



**AGENDA
REGULAR WORKSHOP/MEETING OF THE
BOARD OF DIRECTORS**

**WEDNESDAY, MARCH 3, 2021
10:00 A.M.**

**INLAND EMPIRE UTILITIES AGENCY*
VIEW THE MEETING LIVE ONLINE AT IEUA.ORG
TELEPHONE ACCESS: (415) 856-9169 / Conf Code: 932 945 127#**

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 AND IN AN EFFORT TO PROTECT PUBLIC HEALTH AND PREVENT THE SPREAD OF COVID-19, THERE WILL BE NO PUBLIC LOCATION FOR ATTENDING IN PERSON.

The public may participate and provide public comment during the meeting by dialing into the number provided above. Alternatively, the public may email public comments to the Board Secretary/Office Manager Denise Garzaro at dgarzaro@ieua.org no later than 24 hours prior to the scheduled meeting time. Comments will then be read into the record during the meeting.

CALL TO ORDER OF THE INLAND EMPIRE UTILITIES AGENCY BOARD OF DIRECTORS MEETING

FLAG SALUTE

PUBLIC COMMENT

Members of the public may address the Board on any item that is within the jurisdiction of the Board; 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. Those persons wishing to address the Board on any matter, whether or not it appears on the agenda, are requested to email the Board Secretary no later than 24 hours prior to the scheduled meeting time or address the Board during the public comments section of the meeting. Comments will be limited to three minutes per speaker. Thank you.

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. **WORKSHOP**

- A. **FY 2021/22 – 2030/31 TEN YEAR CAPITAL IMPROVEMENT PLAN (TYCIP) OVERVIEW (POWERPOINT)**
- B. **WATER STORAGE INVESTMENT PROGRAM (CHINO BASIN PROGRAM) STATUS UPDATE (POWERPOINT)**

2. **INFORMATION ITEMS**

- A. **ROTATION OF BOARD OFFICERS AND BOARD OF DIRECTORS REGULAR MEETING TIME (WRITTEN)**
- B. **REPORTING STRUCTURE OF THE BOARD SECRETARY/OFFICE MANAGER POSITION (WRITTEN)**

3. **GENERAL MANAGER'S COMMENTS**

4. **BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS**

5. **DIRECTORS' COMMENTS**

6. **CLOSED SESSION**

- A. **PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
Chino Basin Municipal Water District vs. City of Chino, et al.,
Case No. RCVRS51010

ADJOURN

*A Municipal Water District

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Secretary (909) 993-1736, 48 hours prior to the scheduled meeting so that the Agency can make reasonable arrangements.

Declaration of Posting

I, Denise Garzaro, Board Secretary/Office Manager of the Inland Empire Utilities Agency*, A Municipal Water District, hereby certify that a copy of this agenda has been posted by 5:30 p.m. on the Agency's website at www.ieua.org and at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA on Thursday, February 25, 2021.



Denise Garzaro, CMC

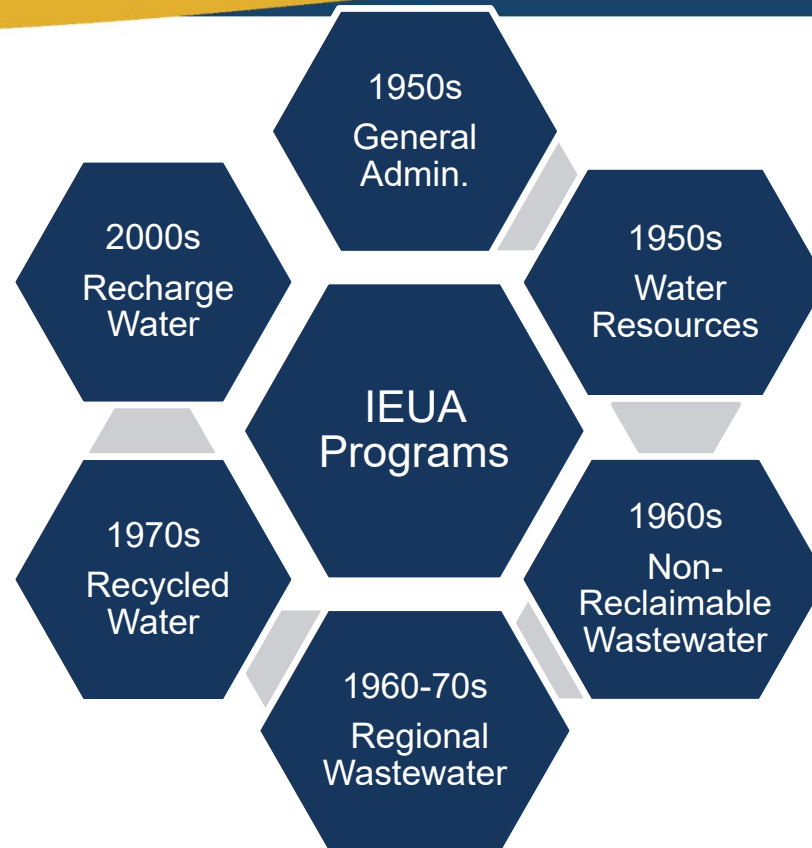
**WORKSHOP
ITEM**

1A

FY 2021/22-2030/31 Ten Year Capital Improvement Plan (TYCIP) Board Workshop



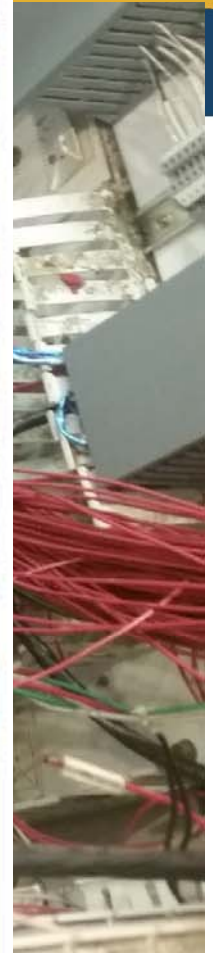
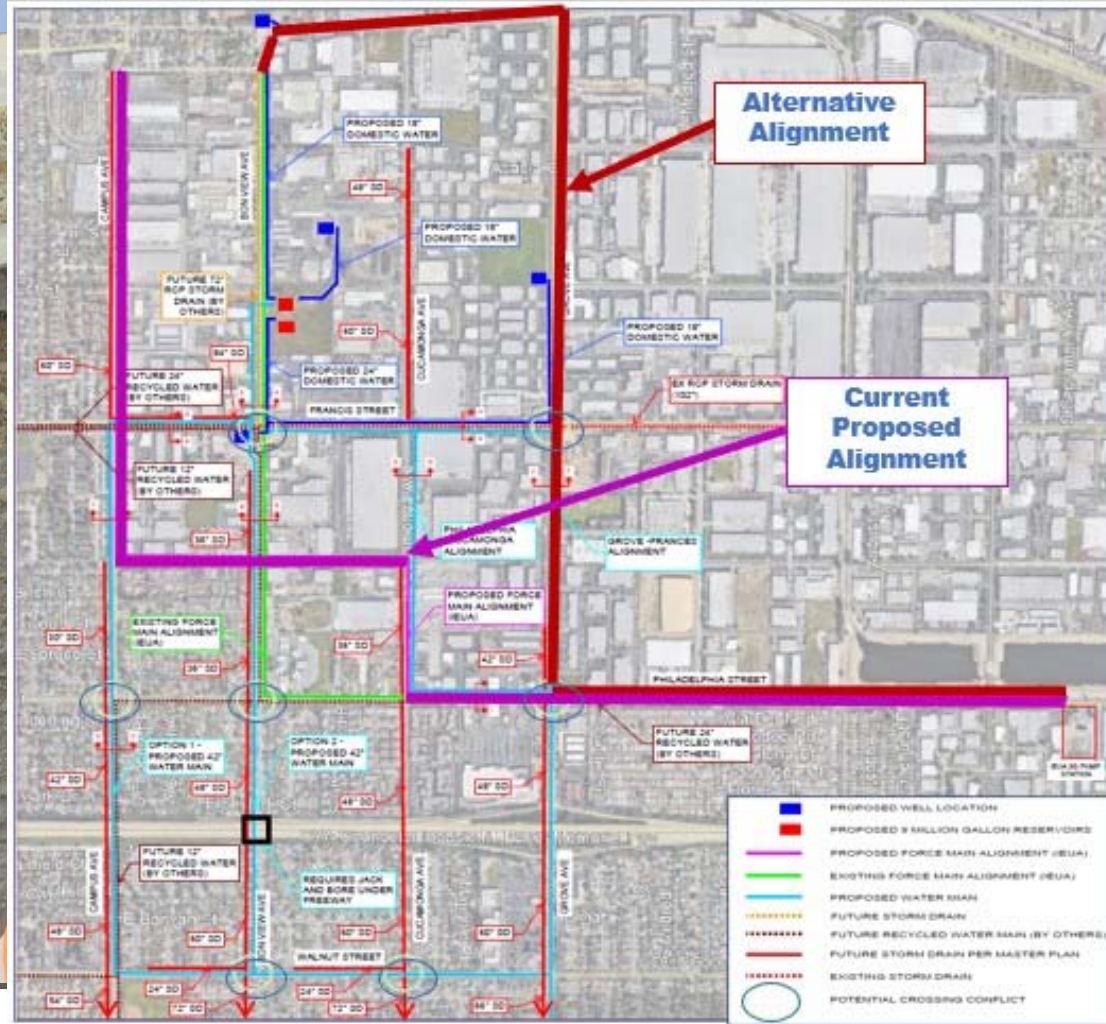
IEUA Programs



Capital Improvement Projects Needed to Support

- **Asset Management**
 - Replacement & Rehabilitation
 - Increase Efficiency / Safety improvements
- **Regulatory Compliance**
 - Potential recycled water permit non-compliance for salinity limits
 - Pending new groundwater recharge water quality requirements
- **Member Agency growth projections**
 - Wastewater Treatment Plant Expansion
 - Facilities Improvement

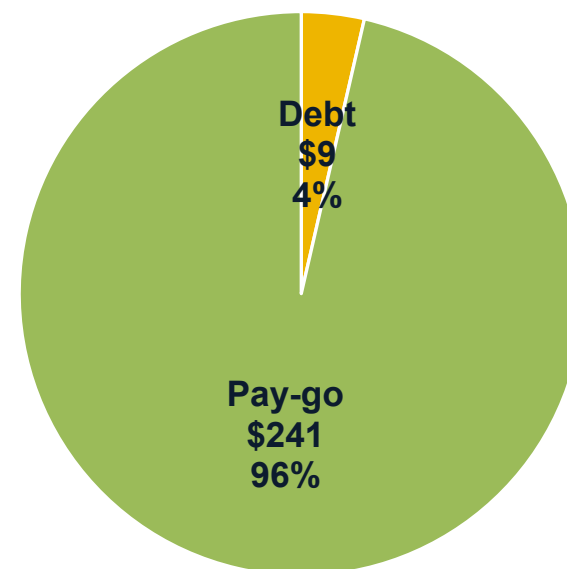
Asset Management



Asset Management Capital Projects

Asset Management Projects (\$ Millions)	FYs 2022 – 2031 Proposed TYCIP
Asset Management Recycled Water	\$54
Asset Management Wastewater	\$51
Philadelphia Lift Station Force Main	\$18
SCADA Enterprise System	\$10
RP-1 Secondary System Rehabilitation	\$8
All other projects (77)	\$110
Total	\$252

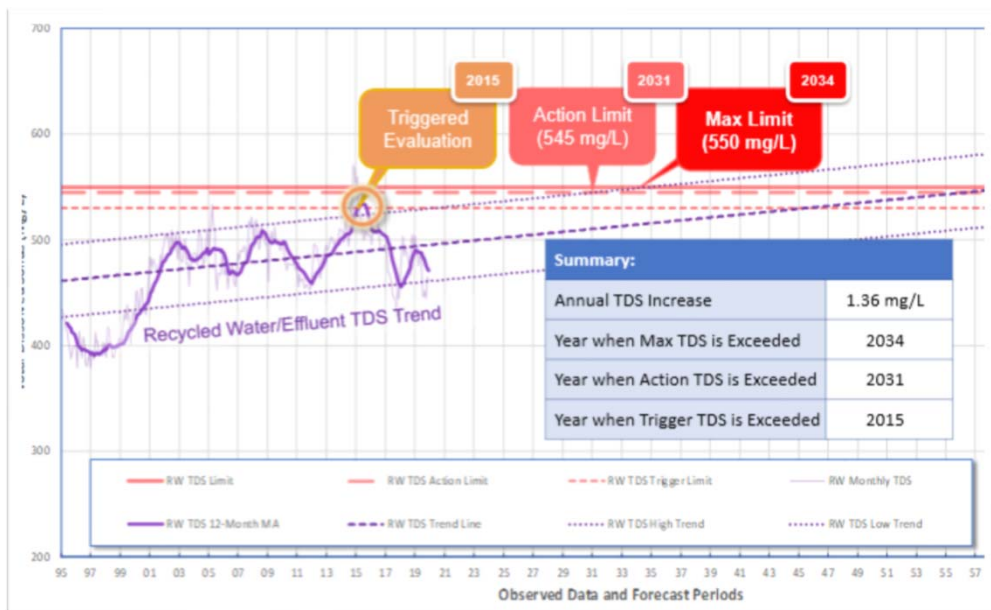
Funding Sources (\$ Millions)



Pay-go: Rates, connection fees and property taxes
Debt: WIFIA loan application for Philadelphia Lift Station

+/- Totals may not add due to rounding

Regulatory Compliance



Recycled water NPDES salinity permit limit projected to be exceeded by 2030



Drought and climate change may expedite salinity exceedance



Recycled water recharge regulatory limit exceeded for 1,2,3-TCP and PFAS

Take Away

1. AWPf can be delayed if Basin Plan | NPDES Permit is modified
2. Increased potential to violate permit & Max Benefit requirements prior to treatment
3. System online 2022-2030 to minimize risks & meet recharge regulations

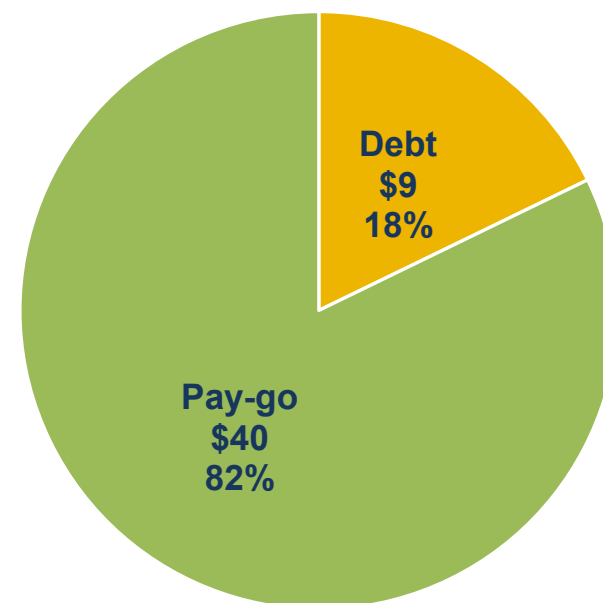
Regulatory Compliance Projects



Regulatory Compliance Capital Projects

Fund (\$ Millions)	FYs 2022 – 2031 Proposed TYCIP
Advanced Water Purification Facility	\$21
CCWRF Asset Management and Improvements	\$18
RP-1 Disinfection Pump Improvements	\$7
RP-1 Flare Improvements	\$3
Total	\$49

Funding Sources (\$ Millions)

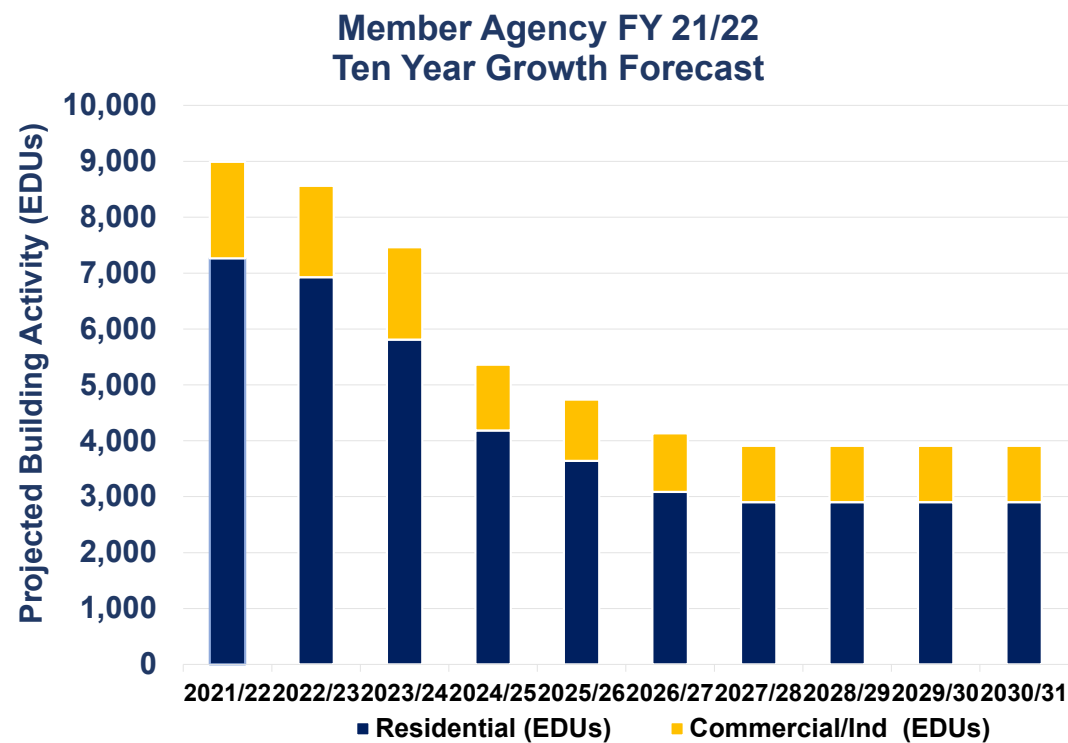
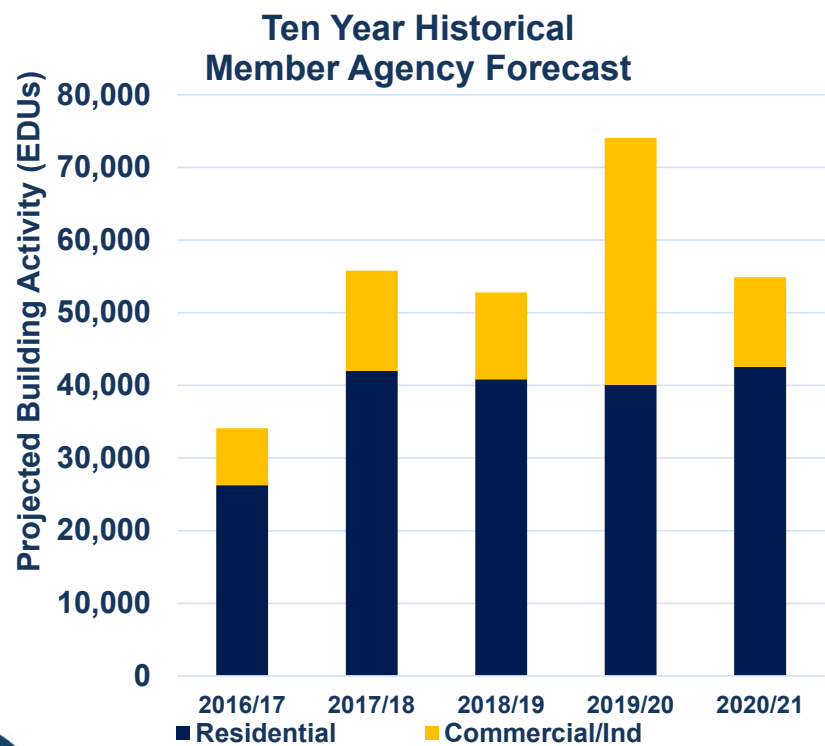


Pay-go: Rates, connection fees and property taxes
Debt: WIFIA loan applications for \$9M

+/- Totals may not add due to rounding

Member Agency Growth Projection

Member Agencies Projections 54,887 new EDUs



EDU: Equivalent Dwelling Unit

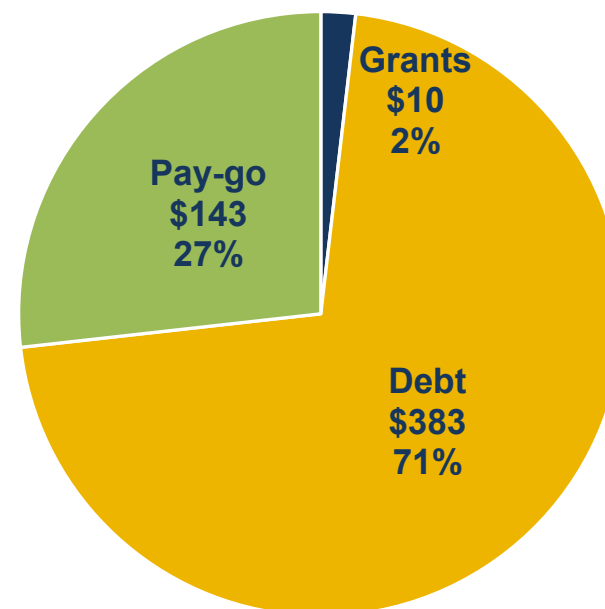
Growth



Growth Capital Projects

Growth Related Projects (\$ Millions)	FYs 2022 – 2031 Proposed TYCIP
RP-5 Biosolids Facility	\$183
RP-5 Expansion to 30 mgd	\$167
RP-1 Thickening Building & Acid Phase Digester	\$100
RP-1 Liquid Treatment Capacity Recovery	\$35
RP-1 Solids Treatment Expansion	\$20
All other projects (3)	\$31
Total	\$536

Funding Sources (\$ Millions)



Pay-go: Connection fees and property taxes

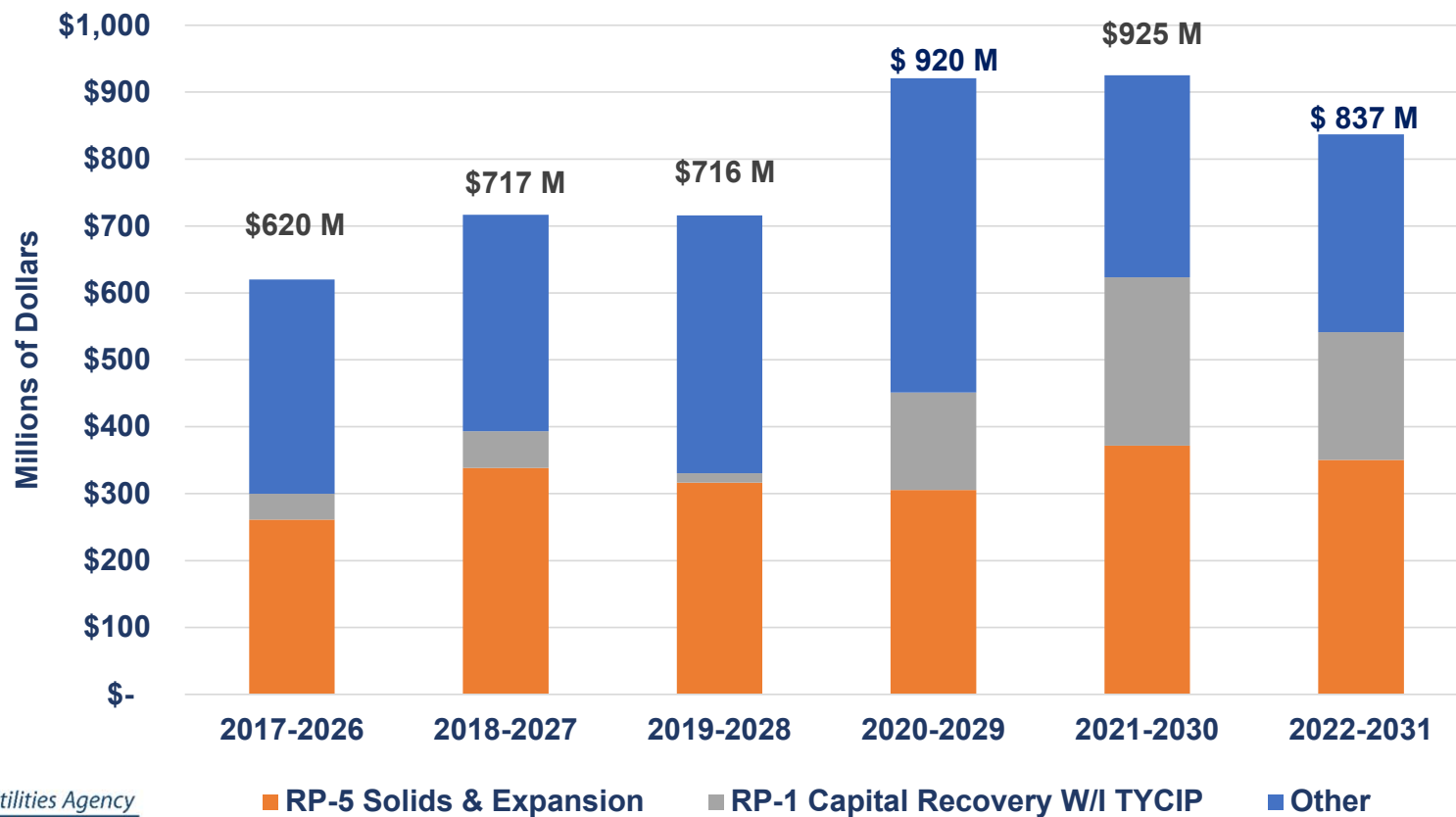
Debt: WIFIA loan (RP-5 secured, applications for \$60M), SRF loans (RP-5, RP-1)

Grants: RMPU (SWRCB, USBR, DWR/SAWPA, MWD),

+/- Totals may not add due to rounding

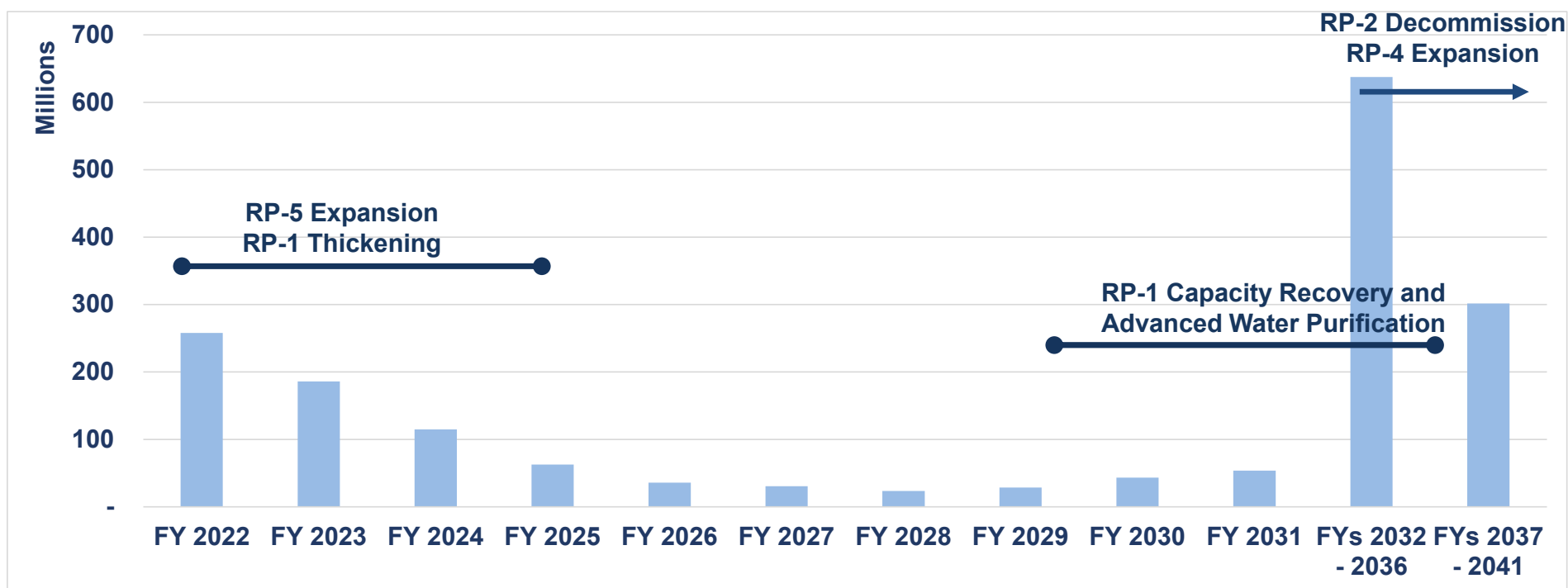
Inland Empire Utilities Agency
A MUNICIPAL WATER DISTRICT

Proposed TYCIP \$837M FYs 2022- 2031



Proposed TYCIP \$837M FYs 2022- 2031

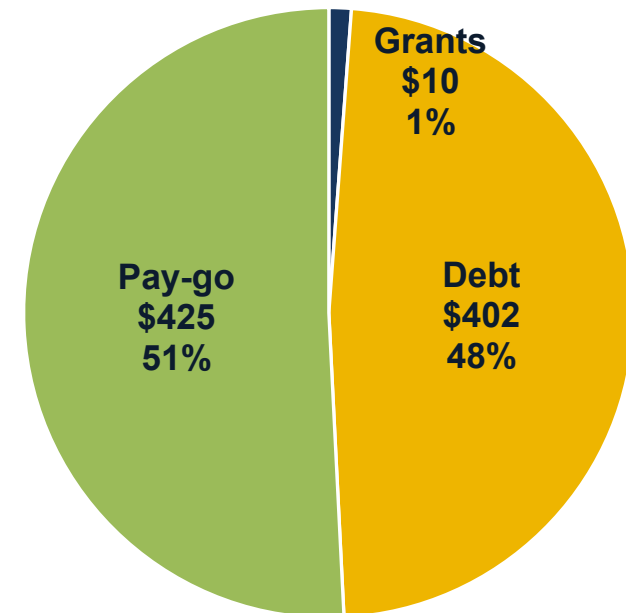
Nearly 74% planned over the first four years



TYCIP Proposed Capital Projects by Program and Funding Sources

Fund (\$ Millions)	FYs 2022 – 2031 Proposed TYCIP
Regional Wastewater Capital	\$611
Regional Wastewater Operations & Maintenance	\$92
Recycled Water	\$61
Non-Reclaimable Wastewater	\$31
Water Resources	\$10
Recharged Water	\$20
Administrative Services	\$11
Total	\$837

Funding Sources (\$ Millions)



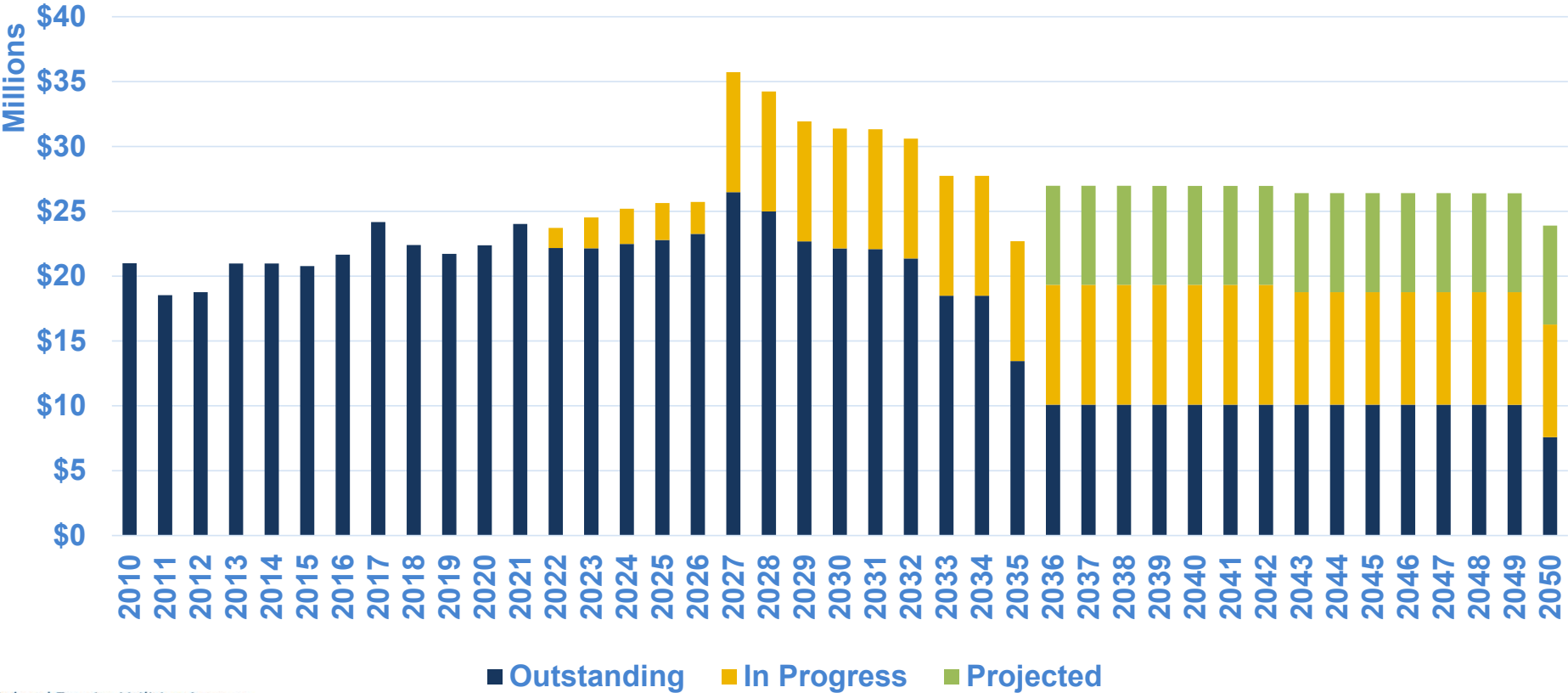
Pay-go: Rates, connection fees, property taxes

Debt: WIFIA loan (RP-5 secured, applications for \$100M), SRF loans (RP-5, RP-1)

Grants: RMPU (SWRCB, USBR, DWR/SAWPA, MWD),

+/- Totals may not add due to rounding

Projected Debt Service



Review and Approval Timeline

Month	IEUA Committee	IEUA Board	Regional Technical Committee	Regional Policy Committee
March	03/10	03/03 03/17	03/25	
April	04/14	04/07 04/21	04/29	04/01
May	05/12	05/19	05/27	05/06
June	06/09	06/16		06/03

Questions



**WORKSHOP
ITEM**

1B



Water Storage Investment Program (Chino Basin Program)

Status Update

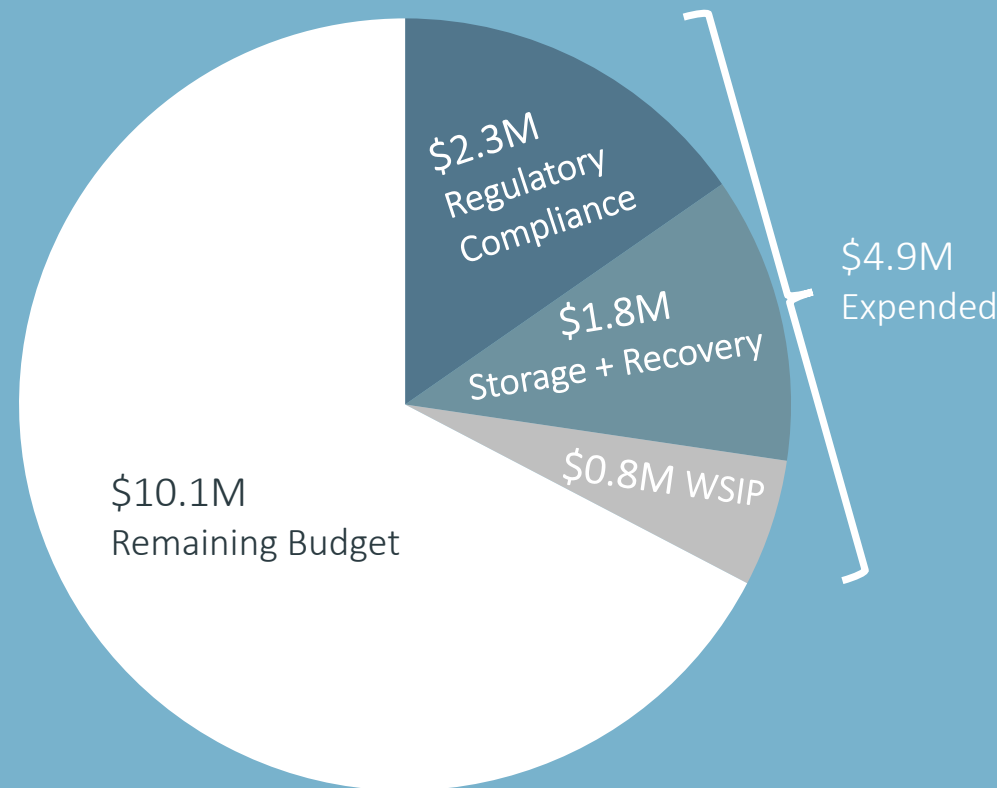


March 2021



WSIP/CBP Expenditures to Date

- Board Approved CBP Budget: \$15M
 - \$4.9M [33%] spent to date
 - Expenses support Feasibility Studies to address IEUA and regional needs:
 - Regulatory Permit Compliance (recycled water + wastewater)
 - Regional Storage and Recovery Program
 - Prop 1 WSIP administration | Resource agency coordination



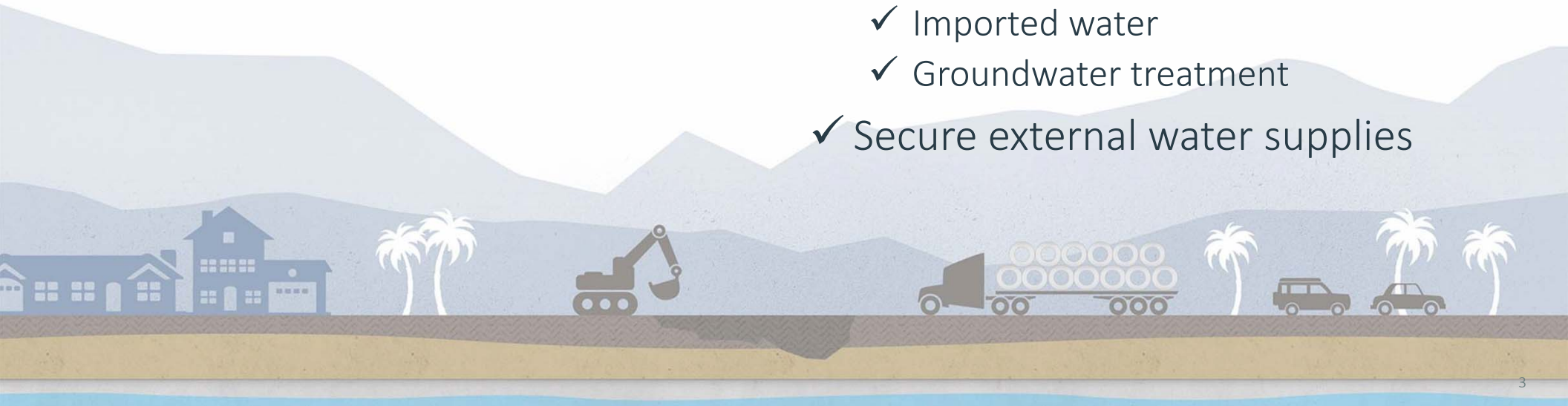
Program Goals & Objectives

No WSIP [Baseline]

- ✓ Meet IEUA permit compliance for recycled water

WSIP [CBP]

- ✓ Proactively meet IEUA permit compliance for recycled water
- ✓ Provide increased reliability:
 - ✓ Imported water
 - ✓ Groundwater treatment
- ✓ Secure external water supplies





Program Benefits & Challenges

No WSIP

(projected on-line 2034)

Benefits:

- ☒ Maintains current use of recycled water
- ☒ Lower initial capital cost

Challenges:

- ☐ Timing of regulatory compliance requirements
- ☐ Water resource reliability projects not included
- ☐ No new supplies
- ☐ Unknown future opportunities for grants

WSIP

(projected on-line 2026)

Benefits:

- ☒ Maximizes use of recycled water
- ☒ Provides increased imported water reliability
- ☒ Facilities available for local use in non-call years
- ☒ \$212M in grant and eligible for federal grants

Challenges:

- ☐ Dedicates water for 25 years to Metropolitan
- ☐ Accelerates construction of facilities
- ☐ Accelerates O&M costs



Program Components and Cost

Infrastructure	Capital Project Cost	No WSIP Permit Compliance	WSIP
AWPF + Injection	\$306 M	✓	✓
Additional Supplies	\$80 M*	✓*	✓
Wellhead Treatment + Pipeline	\$264 M	—	✓
Project Cost		\$306 M	\$650 M

*The No WSIP is the baseline option that would have to be done regardless for permit compliance; some of IEUA's member agencies have expressed interest in securing additional external supplies to meet future needs, increasing cost to \$386M

Funding Alternatives

- **WSIP and No WSIP costs** funded by loans and rates
- **No WSIP (\$306M - \$386M* – permit compliance)**
- **WSIP (\$650M – permit compliance & water supply reliability)**
 - \$207M + \$5M from California Water Commission
 - Eligible for Federal grants
 - Investigating potential funding partnership with Metropolitan

* Includes external supplies



Stakeholder Outreach Update

Stakeholder Concerns	Status
State's valuation of water supply benefits	Ready to discuss
State involvement in regional supplies	Ready to discuss
Concern about exporting water from the Chino Basin	Ready to discuss
Regional storage and recovery program	In-progress
Need for regional water projects for flexibility and reliability	In-progress
Local performance risk, i.e., water quality regulations	Ready to discuss
What is the source water?	In-progress

Focused
CBP Steering
Committee
meetings with
General
Managers to
discuss
concerns

MOU Signatories: Chino Basin Water Conservation District | Chino | Chino Hills | Cucamonga Valley Water District | Fontana | Fontana Water Company | Jurupa Community Services District | Montclair | Monte Vista Water District | Ontario | Pomona | Three Valleys Municipal Water District | Upland | Western Municipal Water District

Additional Steps to Complete Evaluation



Technical
Work has
been
completed



- Currently in negotiating phase to address:
 - Water Policy | Water Resource Issues
 - Secure local reliable external supplies?
 - Minimize export of existing recycled water to Santa Ana River?
 - Maximize use of existing recycled water locally?
 - Regional Storage and Recovery Program?
 - Local contribution of Capital + O&M costs



Other Stakeholder Discussions

- Metropolitan Water District
 - Conceptual support for WSIP
- California Water Commission
 - Potential for early reimbursement of funds spent to date (\$2M)
 - January 1, 2022 deadline to secure WSIP funding
 - Final funding agreement once all permits are secured
- Department of Water Resources
 - Developing conceptual terms for pulse flow release operations



Offramps for WSIP decision

IEUA Board has several “offramps” before final determination on WSIP

- Regional Stakeholders
- MWD Partnership
- Conceptual Terms of Partnerships
- CWC Feasibility Determination
- Final Funding Agreement



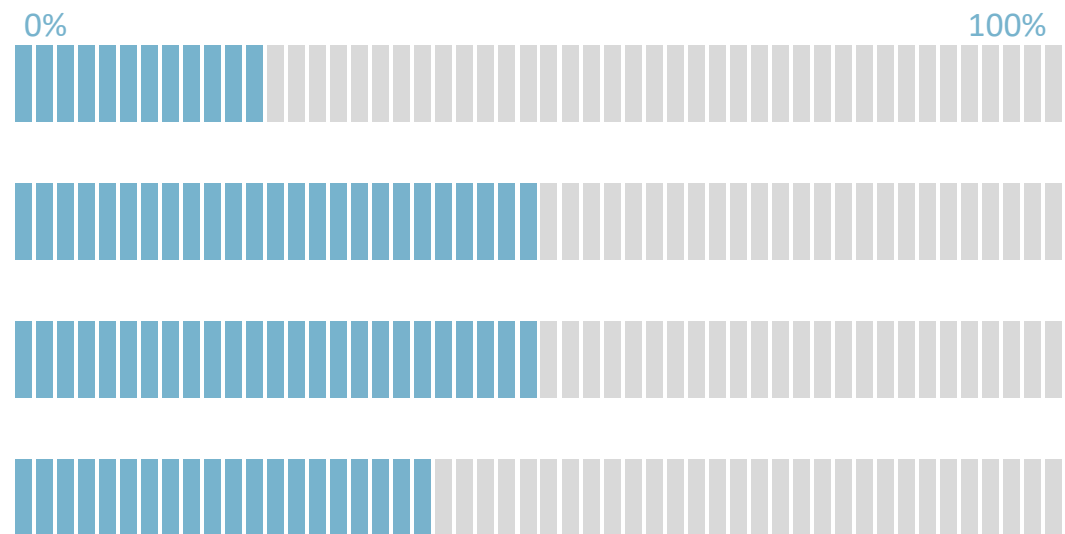


Milestones to Fully Complete Evaluation

By November 2021

1. Conceptual agreements with local project participants
2. Conceptual agreement with Metropolitan
3. Conceptual agreement for external water sources
4. Circulation of CEQA documents
 - Storage and recovery analysis
 - Facilities construction evaluation

Current Status



Anticipate spending a total project budget of \$6M by November



Timeline & Upcoming Milestones

Apr 2021

Develop conceptual **terms of partnership** with Metropolitan

Jul 2021

Develop support from Regional Stakeholders

Nov 2021

IEUA Board Action

Dec 2021

Deadline to submit Final Feasibility Report to secure WSIP funding by Jan 1, 2022



IEUA Priorities with Member Agencies

- ☐ Regional Contract Negotiation
 - ☒ Regional Recycled Water Program
 - ☒ Chino Basin storage | OBMP CEQA
 - ☒ Water Resources Executive Committee
 - ☐ Monthly Wastewater Rate Restructure
 - ☐ Regional Plant 5 Expansion
-
- ☒ Items also relate to WSIP | CBP discussions and analysis



Discussion



**INFORMATION
ITEM**

2A

Date: March 3, 2021

SD

To: The Honorable Board of Directors

From: Shivaji Deshmukh, General Manager

Committee:

Executive Contact: Shivaji Deshmukh, General Manager

Subject: Rotation of Board Officers and Board of Directors Regular Meeting Time

Executive Summary:

In December 2020, Director Tule requested that the Board consider establishing a policy for the rotation of the Board's Officers. The Board currently elects officers in December of each year to serve a one-year term beginning in January of the next calendar year.

Director Tule also requested that the Board consider a change to the regular meeting time of meetings of the Board of Directors to the afternoon/evening.

Staff's Recommendation:

Staff recommends that the Board provide direction regarding establishing a policy for the rotation of Board Officers. Staff also recommends the Board provide direction regarding the start time of regular Board meetings.

Budget Impact *Budgeted (Y/N): Y Amendment (Y/N): Y Amount for Requested Approval:*

Account/Project Name:

Fiscal Impact (explain if not budgeted):

Prior Board Action:

On November 20, 2019, the Board adopted Resolution 2019-11-8, establishing a policy for the election of board officers.

On May 3, 2006, the Board adopted Resolution 2006-5-3, establishing the time and place at which regular meetings of the Board of Directors of the IEUA shall be held.

Environmental Determination:

Not Applicable

Business Goal:

Attachments:

**INFORMATION
ITEM**

2B

Date: March 3, 2021

To: The Honorable Board of Directors

ADD
From: Shivaji Deshmukh, General Manager

Committee:

Executive Contact: Shivaji Deshmukh, General Manager

Subject: Reporting Structure of the Board Secretary/Office Manager Position

Executive Summary:

The Board Secretary/Office Manager position currently reports to the Board of Directors. At the January 6, 2021, Board meeting President Hall requested an informational item on the reporting structure of the Board Secretary/Office Manager position.

As part of the recent recruitment to fill the Board Secretary/Office Manager position, the Agency surveyed other agencies, regarding, among other things, the reporting structure of the Board Secretary position (or its equivalent). This survey was completed in May 2020 and results of the survey are as follows:

(A) Of the nine agencies surveyed, two agencies have their equivalent positions reporting to the Assistant General Manager and the remaining seven agencies have their equivalent positions reporting to the General Manager.

(B) Of the nine agencies surveyed, four agencies assign supervisory responsibilities to their equivalent positions.

A summary of the pertinent results of the Classification and Compensation Survey are included as Attachment 1.

Staff's Recommendation:

Staff recommends that the Board provide direction regarding the reporting structure of the Board Secretary/Office Manager position.

Budget Impact *Budgeted (Y/N):* Y *Amendment (Y/N):* N *Amount for Requested Approval:*

Account/Project Name:

Not applicable

Fiscal Impact (explain if not budgeted):

None.

Prior Board Action:

Environmental Determination:

Not Applicable

Business Goal:

Workplace Environment: IEUA is committed to providing a dynamic work environment with a highly skilled and dedicated workforce.

Attachments:

Attachment 1 - Classification and Compensation Survey Results

Attachment 1

Classification Survey

- Reporting structure – IEUA Reports to Board of Directors with 4 reporting staff
 - 2 of the 9 surveyed report to report to the Assistant General Manager
 - 7 of the 9 surveyed report to the General Manager
 - 4 of the 9 surveyed supervise additional executive or clerical support staff
 - 5 of the 9 surveyed supervise no additional staff