



Regional Sewerage Program Policy Committee Meeting

Thursday, January 7, 2021

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: 552 973 583#

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)**
- 2. Action Item**
 - A. Meeting Minutes for December 3, 2020
- 3. Informational Items**
 - A. Regional Contract Negotiations Update (Oral)
- 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 – February 4, 2021
- 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 at the Agency's main office at 6075 Kimball Avenue, Building A, Chino, CA, by Wednesday, December 30, 2020.


Sally H. Lee

ACTION ITEM

2A



Regional Sewerage Program Policy Committee Meeting

MINUTES OF DECEMBER 3, 2020 MEETING

CALL TO ORDER

A meeting of the Inland Empire Utilities Agency (IEUA)/Regional Sewerage Program Policy Committee was held via teleconference on Thursday, December 3, 2020. Chairwoman Debbie Stone, City of Upland, called the meeting to order at 3:31 p.m.

PLEDGE OF ALLEGIANCE

Peter Rogers/Chino Hills led those present via teleconference in the Pledge of Allegiance. Recording Secretary Sally Lee took roll call and established a quorum was present.

ATTENDANCE via Teleconference

Committee Members:

Randall Reed	CVWD
Eunice Ulloa	City of Chino
Peter Rogers	City of Chino Hills
Jesse Armendarez	City of Fontana
Tenice Johnson	City of Montclair
Debra Dorst-Porada (Alternate)	City of Ontario
Kati Parker	IEUA
Debbie Stone	City of Upland

Others Present:

Dave Crosley	City of Chino
Amanda Coker	City of Chino
Chuck Hays	City of Fontana
Armando Martinez	City of Fontana
Noel Castillo	City of Montclair
Courtney Jones	City of Ontario
Christopher Quach	City of Ontario
Nicole deMoet	City of Upland
Steve Nix	City of Upland
John Bosler	CVWD
Eduardo Espinoza	CVWD

Others Present (continued):

Michael Harty	Kearns & West
Kathy Besser	IEUA
Christiana Daisy	IEUA
Shivaji Deshmukh	IEUA
Randy Lee	IEUA
Christina Valencia	IEUA
Javier Chagoyen-Lazaro	IEUA
Denise Garzaro	IEUA
Elizabeth Hurst	IEUA
Sally H. Lee	IEUA
Sylvie Lee	IEUA
Craig Proctor	IEUA
Scott Oakden	IEUA
Jeanina Romero	IEUA
Ken Tam	IEUA
Teresa Velarde	IEUA
Scott Connor	Unknown
David Schwarmer II	Unknown

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

There was no Technical Committee report as the November 26, 2020 Technical Committee was cancelled. The next Special Technical Committee meeting is scheduled for December 7, 2020 at 10:30 a.m.

2. ACTION ITEMS**A. APPROVAL OF THE NOVEMBER 5, 2020 POLICY COMMITTEE MEETING MINUTES**

Motion: By Randall Reed/CVWD and seconded by Peter Rogers/Chino Hills to approve the meeting minutes of the November 5, 2020 Regional Policy Committee meeting.

Motion carried by roll call vote: Ayes: 7; Absent: 0; Noes: 0

With the following roll call vote:

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

Noes: None

Absent: None

Abstain: None

3. INFORMATIONAL ITEMS**A. REGIONAL CONTRACT NEGOTIATIONS UPDATE**

Michael Harty/Kearns & West gave an update on the Regional Contract Negotiations. Mr. Harty stated that he received the request to complete the negotiations by June 2021 and gave an overview of the last update provided to the Committee on November 5. He stated that he is working with all parties to plan the next phase of the negotiation process, asking for input on specific topics, and input on inclusion or exclusion of items in the sewage contract. He stated that negotiations are expected to reconvene in early 2021 with the development of a plan and schedule. He also addressed his use of the term “confidentiality” in his previous presentation and clarified that he did not intend to suggest that the report was incomplete but to communicate that as a mediator he will need to respect confidentiality in any dialogue with any party. He expressed the expectation for all participants to continue to share information about their key interests and potential solutions in order to achieve progress.

Debra Dorst-Porada/City of Ontario thanked staff for the report and for committing to complete the negotiations in a timely manner. Randall Reed/CVWD asked for a running list of the remaining key topics. Mr. Harty stated that he would like to meet with all parties to assess this matter and will report back once clear guidance by all parties is given on the remaining issues.

B. DEBT OVERVIEW

Christina Valencia/IEUA gave an overview of IEUA’s debt including information on how debt is used, recent debt management highlights, outstanding debt trends, strategic financing planning, evolution of debt service and debt coverage ratio, and the Agency’s conservative approach in calculating debt coverage ratio.

Mr. Reed asked what the cost of RP-1 was. Ms. Valencia stated that she will get back to the Committee with that information. He asked how the debt payment remained the same. Ms. Valencia stated that due to the type of debt secured for the RP-5 expansion, the debt payment will not increase very much. She continued that the total project cost for the RP-5 expansion is approximately \$450 million and approximately 50 percent of the cost financed with new debt; approximately \$100 million from State Revolving Funds (SRF) loans and \$200 million from the Water Infrastructure Finance and Innovation Act (WIFIA) federal loan. The rates for both loans are low and payment periods are 30 years or more. The WIFIA loan is payable over 35 years following substantial completion of the project. Mr. Reed asked how the remaining amount was financed. Ms. Valencia stated that it was funded through connections fees that have been set aside. Mr. Reed stated that as the region waits for homes to be built, equivalent dwelling units (EDUs) rates may be higher to spread the cost in anticipation of the expected growth in the area for the next 5 to 10 years. The RP-5 expansion cannot count on the EDUs when built because this expansion is anticipating growth in the housing market to feed into RP-5. Ms. Valencia stated that connections fees will help fund a portion of this project. Member agencies are holding approximately \$80 million in connection fees. The Agency will call on these funds as construction begins in 2021.

Mr. Reed asked if the Agency had any variable rates in its debt. Ms. Valencia stated that the Agency does not. The only variable debt the Agency has had was the 2008B Variable Rate Demand Bonds that were fixed out in June 2020, locking in a fixed rate until maturity.

4. RECEIVE AND FILE**A. BUILDING ACTIVITY REPORT**

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

B. RECYCLED WATER DISTRIBUTION – OPERATIONS SUMMARY

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

5. OTHER BUSINESS**A. IEUA GENERAL MANAGER'S UPDATE**

General Manager Shivaji Deshmukh/IEUA stated that on Thursday, November 19, he and Manager of Compost Operations Jeff Ziegenbein testified before the California Air Resources Board (CARB) on proposed new Air Toxic Emissions Reporting Regulations. Based on this and other testimony, one of the Board Members urged CARB staff to work with the wastewater sector in the refinement of these regulations because, unlike the manufacturing sector, the Agency cannot control the formulation of sewage. CARB staff subsequently agreed to consider a proposed sector-by-sector approach, review short versus long term reporting requirements, and provide adequate time to complete the statewide pooled two-step process. General Manager Deshmukh shared that these changes are expected to result in significant savings for both IEUA and IERCF. He also stated that Department of Water Resources (DWR) announced on December 2 an initial State Water Project allocation of 10 percent of requested supplies for the 2021 year. The 10 percent allocation is in recognition of early dry conditions for the water year. DWR's eight precipitation stations in Northern California recorded a record-low zero percent of average rainfall in October and 53 percent in November. He shared that most of the state's major reservoirs are lower than historical average to date compared to a year ago. Lake Oroville, the SWP's largest reservoir, holds 61 percent compared to 90 percent of its historical average to date in 2019. San Luis Reservoir, a joint-use facility for the State Water Project (SWP) and Central Valley Project, now holds 76 percent compared to 72 percent of its historical average to date in 2019. He stated that this is the first notice of the Water Year and will be updated periodically through May 2021. Last year's initial allocation was 10 percent, with a final allocation of 20 percent set in May.

General Manager Deshmukh recognized Chair Stone by presenting her with a certificate of recognition for her years of service on the Policy Committee and for her time as Chair of the Committee. He also recognized Kati Parker/IEUA for her time served on the Committee as this is her last Policy Committee meeting. Chair Stone thanked staff and Committee members and expressed her best wishes.

Jesse Armendarez/City of Fontana stated that this will also be his last meeting as he did not seek re-election on city council. General Manager Deshmukh thanked Committee Member Armendarez for his time on the Committee on behalf of IEUA and staff.

Mr. Reed thanked Ms. Parker for her years in public service at the Chino Basin Water Conservation District and IEUA. He stated that it has been a pleasure working with Ms. Parker and Chair Stone and expressed his best wishes to Ms. Parker, Mr. Armendarez, and Chair Stone.

Ms. Parker stated it has been a great four years and she will miss working with staff and member agencies.

Ms. Ulloa expressed her appreciation for Chair Stone's public service. She expressed her best wishes and appreciation to Mr. Armendarez and Ms. Parker.

B. COMMITTEE MEMBER REQUESTED AGENDA ITEMS FOR NEXT MEETING

There were no Committee Member requests for agenda items for the next meeting.

COMMITTEE MEMBER COMMENTS

There were no Committee Member comments.

C. NEXT MEETING – JANUARY 7, 2021

6. ADJOURNMENT

Chair Stone adjourned the meeting at 4:15 p.m.

Transcribed by:

Sally H. Lee, Executive Assistant

**RECEIVE AND
FILE**

4A

Building Activity Report - YTD Fiscal Year 2020/21



Legend

- Service Area
- Unincorporated

EDU (YTD)

Residential

- <=1.0
- 1.0 - 10.0
- >10.0

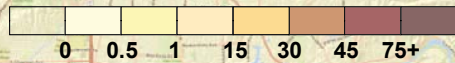
Commercial

- <=1.0
- 1.0 - 10.0
- >10.0

Industrial

- <=1.0
- 1.0 - 10.0
- >10.0

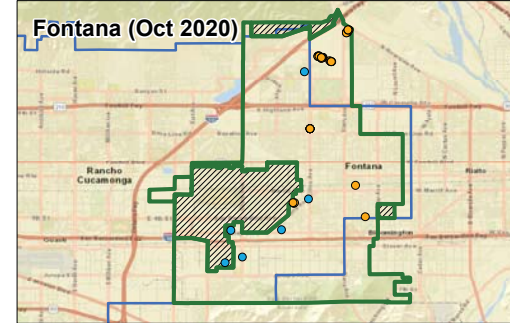
HALF MILE GRID: TOTAL EDU's (YTD)



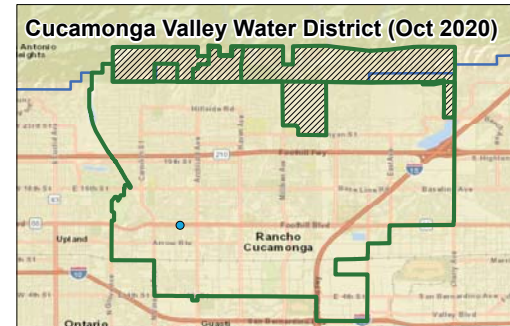
TOTAL EDU BY WASTEWATER CONNECTION TYPE (YTD)

Contracting Agency	YTD Actual			Total (EDUs)	Projected
	Commercial (EDUs)	Industrial (EDUs)	Residential (EDUs)		
Chino	11	0	107	118	430
Chino Hills	14	0	27	41	182
CVWD	12	27	1	40	1650
Fontana	27	4	476	507	2406
Montclair	7	0	0	7	407
Ontario	49	-3	267	314	3865
Upland	17	0	4	21	381
Total	138	28	882	1048	9321

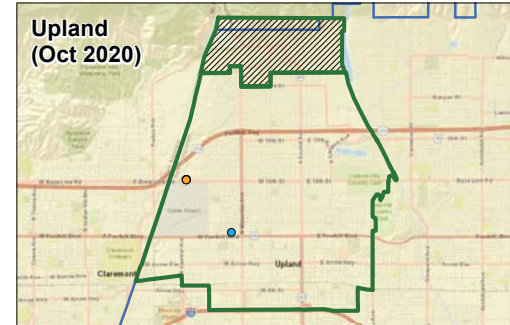
Fontana (Oct 2020)



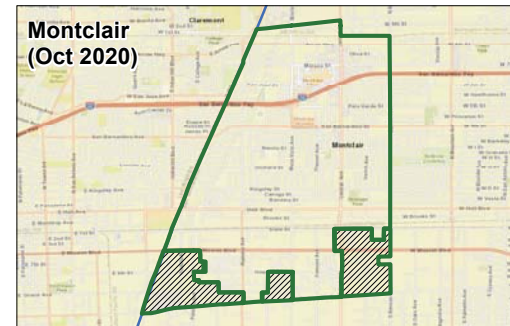
Cucamonga Valley Water District (Oct 2020)



Upland (Oct 2020)



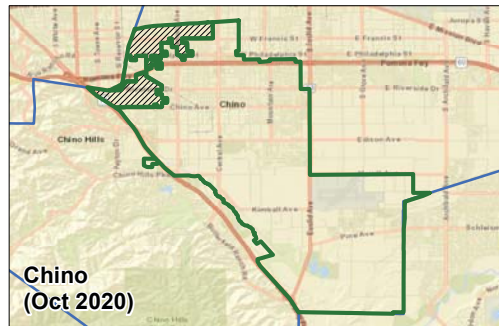
Montclair (Oct 2020)



Chino Hills (Oct 2020)



Chino (Oct 2020)



Ontario (Oct 2020)



RECEIVE AND
FILE

4B

IEUA RECYCLED WATER DISTRIBUTION – NOVEMBER 2020

TOTAL ALL PLANTS

Influent: 51.2 MGD

Delivered: 32.1 MGD

Percent Delivered: 63%

Preliminary Deliveries

RW GWR: 19.0 MGD

RW Direct Use: 13.1 MGD

RP-4

Delivered: 7.9 MGD

RP-1

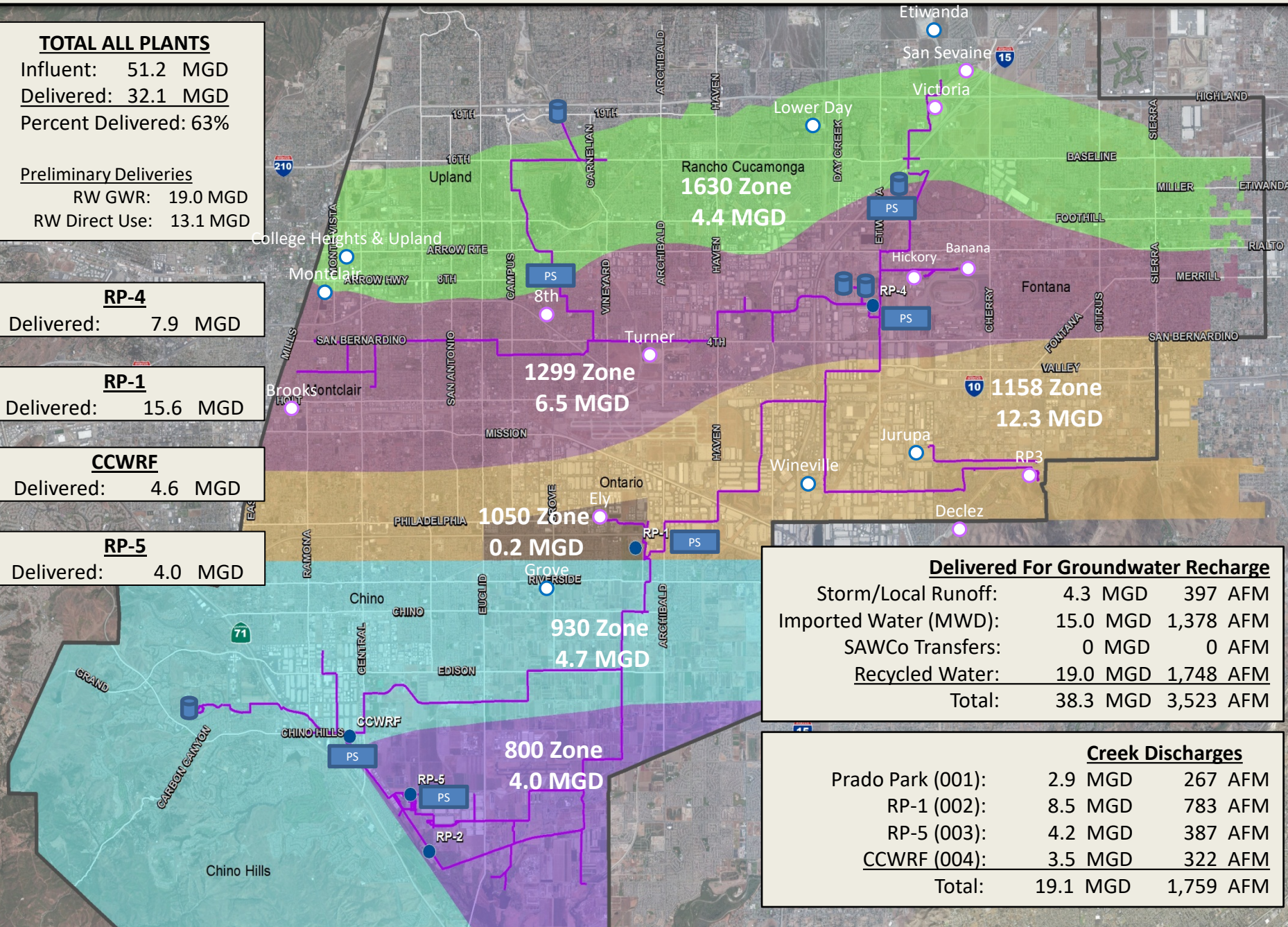
Delivered: 15.6 MGD

CCWRF

Delivered: 4.6 MGD

RP-5

Delivered: 4.0 MGD



1630 Zone
4.4 MGD

1299 Zone
6.5 MGD

1158 Zone
12.3 MGD

1050 Zone
0.2 MGD

930 Zone
4.7 MGD

800 Zone
4.0 MGD

Delivered For Groundwater Recharge

Storm/Local Runoff:	4.3 MGD	397 AFM
Imported Water (MWD):	15.0 MGD	1,378 AFM
SAWCo Transfers:	0 MGD	0 AFM
Recycled Water:	19.0 MGD	1,748 AFM
Total:	38.3 MGD	3,523 AFM

Creek Discharges

Prado Park (001):	2.9 MGD	267 AFM
RP-1 (002):	8.5 MGD	783 AFM
RP-5 (003):	4.2 MGD	387 AFM
CCWRF (004):	3.5 MGD	322 AFM
Total:	19.1 MGD	1,759 AFM

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

Basin	11/1-11/7	11/8-11/14	11/15-11/21	11/22-11/30	Month Actual	FY To Date Actual	Deliveries are draft until reported as final and do not included evaporative losses.	
Ely	25.3	0.8	0.8	31.7	58.6	481		
Banana	57.4	27.4	21.9	32.7	139.4	313		
Hickory	0.0	0.0	0.0	0.0	0.0	245		
Turner 1 & 2	0.0	0.0	0.0	0.0	0.0	175		
Turner 3 & 4	38.8	60.0	40.6	24.6	164.0			
7th & 8th Street	20.6	0.0	16.2	34.0	70.8	642		
Brooks	0.0	0.0	0.0	0.0	0.0	503		
RP3	216.9	214.8	161.5	219.2	812.4	3337		
Declez	18.3	0.0	29.1	54.4	101.8	580		
Victoria	0.0	27.7	41.0	38.0	106.7	854		
San Sevaïne	84.7	73.8	61.7	74.0	294.2	1054		
Total	462.0	404.5	372.8	508.6	1,747.9	8,183	6,156	AF previous FY to day actual

