



## **Regional Sewerage Program Policy Committee Meeting**

**Thursday, February 4, 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](mailto: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.

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### **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 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 January 7, 2021
- 3. Informational Items**
  - A. Regional Contract Negotiations Update (Oral)
  - B. 2021 Recycled Water Program
- 4. Receive and File**
  - A. Building Activity Report
  - B. Recycled Water Distribution – Operations Summary
  - C. Engineering and Construction Management Quarterly Project Update
  - D. RP-5 Digester Gas and Natural Gas Usage in Renewable Energy and Efficiency Project (REEP) Engines
- 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 – March 4, 2021

## 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](http://www.ieua.org) and posted at the Agency's main office at 6075 Kimball Avenue, Building A, Chino, CA, by Thursday, January 28, 2021.

  
Sally H. Lee

**ACTION ITEM**

**2A**



## **Regional Sewerage Program Policy Committee Meeting**

### **MINUTES OF JANUARY 7, 2021 MEETING**

#### **CALL TO ORDER**

A meeting of the Inland Empire Utilities Agency (IEUA)/Regional Sewerage Program Policy Committee was held via teleconference on Thursday, January 7, 2021. Chair Bill Velto/City of Upland, called the meeting to order at 3:30 p.m.

#### **PLEDGE OF ALLEGIANCE**

Committee Member Eunice Ulloa/City of Chino 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:**

Phillip Cothran	City of Fontana
Debra Dorst-Porada	City of Ontario
Jasmin A. Hall	IEUA
Tenice Johnson	City of Montclair
Randall Reed	CVWD
Peter Rogers	City of Chino Hills
Eunice Ulloa	City of Chino
Bill Velto	City of Upland

##### **Others Present:**

Dave Crosley	City of Chino
Amanda Coker	City of Chino
Courtney Jones	City of Ontario
Christopher Quach	City of Ontario
Nicole deMoet	City of Upland
Eduardo Espinoza	CVWD
Michael Harty	Kearns & West
Terra Alpaugh	Kearns & West
Kathy Besser	IEUA
Christiana Daisy	IEUA

**Others Present (continued):**

Shivaji Deshmukh	IEUA
Christina Valencia	IEUA
Jerry Burke	IEUA
Denise Garzaro	IEUA
Elizabeth Hurst	IEUA
Sally H. Lee	IEUA
Ken Monfore	IEUA
Craig Proctor	IEUA
Scott Oakden	IEUA
Jeanina Romero	IEUA
Scott Connor	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**

Nicole deMoet/City of Upland stated that at the last Special Technical Committee meeting held on December 7, 2020, the Committee approved the October 29, 2020 meeting minutes, approved a request from the City of Ontario for a Regional Connection Point to Freeway Trunk #O-103, and heard information items: Pilot Return to Sewer Study Report, Debt Overview, Recycled Water Program 2021 Focus, Upper Santa Ana River Multiple Species Habitat Conservation Plan update, and operations and compliance update. She stated that Michael Harty from Kearns & West will be presenting the Regional Contract Negotiations update under information items.

**ACTION ITEMS****A. APPROVAL OF THE DECEMBER 3, 2020 POLICY COMMITTEE MEETING MINUTES**

**Motion:** By Eunice Ulloa/Chino and seconded by Randall Reed/CVWD to approve the meeting minutes of the December 3, 2020 Regional Policy Committee meeting.

**Motion carried by roll call vote: Ayes: 5; Abstain: 2; Absent: 0; Noes: 0**

With the following roll call vote:

Ayes: Dorst-Porada, Johnson, Reed, Rogers, Ulloa  
 Noes: None  
 Absent: None  
 Abstain: Cothran, Velto

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

Michael Harty/Kearns & West gave an update on the Regional Contract Negotiations. On December 3, he reported that Kearns & West will be conferring with IEUA and individual contract agencies to gather ideas and options to quicken the negotiation process for 2021. He stated that there were multiple conversations and the next steps are to confirm, plan and facilitate discussion on the following priority topics: how best to take the tentative agreements that have been documented in the process in the form of term sheets and translate them into an initial draft contract version, initiate conversations with IEUA and contract agencies regarding future governance and decision-making topics, role of recycled water in the sewage contract, and a realistic schedule and work plan for at least the first three months of 2021. He stated that IEUA provided an update to the Technical Committee on December 7, 2020 on the recycled water program, in which there was a shared interest from member agencies. He reported that there are two regional contract negotiation meetings scheduled for the following week and he will be back to update the Policy Committee in February. He stated that he had provided a handout with negotiations topics that are currently underway and outstanding at the November 5, 2020 Policy Committee meeting. He expounded on these topics and shared that he will keep updating the Policy Committee members of the status of these issues throughout the process.

Debra Dorst-Porada/City of Ontario thanked Mr. Harty for keeping the Committee members informed. Randall Reed/CVWD also thanked Mr. Harty for bringing the remaining key topics back to the Committee and stated that he looked forward to hearing staff's reports when they return from the workshops.

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

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

**B. RECYCLED WATER DISTRIBUTION – OPERATIONS SUMMARY**

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

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

General Manager Shivaji Deshmukh/IEUA stated that construction has begun for the RP-5 Expansion Project. It is the Agency's largest capital improvement project, expanding the solid and liquid capacity of the RP-5 treatment plant. He stated that when it is safe to do so, staff would like to host a tour for Policy Committee members. He also stated that staff has received questions regarding groundwater recharge availability from member agencies and discussions began at the December 7, 2020 Special Technical Committee meeting. Discussions will continue at Technical and Policy Committee meetings and other workshops in the next couple months.

**B. COMMITTEE MEMBER REQUESTED AGENDA ITEMS FOR NEXT MEETING**

Ms. Dorst-Porada stated that during the December 7, 2020 Special Technical Committee meeting, the Recycled Water Program 2021 Focus presentation stated that a rate study will be explored in early 2021 and discussed possible new recycled water policies to take place in the

summer of 2021. She requested that the Policy Committee be afforded the opportunity to review any new rates or projects prior to implementation. She stated that the committee needs to ensure that the new policies address their needs as well as the Agency's. Mr. Reed stated that he would also like to see the challenges IEUA has and how the Agency plans on moving forward. General Manager Deshmukh stated that it was staff's intention to bring this item to the Policy Committee and staff will introduce the concept at the February Committee meeting. As discussions move forward with contract agencies, there will be more information to present at future Committee meetings.

**C. COMMITTEE MEMBER COMMENTS**

There were no Committee Member comments.

**D. NEXT MEETING – FEBRUARY 4, 2021**

**6. ADJOURNMENT**

Chair Velto adjourned the meeting at 3:45 p.m.

Transcribed by:

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Sally H. Lee, Executive Assistant

**INFORMATION  
ITEM**

**3B**



# 2021 Recycled Water Program



# 2021 Recycled Water Program

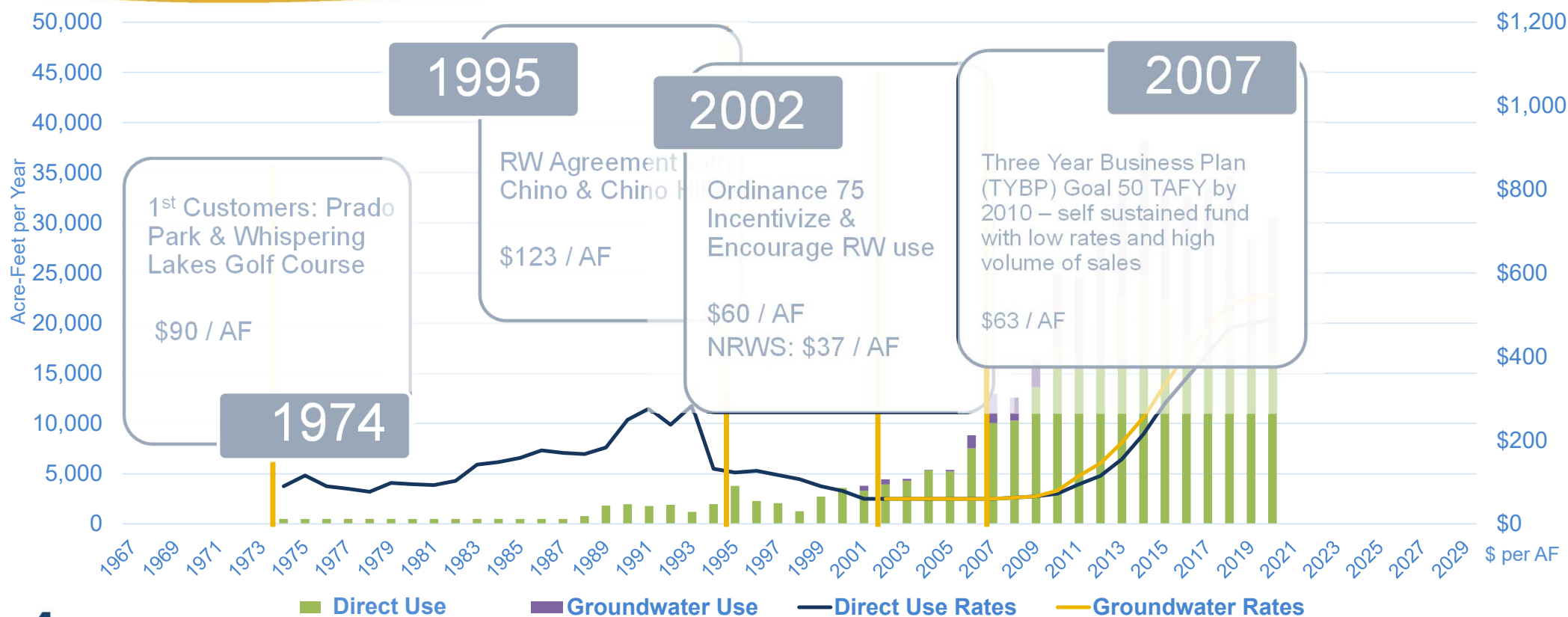
## 2020 Recap:

- IEUA deferred recycled water rate study discussions
- Member Agency feedback:
  - City of Chino Hills: focus on the changing needs of the program
  - City of Upland: address the change in interest to purchase recharged water and associated rate impacts

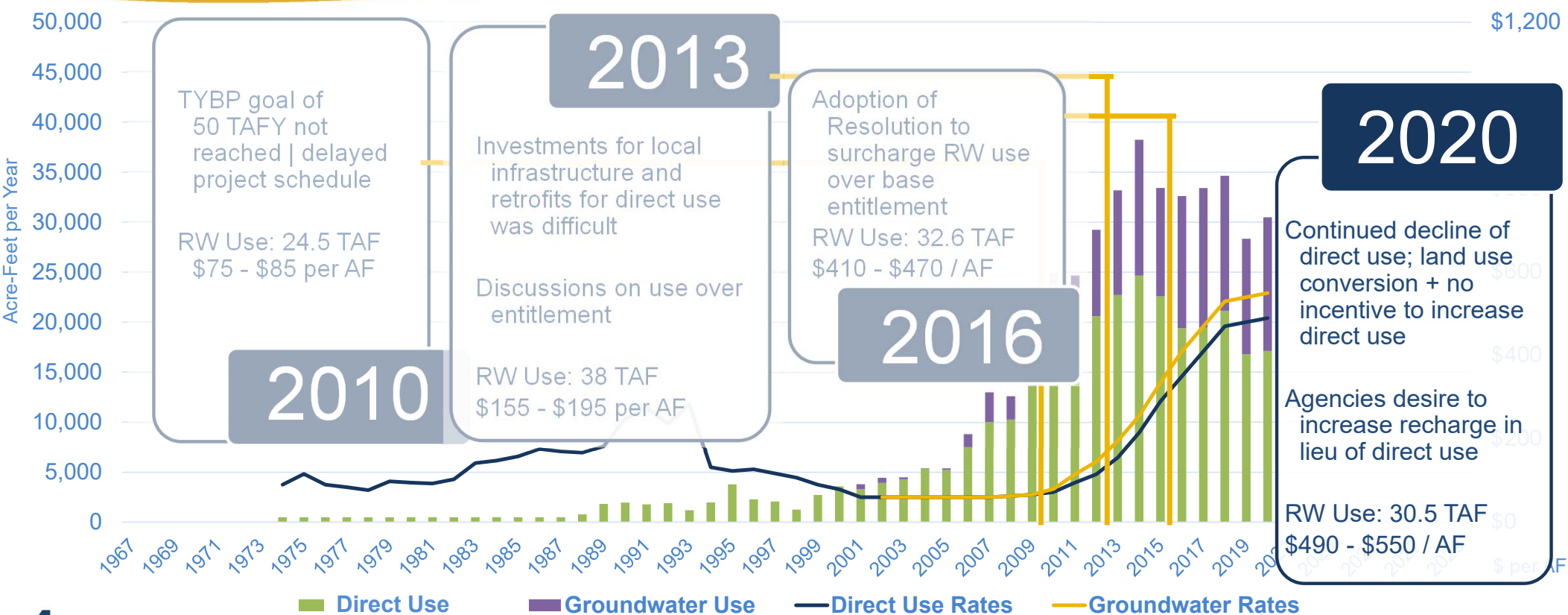
## Purpose:

- Revisit program history and current conditions
- Discuss the focus of the recycled water program for the next 20 years

# Recycled Water (RW) System Timeline

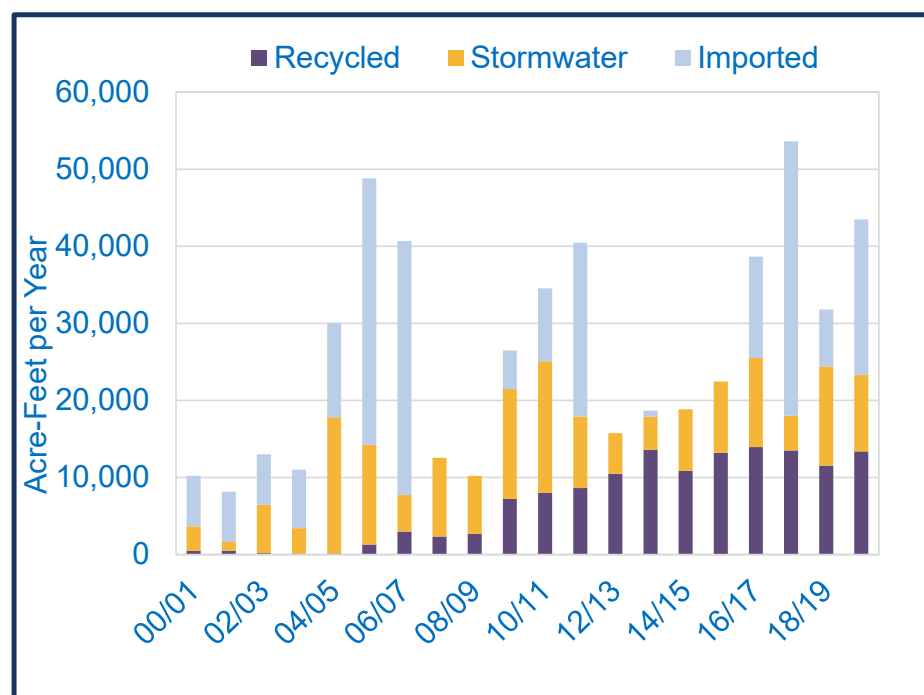


# Recycled Water (RW) System Timeline

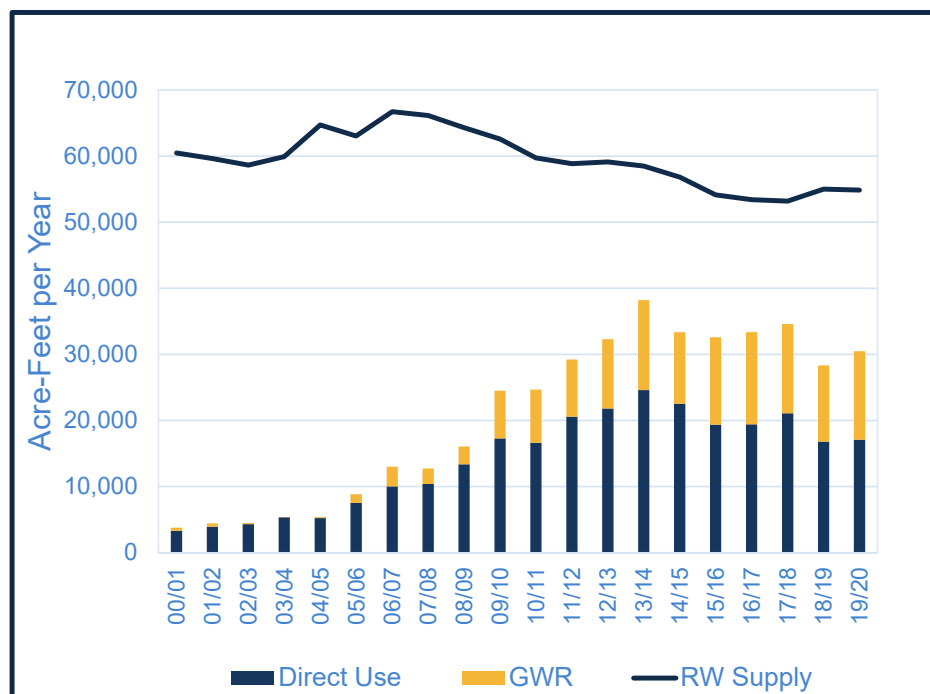


# Challenge #1: Groundwater Recharge [GWR]

- IEUA maximizes groundwater recharge
- GWR costs are recovered by Regional Contract Agencies' [Agencies] purchase allocations
  - Agencies use their existing storage accounts
  - IEUA does not have a storage account
- Some Agencies have declined to purchase recharge due to “storage limitations”



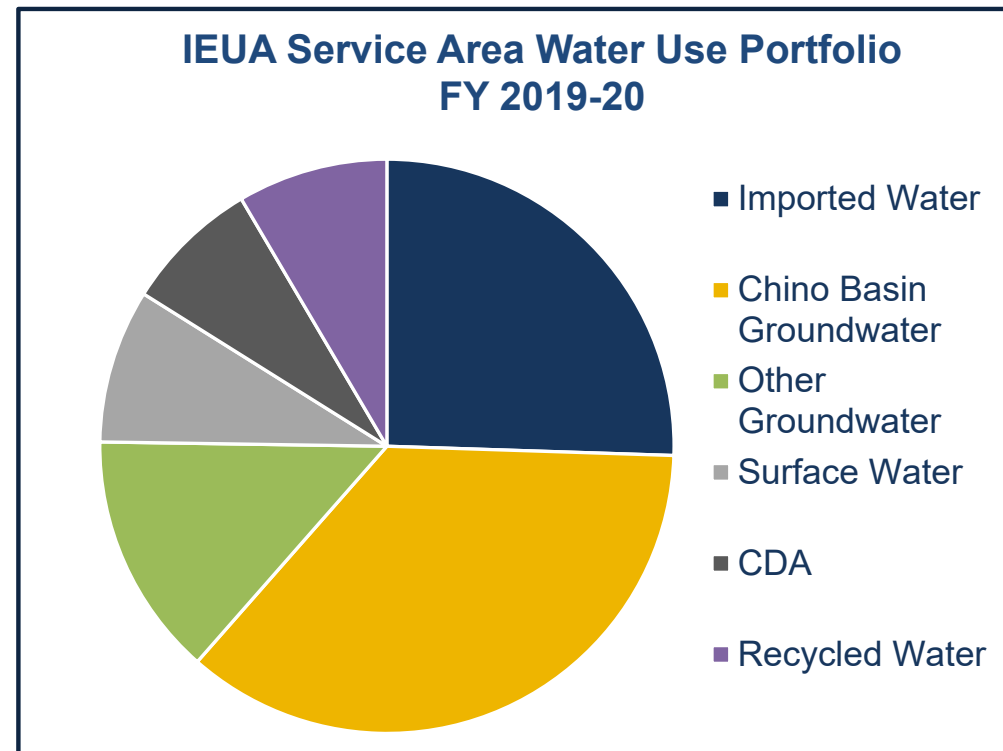
## Challenge #2: Recycled Water Rate Structure



- Existing rate is 100% dependent on use
- 30% decrease in direct use since 2014
- 75% of costs are fixed
- Existing rate structure is not sustainable
- Recycled water rates were deferred to develop a sustainable rate structure

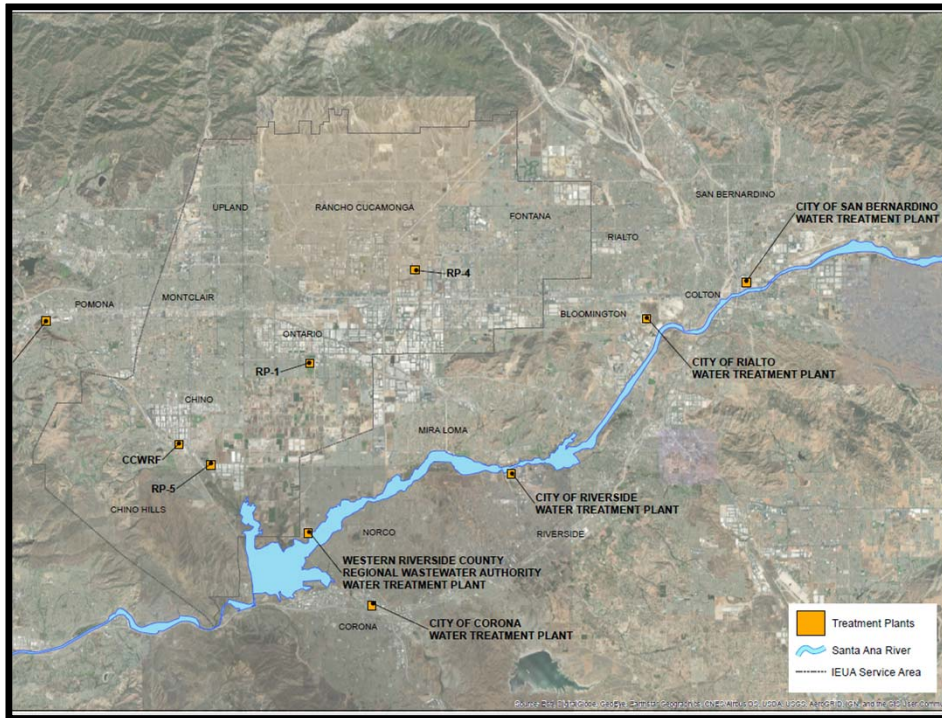
## Challenge #3: Recycled Water | Recharge Permit Requirements

- Recycled water is 15% of local water supply
- Potential recycled water permit non-compliance for salinity limits
- Pending new recharge water quality requirements
- Regulatory trend and permit limits pose a risk to the continued use of recycled water without new treatment facilities





# Challenge #4: External Supply Sources



- Agencies are interested in acquiring external water supply to augment local water supplies
- Opportunities exist to establish long-term partnerships to secure local reliable supplies



# CONSIDERATIONS

- IEUA needs to develop a sustainable recycled water rate structure.
- Should the region maximize the development of local supplies?
  - Recycled water
  - Acquire external water sources
- When does IEUA make the necessary water quality compliance investments?

# Working Schedule



**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

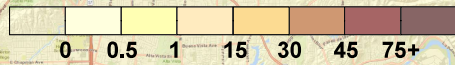
### Commercial

- <=1.0
- 1.0 - 10.0
- >10.0

### Industrial

- <=1.0
- 1.0 - 10.0
- >10.0

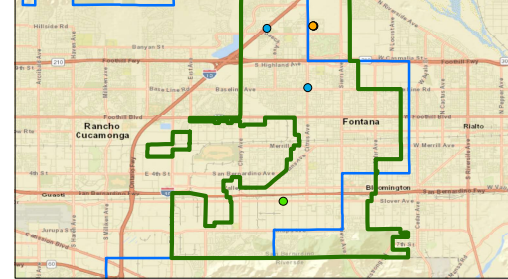
## HALF MILE GRID: TOTAL EDU's (YTD)



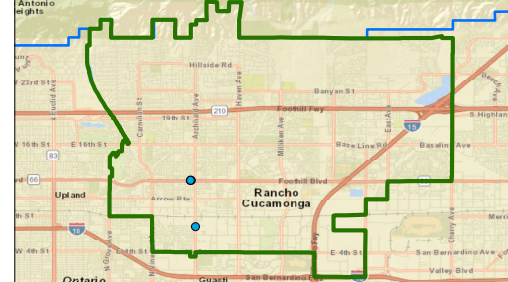
## TOTAL EDU BY WASTEWATER CONNECTION TYPE (YTD)

Contracting Agency	YTD Actual				Projected
	Commercial (EDUs)	Industrial (EDUs)	Residential (EDUs)	Total (EDUs)	
Chino	33	0	133	166	430
Chino Hills	15	0	27	42	182
CVWD	16	27	13	56	1650
Fontana	29	7	520	557	2406
Montclair	7	0	0	7	407
Ontario	66	0	425	491	3865
Upland	17	0	8	8	381
Total	184	34	1126	1326	9321

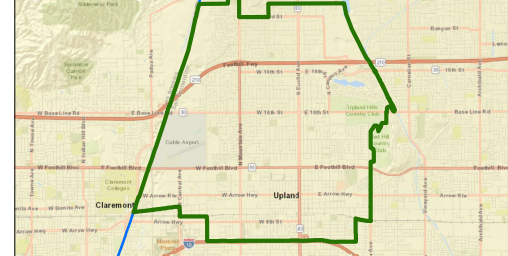
## Fontana (Nov 2020)



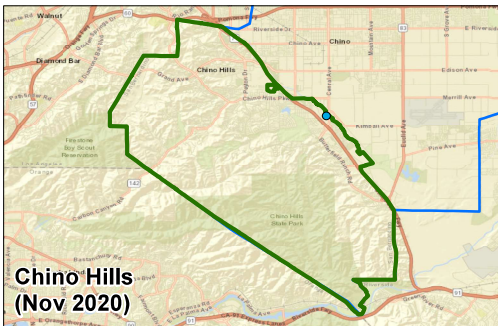
## Cucamonga Valley Water District (Nov 2020)



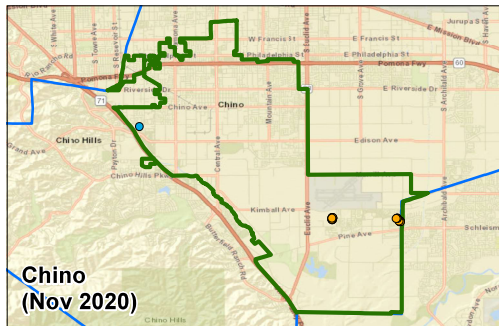
## Upland (Nov 2020)



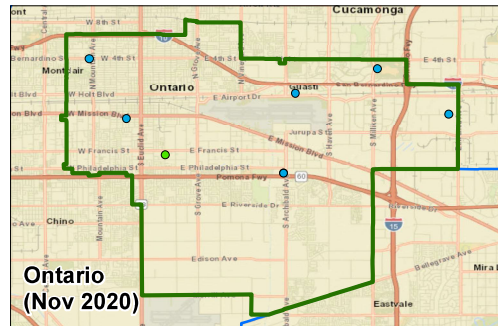
## Chino Hills (Nov 2020)



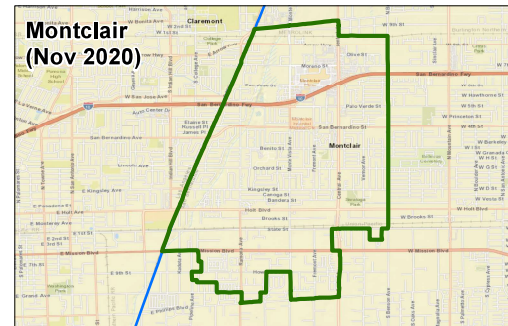
## Chino (Nov 2020)



## Ontario (Nov 2020)



## Montclair (Nov 2020)



RECEIVE AND  
FILE

**4B**



# IEUA RECYCLED WATER DISTRIBUTION – DECEMBER 2020

## TOTAL ALL PLANTS

Influent: 50.9 MGD

Delivered: 30.3 MGD

Percent Delivered: 60%

## Preliminary Deliveries

RW GWR: 17.0 MGD

RW Direct Use: 13.3 MGD

## RP-4

Delivered: 7.7 MGD

## RP-1

Delivered: 13.3 MGD

## CCWRF

Delivered: 5.0 MGD

## RP-5

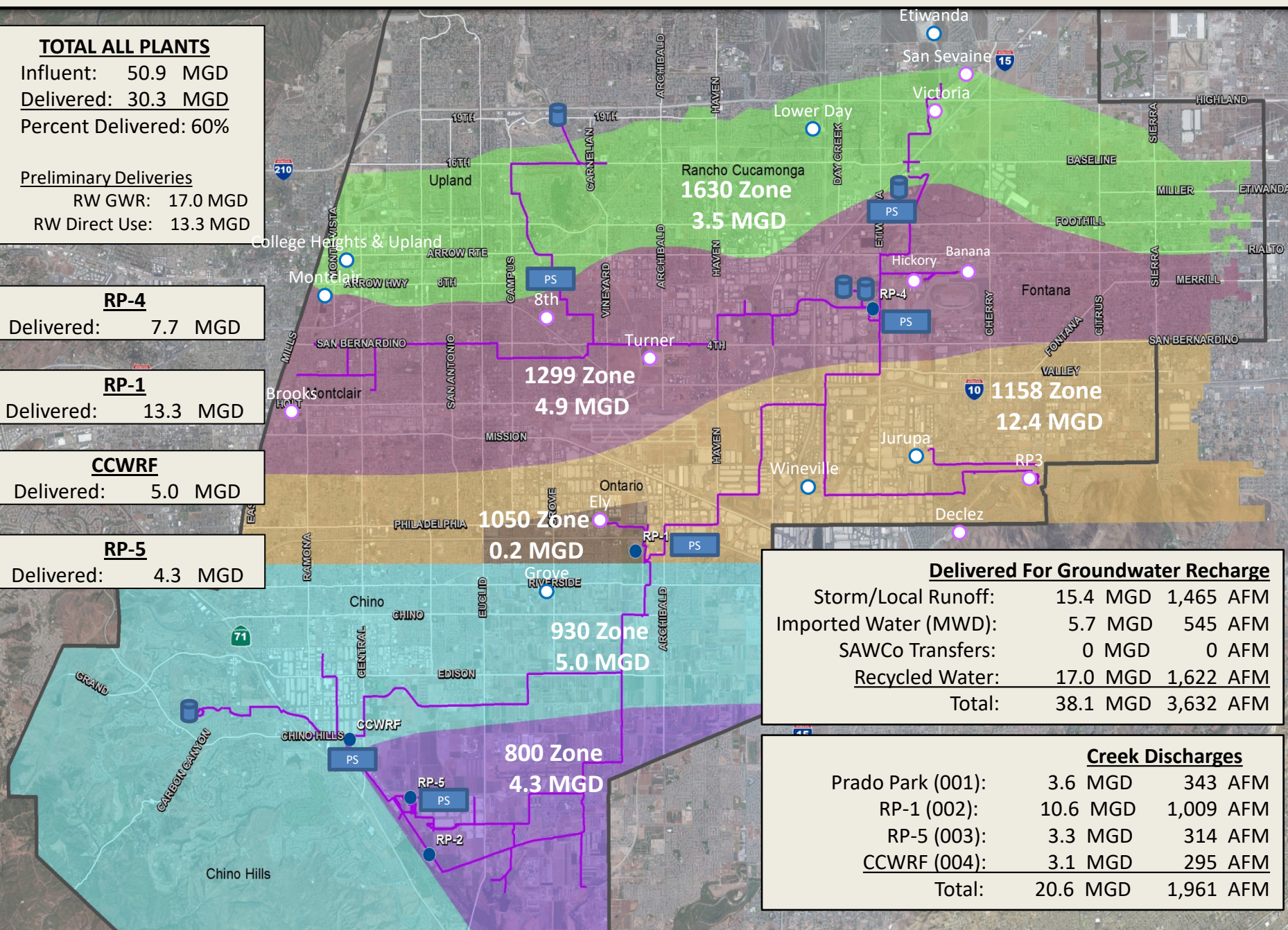
Delivered: 4.3 MGD

## Delivered For Groundwater Recharge

Storm/Local Runoff:	15.4 MGD	1,465 AFM
Imported Water (MWD):	5.7 MGD	545 AFM
SAWCo Transfers:	0 MGD	0 AFM
<u>Recycled Water:</u>	<u>17.0 MGD</u>	<u>1,622 AFM</u>
Total:	38.1 MGD	3,632 AFM

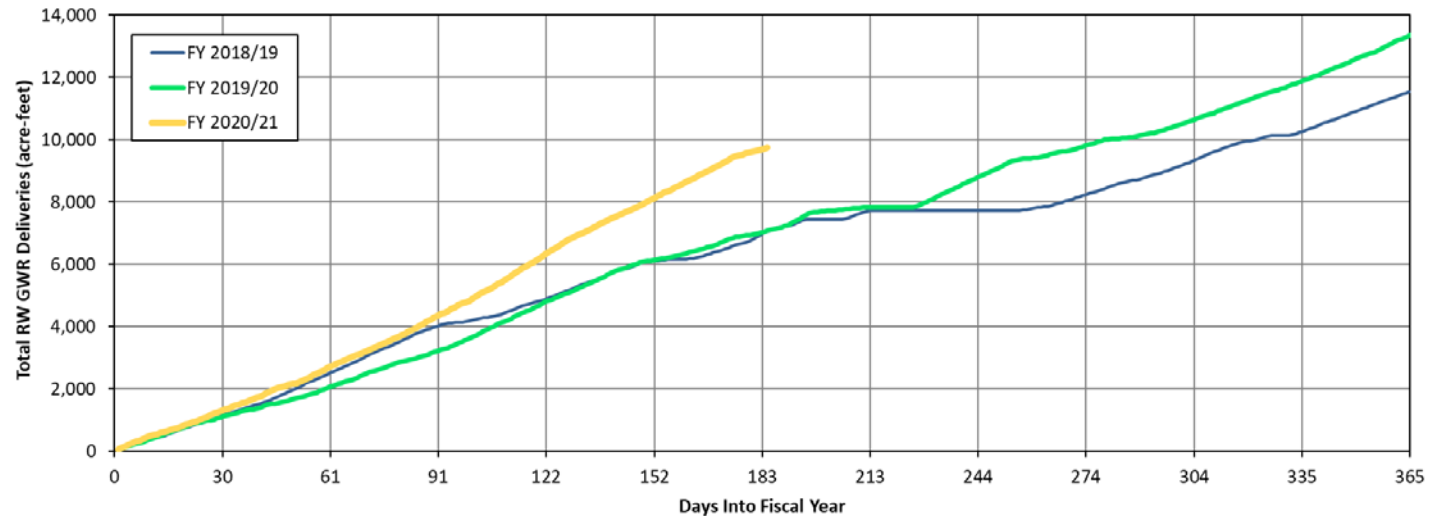
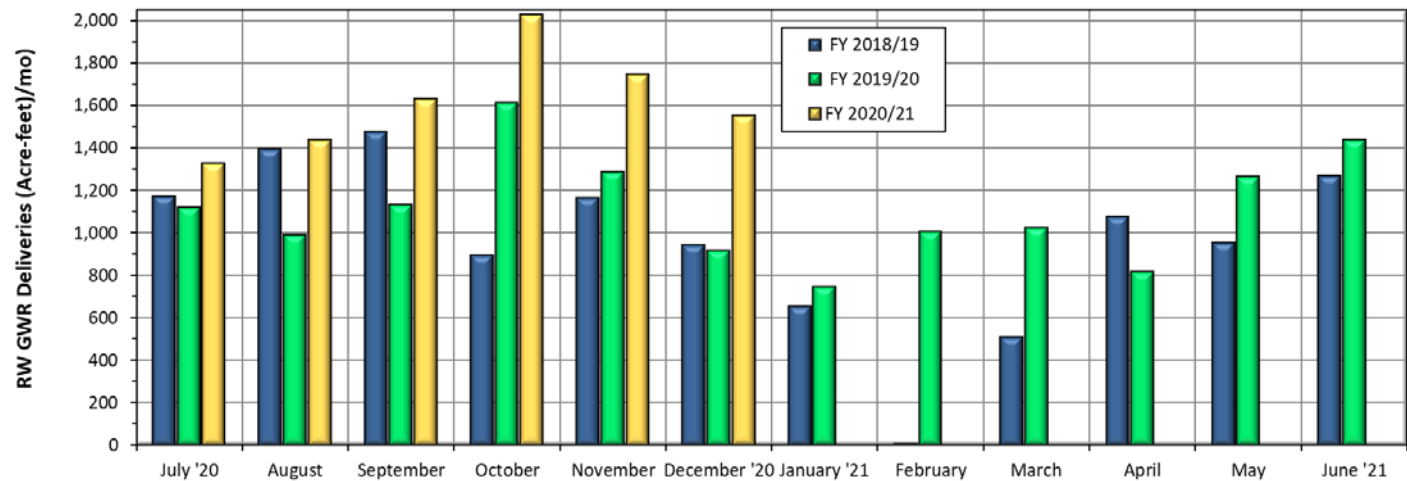
## Creek Discharges

Prado Park (001):	3.6 MGD	343 AFM
RP-1 (002):	10.6 MGD	1,009 AFM
RP-5 (003):	3.3 MGD	314 AFM
<u>CCWRF (004):</u>	<u>3.1 MGD</u>	<u>295 AFM</u>
Total:	20.6 MGD	1,961 AFM



**Recycled Water Recharge Deliveries - December 2020 (Acre-Feet)**

Basin	12/1-12/5	12/6-12/12	12/13-12/19	12/20-12/26	12/27-12/31	Month Actual	FY To Date Actual	Deliveries are draft until reported as final and do not included evaporative losses.	
Ely	33.5	46.9	52.4	28.3	0.0	161.1	642		
Banana	19.9	37.9	46.2	31.7	1.3	137.0	450		
Hickory	0.0	0.0	0.0	0.0	0.0	0.0	245		
Turner 1 & 2	0.0	0.0	0.0	0.0	0.0	0.0	306		
Turner 3 & 4	32.2	40.0	22.1	6.1	30.1	130.5			
8th Street	3.0	0.0	0.0	5.6	0.0	8.6	651		
Brooks	0.0	0.0	0.0	0.0	0.3	0.3	503		
RP3	136.0	215.7	203.5	162.4	110.2	827.8	4166		
Declez	10.7	12.6	10.2	5.3	0.0	38.7	619	65.3 AF lost due to storms filling basin	
Victoria	2.0	0.0	23.7	12.3	0.0	38.0	892		
San Sevaine	37.1	57.0	58.5	59.4	2.6	214.6	1269		
Total	274.4	410.1	416.6	311.1	144.5	1,556.6	0	7,074	AF previous FY to day actual



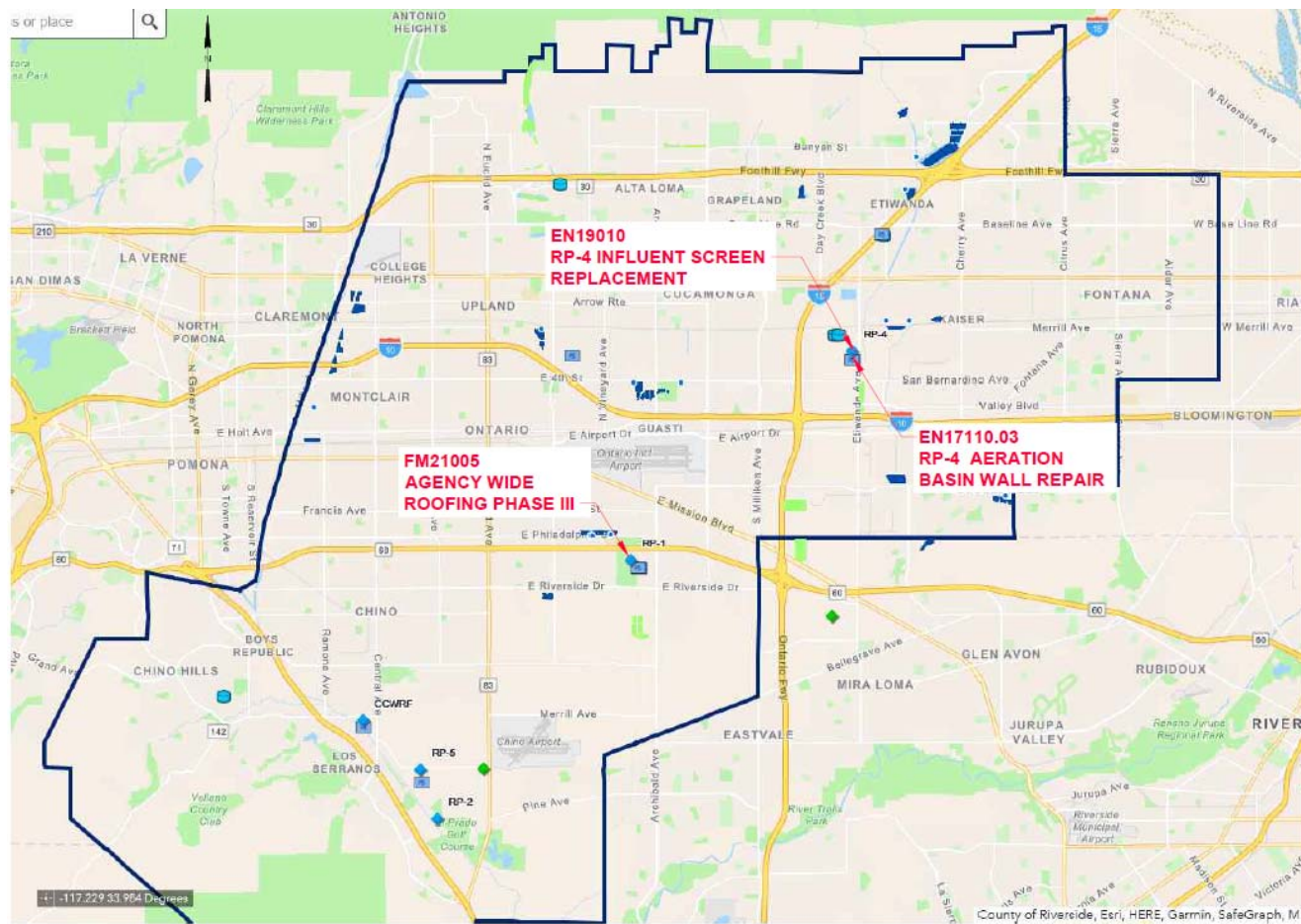
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**4C**



# Engineering and Construction Management Tech & Policy Quarterly Project Update





# Project Location Map

# RP-4 Influent Screen Replacement

## Project Goal: Replace Underperforming Equipment



**Total Project Budget: \$3M**  
**Project Completion: January 2021**  
**Construction Percent Complete: 95%**

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design/Build	Lee & Ro / Stanek	\$1.8M	0%



# RP-4 Aeration Basin Wall Repair

## Project Goal: Increase Operational Efficiency

**Total Project Budget: \$5M**  
**Project Completion: December 2021**  
**Construction Percent Complete: 25%**

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design	Carollo Engineering	\$90K	0%
Construction (Current)	Genesis Construction	\$4.1M	1%



# Agency Wide Roofing Phase III

**Project Goal:** Extend Asset Life



**Total Project Budget: \$5M**  
**Project Completion: January 2021**  
**Construction Percent Complete: 95%**

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design	GPa	\$77K	0%
Construction (Current)	Exbon	\$1.3M	0.1%

RECEIVE AND  
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**4D**

Date: January/February 2021

To: Regional Committees

From: Inland Empire Utilities Agency

Subject: RP-5 Digester Gas and Natural Gas Usage in Renewable Energy and  
Efficiency Project (REEP) Engines

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### **FOLLOW UP INFORMATION**

The following information is provided as a follow-up from the September 2020 Policy Committee Meeting questions from Committee Member Mr. Reed regarding RP-5 Expansion Project use of digester and natural gas in the existing Renewable Energy and Efficiency Project (REEP) engines.

The Air Quality Management District rule 1110.2 limits the use of natural gas to 10% in engines. This rule does provide two exceptions for higher natural gas usage at wastewater plants based on operational necessity and a third exemption based on lower emissions levels. In October 2020, the Air Quality Management District issued a new rule, 1179.1 for Publicly Owned Treatment Works Facilities. This new rule only requires wastewater plant engines to meet emissions limits and no longer has a maximum natural gas percentage limit. This allows IEUA to select the most cost-effective way to utilize RP-5's digester gas in the facilities hot water boilers and/or the REEP engines while supplementing the digester gas with natural gas to meet the operational needs of the facility.

The use of digester gas in the REEP engines does require gas conditioning, all the digester gas usage alternatives considered for the preliminary design of the RP-5 Expansion Project required digester gas conditioning. Based on the current market rate of natural gas, the conditioned digester gas is a slightly higher cost, but either type of gas is a lower cost than purchasing power from SCE. When RP-5 becomes operational, this analysis will be completed regularly to review current market conditions to ensure the system operates in the most cost-effective manner.