



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

**WEDNESDAY, JANUARY 15, 2020
10:00 A.M.**

DIRECTORS PRESENT:

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

DIRECTORS ABSENT:

Jasmin A. Hall, Vice President
Michael Camacho

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
Jerry Burke, Manager of Engineering
Andrea Carruthers, Manager of External Affairs
Lisa Dye, Manager of Human Resources
Chris Garcia, Environmental Resources Planner I
Warren Green, Manager of Contracts, Procurement, & Risk Services
Elizabeth Hurst, Water Resources Planner II
Sylvie Lee, Manager of Planning & Environmental Resources
Laura Mantilla, Executive Assistant
William McDonnell, Environmental Resources Planner I
Ken Monfore, Deputy Manager of Maintenance
Cathleen Pieroni, Manager of Government Relations
Craig Proctor, Source Control/Environmental Resources Supervisor
Aaron Ramirez, Intern
Teresa Velarde, Manager of Internal Audit
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT:

Jean Cihigoyenette, JC Law Firm
Marty Cihigoyenette, JC Law Firm
Steve Corrington, MIH Water Treatment
John DeMonaco, Chino Valley Fire District
Oscar Gonzalez
Kathleen Tiegs

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 Parker called the meeting to order at 10:08 a.m. A quorum was present.

PUBLIC COMMENT

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

ADDITIONS TO THE AGENDA

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

PROMOTION

The following staff member was promoted:

- Mr. Jerry Burke, Manager of Engineering, promoted December 16, 2019, Engineering and Construction Management.

The Board of Directors congratulated Mr. Burke on his promotion.

PRESENTATIONS

COMMENDATION RESOLUTION NO. 2019-12-4, PRESENTED TO CUCAMONGA VALLEY WATER DISTRICT DIRECTOR KATHLEEN J. TIEGS

President Parker recognized and thanked Director Kathleen Tiegs for her 14 years of public service on the Cucamonga Valley Water District Board. Director Tiegs served on the Human Resources/Risk Management Committee and Legislative Outreach Committee. She also represented the District on the Fontana Water Company Board. Director Tiegs served as past president of the Association of California Water Agencies, Southern California Water Coalition; California Special District Association, and the Regional Sewerage Program Policy Committee.

COMMENDATION RESOLUTION NO. 2019-12-5, PRESENTED TO CUCAMONGA VALLEY WATER DISTRICT DIRECTOR OSCAR GONZALEZ

President Parker recognized and thanked Director Oscar Gonzalez for his 11 years of public service on the Cucamonga Valley Water District Board. Director Gonzalez served on the Engineering Committee and the Legislative and Public Affairs Committee. He represented the District on the Rancho Cucamonga Chamber of Commerce Board of Directors and also served as a Director of the Fontana Union Water Company.

WATER USE EFFICIENCY UPDATE

Consultant Maureen Erbeznik of Maureen Erbeznik and Associates stated that she and staff met with retail agencies and developed a new strategy, which focuses on outdoor programs and pilot programs, as well as rebranding regional marketing campaigns. She provided an update on the Residential Landscape Tune-Up, School Programs, the Residential Leak Detection Pilot Program, Turf Replacement Program, Landscape Evaluation and Audit Program, and Landscape Workshops. Ms. Erbeznik further stated that the Water Use Efficiency Business Plan will be updated this year.

CONSENT ITEMS

President Parker requested *Item 3H – Agency-Wide Organizational Memberships and Affiliations* be pulled until all Board members are present.

Upon motion by Director Elie, seconded by Director Hofer, and unanimously carried (3-0):

M2020-1-1

MOVED, to approve the Consent Calendar.

- A. The Board approved the minutes from the December 18, 2019 Board Meeting.
- B. The Board approved the total disbursements for the month of November 2019, in the amount of \$15,445,460.31.
- C. The Board:
 - 1. Adopted Resolution No. 2020-1-1, authorizing participation in the Local Agency Investment Fund (LAIF) and designating signatories for the deposit and withdrawal of funds.

RESOLUTION 2020-1-1

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING PARTICIPATION IN THE LOCAL AGENCY INVESTMENT FUND (LAIF) AND DESIGNATING SIGNATORIES FOR THE DEPOSIT AND WITHDRAWAL OF FUNDS (for full text, see Resolution Book)

- 2. Adopted Resolution No. 2020-1-2, authorizing and designating signatories for depository agreement, depository cards, deposits, transfers, checks, and withdrawal of funds.

RESOLUTION 2020-1-2

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING AND DESIGNATING SIGNATORIES FOR DEPOSITORY AGREEMENT, DEPOSITORY CARDS, DEPOSITS, TRANSFERS, CHECKS, AND WITHDRAWAL OF FUNDS (for full text, see Resolution Book)

- 3. Adopted Resolution No. 2020-1-3, authorizing and designating signatories for investment agreements, investment authorizations, and investment fund transfers to fund investment transactions.

RESOLUTION 2020-1-3

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING AND DESIGNATING SIGNATORIES FOR INVESTMENT AGREEMENTS, INVESTMENT AUTHORIZATIONS, AND INVESTMENT FUND TRANSFERS TO FUND INVESTMENT TRANSACTIONS (for full text, see Resolution Book)

Continued...

M2020-1-1, continued

4. Adopted Resolution No. 2020-1-4, authorizing and designating signatories for transfer documents for the movement of funds and investment securities to safekeeping with a third-party Custodian.

RESOLUTION 2020-1-4

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING AND DESIGNATING SIGNATORIES FOR TRANSFER DOCUMENTS FOR THE MOVEMENT OF FUNDS AND INVESTMENT SECURITIES TO SAFEKEEPING WITH A THIRD-PARTY CUSTODIAN (for full text, see Resolution Book)

D. The Board approved the 2020 Legislative Policy Principles.

E. The Board:

1. Awarded a construction contract for the NRW Manhole Upgrades and Collection System Upgrades, Project Nos. EN20014 and EN20015, to Ferreira Construction in the amount of \$373,584; and
2. Authorized the General Manager to execute the contract, subject to non-substantive changes.

F. The Board:

1. Awarded an Energy Service Provider contract to purchase electricity from Shell Energy North America (US), L.P. for one year, with the option to extend the contract for up to two-year increments, up to 7 years; and
2. Authorized the General Manager to finalize and execute the electric Energy Service Provider contract, subject to non-substantive changes.

G. The Board:

1. Authorized a contract amendment with Conserv Construction, Inc. for the Small Site Controller Upgrade Program, for an additional amount of \$400,000 and not-to-exceed amount of \$600,000; and
2. Authorized the General Manager to execute the contract amendment subject to non-substantive changes.

H. PULLED

I. The Board:

1. Authorized the purchase of one 2020 GapVax, Model No. ME1510, combination jet/vacuum sewer cleaning vehicle for a not-to-exceed amount of \$600,000; and
2. Authorized the General Manager to execute the purchase.

ACTION ITEM

GENERAL MANAGER APPROVAL PROCESS FOR THE REGIONAL PLANT NO. 5 EXPANSION PROJECT

President Parker requested Action *Item 4A – General Manager Approval Process for the Regional Plant No. 5 Expansion Project* be pulled and be presented in February.

INFORMATION ITEMS

ENGINEERING AND CONSTRUCTION MANAGEMENT UPDATES

Manager of Engineering Jerry Burke gave a presentation on the Engineering and Construction Management project updates. He provided updates on the following projects: Orchard Recycled Water Turnout Improvements; RP-1 Digester 6 and 7 Roof Repairs; RP-1 12kV Switchgear and Generator Control Upgrades; RP-1 Plant 2 Sludge Piping Repair; and IERCF Duct Work Phase II.

Director Hofer asked how old are the RP-1 Digesters 6 and 7 and what is the life expectancy. Director Hofer also asked how long generators are able to run in an emergency situation at RP-1. Mr. Burke stated he would obtain the information and inform the Board.

MWD UPDATE

Manager of Government Relations Cathleen Pieroni gave an update on water resources and supplies. Ms. Pieroni stated that MWD has 3.1 MAF of water in storage and the State Water Project is allocated at 10% as of December 3, 2019. Ms. Pieroni reviewed the water-use efficiency trends for residential water use for 2014-2019; MWD's strategic systems operations; ongoing capital investment plan to maintain and improve operations; subsidence issues, which MWD is working with Department of Water Resources to address; water quality due to Perfluorohexanoic acid (PFHxA), which has been detected at MWD and the next steps for Per- and Polyfluoroalkyl substances (PFAS).

CBWM UPDATE

Executive Manager of Engineering/AGM Christiana Daisy stated CBWM voted a new Appropriative Chair John Bosler and Vice Appropriative Chair Cris Fealy. The 2020 Safe Yield Reset Modeling effort is expected to be completed by June 2020 with a workshop to be held on January 27. The OBMP for CEQA is underway with IEUA taking the lead.

SAWPA UPDATE

Source Control/Environmental Resources Supervisor Craig Proctor stated that the January 7, 2020, Commission meeting was cancelled.

CHINO BASIN PROGRAM (CBP) UPDATE

Manager of Planning & Environmental Resources Sylvie Lee stated that staff met with the California Water Commissioner Director Joe Yun and Amy Young for a tour of RP-4 and the status of the program, discussed challenges with local agencies and how they can provide assistance. Ms. Lee stated that at next week's Water Managers' meeting, staff will provide an update on CBP stakeholder discussion status and will continue to work on alternative analysis.

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

TREASURER'S REPORT OF FINANCIAL AFFAIRS

PUBLIC OUTREACH AND COMMUNICATION

STATE LEGISLATIVE REPORT FROM WEST COAST ADVISORS

FEDERAL LEGISLATIVE REPORT AND MATRIX FROM INNOVATIVE FEDERAL STRATEGIES

CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT

AGENCY REPRESENTATIVES' REPORTS

SAWPA REPORT

President Parker reported that the January 7, 2020 meeting was cancelled.

MWD REPORT

There was nothing further to report.

REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT

President Parker stated the December Regional Sewerage Program Policy Committee meeting was cancelled.

CHINO BASIN WATERMASTER REPORT

Director Elie reported that CBWM recognized Mark Kinsey for his retirement and CBWM retained Tom Dodson and Associates to conduct the OBMP CEQA.

CHINO BASIN DESALTER AUTHORITY REPORT

Director Elie reported Tom Haughey from the city of Chino is now the Chair on the CDA Board of Directors. He also reported that the CDA Board approved a professional services contract of approximately \$1 million for the design of the VOC Treatment Facilities for the Ontario Plume.

INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY

Director Hofer stated there was no meeting since the last Board meeting. The next meeting is scheduled for February.

GENERAL MANAGER'S REPORT

General Manager Shivaji Deshmukh stated IEUA is working on the February 5 Joint Workshop with the IEUA Board, Regional Policy Committee and Water Member Agencies for the multi-year rate adjustments beginning July 1, 2020. He stated that the new 2020 MWD calendars were distributed to the Board. Staff shared a video showing what we do at RP-5. General Manager Deshmukh reported that the GM report format was updated.

BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS

There were no requested future agenda items.

DIRECTORS' COMMENTS

Director Elie stated he attended the Chino Hills City Council meeting on January 14, 2019 and gave an overview on the WIFIA loan approval. Director Elie introduced Mr. John DeMonaco from the Chino Valley Fire District and stated he is the liaison for their District. Director Elie thanked Mr. DeMonaco for attending today's Board meeting.

President Parker stated that on January 2, 2020, she emailed the Board a letter of the Committee assignments and the Agency Representative assignments; however, a few Board members requested changes. Director Parker incorporated the changes to the Committee assignments and Agency Representative assignments and requested the letter be included in the minutes (see attached).

CLOSED SESSION

The Board went into Closed Session at 11:15 a.m., A. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION: (1)

Chino Basin Municipal Water District vs. City of Chino, Case No. RCV51010 (2) Spicer vs. W.A. Rasic Construction, Case No. CIVDS 1711812; B. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d) – CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: Two cases.

The meeting resumed at 11:48 a.m., and General Counsel Jean Cihigoyenetché stated that the below-mentioned matters were discussed in Closed Session, and the Board took the following actions:

Regarding Conference with Legal Counsel – Existing Litigation:

Chino Basin Municipal Water District vs. City of Chino, Case No. RCV51010

The Board did not discuss.

Regarding Conference with Legal Counsel – Existing Litigation:

Spicer vs. W.A. Rasic Construction, Case No. CIVDS 1711812

The Board took no reportable action.

Regarding Conference with Legal Counsel – Anticipated Litigation:

Two (2) Cases

The Board took no reportable action.

With no further business, President Parker adjourned the meeting at 11:50 a.m. in memory of Director Joe Ruzicka from Three Valleys Municipal Water District who passed away on December 13, 2019.



Steven J. Elie, Secretary/Treasurer

APPROVED: FEBRUARY 19, 2020

January 15, 2020

Dear Board of Directors,

I am writing this letter to inform the Board that the Committee assignments and Agency Representative assignments that I distributed via email on January 2, 2020 will be adjusted out of respect to the requests of a few Board Members on January 15, 2020. Both the original and the new committee assignments are attached to this letter. The requested changes are summarized in the following tables.

Board Member	Original Committee Assignment	Requested Committee Assignment
Director Hofer	Audit Committee Chair	Audit Committee 1 st Alternate
Vice President Hall	Finance & Administration Committee Chair	Finance & Administration Committee 3 rd Alternate
Vice President Hall	Audit Committee Representative	Audit Committee 3 rd Alternate
Vice President Hall	Community & Legislative Affairs Committee 2 nd Alternate	Community & Legislative Affairs Committee 3 rd Alternate

Board Member	Agency Representative Assignment	Requested Agency Representative Assignment
Vice President Hall	San Bernardino County Association of Special Districts Agency Representative	Requested to be removed from appointment.
Vice President Hall	IEUA's Regional Policy Committee Member	Requested to be removed from appointment.
Vice President Hall	Southern California Water Committee	Requested to be removed from appointment.
Vice President Hall	ACWA Representative	Requested to be removed from appointment.
Vice President Hall	Inland Empire Regional Composting Authority Board Member	Requested to be removed from appointment.

I carefully considered how the Inland Empire Utilities Agency (Agency) will be best served with an equal and fair representation of the Board of Directors on the Agency's committees and the Agency's representation for external commitments. My first draft of appointments was designed

Water Smart – Thinking in Terms of Tomorrow

to incorporate a balance of knowledge, experience, fairness and equality. By incorporating the changes, it appears unbalanced; however, it best serves the requests from the Board Members. At any time in the future the Board President can reassign committee representations, and I would be open to changes if requested by any Board Members.

Sincerely,



Kati Parker
Inland Empire Utilities Agency
Board President

Attachments:

1. Original 2020 Board of Directors Committee Assignment (January 2, 2020)
2. Original 2020 Agency's Representatives (January 2, 2020)
3. Changed 2020 Board of Directors Committee Assignment (January 15, 2020)
4. Changed 2020 Agency's Representatives (January 15, 2020)

ATTACHMENT NO. 1

Original 2020 Board of Directors Committee Assignment (January 2, 2020)

CY 2020 BOARD OF DIRECTORS COMMITTEE ASSIGNMENTS

TIME OF MEETING	STANDING COMMITTEE	DIRECTORS	ALTERNATE
9:00 A.M.	Community and Legislative Affairs Committee	Elie, Chair Parker	1. Camacho
			2. Hall
			3. Hofer
9:45 A.M.	Engineering, Operations, & Water Resources Committee	Camacho, Chair Parker	1. Hofer
			2. Elie
			3. Hall
10:30 A.M.	Finance & Administration Committee	Hall, Chair Hofer	1. Elie
			2. Parker
			3. Camacho
March, June, September, December 9:00 A.M. (3-9-20, 6-8-20, 9-7-20, 12-7-20) (Monday before the Wednesday Committee meetings on a quarterly basis)	Audit Committee	Hofer, Chair Hall	1. Elie
			2. Parker
			3. Camacho

January 2, 2020

ATTACHMENT NO. 2

Original 2020 Agency's Representatives (January 2, 2020)

**APPOINTMENTS
INLAND EMPIRE UTILITIES AGENCY
A MUNICIPAL WATER DISTRICT
BOARD OF DIRECTORS – CY 2020 AGENCY'S REPRESENTATIVES**

MEETING DAYS	AGENCY	REPRESENTATIVE	ALTERNATE
3 rd Monday (Dinner)	Association of Special Districts	Hall	Hofer
1 st Thursday	Regional Policy Committee	Hall	Hofer
1 st & 3 rd Tuesday	SAWPA*	Parker	Camacho
1 st Tuesday	SAWPA PA 23	Parker	Camacho
1 st Tuesday	SAWPA PA 24	Parker	Camacho
Monday prior 2 nd Tuesday Monthly 2 nd Tuesday Monthly	Metropolitan Water District of Southern California*	Camacho	NONE
Quarterly 4 th Friday of Jan. Apr. July. Oct.	Southern California Water Coalition** (818) 760-2121	Elie	Hall
Conference (2x per Year)	CASA (California Association of Sanitation Agencies)	Hall	Elie
4 th Thursday Monthly	Chino Basin Watermaster*	Elie	Camacho
1 st Thursday Monthly	Chino Desalter (CDA)	Parker	Elie
Conferences (2x per Year)	ACWA	Hall	Camacho
Quarterly 1 st Monday of Feb. May. Aug. Nov.	JPA Inland Empire Regional Composting Authority*	Hofer/Camacho/GM	Hall
4 th quarterly Board Meetings 2 nd Tuesday of Feb. May. Aug. Nov. Monthly Oper. Meetings 2 nd Tuesday Monthly	National Water Research Institute*	Elie	Randy Lee

* = Voting Right

- ** 1. A trustee elected by the water agencies of the committee with voting rights; and
2. Primary contact/representative for the Agency.

January 2, 2020

ATTACHMENT NO. 3

Changed 2020 Board of Directors Committee Assignment (January 15, 2020)

CY 2020 BOARD OF DIRECTORS COMMITTEE ASSIGNMENTS

TIME OF MEETING	STANDING COMMITTEE	DIRECTORS	ALTERNATE
9:00 A.M.	Community and Legislative Affairs Committee	Elie, Chair Parker	1. Camacho
			2. Hall
			3. Hofer
9:45 A.M.	Engineering, Operations, & Water Resources Committee	Camacho, Chair Parker	1. Hofer
			2. Elie
			3. Hall
10:30 A.M.	Finance & Administration Committee	Hofer, Chair Elie	1. Camacho
			2. Hall
			3. Parker
March, June, September, December 9:00 A.M. (3-9-20, 6-8-20, 9-7-20, 12-7-20) (Monday before the Wednesday Committee meetings on a quarterly basis)	Audit Committee	Parker, Chair Elie	1. Hofer
			2. Hall
			3. Camacho

January 15, 2020

ATTACHMENT NO. 4

Changed 2020 Agency's Representatives (January 15, 2020)

**APPOINTMENTS
INLAND EMPIRE UTILITIES AGENCY
A MUNICIPAL WATER DISTRICT
BOARD OF DIRECTORS – CY 2020 AGENCY’S REPRESENTATIVES**

MEETING DAYS	AGENCY	REPRESENTATIVE	ALTERNATE
3 rd Monday (Dinner)	Association of Special Districts	Elie	Hall
1 st Thursday	Regional Policy Committee	Parker	Hofer
1 st & 3 rd Tuesday	SAWPA*	Parker	Camacho
1 st Tuesday	SAWPA PA 23	Parker	Camacho
1 st Tuesday	SAWPA PA 24	Parker	Camacho
Monday prior 2 nd Tuesday Monthly 2 nd Tuesday Monthly	Metropolitan Water District of Southern California*	Camacho	NONE
Quarterly 4 th Friday of Jan. Apr. July. Oct.	Southern California Water Coalition** (818) 760-2121	Elie	Parker
Conference (2x per Year)	CASA (California Association of Sanitation Agencies)	Hall	Elie
4 th Thursday Monthly	Chino Basin Watermaster*	Elie	Camacho
1 st Thursday Monthly	Chino Desalter (CDA)	Parker	Elie
Conferences (2x per Year)	ACWA	Parker	Camacho
Quarterly 1 st Monday of Feb. May. Aug. Nov.	JPA Inland Empire Regional Composting Authority*	Hofer/Camacho/GM	Parker
4 th quarterly Board Meetings 2 nd Tuesday of Feb. May. Aug. Nov. Monthly Oper. Meetings 2 nd Tuesday Monthly	National Water Research Institute*	Elie	Randy Lee

* = **Voting Right**

- ** 1. **A trustee elected by the water agencies of the committee with voting rights; and**
2. **Primary contact/representative for the Agency.**

January 15, 2020