



Regional Sewerage Program Policy Committee Meeting

**Thursday, September 3, 2020
3:30 p.m.
Teleconference Call**

PURSUANT TO THE PROVISIONS OF EXECUTIVE ORDER N-25-20 ISSUED BY GOVERNOR GAVIN NEWSOM ON MARCH 12, 2020, AND EXECUTIVE ORDER N-29-20 ISSUED BY GOVERNOR GAVIN NEWSOM ON MARCH 17, 2020 ANY COMMITTEE MEMBER MAY CALL INTO THE COMMITTEE MEETING WITHOUT OTHERWISE COMPLYING WITH ALL BROWN ACT'S TELECONFERENCE REQUIREMENTS.

In effort to prevent the spread of COVID-19, the Regional Sewerage Program Policy Committee Meeting will be held remotely by teleconference

Teleconference: 1-415-856-9169/Conference ID: 253 787 211#

This meeting is being conducted virtually by video and audio conferencing. There will be no public location available to attend the meeting; however, the public may participate and provide public comment during the meeting by calling into the number provided above. Alternatively, you may email your public comments to the Recording Secretary Sally H. Lee at shlee@ieua.org no later than 24 hours prior to the scheduled meeting time. Your comments will then be read into the record during the meeting.

Call to Order/Flag Salute

Roll Call

Public Comment

Members of the public may address the Committee on any item that is within the jurisdiction of the Committee; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) of Section 54954.2 of the Government Code. Comments will be limited to three minutes per speaker.

Additions/Deletions to the Agenda

In accordance with Section 54954.2 of the Government Code (Brown Act), additions to the agenda require two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted.

- 1. Technical Committee Report (Oral)**
 - Regional Contract Negotiations Update
- 2. Action Item**
 - A. Meeting Minutes for July 2, 2020
- 3. Informational Items**
 - A. Chino Basin Program Update (Oral)
 - B. RP-5 Expansion Project Cost Management Overview
 - C. Grants Department Semi-Annual Update
- 4. Receive and File**
 - A. Building Activity Report
 - B. Recycled Water Distribution – Operations Summary
- 5. Other Business**
 - A. IEUA General Manager's Update
 - B. Committee Member Requested Agenda Items for Next Meeting
 - C. Committee Member Comments
 - D. Next Meeting – October 1, 2020
- 6. Adjournment**

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Recording Secretary (909) 993-1926, 48 hours prior to the scheduled meeting so that the Agency can make reasonable arrangements.

DECLARATION OF POSTING

I, Sally H. Lee, Executive Assistant of the Inland Empire Utilities Agency, A Municipal Water District, hereby certify that a copy of this agenda has been posted to the IEUA Website at www.ieua.org and posted in the foyer at the Agency's main office at 6075 Kimball Avenue, Building A, Chino, CA, on Thursday, August 27, 2020.


Sally H. Lee

ACTION ITEM

2A



Regional Sewerage Program Policy Committee Meeting

MINUTES OF JULY 2, 2020 MEETING

CALL TO ORDER

A meeting of the IEUA/Regional Sewerage Program Policy Committee was held via teleconference on Thursday, July 2, 2020. Chairwoman Tenice Johnson, City of Montclair, called the meeting to order at 3:30 p.m.

PLEDGE OF ALLEGIANCE

Tenice Johnson/City of Montclair led those present via teleconference in the pledge of allegiance to the flag. A quorum was present.

ATTENDANCE via Teleconference

Committee Members:

Randall Reed	Cucamonga Valley Water District
Eunice Ulloa	City of Chino
Peter Rogers	City of Chino Hills
Jesse Armendarez	City of Fontana
Kati Parker	Inland Empire Utilities Agency
Tenice Johnson	City of Montclair
Debra Dorst-Porada (Alternate)	City of Ontario
Debbie Stone	City of Upland

Others Present:

Dave Crosley	City of Chino
Amanda Coker	City of Chino
Scott Burton	City of Ontario
Nicole deMoet	City of Upland
Eduardo Espinoza	Cucamonga Valley Water District
Courtney Jones	City of Ontario
Kathy Besser	Inland Empire Utilities Agency

Others Present (continued):

Christiana Daisy	Inland Empire Utilities Agency
Shivaji Deshmukh	Inland Empire Utilities Agency
Randy Lee	Inland Empire Utilities Agency
Christina Valencia	Inland Empire Utilities Agency
Jerry Burke	Inland Empire Utilities Agency
Javier Chagoyen-Lazaro	Inland Empire Utilities Agency
Elizabeth Hurst	Inland Empire Utilities Agency
Sally H. Lee	Inland Empire Utilities Agency
Sylvie Lee	Inland Empire Utilities Agency
Jason Marseilles	Inland Empire Utilities Agency
Ken Monfore	Inland Empire Utilities Agency
Cathleen Pieroni	Inland Empire Utilities Agency
Craig Proctor	Inland Empire Utilities Agency
Scott Oakden	Inland Empire Utilities Agency
Daniel Solorzano	Inland Empire Utilities Agency
Ken Tam	Inland Empire Utilities Agency

PUBLIC COMMENTS

There were no public comments.

ADDITIONS/CHANGES TO THE AGENDA

There were no additions or changes to the agenda.

1. TECHNICAL COMMITTEE REPORT

Nicole deMoet/City of Upland provided an update of the Technical Committee's Board recommendations from the June 25, 2020 meeting. She stated the recommendations included: approval of the IEUA FY 2020/21 Adoption of Regional Wastewater and Recycled Water Budget Amendments, approval of the RP-4 Aeration Basin Wall Repair Construction Contract Award, approval of the RP-5 Expansion Project Construction Contract Award, and approval of the 2020 Land Use Demand Model Update.

Ms. deMoet also provided an update of the Regional Contract Negotiation, stating that the group met four times during the past month. She continued that two of the meetings included Contract Agency representatives only, where the group completed the development of a term sheet from the Collection and Use of Property Taxes, which has not yet been shared with IEUA yet. The two other meetings included members of the Plenary Group and IEUA representatives. The meetings with the Plenary Group covered Governance, the existing work plan, schedule timeline for remaining topics of discussion, and presentations covering potential changes to the EDU.

Committee Member Eunice Ulloa joined the meeting via teleconference.

2. ACTION ITEMS**A. APPROVAL OF THE JUNE 4, 2020 POLICY COMMITTEE MEETING MINUTES**

Motion: By Debbie Stone/City of Upland and seconded by Peter Rogers/City of Chino Hills to approve the meeting minutes of the June 4, 2020 Regional Policy Committee meeting.

Motion carried by roll call vote: (7:0)

With the following roll call vote:

Ayes: Stone, Rogers, Ulloa, Reed, Armendarez, Dorst-Porada, Johnson

Noes: None

Absent: None

Abstain: None

B. IEUA PROPOSED RATES AND FEES and FY 2020/21 BUDGET AMENDMENT FOR REGIONAL WASTEWATER and RECYCLED WATER PROGRAMS.

Christina Valencia/IEUA presented the proposed rates and fees and FY 2020/21 Budget Amendment for the Regional Wastewater and, Recycled Water Programs. She stated that the Regional Committees had previously recommended these items for Board approval, the presentation and request for approval was more focused on the proposed FY 2020/21 Budget Amendment. To ensure full transparency, IEUA General Manager Shivaji Deshmukh recommended the item be brought back to the Regional Committees with the intent of specifically asking for approval of the proposed rates and fees for the Regional Wastewater and Recycled Water programs. Also presented as an information item was the proposed increases to the monthly meter equivalent unit (MEU) rate which supports the Agency's Water Resources Program and is not part of the Regional Contract or requires recommendation for approval by the Regional Committees. Ms. Valencia continued with an update of the proposed budget amendment and the proposed rates, stating that projected revenue shortfalls as a result of the proposed 12-month deferral of rate increases will be offset through a reduction of \$3.5 million (M) in projects and costs that could be deferred with minimal impact to safety and Agency operations. If revenues and expenses occur as planned, reserves for the Regional Wastewater and Recycled Water programs will be reduced by approximately \$14M.

Debra Dorst-Porada/City of Ontario asked for clarification of the Water Resources fees shown in the presentation. Ms. Valencia answered that the Water Resources fees supports all long-term planning needed to support regional water resource management, including administration of imported water purchases from Metropolitan Water District and regional water-use efficiency programs to promote conservation and water resiliency. She reminded Ms. Dorst-Porada that the MEU rate does not require the Regional Committees' approval, but are being shared only as an informational item.

Randall Reed asked for the total amount generated for IEUA by the MEU. Ms. Valencia answered approximately \$4M per year and confirmed that the rate recovers the cost of Agency's staff in addition to the conservation programs.

Ms. Dorst-Porada commented that City of Ontario cannot raise any one fee by three percent, and she cannot promise employees a three percent raise. She added that with such a significant increase, she hopes IEUA will account for and spend the funds carefully, especially since member agencies have had to bear the public discontent with rate increases. IEUA General Manager Shivaji Deshmukh thanked Ms. Dorst-Porada for her comments and affirmed it is a priority to run the Agency as efficiently as possible. He added this is also an opportunity to look at the way IEUA and member agencies collectively message rate payers and how that outreach can be coordinated. Discussion ensued regarding the measures that IEUA, City of Ontario, and other member agencies have taken in order to cut costs due to impacts of COVID-19.

Motion: By Debra Dorst-Porada/City of Ontario and seconded by Debbie Stone/City of Upland to recommend the IEUA Board of Directors approve the proposed:

1. Fees and Rates for the Agency's Regional Wastewater and Recycled Water Programs as follows:
 - A. Regional Wastewater connection fee for Fiscal Years (FYs) 2020/21 and 2021/22
 - B. One Water connection fee for FYs 2020/21 through 2024/25
 - C. Recycled Water rates for direct use and groundwater recharge for FYs 2020/21 and 2021/22; and
2. Approval of the updated FY 2020/21 Budget Amendment for the Regional Wastewater and Recycled Water Programs.

Motion carried by roll call vote: (7:0)

With the following roll call vote:

Ayes: Dorst-Porada, Stone, Ulloa, Reed, Rogers, Armendarez, Johnson
Noes: None
Absent: None
Abstain: None

C. RP-4 AERATION BASIN DIFFUSER REPLACEMENT AND WALL REINFORCEMENT CONSTRUCTION CONTRACT AWARD

Jerry Burke/IEUA provided a summary of improvements included in the RP-4 Aeration Basin Diffuser Replacement and Wall Reinforcement Construction project. Mr. Burke went over the improvements that will be included in this project. He also gave a brief history of the bidding process for the project and stated that Genesis Construction was the lowest responsive bidder with a bid of just over \$4.1M. Mr. Burke also noted the completed phases of the project and the newly proposed expenses, at slightly over \$26 million, the project will be below the \$28.6M total project budget. He added that if the IEUA Board approves the construction contract to Genesis Construction in July, the project will be completed by September 2021.

Motion: By Debra Dorst-Porada/City of Ontario and seconded by Eunice Ulloa/City of Chino to recommend that the IEUA Board of Directors award the construction contract for the Regional Water Recycling Plant No. 4 (RP-4) Aeration Basin Diffuser Replacement and Wall Reimbursement, Project No. EN17110.03, to the lowest, responsive bidder in the amount of \$4,102,444.

Motion carried by roll call vote: (7:0)

With the following roll call vote:

Ayes: Dorst-Porada, Ulloa, Reed, Rogers, Armendarez, Stone, Johnson
Noes: None
Absent: None
Abstain: None

D. RP-5 EXPANSION CONSTRUCTION CONTRACT AWARD

Mr. Burke stated that the project team has been working on the design for the RP-5 expansion project for the last five years and IEUA is now approaching the largest decision-making milestone for the project, which is the award of the construction contract. Mr. Burke noted the three main goals of the project are to expand the RP-5 liquids treatment, relocate RP-2 to RP-5, and construct a solids treatment facility. Mr. Burke explained the prequalification and bid process, stating that IEUA went through an extensive recruitment process to ensure that project expectations were clear. Mr. Burke went on to discuss details around large discrepancies between the bids and engineer's initial estimate and how those discrepancies were resolved. He added that alternatives to the project have also been considered, including rejecting all bids to allow for further value-engineering, or phasing out the liquids and solids treatment expansion; however, this would make the project more costly over the long term, as prices keep increasing year after year. Therefore, staff is proposing the Regional Committees recommend the contract award to W.M. Lyles, the lowest responsive and responsible bidder at approximately \$330M.

Christina Valencia/IEUA shared details of the project's financing. She stated staff has been successful in securing two very low-cost loans. The first loan is a State Revolving Fund (SRF) loan for approximately \$101M, expected to close in October 2020, and the second is a Water Infrastructure Finance Innovation Act (WIFIA) loan from the EPA, which closed in May and covers about 44 percent of the project cost for \$196M and at a fixed interest rate of 0.41 percent. She added, to further reduce the all in cost of the WIFIA loan, the Agency issued short-term notes in the amount of \$196M at a fixed interest rate of 0.41 percent to to finance construction costs. Total gross savings from the use of the WIFIA loan, SRF loan and short-term notes is estimated to be \$186 million and over the life of the loans compared to the cost of issuing traditional bonds.

Ms. Dorst-Porada voiced her concerns over the size of the project, how this will affect rate payers, and emphasized the importance of ensuring everything runs smoothly

Mr. Reed asked how much this would add to the existing equivalent dwelling unit (EDU). Ms. Valencia stated potentially \$1.50 to \$2.00 once the project is operational, for the operations and maintenance portion; an estimate for the actual debt-service cost will require a future rate study to include all costs. Mr. Reed stated he would like to know how much the capital adds to the EDU, regardless of the O&M costs. Ms. Valencia stated IEUA will get that information to the Committee.

Motion: By Debbie Stone/City of Upland and seconded by Peter Rogers/City of Chino Hills to recommend the Inland Empire Utilities Agency (IEUA) Board of Directors award the construction contract for the Regional Water Recycling Plant No. 5 (RP-5) Expansion, Project Nos. EN19001 and EN19006, to the lowest, responsive bidder W.M. Lyles in the amount of \$329,982,900.

Motion carried by roll call vote: (7:0)

With the following roll call vote:

Ayes: Stone, Rogers, Ulloa, Reed, Armendarez, Dorst-Porada, Johnson
Noes: None
Absent: None
Abstain: None

3. INFORMATIONAL ITEMS

A. RETURN TO SEWER PILOT STUDY UPDATE

Ken Tam/IEUA shared a PowerPoint presentation which provided the background and history of work done to reevaluate the definition of the EDU. He explained that the EDU is a calculation used to determine sewer flows to the regional sewer system and is a key factor in allocating capital and O&M costs, which are tied to the rates. The EDU is also used to calculate the recycled water basin entitlement for contracting agencies. Mr. Tam listed the current values used to calculate EDU, and noted that these values require an update, as they have been unchanged since the 1980s. Mr. Tam stated the pilot study is a pathway for IEUA to continue to evaluate the definition of the EDU while awaiting results of the statewide CASA study. Mr. Tam added after reviewing several different studies, the high interest in updating the growth forecasting methodology has culminated in the approval of the Return to Sewer Pilot Study. The pilot study was kick-started in April 2020 and focuses on data from Montclair and Monte Vista Water District, since this information was already available to the project consultant, ARGO. The pilot study is projected to be completed in October 2020 and if the results of the study are promising, the intent is that the study will then be expanded to encompass the entire IEUA service area.

Ms. Dorst-Porada asked what IEUA will do if the study shows that customers are not creating as much wastewater as previously thought and should not be getting charged as much as they are currently paying. General Manager Deshmukh asked Mr. Tam to expand on the elements that make up the EDU. Mr. Tam explained that the EDU is made up of three components: flow, biological oxygen demand (BOD), and total suspended solids (TSS), and added that although the

study may find that flows have come down, people are still producing the same amount of waste (BOD and TSS).

Mr. Reed asked if the increased use of low-flow toilets has already shown a concentration increase at IEUA plants. Mr. Tam answered yes. Mr. Reed asked if the purpose of the study was to have different sewage costs for different homes, based on water consumption. Mr. Deshmukh stated that the intention is not to have it tied to a budget-based system. Mr. Tam added that the study is focused on water consumption then backing out the irrigation portion.

Mr. Tam highlighted the preliminary results, which were presented to the sub-committee. Mr. Reed pointed out that the results are close to what Carollo Engineering already stated. Mr. Tam answered that these numbers are the direct water consumption and the irrigation factor has not yet been subtracted.

Eunice Ulloa/City of Chino asked as Montclair does not accurately reflect the remainder of the service area, will there be any adjustments made to the numbers to make them fit more realistically to the service area. Mr. Tam stated the pilot study is looking at the method of calculating the return to sewer factor and seeing if it is a feasible method, so that it can then be expanded to the rest of the service area.

Mr. Tam continued with status updates of the studies, including delays due to COVID-19, and indicated that the updates to the EDU and rate structure have an anticipated completion date of 2023.

4. RECEIVE AND FILE

A. BUILDING ACTIVITY REPORT

The Building Activity Report for April 2020 was received and filed by the Committee.

B. RECYCLED WATER DISTRIBUTION – OPERATIONS SUMMARY

The Recycled Water Distribution Operations Summary for May 2020 was received and filed by the Committee.

5. OTHER BUSINESS

A. IEUA GENERAL MANAGER'S UPDATE

General Manager Deshmukh began with reiterating five major points made throughout today's presentation, in terms of finance, that show how IEUA strives to maintain rate efficiencies: 1) rate changes for years three to five were delayed until results from the rate studies are available, 2) due to COVID-19 and in consideration of the challenges experienced by member agencies, currently approved rate changes were delayed for 12 months, 3) low-rate WIFIA loan will provide approximately \$200M in financing the RP-5 Expansion Project, 4) short-term interim financing will provide additional savings in financing the RP-5 project, and 5) short-term loans will also provide savings in restructuring existing debt. He added that despite all cost-saving measures, IEUA continues to have expenses, including maintaining appropriate staffing levels and planning for infrastructure to meet growth in the region. Mr. Deshmukh stressed that IEUA has competitive rates and will continue focusing on expenses, as well as working with member agencies.

He continued with the following updates:

- The quarterly capital call report for quarter ending May 31, 2020 will be distributed this week. A call of \$6M CCRA (Capital Construction Reimbursement Accounts) is needed to support the projected capital project expenditures through November 2020. This represents less than 7 percent of the \$88M CCRA account balance. The last capital call was made in January 2019 for \$5.5M and it is anticipated that there will be more frequent capital calls going forward.
- IEUA has been working with the contracting agencies on the financial analysis of Chino Basin Program. An ad-hoc meeting was held with Watermaster to look at updates for CBP and Optimum Basin Program.
- President Parker thanked Chair Tenice Johnson for her service. She stated she was grateful for her time and effort and presented her with a certificate of recognition.

B. COMMITTEE MEMBER REQUESTED AGENDA ITEMS FOR NEXT MEETING

Mr. Reed requested a presentation of the Chino Basin Program (CBP).

COMMITTEE MEMBER COMMENTS

Mr. Reed stated that partnership is not being maintained for the CBP and the Policy Committee needs to be involved in the decision-making process of the program. He noted the CBP has been working with an MOU, but it seems that staff's comments are not being recognized. He added that the program is being pushed through, but it has not been presented to this committee. Mr. Reed noted previous programs like the dairy digester, which he considers a lost cause, and the solar energy program, which has cost more to buy.

Debra Dorst-Porada stressed the importance of member agencies being a part of the project. She also commented on staffing points made throughout the presentation, stating that City of Ontario is offering incentives for early retirement and only planning on hiring 20 percent of staff back. She stressed that City of Ontario will be running with fewer staff and as efficiently as possible.

Debbie Stone/City of Upland commended staff for their work during this difficult time. She stated that all cities are different and have different needs and expectations. She stated that COVID-19 has changed everything for all of us and every city is trying to prepare for what might come. She agreed that the construction projects will take a lot of money, but these are items that have been pushed back over time for one reason or another and need to be taken care of. She also thanked Chair Johnson for her time and dedication to the Committee.

Chair Tenice Johnson stated it is an honor to pass the chairmanship onto Ms. Stone.

C. NEXT MEETING – AUGUST 6, 2020

6. ADJOURNMENT

The meeting was adjourned at 4:59 p.m.

Transcribed by:

Sally H. Lee, Executive Assistant

DRAFT

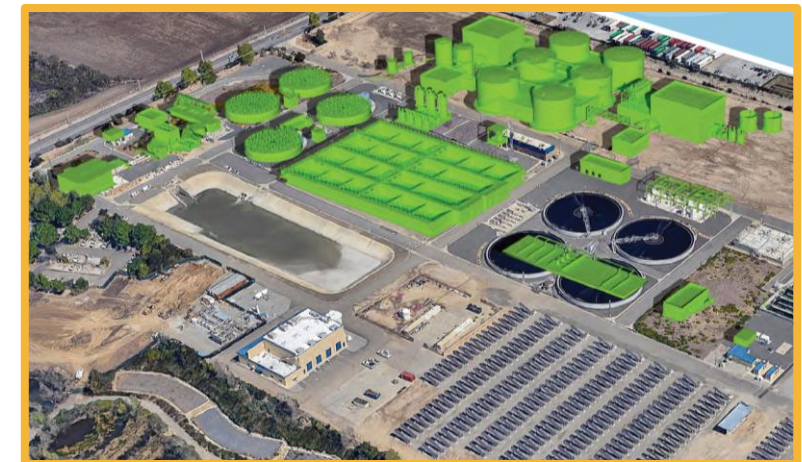
**INFORMATION
ITEM**

3B

RP-5 Expansion Project

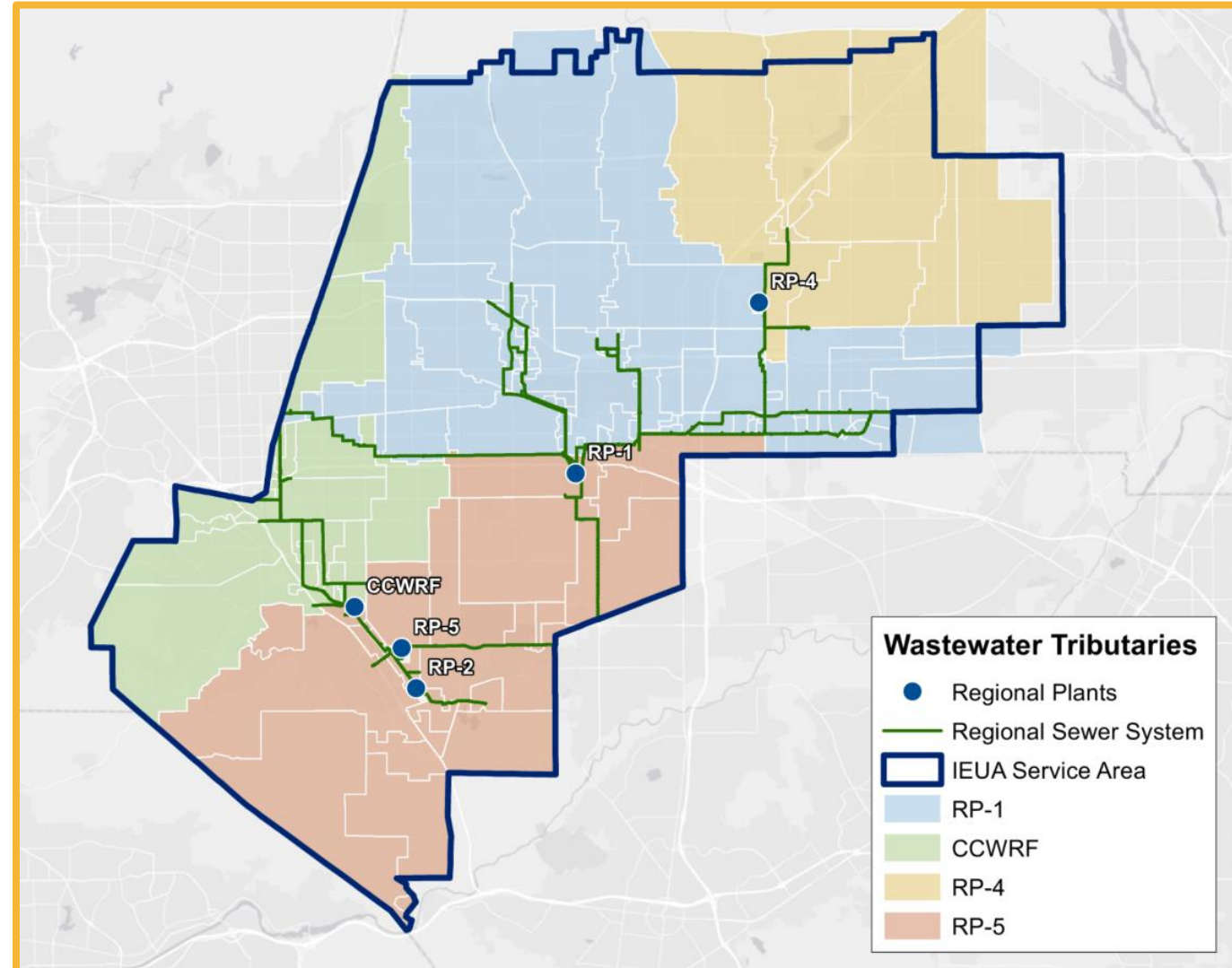
Cost Management Overview

EN19001 & EN19006



Regional System Supported by RP-5

- **Support Growth**
 - Can treat sewage from any point in service area
 - Projected 74,000 EDU within 10 years
- **System Redundancy**
 - RP-1 bypass
 - CCWRF bypass



RP-5 Expansion Project

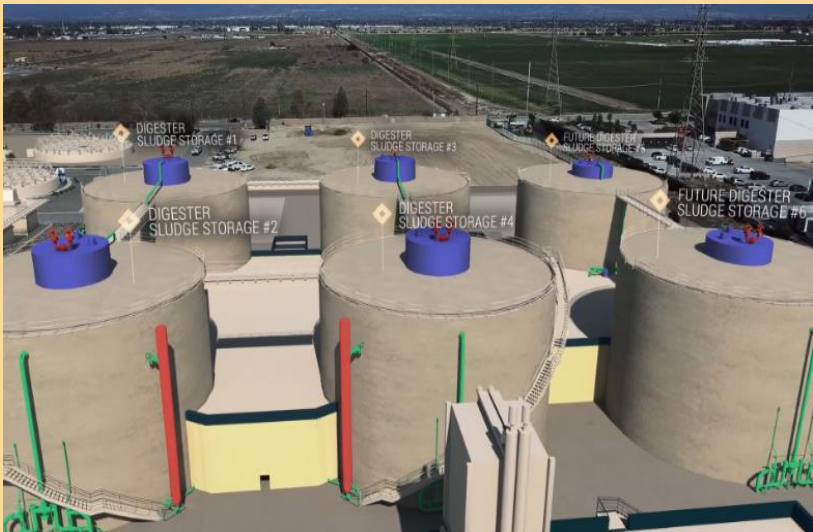


RP-5 Facility

**Liquid
Expansion**



**Biosolids
Facility**



RP-5: Liquids Expansion

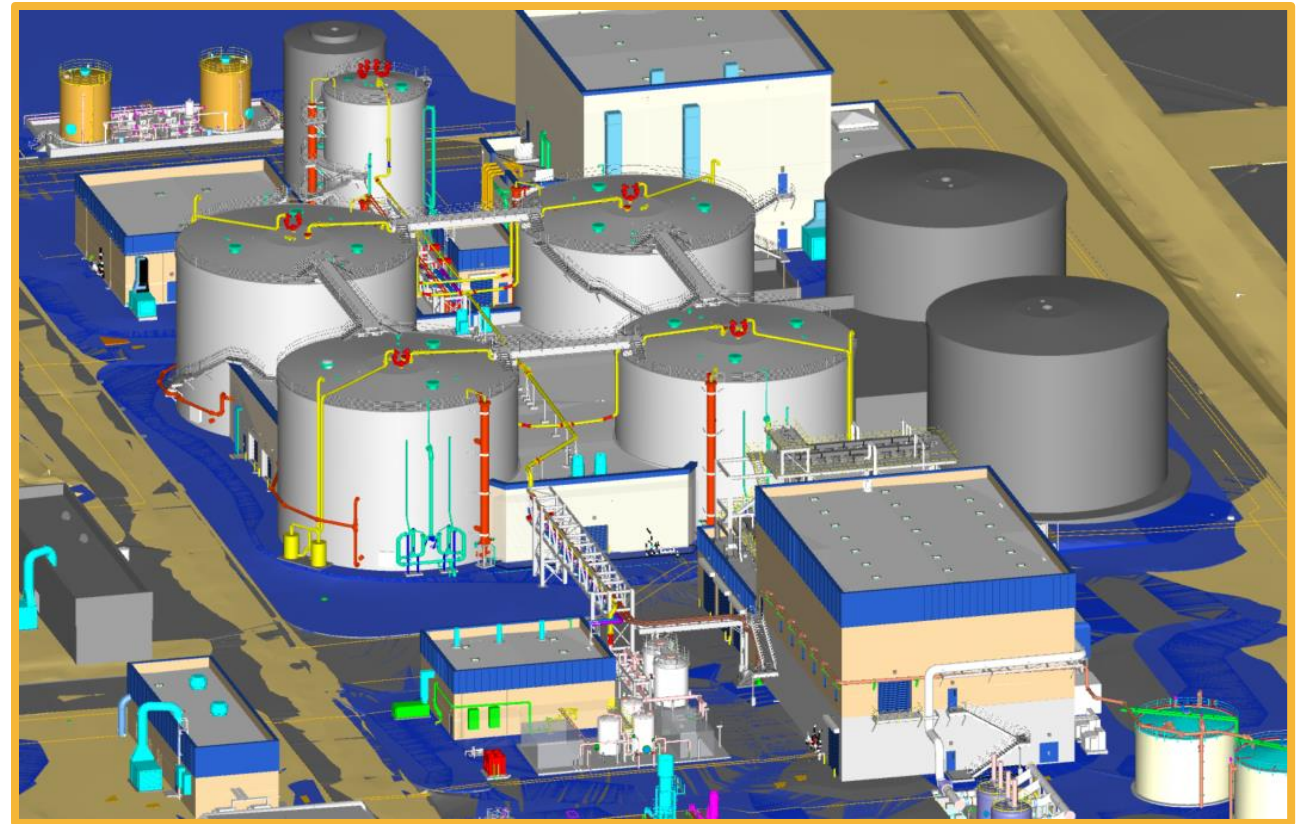
- **Liquids Treatment Capacity Increase**
 - Flow treatment capacity from 15 to 22.5 MGD
 - Concentration capacity increase
 - Total Suspended Solids (TSS) 28%
 - Biochemical Oxygen Demand (BOD5) 98%
 - Ammonia - Nitrogen (NH3-N) 17%
- **Major Improvements**
 - Influent pump station expansion
 - Headworks improvements
 - Two new primary clarifiers
 - Aeration basin improvements
 - New Membrane Bioreactor (MBR) system



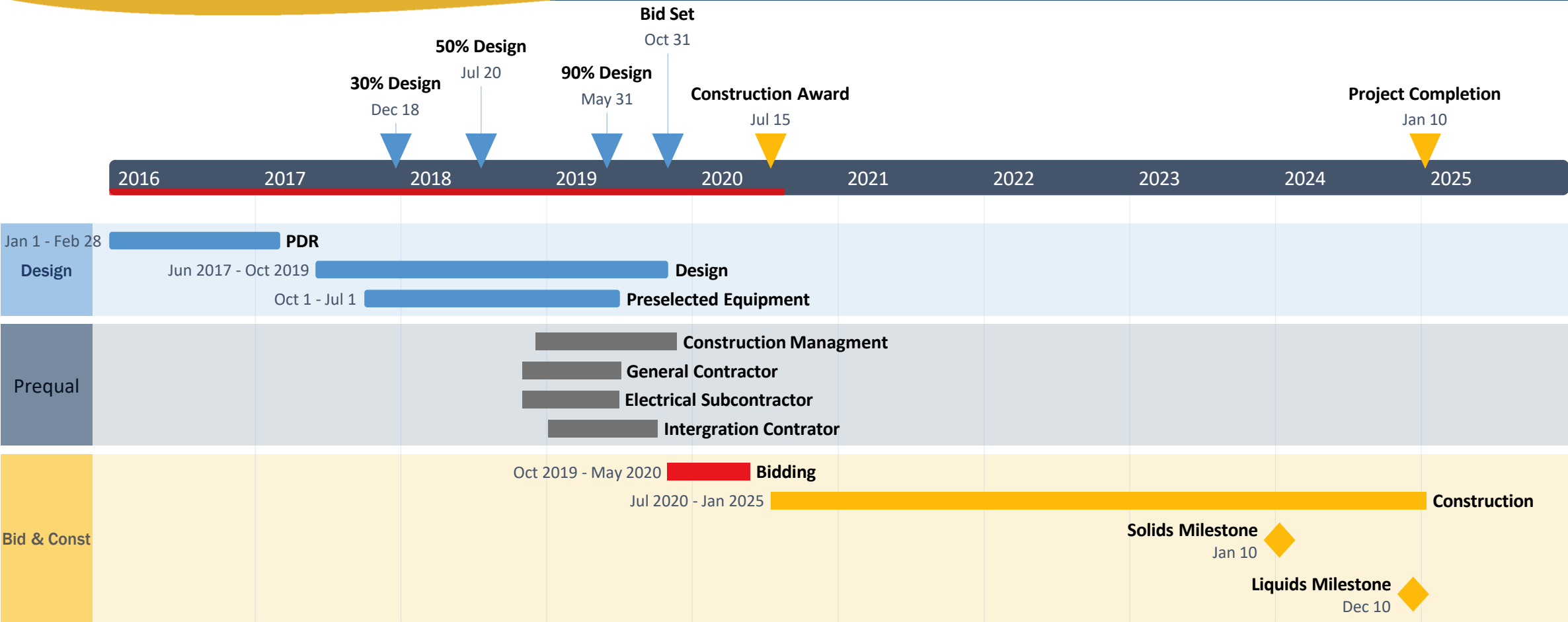
New MBR Basin Model

RP-5: Biosolids Facility

- **Replace RP-2 Prior to Decommissioning**
 - Prado Dam Floodplain once spillway raised 20'
 - RP-2 operation since 1960
- **Support Growth**
- **Major improvements**
 - Rotary drum thickening building
 - Digester facilities
 - Centrifuge dewatering building
 - Boiler building
 - Digester gas treatment and flaring
 - REEP Energy Improvements



Project Schedule



Cost Management Philosophy

- **Risk Reduction During Design**
 - **Design reviews**
 - **Prequalification**
 - **Preselection of Major Equipment**
- **Project Scope Reductions**
- **Project Financing**



Risk Reduction: Design Reviews

- Operable
- Maintainable
- Constructible

Design Reviews	PDR	30%	50%	90%	100%
IEUA Engr & CM	X	X	X	X	X
IEUA O&M	X	X	X	X	X
3 rd Party Design Firm			X	X	
Four CM Firms				X	
CM Firm					X
Contractors				X	



Risk Reduction: Prequalification

Prequalified Construction Managers



Jacobs



Prequalified Contractors

W.M. LYLES CO.
CONTRACTOR



Prequalified Electrical Subs

- Helix
- Mass
- Morrow Meadows
- Southern

Prequalified System Integrators

- Prime Controls
- Rovisys
- TSI
- Wunderlich-Malec

Risk Reduction: Preselected of Major Equipment

Preselected

1. Aeration Blowers: Neuros
2. Aeration Diffusers: SSI
3. Centrifuges: Centrisys
4. Coarse Screens: Duperon
5. Fine Screens: EnviroCare
6. MBR: Suez
7. Rotary Drum Thickeners: FKC

Selection

- Capital cost
- Life cycle cost
- Experience
- Operation
- Maintenance
- Service & Support
- Exceptions



Cost of preselected equipment: \$22M

Part of W.M. Lyles \$330M bid



Project Scope Reductions

Item	Type	Cost Reduction (Million)
Fine Screens Facility Canopy	Cost Control	\$2
Concrete Lining of Emergency Overflow Pond	Cost Control	\$4
Food Waste Receiving Station instead of Upgrades to Solids Handling Facility	Cost Control	\$6
Ultraviolet Disinfection	Cost Control	\$20
Methanol System	Design for 2035	\$1
Two New Generator instead of Three	Design for 2035	\$3
Inland Empire Brine Line Collection Station	Design for 2035	\$4
Phasing of liquids treatment capacity 22.5 MGD instead of 30MGD	Design for 2035	\$7
Phasing of solids treatment capacity four of digesters instead of six	Design for 2035	\$20
Total		\$67

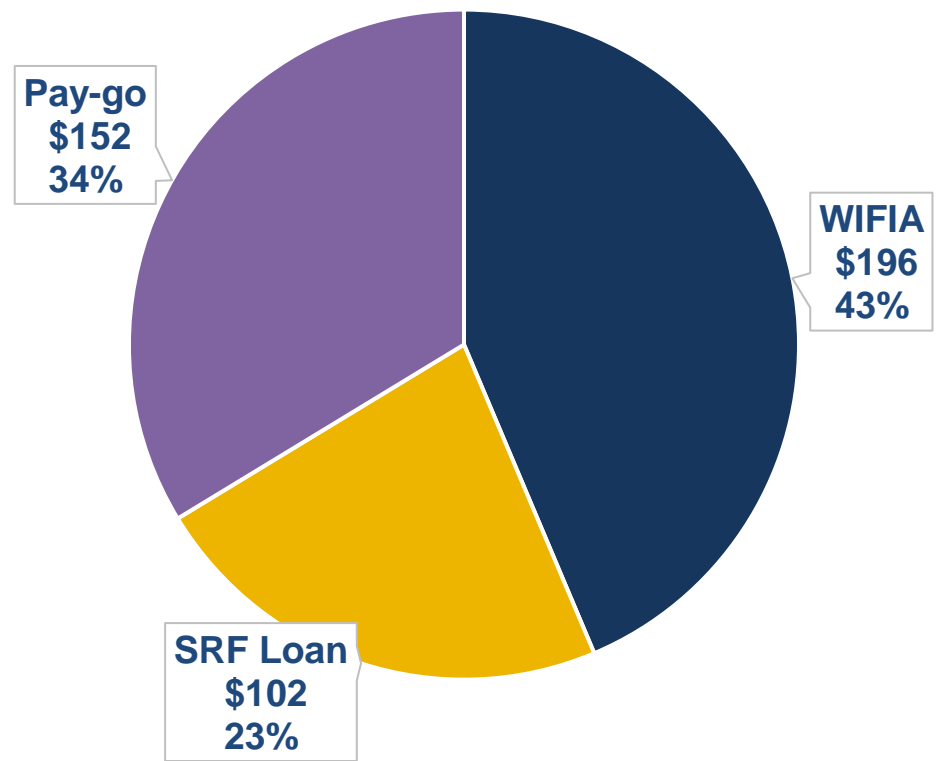
Project Financing

Timeline RP-5 Expansion Financing



Funding sources and financing

RP-5 Expansion sources of funds \$450M



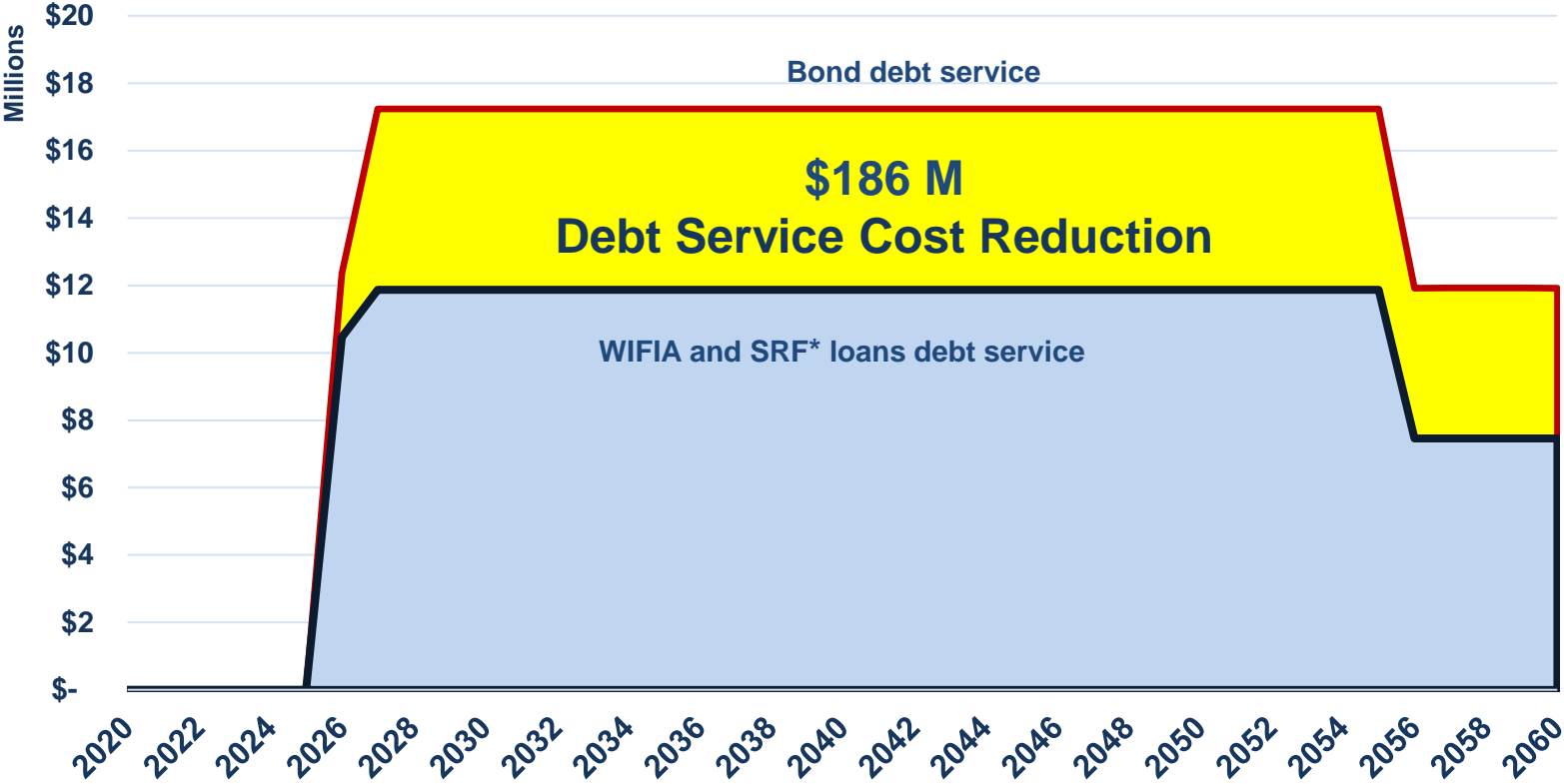
Cost reduction of current financing compared to Public Bond Sale

(\$ Million)	Constant Value	Present Value
WIFIA	\$152.8	\$74.4
Interim Financing (2020B)	6.1	4.9
SRF Loan (*)	<u>\$27.1</u>	<u>13.0</u>
TOTAL COST REDUCTION	\$186.0	\$93.2

(*) SRF Loan assumes interest rate of 1.8% versus Bonds cost of 3.2% with amortization of 30 years. The calculation does not include the impact of capitalized interest.

Regional Committee Questions

Annual Debt Service



- Annual debt service ~\$12 million.
 - ~ \$5 million lower than with public bond financing.
- Approximately 50% supported by EDU monthly sewer rate. Estimated impact \$1.80 per EDU.
- Remaining 50% supported by wastewater connection fees and property taxes.

(*) WIFIA Loan based on an interest rate of 1.36% and SRF Loan assumes interest rate of 1.8% versus Bonds cost of 3.2% with amortization of 30 years. The calculation does not include the impact of capitalized interest.

QUESTIONS?



**INFORMATION
ITEM**

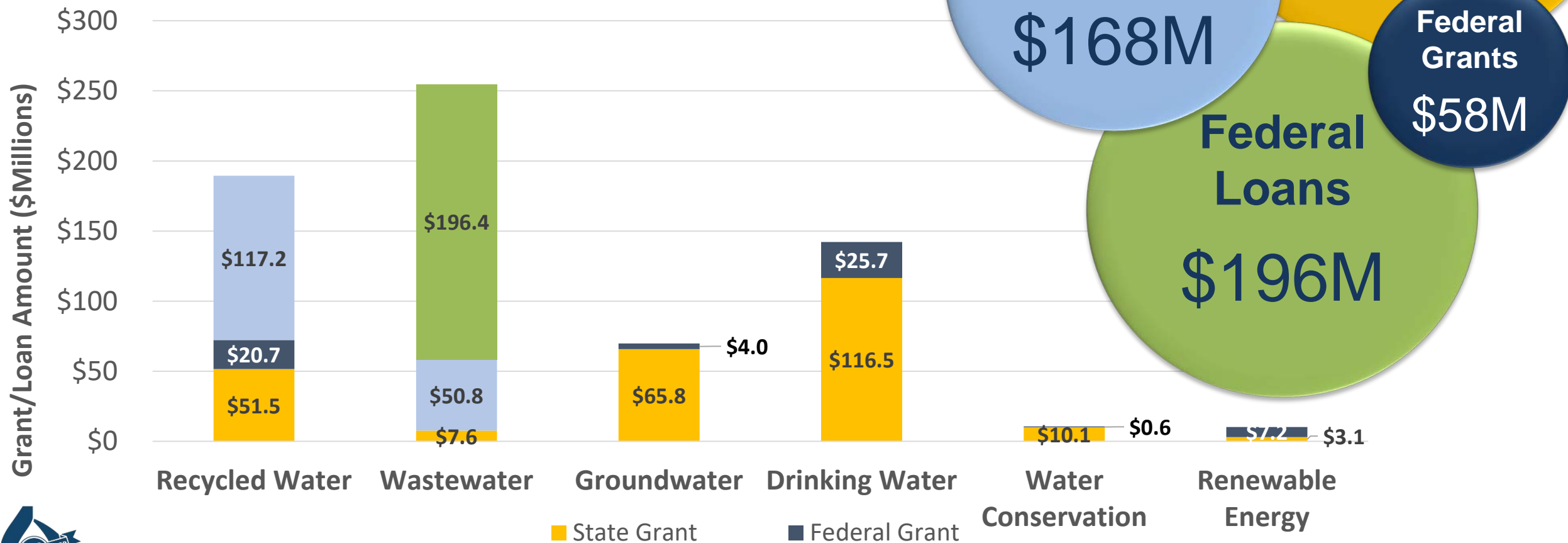
3C

Grants Department Semi-Annual Tech/Policy Update

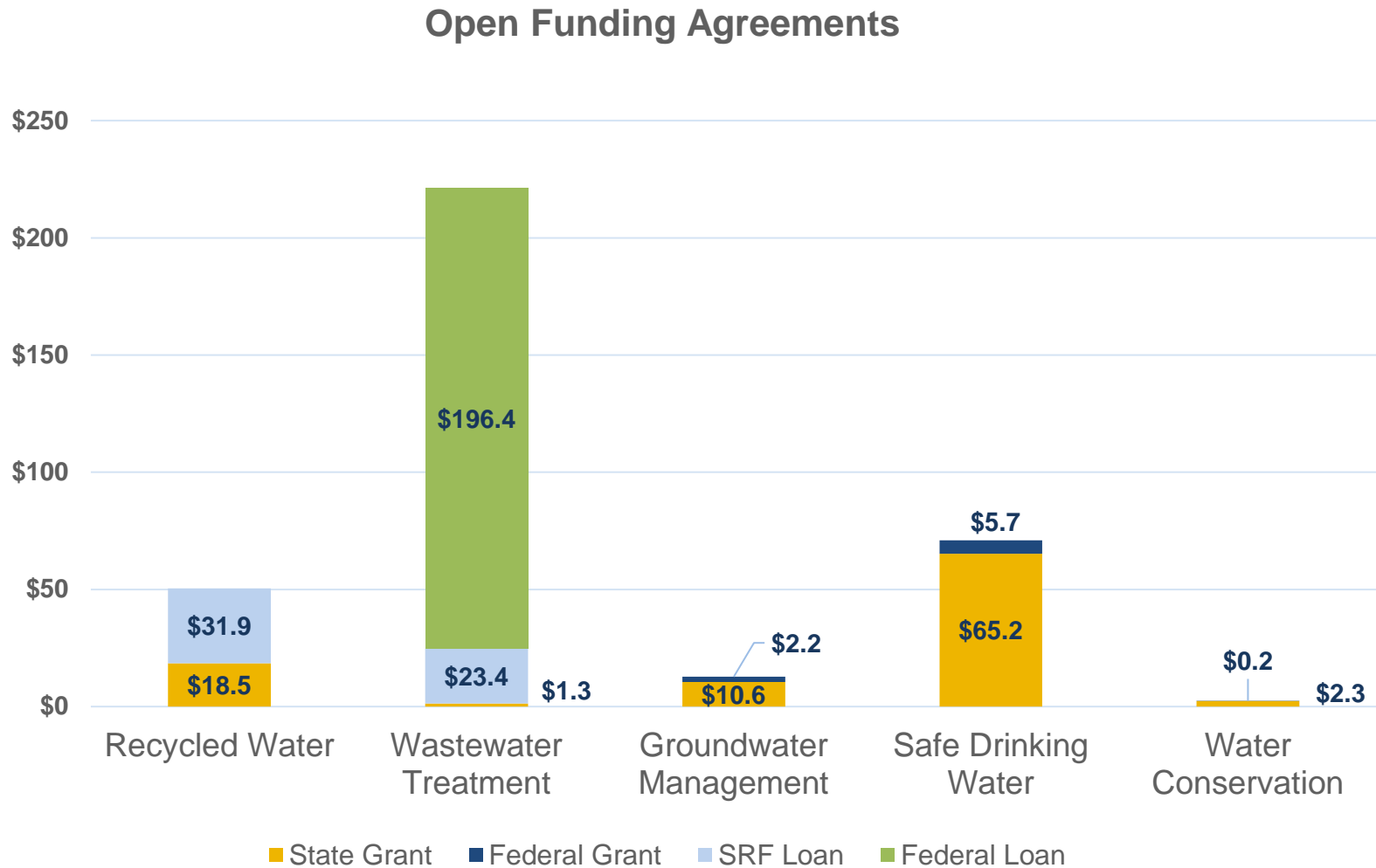
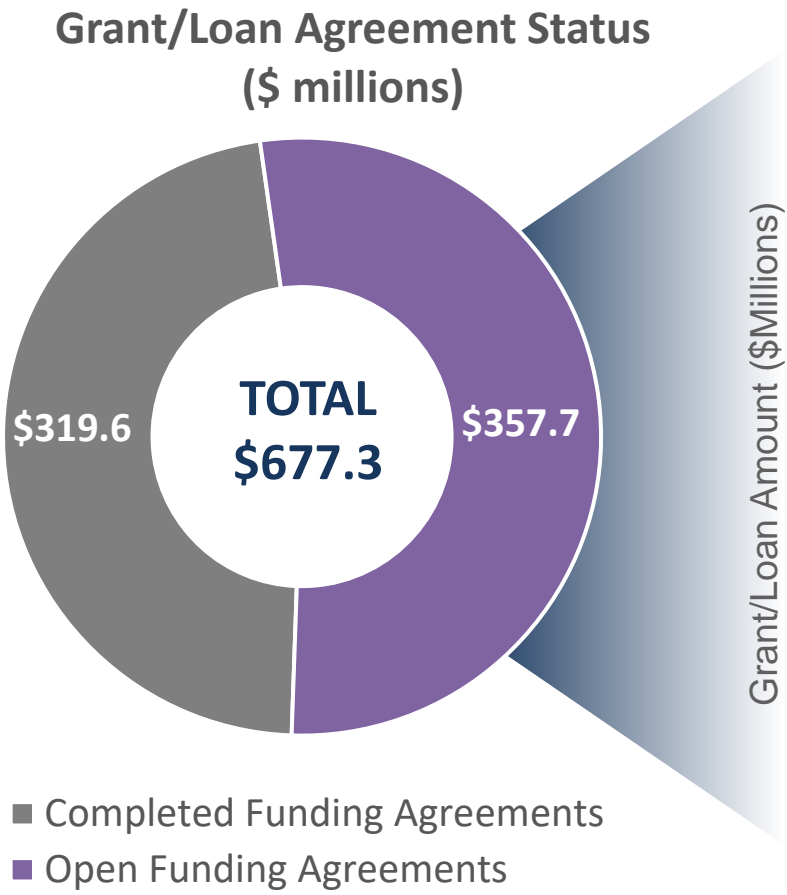


Grant & Loan Funding Programs Overview 2000 – Present

Total Grants + Loans = \$677M



Active Grants and Loans



Current Funding Applications

Applications in Preparation

Funding Agency	Project Name	Amount (\$M)
CWC	Chino Basin Program (CBP)	\$206.9
USBR	Water Efficiency Rebates	\$2.0
USBR	Montclair Basin Improvements	\$0.8
TOTAL		\$209.7

Applications Submitted, Pending Award Decision

Funding Agency	Project Name	Amount (\$M)
FEMA/Cal OES	COVID-19 Response Efforts	\$0.4
SWRCB (Loan)	RP-1 Disinfection Improvements	\$8.5
TOTAL		\$8.9

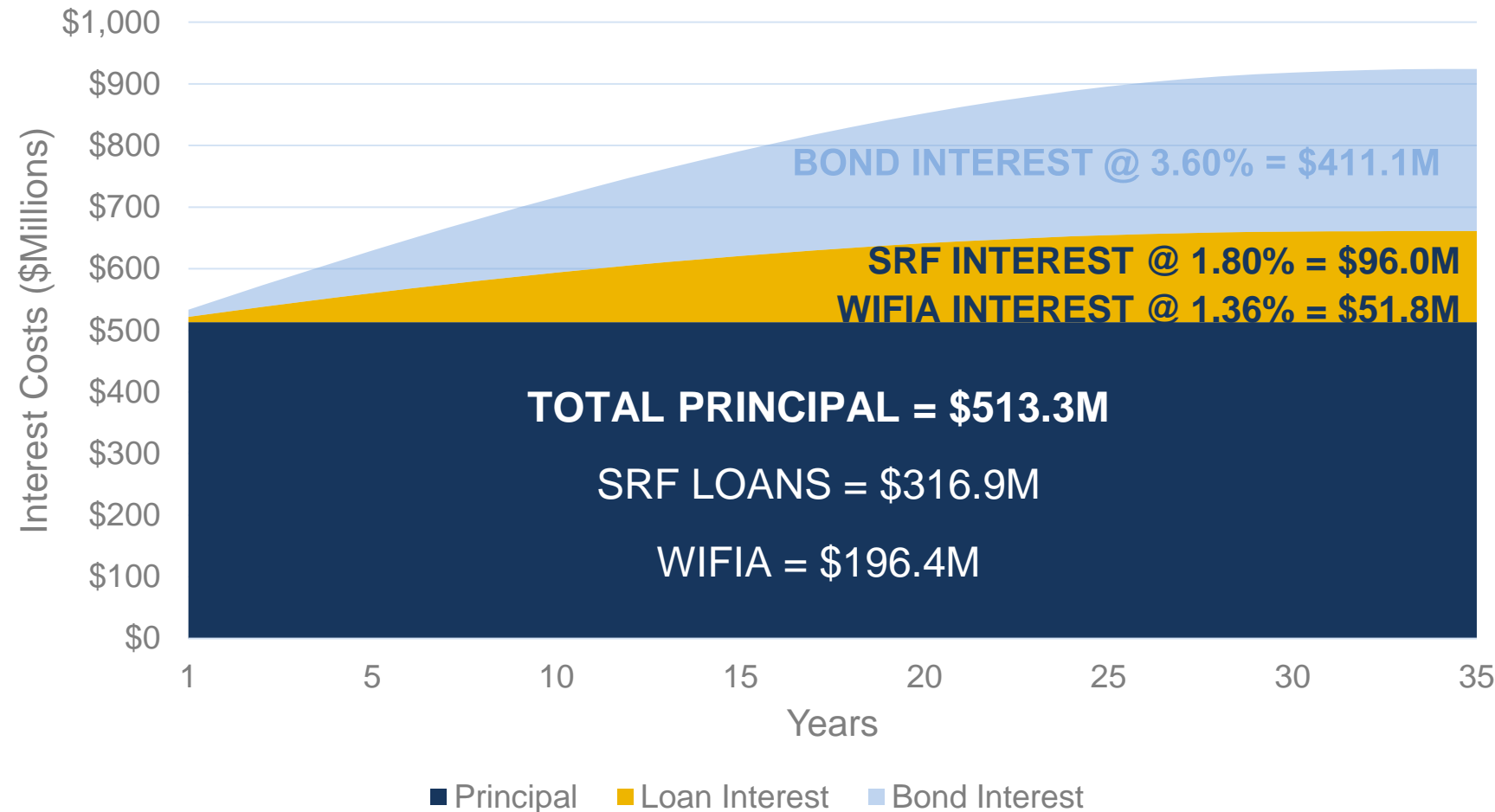
Awarded, Agreement in Negotiation

Funding Agency	Project Name	Amount (\$M)
SAWPA/DWR	IEUA-JCSD RW Intertie	\$2.6
USBR	Granular Activated Carbon Treatment Facility (Desalter I)	\$0.8
SWRCB (Loan)	RP-5 Expansion	\$101.5
SWRCB (Loan)	IEUA-JCSD RW Intertie	\$30.5
SWRCB (Loan)	Wineville/Jurupa/RP-3 Basin	\$8.8
SWRCB (Loan)	RP-1 1158 RWPS	\$6.7
SWRCB (Loan)	RP-5 RW Pipeline Bottleneck	\$3.1
SWRCB (Loan)	Montclair Basin	\$1.8
SWRCB (Loan)	Lower Day Basin	\$2.9
TOTAL		\$158.7

Total Loan Savings – Comparison Between Loan and Bond Interest

- SRF Loan Terms
 - 30-year at 1.8%
(50% of the State general obligation bond rate at 3.6%)
- EPA WIFIA Loan Terms
 - 35-year at 1.36%

Total Interest Savings = \$263.3M

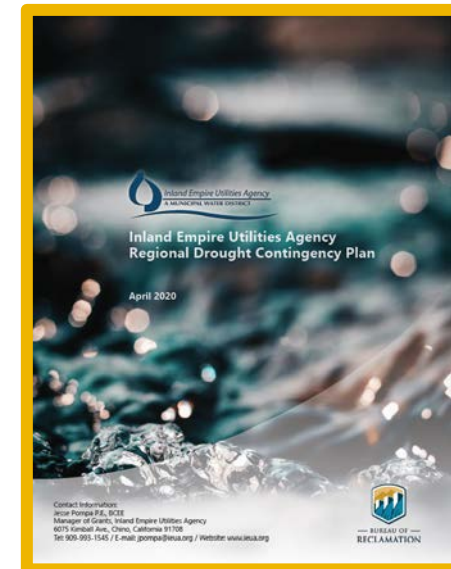


Grant Program Highlights

- Water Infrastructure Finance and Innovation Act (WIFIA) – RP-5 Expansion Loan
 - Letter of Interest submitted on 7/26/18
 - Agreement executed on 5/27/20
 - Final funding amount = \$196.4M
- Drought Contingency Plan (DCP)
 - \$200,000 USBR grant
 - Collaborative planning effort with member agencies
 - DCP approved by USBR in April 2020
 - Will benefit IEUA, member agencies in future grant opportunities



RP-5 Expansion Project



**RECEIVE AND
FILE**

4A

Building Activity Report - YTD Fiscal Year 2019/20



Legend

Service Area

Unincorporated

EDU (YTD)

Residential

<=1.0

1.0 - 10.0

>10.0

Commercial

<=1.0

1.0 - 10.0

>10.0

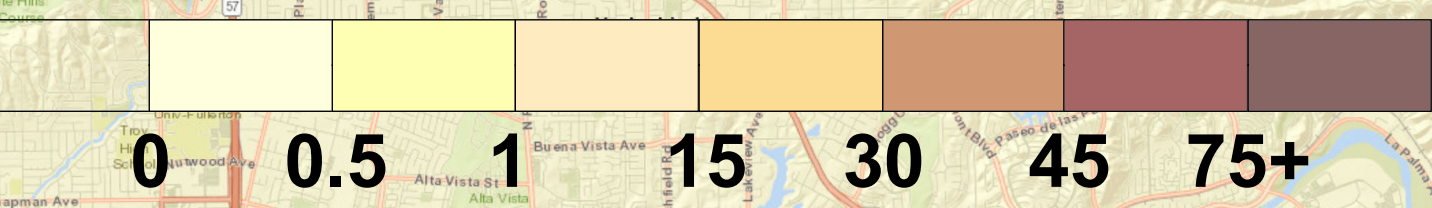
Industrial

<=1.0

1.0 - 10.0

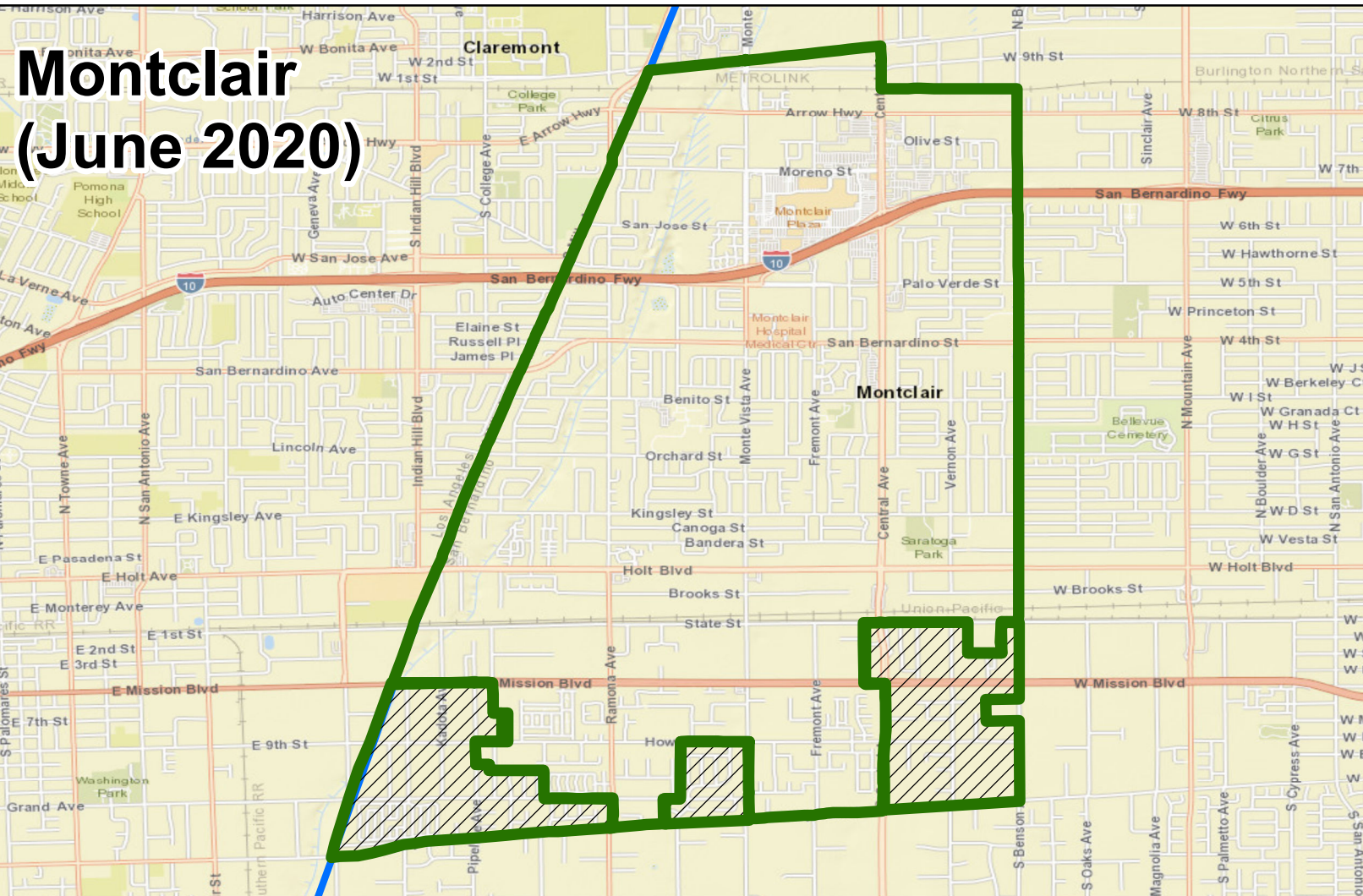
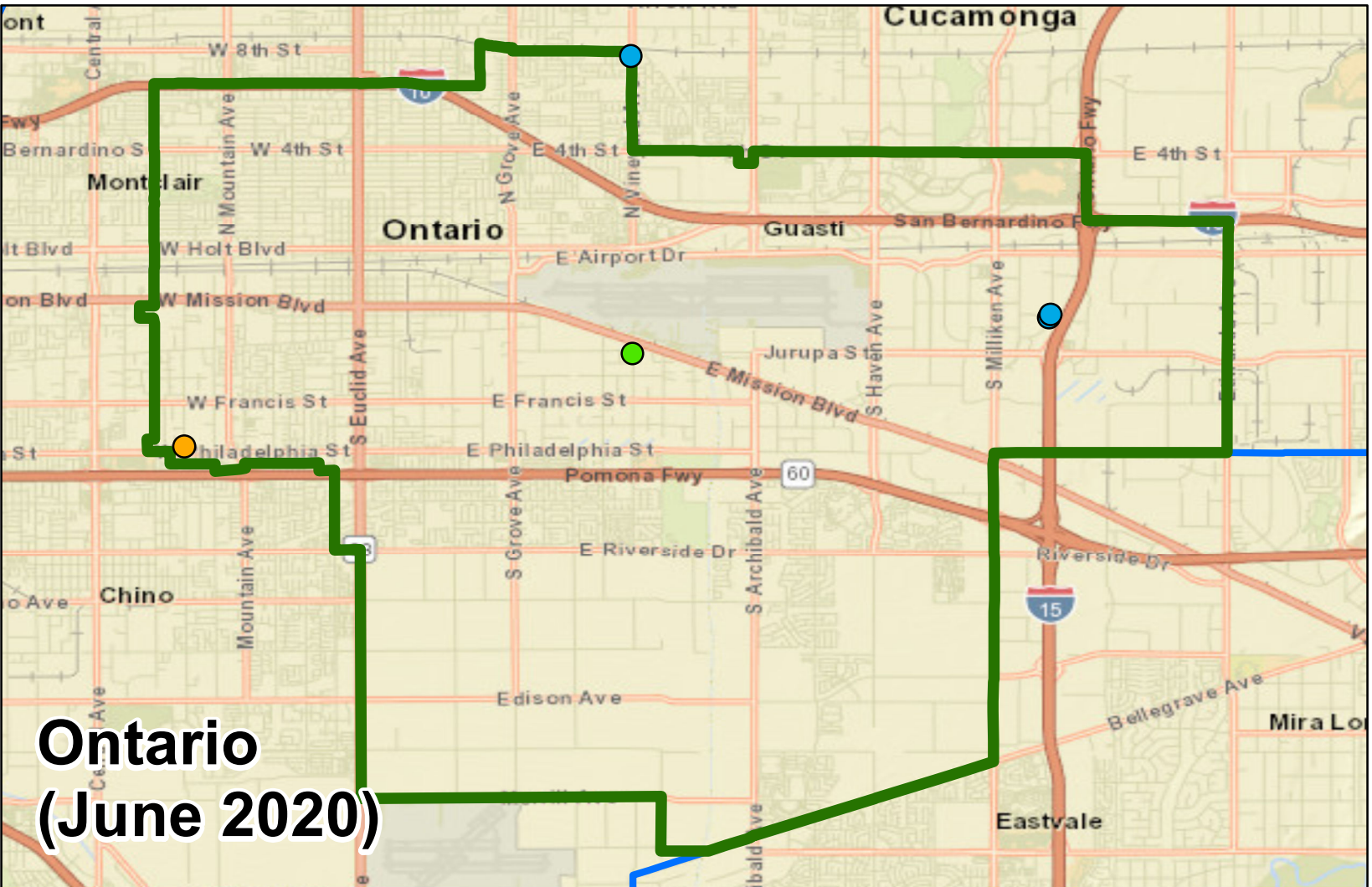
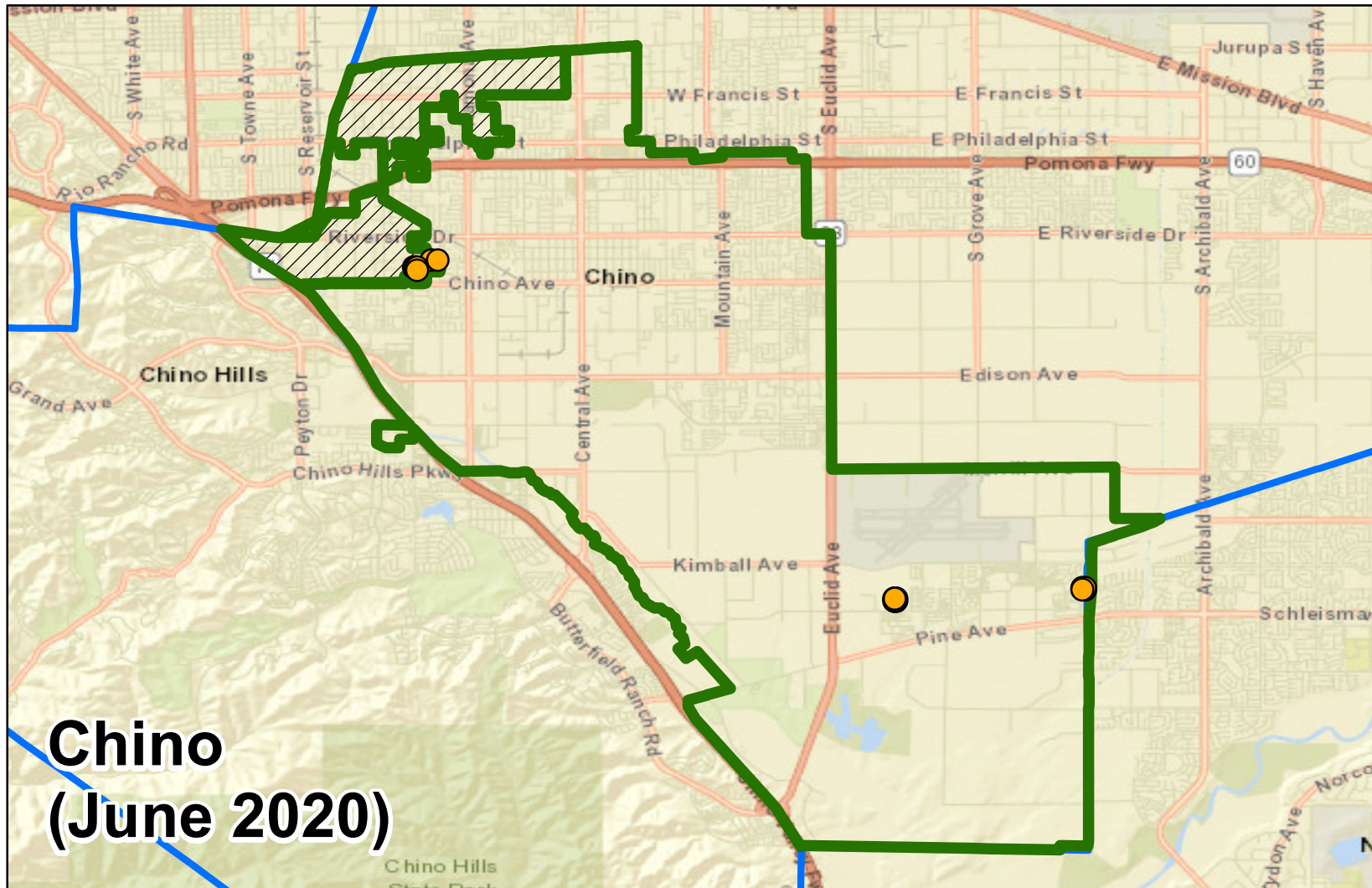
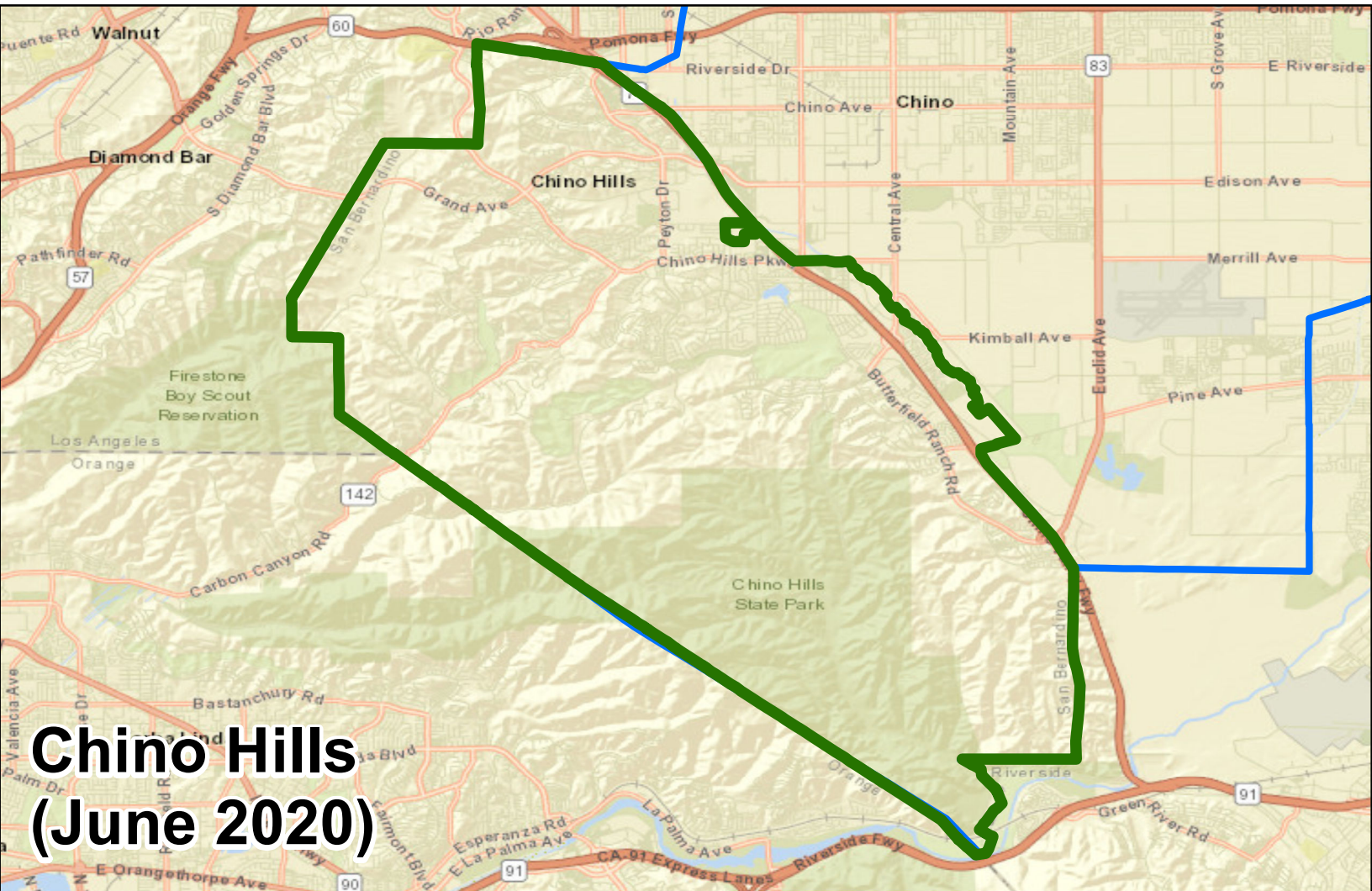
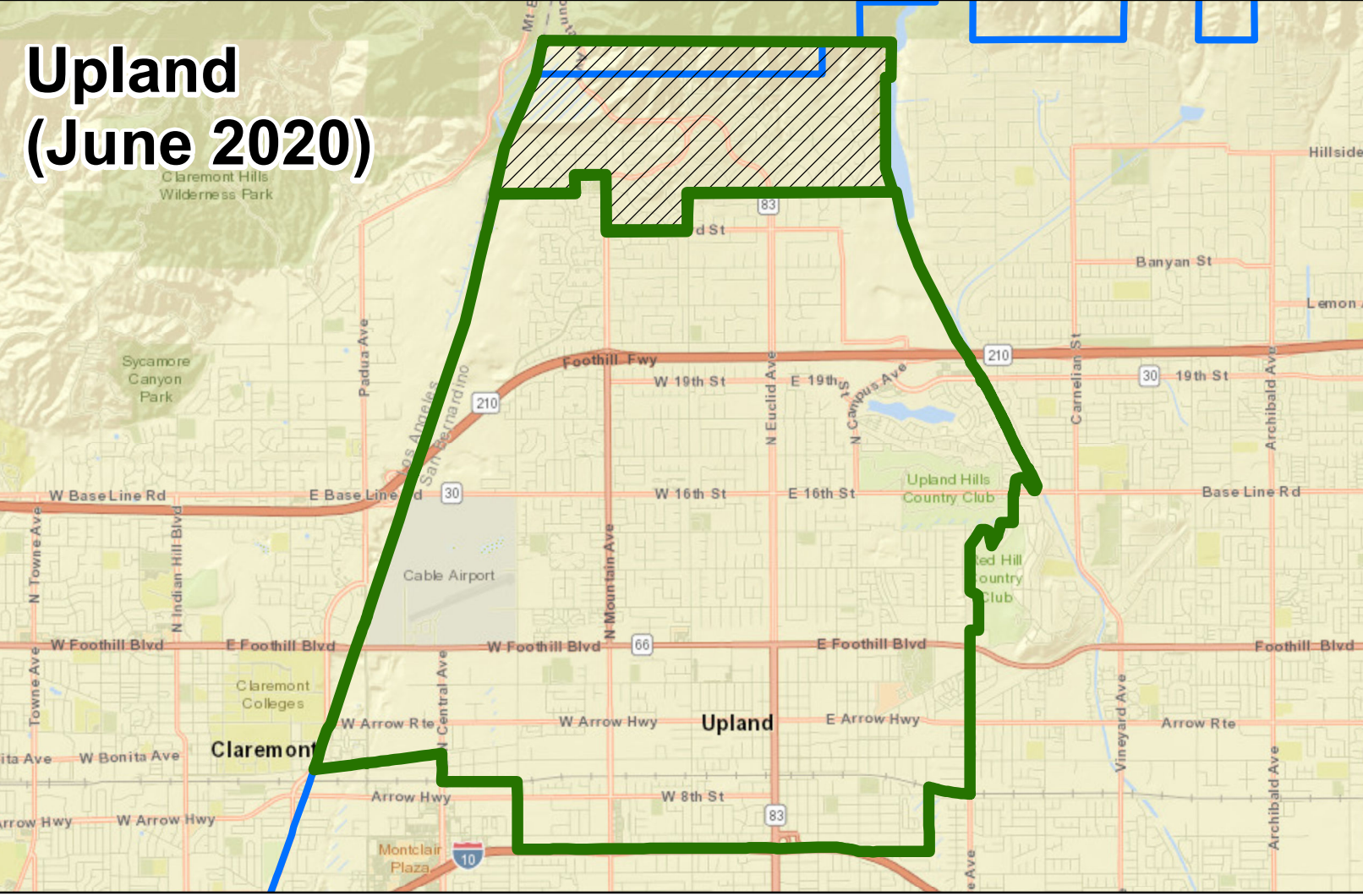
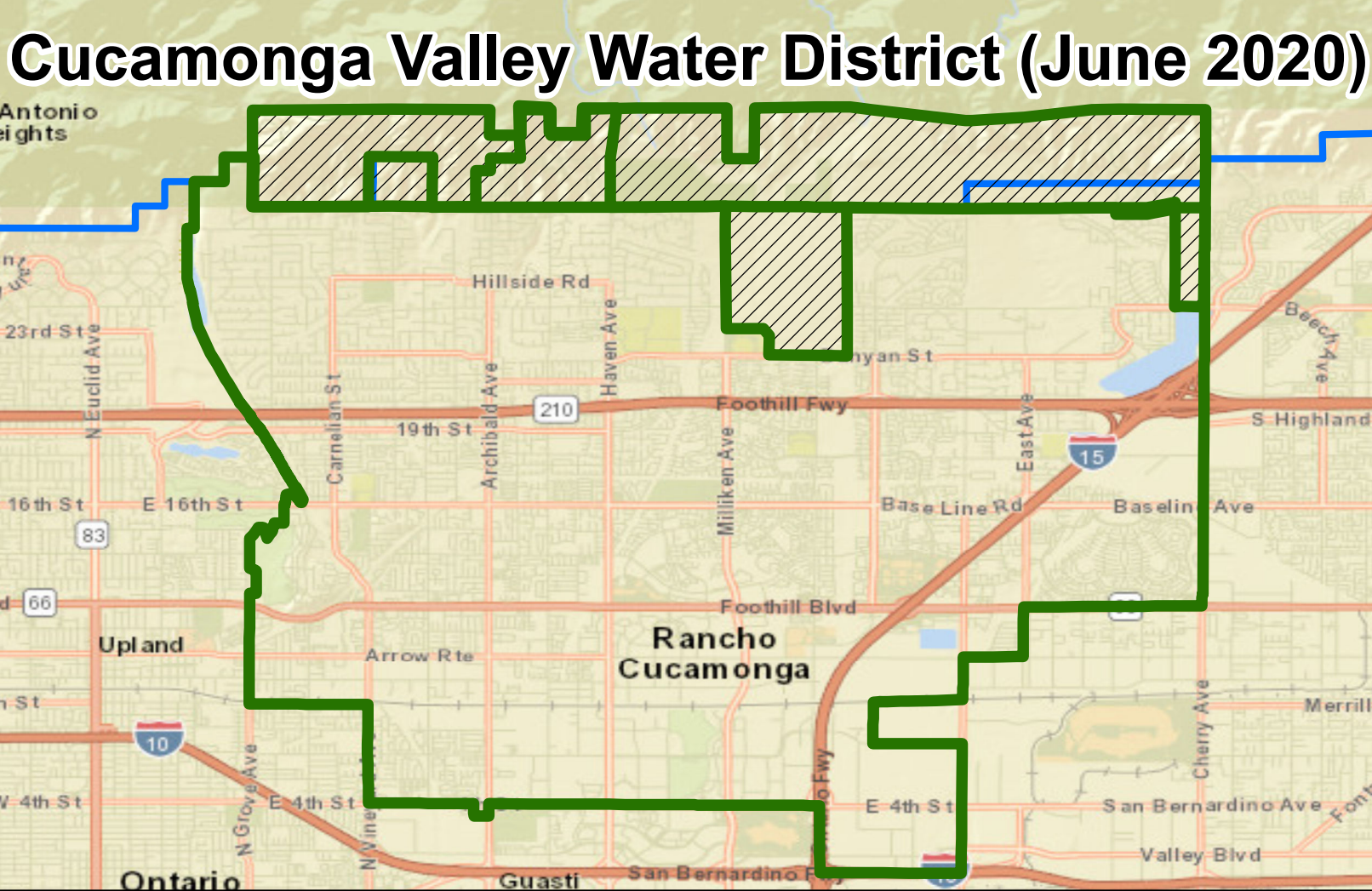
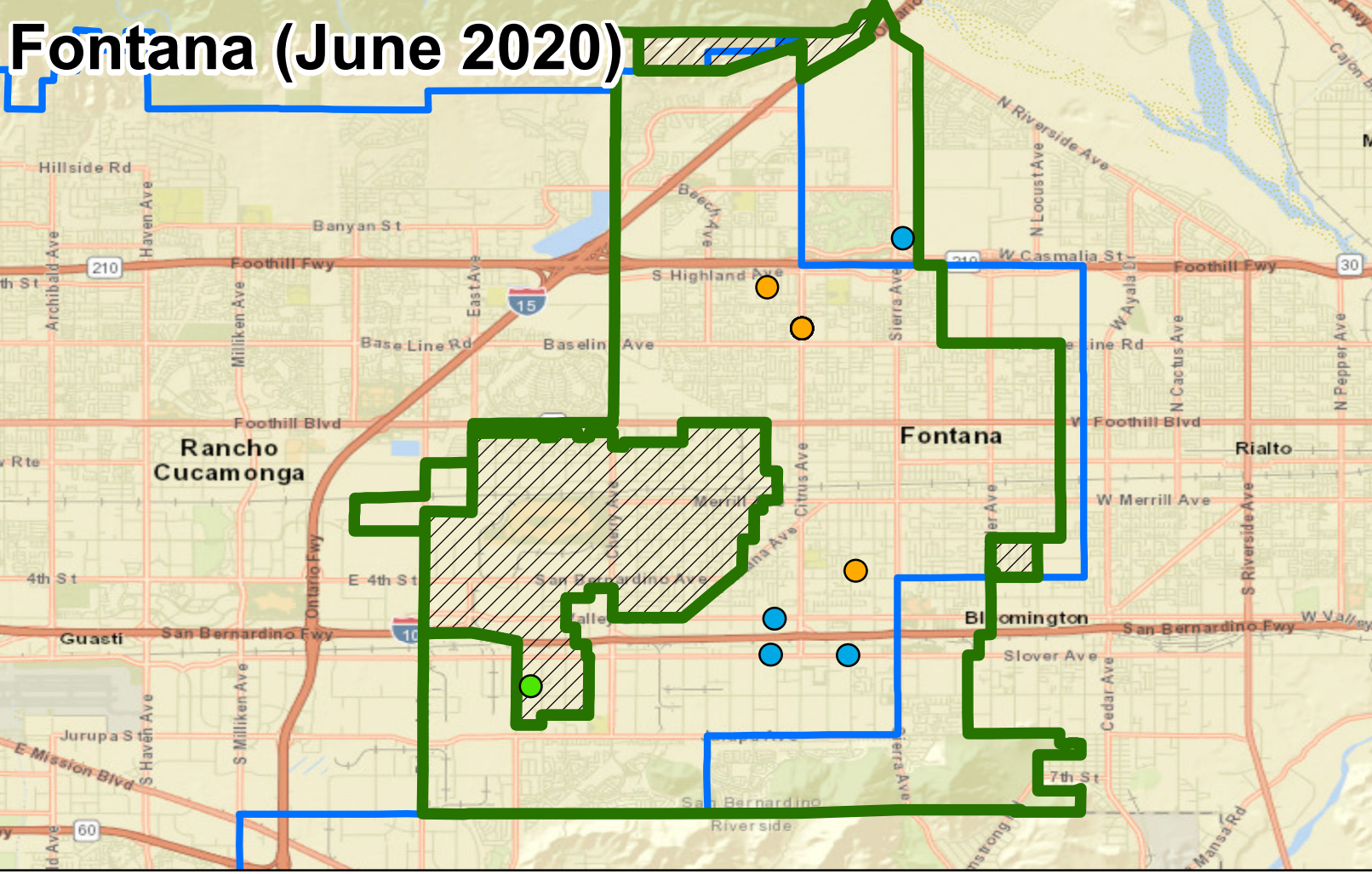
>10.0

HALF MILE GRID: TOTAL EDU's (YTD)



TOTAL EDU BY WASTEWATER CONNECTION TYPE (YTD)

Contracting Agency	YTD Actual				Projected
	Commercial (EDUs)	Industrial (EDUs)	Residential (EDUs)	Total (EDUs)	
Chino	61	40	384	485	470
Chino Hills	43	0	21	64	272
CVWD	82	1	134	217	1240
Fontana	68	11	623	702	595
Montclair	17	0	132	149	407
Ontario	143	108	1230	1481	2960
Upland	15	0	315	330	446
Total	430	160	2839	3429	6390



RECEIVE AND
FILE

4B

IEUA RECYCLED WATER DISTRIBUTION – JULY 2020

TOTAL ALL PLANTS

Influent: 50.1 MGD

Delivered: 44.3 MGD

Percent Delivered: 88%

RP-4

Delivered: 8.7 MGD

RP-1

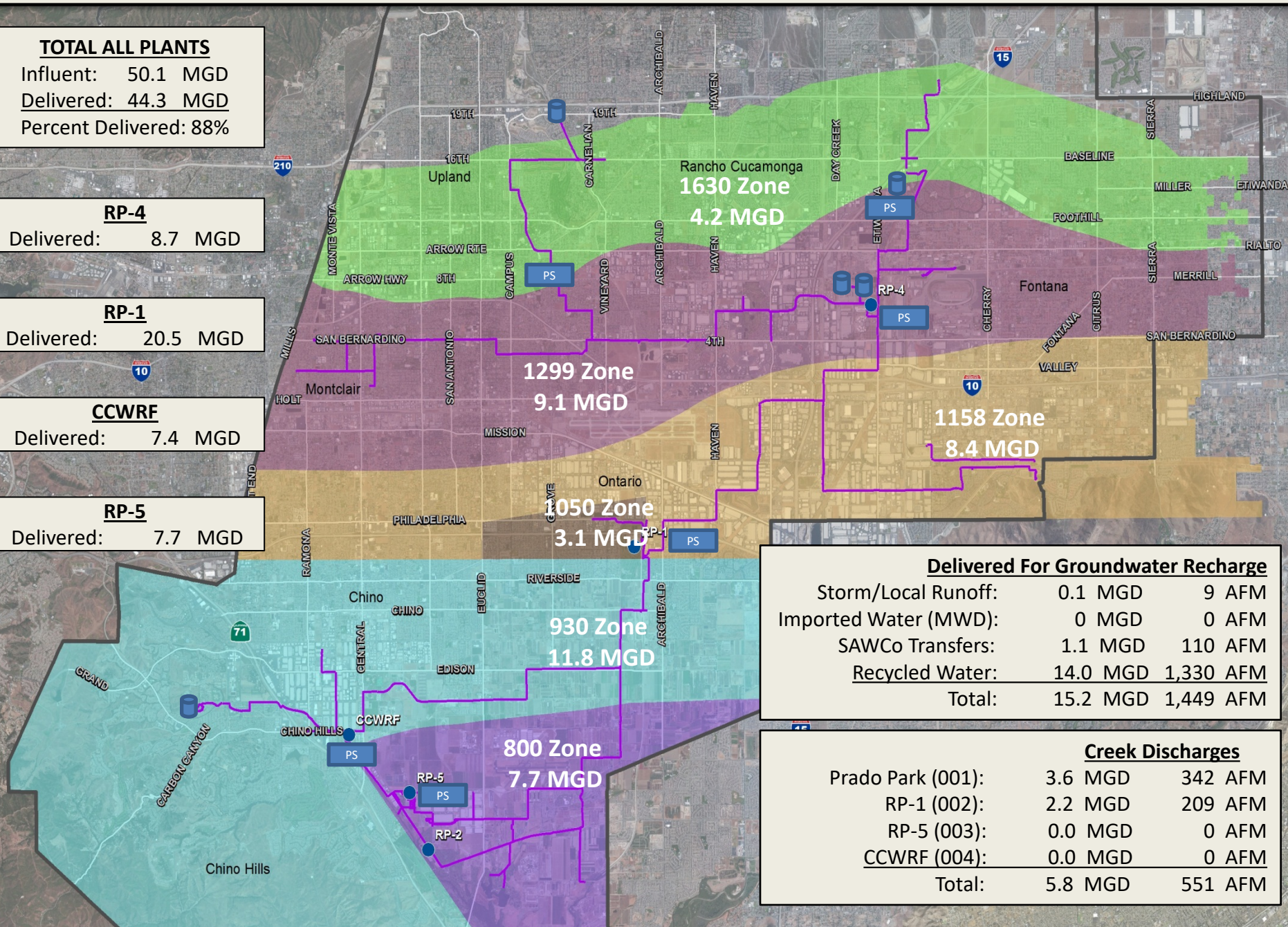
Delivered: 20.5 MGD

CCWRF

Delivered: 7.4 MGD

RP-5

Delivered: 7.7 MGD



Delivered For Groundwater Recharge

Storm/Local Runoff:	0.1 MGD	9 AFM
Imported Water (MWD):	0 MGD	0 AFM
SAWCo Transfers:	1.1 MGD	110 AFM
Recycled Water:	14.0 MGD	1,330 AFM
Total:	15.2 MGD	1,449 AFM

Creek Discharges

Prado Park (001):	3.6 MGD	342 AFM
RP-1 (002):	2.2 MGD	209 AFM
RP-5 (003):	0.0 MGD	0 AFM
CCWRF (004):	0.0 MGD	0 AFM
Total:	5.8 MGD	551 AFM

Recycled Water Recharge Actuals - July 2020 (Acre-Feet)

Basin	7/1-7/4	7/5-7/11	7/12-7/19	7/20-7/26	7/27-7/31	Month Actual	FY To Date Actual	Deliveries are draft until reported as final.
Ely	66.6	70.9	41.9	30.5	30.4	0.0	237	
Banana	0.0	0.0	0.0	0.0	0.0	0.0	0	
Hickory	14.3	4.9	0.0	25.0	25.9	70.1	57	
Turner 1 & 2	0.0	0.0	0.0	0.0	0.0	0.0	0	
Turner 3 & 4	0.0	0.0	0.0	0.0	0.0	0.0		
8th Street	27.8	45.2	48.8	34.8	33.6	190.2	194	
Brooks	20.1	31.9	8.6	52.3	48.4	161.3	156	
RP3	68.8	95.2	93.5	133.9	122.9	514.3	369	
Declez	0.0	0.0	0.0	0.0	0.0	0.0	121	
Victoria	27.6	49.2	59.3	32.4	39.4	207.9	196	
San Sevaine	0.0	0.0	0.0	0.0	0.0	207.9	0	
Total	225.2	297.3	252.1	308.9	300.6	1,351.7	1,330	1,123 AF previous FY to day actual

