



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

**WEDNESDAY, DECEMBER 18, 2019  
9:00 A.M.**

**DIRECTORS PRESENT:**

Paul Hofer, President  
Jasmin 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  
Christiana Daisy, Executive Manager of Engineering/AGM  
Randy Lee, Executive Manager of Operations/AGM  
Christina Valencia, Executive Manager of Finance & Administration/AGM  
Joshua Aguilar, Senior Engineer  
Jerry Burke, Manager of Engineering  
Pietro Cambiaso, Deputy Manager of Planning & Environmental Resources  
Javier Chagoyen-Lazaro, Manager of Finance & Accounting  
Lisa Dye, Manager of Human Resources  
Warren Green, Manager of Contracts, Procurement, & Risk Services  
Branden Hodges, Environmental Resources Planner II  
Elizabeth Hurst, Senior Environmental Resource Planner  
Nolan King, Network Administrator  
Sally Lee, Executive Assistant  
Sylvie Lee, Manager of Planning & Environmental Resources  
Laura Mantilla, Executive Assistant  
Jason Marseilles, Senior Engineer  
Abel Medrano, Compost Operator  
Ken Monfore, Deputy Manager of Maintenance  
Cathleen Pieroni, Manager of Government Relations  
Craig Proctor, Source Control/Environmental Resources Supervisor  
John Scherck, Senior Project Manager  
Daniel Solorzano, Technology Specialist I  
Wilson To, Technology Specialist II  
Teresa Velarde, Manager of Internal Audit  
April Woodruff, Board Secretary/Office Manager

**OTHERS PRESENT:**

Yunus Afshar, Wood Group  
Jean Cihigoyenetché, JC Law Firm

Steve Corrington, MIH Water  
Sarp Ersoylu, Wood Group  
Edgar Tellez Foster, Chino Basin Watermaster  
Peter Kavounas, Chino Basin Watermaster

A special 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 9:00 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.

#### **PROMOTION**

The following staff members were promoted:

- Mr. Branden Hodges, Environmental Resources Planner II, promoted November 17, 2019, Environmental Compliance Department.
- Mr. Abel Medrano, Compost Operator, promoted December 2, 2019, Operations & Maintenance – Organics Management.

The Board of Directors congratulated Mr. Hodges and Mr. Medrano on their promotion.

#### **PRESENTATIONS**

##### **OPTIMUM BASIN MANAGEMENT PROGRAM**

Chino Basin Watermaster (CBWM) General Manager Peter Kavounas gave brief history and update on the Optimum Basin Management Program (OBMP), implementation, Agreement, and California Environmental Quality Act (CEQA). He stated that the OBMP is being updated and revisited in consideration of all the knowledge gathered in the past two decades, gaining input from all related parties. He stated that all agencies are in alignment with the original goals of the OBMP as the agencies look to: enhance the Basin supplies; protect and enhance water qualities in the Basin; and enhance the management of the Basin. The Chino Basin Project is a good example of creative ways of enhancing the management of the Basin. He gave a timeline of the OBMP process, completion, and implementation plan. He said that CEQA will need to be completed as the implementation plan has foreseeable action. The CBWM Board will be offering a contract to Tom Dodson to complete the CEQA and this item will come to the IEUA Board in June 2020. He commended IEUA staff members, Senior Engineer Joshua Aguilar and Manager of Planning and Environmental Resources Sylvie Lee for being great partners in this process.

Director Elie asked if time sensitivity is addressed in the contract with Tom Dodson and if staff can be augmented if necessary. Mr. Kavounas stated that Mr. Dodson is aware of the deadlines and is able to bring on more staff if needed. He ended the presentation by stating that he would like to have another joint Board meeting with CBWM and IEUA to ensure that all Board members are well informed of the process and goals in late April 2020 or early May 2020.

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

**M2019-12-1**

MOVED, to approve the Consent Calendar:

- A. The Board approved the minutes from the November 20, 2019 Board Meeting.
- B. The Board adopted Resolution No. 2019-12-4, commending CVWD Director Kathleen J. Tiegs for her 14 years of public service with the Cucamonga Valley Water District.

**RESOLUTION 2019-12-4**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, COMMENDING CVWD DIRECTOR KATHLEEN J. TIEGS FOR HER 14 YEARS OF PUBLIC SERVICE WITH THE CUCAMONGA VALLEY WATER DISTRICT** (for full text, see Resolution Book)

- C. The Board adopted Resolution No. 2019-12-5, commending CVWD Director Oscar Gonzalez for his 11 years of public service with the Cucamonga Valley Water District.

**RESOLUTION 2019-12-5**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, COMMENDING CVWD DIRECTOR OSCAR GONZALEZ FOR HIS 11 YEARS OF PUBLIC SERVICE WITH THE CUCAMONGA VALLEY WATER DISTRICT** (for full text, see Resolution Book)

- D. The Board approved the total disbursements for the month of October 2019, in the amount of \$21,751,419.34.
- E. The Board:
  - 1. Approved the Single Audit Report for fiscal year ended June 30, 2019;
  - 2. Approved the Comprehensive Annual Financial Report for fiscal year ended June 30, 2019; and
  - 3. Directed staff to distribute the report as appropriate, to various federal, state, and local agencies, financial institutions, bond rating agencies, and other interested parties.

F. The Board:

- 1. Approved the Audit Committee Charter and the Internal Audit Department Charter; and
- 2. Directed staff to implement the charters.

Continued...

**M2019-12-1, continued**

- G. The Board adopted Resolution No. 2019-12-7, amending the Agency's Salary Schedule/Matrix for all groups.

**RESOLUTION 2019-12-7**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, APPROVING THE AMENDMENT OF THE AGENCY'S SALARY SCHEDULE/MATRIX** (for full text, see Resolution Book)

- H. The Board adopted Resolution No. 2019-12-1, approving the reporting of uniform allowance as special compensation for CalPERS classic members.

**RESOLUTION 2019-12-1**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, APPROVING THE REPORTING OF UNIFORM ALLOWANCE AS SPECIAL COMPENSATION FOR CALPERS CLASSIC MEMBERS** (for full text, see Resolution Book)

- I. The Board:

1. Awarded an aggregate consultant contract for Project Management, Inspection, and Administrative Services to Butier Engineering, Carollo Engineers, GK & Associates, Michael Baker International, MWD Contractors, Project Partners, Wallace & Associates, and Wood Environmental for a total aggregate not-to-exceed amount of \$10,000,000 over a five-year period, with two, one-year options to extend; and
2. Authorized the General Manager to execute the single aggregate consultant contract, subject to non-substantive changes.

- J. The Board:

1. Approved the janitorial services contract amendment with Priority Building Services, LLC, in the amount of \$200,000; and
2. Authorized the General Manager to execute the contract amendment.

- K. The Board:

1. Found the RP-5 Expansion falls within the scope of the Facilities Master Plan programs included in the 2017 Programmatic Environmental Impact Report (PEIR); and
2. Found the PEIR adequately describes the activity for purposes of California Environmental Quality Act (CEQA).

Continued...

**L. The Board:**

1. Adopted a finding pursuant to Public Contract Code 3400(c) that the use of Rockwell Allen Bradley motor control centers, electric drives, and control system hardware: 1) match existing components in use at IEUA facilities; 2) the components are only available from Rockwell;
2. Authorized their procurement as a sole source for future O&M and capital projects for a duration of five years; and
3. Authorized the General Manager to execute the standardization contract with Rockwell and Royal Industrial Solutions, subject to non-substantive changes.

**M. The Board adopted the proposed 2019 Climate Change Action Plan.**

**N. The Board:**

1. Adopted Resolution No. 2019-12-2, authorizing the Defined Contribution Plans Administrative Committee, Committee Charter, Statement of Investment Policies and Guidelines, Fee and Expense Policy Statement and as Plan Sponsor delegate its administrative and fiduciary authority to the Committee;

**RESOLUTION 2019-12-2**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING THE CREATION OF THE DEFINED CONTRIBUTION PLANS ADMINISTRATIVE COMMITTEE (for full text, see Resolution Book)**

2. Adopted Resolution No. 2019-12-3, authorizing the Health Reimbursement Arrangement Trust Committee, Committee Charter, Statement of Investment Policies and Guidelines, Fee and Expense Policy Statement and as Plan Sponsor delegate its administrative and fiduciary authority to the Committee; and

**RESOLUTION 2019-12-3**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING THE CREATION OF THE HEALTH REIMBURSEMENT ACCOUNT TRUST COMMITTEE (for full text, see Resolution Book)**

3. Authorized the General Manager to execute the associated Plans, subject to non-substantive changes.

**ACTION ITEM**

**ELECTION OF OFFICERS**

General Counsel Jean Cihigoyenetché stated that pursuant to the Water Code, the Bylaws of the Agency, and Resolution No. 2019-11-8, the Agency elects officers of the Board of Directors at the last Board meeting in December of every year. He stated that the positions to fill are President,

Vice President and Secretary/Treasurer. Mr. Cihigoyenetché stated that candidates are nominated by members of the Board of Directors. He said that according to Robert's Rule of Order, nominations do not require a second motion, and the nominees will be voted in the order in which they are nominated.

Director Camacho made a motion for a slate: Director Kati Parker for President; Director Jasmin A. Hall for Vice President; and Director Steven J. Elie for Secretary/Treasurer.

Hearing no other nominations, Mr. Cihigoyenetché closed the nominations. Mr. Cihigoyenetché stated that officers will take office in January 2020.

Upon nomination by Director Camacho, by voice vote the motion carried (5/0):

**M2019-12-2**

MOTIONED, to elect Director Kati Parker for President of the Board; Director Jasmin A. Hall for Vice President of the Board; and Director Steven J. Elie for Secretary/Treasurer of the Board.

**APPOINTMENT OF A DIRECTOR TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

General Counsel Jean Cihigoyenetché stated that under the Metropolitan Water District Act, the Board of Directors are required to approve or elect a Director/Member to the Board of the Metropolitan Water District of Southern California (MWD) in conjunction with the approval of officers of the Board of Directors.

Director Elie nominated Director Michael Camacho as a Director/Member to the Board of MWD. President Hofer nominated Vice President Jasmin A. Hall as the Director/Member to the Board of MWD.

Mr. Cihigoyenetché stated that the Board of Directors will vote on the nominations in the order in which they were nominated.

Hearing no other nominations, Mr. Cihigoyenetché closed the nominations.

Upon motion by Director Elie; by voice vote the motion carried (3/2):

**M2019-12-3**

MOVED, to appoint Director Michael Camacho to serve as Director on the Metropolitan Water District of Southern California Board.

**ADOPTION OF RESOLUTION NO. 2019-12-6, APPOINTING/REAPPOINTING AGENCY REPRESENTATIVES TO THE SANTA ANA WATERSHED PROJECT AUTHORITY (SAWPA) COMMISSION**

General Manager Shivaji Deshmukh stated that currently Director Kati Parker serves as the Commissioner on the SAWPA Commission, with Director Jasmin A. Hall as the alternate. The Board is able to appoint or reappoint the Agency representatives to the SAWPA Commission by resolution.

Upon nomination by Director Camacho, the motion failed to carry, with a decline from President Hofer of the nomination:

**M2019-12-4**

MOVED, to adopt, by vote, Resolution No. 2019-12-6, reappointing Director Kati Parker as the Agency representative to the Santa Ana Watershed Project Authority (SAWPA) Commission and Director Paul Hofer as the alternate representative.

**RESOLUTION 2019-12-6**

**RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, APPOINTING/REAPPOINTING THE AGENCY REPRESENTATIVES TO THE SANTA ANA WATERSHED PROJECT AUTHORITY (SAWPA) COMMISSION** (for full text, see Resolution Book)

Upon nomination by President Hofer, the motion failed to carry, with a decline from Vice-President Hall of the nomination:

**M2019-12-5**

MOVED, to adopt, by vote, Resolution No. 2019-12-6, reappointing Director Kati Parker as the Agency representative to the Santa Ana Watershed Project Authority (SAWPA) Commission and Director Jasmin A. Hall as the alternate representative.

**RESOLUTION 2019-12-6**

**RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, APPOINTING/REAPPOINTING THE AGENCY REPRESENTATIVES TO THE SANTA ANA WATERSHED PROJECT AUTHORITY (SAWPA) COMMISSION** (for full text, see Resolution Book)

Upon nomination by Director Parker, by voice vote the motion carried (5/0):

**M2019-12-6**

MOVED, to adopt, by vote, Resolution No. 2019-12-6, reappointing Director Kati Parker as the Agency representative to the Santa Ana Watershed Project Authority (SAWPA) Commission and Director Michael Camacho as the alternate representative.

**RESOLUTION 2019-12-6**

**RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, APPOINTING/REAPPOINTING THE AGENCY REPRESENTATIVES TO THE SANTA ANA WATERSHED PROJECT AUTHORITY (SAWPA) COMMISSION** (for full text, see Resolution Book)

**APPOINTMENT OF A REPRESENTATIVE AND ALTERNATE REPRESENTATIVE FOR SAWPA PROJECT AGREEMENT 23 AND PROJECT AGREEMENT 24**

General Manager Shivaji Deshmukh stated that the Board will need to nominate a representative and alternate representative for SAWPA PA 23 and PA 24. These are project specific subcommittees of the Commission and require an appointment from IEUA as a member agency of SAWPA. Currently, Director Parker is the representative for PA 23 and PA 24 and Director Hall is the Alternate for PA 23.

Upon motion by Director Elie, and unanimously carried (5/0):

**M2019-12-7**

MOVED, to appoint Director Kati Parker to serve as the representative and Director Michael Camacho as the alternate on SAWPA PA 23; and Director Kati Parker to serve as the representative and Director Michael Camacho as the alternate on SAWPA PA 24.

**INFORMATION ITEMS**

**MWD UPDATE**

Manager of Government Relations Cathleen Pieroni gave a brief history of the MWD's Integrated Resources Planning process (IRP) that was initially completed in 1996, and has been periodically updated. The IRP has identified a gap in available regional water supplies and the anticipated growing demands for water. As such, the MWD Board authorized providing member agencies with financial support to promote conservation programs and the development of new local supplies. Ms. Pieroni stated that MWD has invested almost \$1.5 billion in local supply projects and conservation programs to date; resulting in approximately 7 million AF of produced, recovered or saved water. MWD staff will update its IRP in 2020, at which time it expects to find a narrowing of the "gap" in available water supplies and demands.

**CBWM UPDATE**

General Manager Shivaji Deshmukh had nothing further to report.

**SAWPA UPDATE**

Source Control/Environmental Resources Supervisor Craig Proctor reported that at the SAWPA Commission meeting staff gave a presentation on the Emerging Constituents and PFAS sampling results. He shared the results with the Board and stated that the final report will be out in the next few months. Mr. Proctor also stated that the Commission authorized the General Manager to execute an agreement for services with North American Weather Consultants to conduct a feasibility study for weather modification water supply program; authorized the General Manager to execute 13 sub-agreements for the portfolio projects recommended for the Prop 1 Disadvantaged Community Involvement Program – Technical Assistance Grant Funding of \$2.9 million; and approved paying off the \$2.5 million CalPERS Unfunded Liability. Mr. Proctor further stated that SAWPA has a new legal representative, Andy Turner from Lagerlof, Senecal, Gosney and Kruse.

**CHINO BASIN PROGRAM (CBP) UPDATE**

Manager of Planning & Environmental Resources Sylvie Lee provided the following updates: Staff continues to work with Rialto, WRCWRA Facility for JCSD in preparing the terms and proposals; the PDR team has been working on alternatives with Wildermuth to do the modeling and benefits; staff is coordinating with Watermaster on some of the modeling for the OBMP update efforts in the environmental assessment being done by Tom Dodson; on January 9, the Executive Officer of the California Water Commission will meet with the General Manager and Assistant General Manager regarding the CBP challenges, and how they can help move conversations further along.

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

**FISCAL YEAR 2019/20 FIRST QUARTER BUDGET VARIANCE, PERFORMANCE GOAL UPDATES, AND BUDGET TRANSFERS**

**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**

### **INTERNAL AUDIT DEPARTMENT QUARTERLY STATUS REPORT FOR DECEMBER 2019**

### **HUMAN RESOURCES: AUDIT HIRING AND PROMOTIONS OPERATIONS REVIEW**

### **CONTRACT EXTENSION FOR ADVISORY SERVICES FOR AUDIT COMMITTEE'S FINANCIAL ADVISOR**

### **CONTRACT EXTENSION FOR FINANCIAL AND SINGLE AUDITING SERVICES FOR IEUA AND CBRFA**

### **OPERATIONS DIVISION SEMI-ANNUAL UPDATE**

### **ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT UPDATES**

### **AGENCY REPRESENTATIVES' REPORTS**

#### **SAWPA REPORT**

Director Parker stated that SAWPA will be moving forward with a Strategic Plan. She also reported that the \$2.5 million CalPERS unfunded liability being paid will save SAWPA \$1.13 million.

#### **MWD REPORT**

Vice President Hall had nothing further to report.

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

The December 5, 2019 meeting was cancelled.

#### **CHINO BASIN WATERMASTER REPORT**

Director Elie reported that the next fiscal year assessment package was approved to be distributed along with the status report of the revisions of the five prior years based on the safe yield. Discussions will begin on the 2020 Safe Yield Reset.

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

The December 12, 2019 meeting was cancelled.

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

General Manager Deshmukh stated that SAWPA is moving forward with the Strategic Plan. It is also IEUA's goal to start the process. Staff is working on actionable priorities and plan to have a Board retreat in early 2020. Input from the Board will determine how to move forward. General Manager Deshmukh wished the Board a happy holiday season.

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

There were no requested future agenda items.

#### **DIRECTORS' COMMENTS**

Director Elie stated he attended ACWA Fall Conference from December 3 through December 6 and the Chino Youth Christmas Parade on December 14.

Director Hall stated she attended the CASA Strategies Plan on December 4 through December 6 and the 2019 Colorado River Water Users Association Conference on December 11 through December 13.

Director Parker stated she attended ACWA Fall Conference from December 3 through December 6.

Director Camacho stated he attended the ACWA Fall Conference from December 3 through December 6.

President Hofer stated it was a pleasure serving as President and appreciates all the support the General Manager and staff have provided. He wished everyone a great holiday.

**CLOSED SESSION**

General Counsel Jean Cihigoyenetché reported that Closed Session was cancelled.

With no further business, President Hofer adjourned the meeting at 9:54 a.m.

  
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Steven J. Elie, Secretary/Treasurer

**APPROVED: JANUARY 15, 2020**