial report for Fiscal Year 2017/2018. Mr. Deshmukh recognized the team which included: Javier Chagoyen-Lazaro, Suresh Malkani, Connie Campbell, Wanda Kling, Titi Olagunju, Sunny Sun, Carolyn Echavarria, Bill Tomlinson, Pat Jackson, Donna Springer, Karen McChristy, Sharyl Heath, and Christine Thompson. The Board complimented and congratulated the team.
- Mr. Deshmukh stated that staff had updated the Board on the evaluation of potentially reducing the Agency's service providers to take advantage of the savings for the deferred compensation plan participants. The next steps involve a request for proposal for service providers. The Agency created an evaluation team and an administrative committee that will evaluate the proposals, interview the top firms and select a provider in November.
- Mr. Deshmukh informed the Board of the Leadership Breakfast, hosted by IEUA on September 24, 2019. He stated that Ms. Karla Nemeth, Director from the Department of Water Resources will be the keynote speaker.

### **BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS**

There were no requested future agenda items.

### **DIRECTORS' COMMENTS**

- Director Elie stated he attended the Chino Valley Business Awards & Recognitions Dinner on July 18; the Southern California Water Coalition Quarterly Luncheon on July 19; the Chino Police Chief Karen Comstock Walk of Honor and Ceremony on July 25; the 13<sup>th</sup> Annual San Bernardino County Water Conference on August 9. Director Elie noted he would like to be involved on the panel for this event; the Chino Hills Council meeting on August 13; and the Chino Valley Independent Fire District Board of Directors meeting on August 14.

- Director Parker stated she attended the IEUA Service Awards Luncheon on July 17 and the Women in Water Inaugural Meeting on July 24.

**CLOSED SESSION**

The Board went into Closed Session at 10:58 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; 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 12:03 p.m., and General Counsel Jean Cihigoyenetché stated that the below-mentioned matters were discussed in Closed Session, and the Board with Director Camacho and Director Hall 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 did not discuss.

Regarding Conference with Legal Counsel – Anticipated Litigation:

Case #1

The Board took no reportable action.

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, President Hofer adjourned the meeting at 12:04 p.m.

  
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Kati Parker, Secretary/Treasurer

**APPROVED: SEPTEMBER 18, 2019**