

**MINUTES OF THE REGULAR  
MEETING OF  
THE BOARD OF DIRECTORS  
OF  
THE INLAND EMPIRE UTILITIES AGENCY\*  
WEDNESDAY, APRIL 15, 2015  
10:00 A.M.**

**DIRECTORS PRESENT:**

Terry Catlin, President  
Michael Camacho, Vice President  
Steven J. Elie, Secretary/Treasurer  
Jasmin A. Hall

**DIRECTORS ABSENT:**

Gene Koopman

**STAFF PRESENT:**

P. Joseph Grindstaff, General Manager  
Chris Berch, Executive Manager of Engineering/Assistant General Manager  
Christina Valencia, Chief Financial Officer/Assistant General Manager  
Ernest Yeboah, Executive Manager of Operations/Assistant General Manager  
Sharon Acosta-Grijalva, Human Resources Analyst II  
Blanca Arambula, Deputy Manager of Human Resources  
Sharmeen Bhojani, Manager of Human Resources  
Andy Campbell, Deputy Manager of Planning  
Francis Concemino, Deputy Manager of Maintenance Planning  
Harlan Delzer, Contracts/Programs Administrator  
Michael Dias, Assistant Engineer  
Lucia Diaz, Senior Site Administrator  
Warren Green, Manager of Contracts and Facilities Services  
Jason Gu, Grants Officer  
Joel Ignacio, Senior Engineer  
Majid Karim, Acting Manager of Engineering  
Sylvie Lee, Manager of Planning & Environmental Compliance  
David Mendez, Deputy Manager of Construction Management  
Jose Mendez, Operations Specialist  
Lisa Morgan-Perales, Water Resources Analyst II  
Liza Munoz, Senior Office Engineer  
Jeff Noelte, Manager of Technical Services  
Jason Pivovaroff, Senior Engineer  
Cheyanne Reseck-Francis, Acting Executive Assistant  
Stephanie Riley, Acting Executive Assistant  
James Spears, Associate Engineer  
Jeff Ziegenbein, Manager of Regional Compost Operations  
April Woodruff, Board Secretary/Office Manager

**OTHERS PRESENT:**

Jean Cihigoyenatche, Cihigoyenatche, Grossberg & Clouse

Shawn Perumean, CVWD  
Kathy Tieg, CSDA Board Member  
Leon Vitort, Brickman

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 Catlin called the meeting to order at 10 00 a m , and he led with the pledge of allegiance to the flag A quorum was present

President Catlin stated that members of the public may address the Board There was no one desiring to do so

President Catlin asked if there were any changes/additions/deletions to the agenda

President Catlin stated that under Action Items, Item 2D, CONTRACT AWARD FOR THE RP-5 LAWN CONVERSION IMPROVEMENTS, will be presented before Action Item 2C, RP-1 PRELIMINARY TREATMENT REHABILITATION PROJECT

Board Secretary/Office Manager April Woodruff acknowledged Executive Administrative team member Stephanie Riley for taking the lead in gathering the necessary documentation and ensuring that the required transparency processes were in place to qualify IEUA to apply for the Transparency Certificate, which CSDA Board member Ms Kathy Tieg presented to the Agency

**PRESENTATION OF THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION  
TRANSPARENCY CERTIFICATE – PRESENTED BY CSDA BOARD MEMBER KATHY  
TIEGS**

CSDA Board Member Kathy Tieg stated that the Transparency Certificate of Excellence Program was created in 2013, as an effort to promote transparency in the operations and governance of special districts to the public, and to provide special districts with an opportunity to showcase their efforts in transparency Ms Tieg stated that transparency is important because the public has a right to access open government, which allows for accountability By obtaining this certificate, it shows the Agency's commitment to being open and accessible to the public

Ms Tieg stated that on behalf of the Board and staff of the California Special District Leadership Foundation, it was her pleasure to present the District Transparency Certificate of Excellence to the Inland Empire Utilities Agency (IEUA) in recognition of the Agency's efforts to promote transparency in the operation and governance of this District Ms Tieg congratulated the Agency on their accomplishment Ms Tieg further stated that in reviewing the criteria for this certification, that IEUA truly exemplifies what it takes to be an Agency that is open and transparent to the public She added that as a CVWD Board member, she also thanked IEUA for their openness and transparency

**NEW HIRE INTRODUCTIONS**

Manager of Technical Services Jeff Noelte introduced the following new employees

- Mr Jose Mendez, Operations Specialist, hired 3/16/15
- Mr Michael Dias, Assistant Engineer, hired 3/23/15
- Mr James Spears, Associate Engineer, hired 3/23/15

Chief Financial Officer/Assistant General Manager Christina Valencia introduced the following new employee

- Ms Sharon Acosta-Grijalva, Human Resources Analyst II, Hired 4/6/15

The Board welcomed Messrs Mendez, Dias, Spears, and Ms Acosta-Grijalva to the IEUA Team

## 2. CONSENT CALENDAR

Upon motion by Director Camacho, seconded by Director Hall, and unanimously carried

### **M2015-4-1**

MOVED, to approve the Consent Calendar

- A The Board approved the minutes from the March 18, 2015, Board meeting
- B The Board adopted Resolution No 2015-4-2, for the USBR Bay-Delta Restoration Program CALFED Water Use Efficiency Grants

#### **RESOLUTION NO. 2015-4-2**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING THE INLAND EMPIRE UTILITIES AGENCY TO ENTER INTO A FINANCIAL ASSISTANCE AGREEMENT UNDER THE BAY-DELTA RESTORATION PROGRAM: CALFED WATER USE EFFICIENCY GRANTS WITH THE U.S. DEPARTMENT OF INTERIOR – BUREAU OF RECLAMATION AND DESIGNATING A REPRESENTATIVE TO EXECUTE THE FINANCIAL ASSISTANCE AGREEMENT, AND ANY AMENDMENTS THERETO FOR THE GROUNDWATER RECHARGE YIELD ENHANCEMENT PROJECT FOR STORMWATER CAPTURE** *(for full text, see Resolution Book)*

- C The Board approved the total disbursements for the month of February 2015, in the amount of \$13,317,976 71
- D The Board adopted Resolution No 2015-4-1, proclaiming May 3, 2015 through May 9, 2015, as International Compost Awareness Week

#### **RESOLUTION NO. 2015-4-1**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY\*, SAN BERNARDINO COUNTY, CALIFORNIA, RECOGNIZES MAY 3-9, 2015 AS INTERNATIONAL COMPOST AWARENESS WEEK***(for full text, see Resolution Book)*

- E The Board
  - 1 Approved the consulting engineering contract award for the 1630 West Recycled Water Pump Station Surge Protection, Project No EN15055, to Stantec Consulting Services, Inc for the not-to-exceed amount of \$155,273, and

*Continued .*

**M2015-4-1, continued**

- 2 Authorized the General Manager to execute the contract

**F The Board**

- 1 Approved the construction contract award to J R Filanc Construction Inc , for the Regional Water Recycling Plant No 1 (RP-1) Primary Clarifier Rehabilitation, Project No EN08023 05, in the amount of \$630,100, and
- 2 Authorized the General Manager to execute the contract

**G The Board**

- 1 Amended the Recharge Master Plan Task Order No 1, Project No RW15003, under the Master Agreement with Chino Basin Watermaster, and
- 2 Authorized the General Manager to execute the amendment

**H The Board**

- 1 Amended the Master Agreement with Chino Basin Watermaster for the San Sevaine Basin Improvement Task Order No 8, Project No EN13001, and increased the total project cost by \$2 96 million, and
- 2 Authorized the General Manager to execute the amendment

**I The Board**

- 1 Approved the consulting engineering services contract award for the RP-1 Power System Upgrades, Project No EN13048, to Tetra Tech Inc , for the not-to-exceed amount of \$269,380, and
- 2 Authorized the General Manager to execute the contract

**J The Board**

- 1 Amended the current agreement with Shell Energy North America (SENA) US L P for one year to purchase 1 5 megawatts (MW) of electricity per hour at a variable rate,
- 2 Amended the current agreement with SENA US, L P for one year to purchase 200 MMBtu per day of natural gas at a variable rate, and

*Continued*

**M2015-4-1, continued**

3.2 Authorized the General Manager to finalize and execute the amended agreements

**K The Board**

- 1 Awarded Contract No 4600001847 to AMP Mechanical Inc , for the provision of Agency-wide heating, ventilating, and air conditioning (HVAC) maintenance and emergency/call-out services for a three-year term for the not-to-exceed amount of \$156,100 with a one-year option to extend, and
- 2 Authorized the General Manager to execute the contract

**3. ACTION ITEMS**

**A. CALIFORNIA SPECIAL DISTRICT ASSOCIATION CALL FOR NOMINATIONS FOR SEAT A, REGION 6**

General Manager P Joseph Grindstaff stated that the Agency received a letter calling for nominations for Seat A/Region 6 of the CSDA Board of Directors He stated that the seat is currently held by Ms Jo MacKenzie of Vista Irrigation District, and she is running for re-election Mr Grindstaff noted that no other requests for nomination have been received

Upon motion by Director Elie seconded by Director Camacho, and unanimously carried

**M2015-4-2**

MOVED, to nominate Ms Jo MacKenzie, Vista Irrigation District, to serve as Director on the CSDA Board for Seat A, Region 6

**B. RESIDENTIAL TURF REMOVAL PROGRAMS**

Water Resources Analyst II Lisa Morgan-Perales stated that this item is presented to the Board in response to the Governor's Executive Order issued on April 1, 2015 She stated that over the last three years, the Agency has implemented, in its service area, a Residential Turf Removal Program that was tailored to support residential customers in transforming their landscaping Ms Morgan-Perales noted that this program was a "turn-key" approach by allowing customers to have access to design services, turf removal, and installation by a contractor She reported that due to the demand for this program, it has become over-prescribed, and the Agency can no longer respond to the financial demand She noted that the Agency will continue with this program Ms Morgan-Perales stated that in order to meet the demand, staff is requesting the Board to approve the Agency to move into MWD's So Cal WaterSmart Rebate effective upon approval She further stated that last July the Board approved a contract with The Brickman Group for \$400,000 She said that at that time staff communicated to the Board that the direct expense to the Agency would be 25% of expenses and the Agency would be reimbursed the remaining 75% by the MWD She stated that MWD's policy principle is that they would not allow member agencies to run programs of the same nature concurrently Ms Morgan-Perales reported that over the last nine months, the Agency has been running a local program and receiving reimbursement of \$2 per square foot on completed

residential sites The Agency is not able to respond at this time due to the demand, therefore, the member agencies support the Agency to roll into a rebate immediately She stated that instead of receiving 75% in MWD reimbursements, the Agency will receive 49% from MWD through this month The Agency has 51 sites to complete and the impact of this cost shift is \$102,000 of direct expense to the Agency

Director Catlin asked how the inter-fund loan will be paid back Chief Financial Officer/ Assistant General Manager Christina Valencia responded through future rates

Upon motion by Director Camacho, seconded by Director Hall, and unanimously carried

**M2015-4-3**

MOVED, to

- 1 Approve the continuation and completion of the FY 2014/15 Residential Landscape Transformation Program,
- 2 Approve an inter-fund loan transfer from the Administrative Services (GG) Fund to the Water Resources (WW) Fund in the amount of \$102,000,
- 3 Approve the immediate launch of the Residential Turf Removal Rebate provided through the Residential Turf Removal Rebate provided through MWD

**C. CONTRACT AWARD FOR THE RP-5 LAWN CONVERSION IMPROVEMENTS (reordered from Item D.)**

Senior Site Administrator Lucia Diaz reported that the Agency is planning on removing over five acres of existing turf at Regional Plant No 5 She stated that the Agency will convert the area to hydro-seed ground cover, gravel ground cover, decomposed granite with low water use plants, and asphalt paving Ms Diaz stated that the Agency received an award of \$2 per square foot for the 221,227 square feet being removed, with an estimated total rebate of \$437,952 She noted that the project must be completed by September 1, 2015 She stated staff is recommending the project be awarded to the lowest responsive bidder, Brickman Group, Inc

Director Elie stated that this project is an example of the Agency taking leadership in this time of drought He expressed his appreciation for staff completing this task and setting an example by showing the world that the Agency is taking care of its own "house", while we are asking everyone else to do the same He noted that this is great use of Agency resources and the rebate program is showing leadership in ways to improve and seeking programs offered to receive the best value of taxpayer's dollars

Upon motion by Director Elie, seconded by Director Camacho, and unanimously carried

**M2015-4-4**

MOVED, to

- 1 Approve the landscape services contract for the Regional Water Recycling Plant No 5 (RP-5) Lawn Conversion Improvements, Project No CP15001, to Brickman Group, Inc for a not-to-exceed amount of \$339,755, and

*Continued*

**M2015-4-4, continued**

- 2 Authorize the General Manager to execute the contract

**D. RP-1 PRELIMINARY TREATMENT REHABILITATION PROJECT (reordered from Item C)**

Deputy Manager of Maintenance Planning Francis Concemino stated that this item is for the rehabilitation of the preliminary treatment at RP-1. He reported that the structure was built in 1977, with an expansion in 1987. Mr. Concemino stated that this structure has a current "poor" rating condition from the Asset Management Plan. He stated that the scope of the projects is to provide contract labor for the installation of the compactor and conveyor equipment, condition assessment of pipelines, and by-pass pumping to temporarily cut off the flow to perform underground condition assessments. He reported that the Agency sent out request for bids and received a low bid of \$175,000 from Sunbelt Rentals, and for the contract services for the actual work was awarded to J F Shea Construction for \$623,000 for the by-pass pumping. Mr. Concemino stated that the total project cost is \$1,030,000.

Upon motion by Director Elie, seconded by Director Camacho, and unanimously carried

**M2015-4-5**

MOVED, to

- 1 Award Contract No 4600001845 to J F Shea Construction, Inc for the Recycling Plant No 1 (RP-1) Preliminary Treatment Rehabilitation Project for a total amount of \$623,041,
- 2 Award Contract No 4600001842 to Sunbelt Rentals Pump and Power Services to provide by-pass pumping service at the preliminary treatment area for a total not-to-exceed amount of \$175,483.50, and
- 3 Authorize the General Manager to execute the contracts

**4. INFORMATION ITEMS**

**A. ENGINEERING AND CONSTRUCTION MANAGEMENT FY 2014/15 MONTHLY UPDATE**

Acting Manager of Engineering Majid Karim gave a PowerPoint presentation on Engineering and Construction Management Projects. Mr. Karim gave an overview of the Montclair Lift Station and Philadelphia Pump Station Upgrades, Wineville Recycled Water Pipeline Extension Segment A and B, IERCF Conveyance Improvements, IERCF Baghouse and Dust Collection System Enhancements (completed), NRW Collection System Repair, and Sewer Manhole Rehab, RP-4 Headworks Retrofits (completed), CCWRF Rehab Secondary Clarifier No 3, Agency wide HVAC Improvement Package No 3, all of which are on schedule and under budget. In closing, he stated that the emergency project for the RP-5 Utility Water Leak has an estimated cost of \$25,000.

**B. COMMERCIAL, INDUSTRIAL, INSTITUTIONAL (CII) TURF REBATE UPDATE**

Water Resources Analyst II Lisa Morgan-Perales provided a Commercial, Institutional and Industrial Turf Rebate PowerPoint update. She stated that MWD offers a \$2 per square foot rebate for commercial, industrial, institutional turf removal projects. In July, in response to the Governor's Drought Declaration, the Agency staff elected to encourage CII customers to participate in the program and remove turf by adding \$1 to MWD's rebate. The Agency received overwhelming demand due to increasing the rebate from \$2 to \$3. She reported that in October, staff recommended that the Board approve an inter-fund transfer and loan of \$3,000,000 in order to honor current and future requests. At that time, staff communicated to the Board that staff will be bringing this program back with an update. She highlighted the project scope and IEUA supplemental funding, program budget, program scopes. Ms. Morgan-Perales stated that the program continues to be very popular with a high-demand from the CII sector. She stated that the Agency supplemental funding of \$1,310,128.80 has been committed to date with \$1,879,841.20 remaining. She mentioned that in order to ensure that the Agency supplemental funding is equitably disbursed, staff is recommending that the Board consider policy principles that will be brought back to Board as an action item. A brief discussion ensued, whereby the Board requested that staff consider other services for major square foot sites to encourage large projects to remove turf. Some examples are partial funding, or assistance in finding funding through other opportunities. President Catlin requested a sense of feedback from the member participants of the conservation program, because they are funding what the Agency authorizes. Director Elie suggested that threshold should be higher than 100,000 square foot on the principle option.

*(Director Camacho left the meeting room at 11 00 a m )*

*(Director Camacho returned to the meeting room at 11 04 a m )*

**C. 3<sup>RD</sup> QUARTER PLANNING & ENVIRONMENTAL COMPLIANCE UPDATE**

Manager of Planning and Environmental Compliance Sylvie Lee gave a 3<sup>rd</sup> Quarter Planning and Environmental Compliance PowerPoint update. She highlighted the regulatory compliance update with 100% compliance, activities from pretreatment and source control and planning, water resources activities such as, MWD foundational action programs, state drought emergency water conservation, DWR/SAWPA Prop 84 grant, and rate workshops. President Catlin requested that the Board receive a monthly update on the State drought emergency water conservation.

**D. MWD UPDATE**

Senior Engineer Jason Pivovarov provided an update on the State Water Project water supply conditions.

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

**E. TREASURER'S REPORT OF FINANCIAL AFFAIRS**

**F. PUBLIC OUTREACH AND COMMUNICATION**

**G. LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES**

**H. LEGISLATIVE REPORT FROM WEST COAST ADVISORS**

**I. LEGISLATIVE REPORT FROM AGRICULTURAL RESOURCES**

**J. CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT**



## **K. IEUA QUARTERLY WATER UPDATE**

### **5. AGENCY REPRESENTATIVES' REPORTS**

#### **A. SAWPA REPORT**

Director Catlin reported that the SAWPA Commission meeting was routine. He reported that Manager of Regional Compost Operations Jeff Ziegenbein gave a presentation on the co-composter. Director Catlin stated that the presentation generated a lot of questions and the Chair requested a tour of the co-composter.

#### **B. MWD REPORT**

Director Camacho had no additional comments.

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

The April 2, 2015 meeting was cancelled. The next regular meeting is scheduled for May 7, 2015.

#### **D. CHINO BASIN WATERMASTER REPORT**

Director Elie reported that the Chino Basin Watermaster continues to discuss safe yield.

### **6. GENERAL MANAGER'S REPORT**

The General Manager's Report was received and filed by the Board. Mr. Grindstaff reported that he and General Counsel Jean Cihigoyenette will be attending the Appropriate Pool mediation sessions. He reported that some progress has been made.

### **7. BOARD OF DIRECTORS REQUESTED FUTURE AGENDA ITEMS**

The Board had no requested future agenda items.

### **8. BOARD OF DIRECTORS' COMMENTS**

Director Camacho reported that he attended the following events:

- March 19 – IEUA Water Association Leadership Breakfast
- March 20 – California Water Policy 24 – Beyond Drought Tolerance Conference
- March 24 – CVWD "60 Years of Service" Commemorative Board Meeting
- April 07 – RP-5 Tour for Congresswoman Norma Torres
- April 08 – RP-5 Tour for Congressman Pete Aguilar

Director Hall reported that she attended the following events:

- March 19 – IEUA Water Association Leadership Breakfast
- March 19 – State of the Region Address
- March 24 – CVWM "60 Years of Service" Commemorative Board Meeting
- April 07 – RP-5 Tour for Congresswoman Norma Torres

Director Elie reported that he attended the following events:

- March 19 – IEUA Water Association Leadership Breakfast
- April 07 – Lunch with Congressman Ken Calvert
- April 08 – RP-5 Tour for Congressman Pete Aguilar

President Catlin reported that he attended the IEUA Service Award Luncheon, noting 6 employees received 25 years of service recognition.

### **9. CLOSED SESSION**

The Board went into Closed Session at 11:30 a.m., 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, (3) Shields vs. IEUA, Case No. CIVRS 1301638, (4) Desaddi vs. IEUA, Case No. CIVRS 1304617, (5) Mwembu vs. IEUA.

Case No CIVDS 1415762, (6) Southern California Edison vs IEUA, Case No CIVRS 1308595, (7) Qualco vs IEUA, Case No CIVRS 1304057 B PURSUANT TO GOVERNMENT CODE SECTION 54956 8 – CONFERENCE WITH REAL PROPERTY NEGOTIATOR (1) Property Water and Pipeline Capacity/Cadiz, Negotiating Parties General Counsel Jean Cihigoyenetché, (2) Supplemental Water Transfer/Purchase, General Manager P Joseph Grindstaff, C PURSUANT TO GOVERNMENT CODE SECTION 54956 9 – CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Three (3) Cases, D PURSUANT TO GOVERNMENT CODE SECTION 54957 – PERSONNEL MATTERS (1) Various Positions – Compensation Study, (2) Various Positions, E PURSUANT TO GOVERNMENT CODE SECTION 54957 – PERSONNEL MATTERS – PUBLIC EMPLOYEE PERFORMANCE EVALUATION (1) Manager of Internal Audit

The meeting resumed at 12 35 p 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

Martin vs IEUA, Case No CIVRS 1000767

Sheilds vs IEUA, Case No CIVRS 1301638

Desaddi vs IEUA, Case No CIVRS 1304617

Mwembu vs IEUA, Case No CIVDS 1415762

Southern California Edison vs IEUA, Case No CIVRS 1308595

The Board took no reportable action

Regarding Conference with Legal Counsel – Existing Litigation

Qualco vs IEUA, Case No CIVRS 1304057

The Board did not discuss

Regarding Conference with Real Property Negotiator

Property Water and Pipeline Capacity/Cadiz

Supplemental Water Transfer/Purchase

The Board took no reportable action

Regarding Conference with Real Property Negotiator

Supplemental Water Transfer/Purchase

The Board did not discuss

Regarding Conference with Legal Counsel – Anticipated Litigation:

Two (2) Cases

The Board took no reportable action.

Regarding Conference with Legal Counsel – Anticipated Litigation:

One (1) Cases

The Board did not discuss.

Regarding Personnel Matters:

Various Positions – Compensation Study

Various Positions


The Board took no reportable action.

Regarding Public Employee Performance Evaluation:

Manager of Internal Audit

The Board did not discuss.

With no further business, President Catlin adjourned the meeting at 12:37 p.m.

  
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Steven J. Elie, Secretary/Treasurer

**APPROVED: MAY 20, 2015**