



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

**WEDNESDAY, OCTOBER 6, 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#**

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

*A Municipal Water District

1. **ACTION ITEM**

A. **ADOPTION OF RESOLUTION NO. 2021-10-1, MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING SPECIAL RULES FOR CONDUCTING MEETINGS THROUGH TELECONFERENCE**

Staff recommends that the Board:

1. Adopt Resolution No. 2021-10-1, making certain findings and determinations regarding special rules for conducting meetings through teleconference.

2. **WORKSHOP ITEM**

A. **CHINO BASIN PROGRAM (PROPOSITION 1 WATER STORAGE INVESTMENT PROGRAM)**

2. **GENERAL MANAGER'S COMMENTS**

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

4. **DIRECTORS' COMMENTS**

ADJOURN

Declaration of Posting

I, Denise Garzaro, CMC, Board Secretary/Office Manager of the Inland Empire Utilities Agency*, a Municipal Water District, hereby certify that, per Government Code Section 54954.2, a copy of this agenda has been posted at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA and on the Agency's website at www.ieua.org at least seventy-two (72) hours prior to the meeting date and time above.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Secretary at (909) 993-1736 or dgarzaro@ieua.org, 48 hours prior to the scheduled meeting so that IEUA can make reasonable arrangements to ensure accessibility.

**ACTION
ITEM**

1A

Date: October 6, 2021

To: The Honorable Board of Directors

SSD
From: Shivaji Deshmukh, General Manager

Committee:

Executive Contact: Shivaji Deshmukh, General Manager

Subject: Adopt Resolution No. 2021-10-1, Making Certain Findings and Determinations
Regarding Special Rules for Conducting Meetings through Teleconference

Executive Summary:

On March 4, 2020, Governor Newsom declared a state of emergency pursuant to Government Code 8625 due to the COVID-19 pandemic and recommended, together with local officials, measures for social distancing to assist in abating the spread of COVID-19; and on March 17, 2020, the Governor issued Executive Order N-29-20 which, among other things, suspended certain Brown Act rules governing the use of teleconferencing of local agency board meetings. Executive Order N-29-20 will expire on September 30, 2021.

In response to the ongoing COVID-19 pandemic, the California legislature has enacted, and the Governor has signed into law, AB 361 amending portions of Government Code 54953, allowing for the continued use of teleconferencing for local agency board meetings while suspending the conditions and restrictions of Government Code 54953(b)(3) if the legislative body of the local agency makes certain findings.

Staff is recommending that the Board of Directors makes the findings and determinations necessary and Adopt Resolution No. 2021-10-1 to continue to conduct meetings through teleconference.

Staff's Recommendation:

Adopt Resolution No. 2021-10-1, Making Certain Findings and Determinations Regarding Special Rules for Conducting Meetings through Teleconference.

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

Account/Project Name:

Fiscal Impact (explain if not budgeted):

None.

Prior Board Action:

None.

Environmental Determination:

Not Applicable

Business Goal:

The Adoption of a Resolution to make findings for conducting meetings through teleconference is consistent with the IEUA's commitment to applying ethical, fiscally responsible, transparent and environmentally sustainable principles to all aspects of business and organizational conduct.

Attachments:

Attachment 1 - Resolution No. 2021-10-1

RESOLUTION NO. 2021-10-1

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING SPECIAL RULES FOR CONDUCTING MEETINGS THROUGH TELECONFERENCE

WHEREAS, Inland Empire Utilities Agency (“IEUA”) is a municipal water district established pursuant to Section 71000 et seq. of the California Water Code; and

WHEREAS, all meetings of the Board of Directors of IEUA are conducted in open and public settings in compliance with the Ralph M. Brown Act (Brown Act) so that any member of the public may attend, participate and watch the Agency’s Board of Directors conduct their business; and

WHEREAS, on March 4, 2020, the Governor declared a state of emergency pursuant to Government Code 8625 due to the COVID-19 pandemic and has recommended, together with local officials, measures for social distancing to assist in abating the spread of COVID-19; and

WHEREAS, on March 17, 2020, the Governor issued Executive Order N-29-20 which, among other things, suspended certain Brown Act rules governing the use of teleconferencing of local agency board meetings; and

WHEREAS, Executive Order N-29-20 will expire on September 30, 2021; and

WHEREAS, the California legislature has enacted, and the Governor has signed into law, AB 361 amending portions of Government Code 54953, allowing for the continued use of teleconferencing for local agency board meetings while suspending the conditions and restrictions of Government Code 54953(b)(3) if the legislative body of the local agency makes certain findings;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Inland Empire Utilities Agency hereby make the following findings and determinations:

SECTION 1. The Governor has proclaimed a state of emergency on March 4, 2020 which continues.

SECTION 2. The Governor and local officials have promoted the use of social distancing as a method to abate the spread of COVID-19 within the community. The Board of Directors finds that conducting in person meetings of the IEUA Board of Directors

would be inimical to social distancing and would present imminent risks to the health or safety of the attendees and conducting meetings by teleconference would diminish that risk.

SECTION 3. The Board of Directors will continue to conduct Board meetings by teleconference in compliance with Government Code 54953(e) until such time as the Governor has terminated the state of emergency and the risk to health and safety of meeting attendees is sufficiently diminished or as otherwise required by law. Notice of meetings and posted agendas will contain information which allows members of the public to access the meeting and address the Board of Directors and offer public comment including an opportunity for all persons to attend via a call-in option or an internet-based service option.

SECTION 4. This Resolution shall take effect immediately upon its adoption and shall be effective for 30 days or until such time as the Board of Directors adopts a subsequent resolution in accordance with Government Code 54953(e)(3) to extend the time during which meetings of the Board of Directors may be conducted by teleconference without compliance with Government Code 54953(3)(b).

ADOPTED this 6th day of October, 2021,

Jasmin A. Hall President of the Inland
Empire Utilities Agency* and of the Board
of Directors thereof

ATTEST:

Steven J. Elie Secretary/Treasurer of the Inland
Empire Utilities Agency* and of the Board of
Directors thereof

Resolution No. 2021-10-1
Findings and Determinations Regarding
Teleconference Meetings
Page 3 of 3

STATE OF CALIFORNIA)
)
COUNTY OF SAN BERNARDINO)

I, Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing Resolution being No. 2021-10-1, was adopted at
a regular meeting on October 6, 2021, of said Agency by the following vote:

AYES:

NOYES:

ABSTAIN:

ABSENT:

Steven J. Elie
Secretary/Treasurer

(SEAL)

*A Municipal Water District

**WORKSHOP
ITEM**

2A



Chino Basin Program Water Storage Investment Program

IEUA Board Workshop



October 2021





Workshop Overview

- Purpose
- Background
- CBP Program Overview
- Schedule
- Discussion



Meeting Purpose

- Share perspectives about the 2021 Refined CBP Configuration
- Address policy questions and concerns about program performance, commitments, and current status of CBP discussions with in-basin stakeholders and other partners

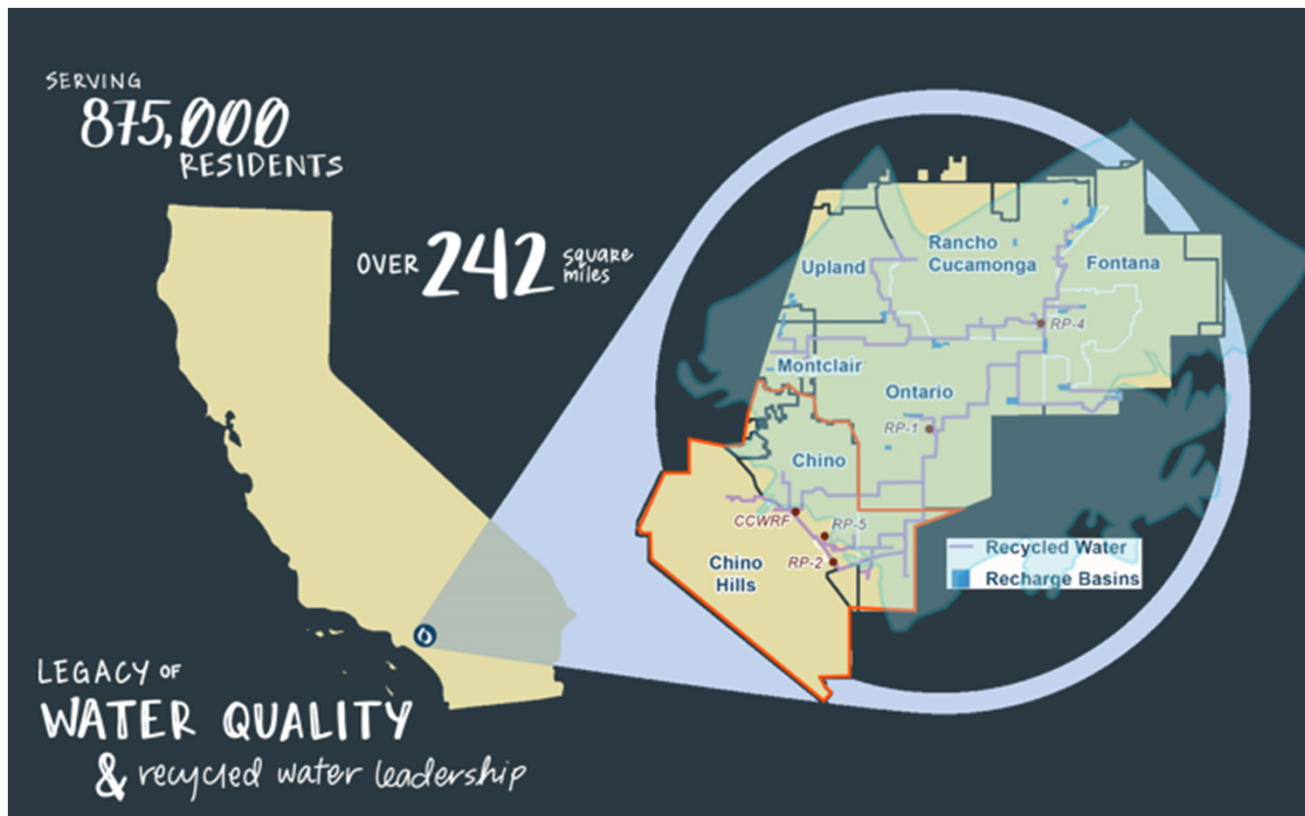


Background | Vision

- Make sound investments that address the needs of the region today, tomorrow, and into the future
- Maintain and meet wastewater permit requirements
- Identify solutions through partnerships and collaboration
- Seek outside funding from State and Federal grants to support local programs
- Develop resilient water supplies and make every drop of water count



Background | Local Challenges



Imported water from Metropolitan is 30% of water supplies

- State Water Project constrained area
- 2022 forecast: 0% allocation
- Subject to environmental flow restrictions

Local need for Advance Water Purification Facilities (AWPF)

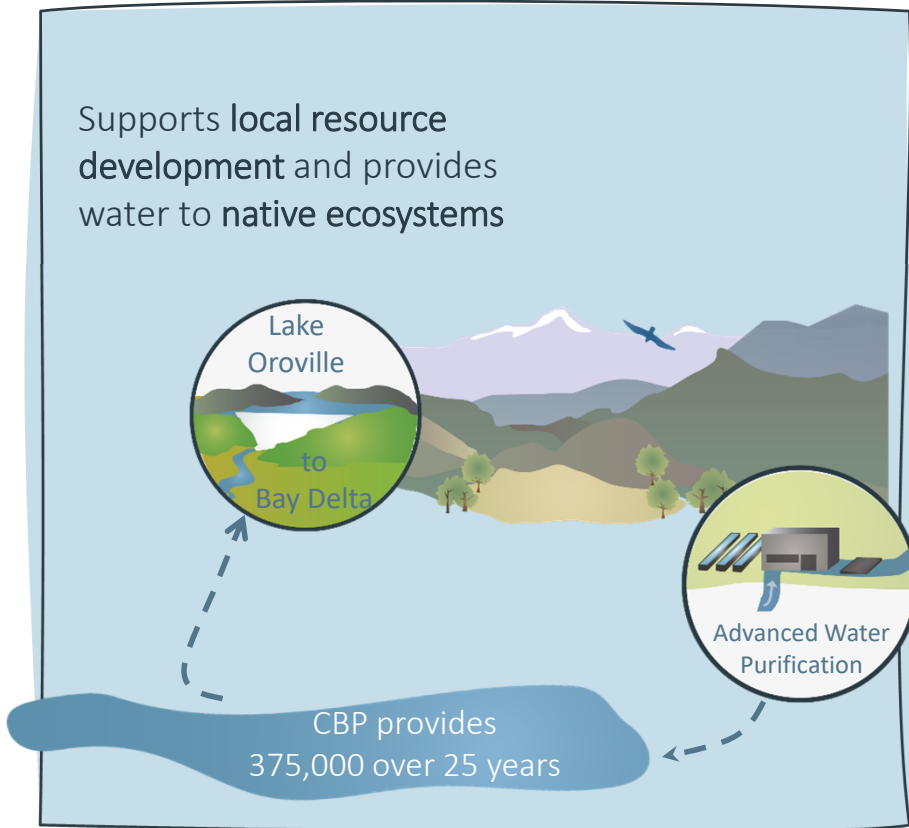
- Wastewater permit compliance by 2030
- Meet Basin Plan commitments
- Opportunity to build infrastructure for future Direct Potable Reuse



Background | Project Evolution

- 2014: Supplement regional recycled water program with external supplies
- 2015: Drought conditions | Salinity increased in imported water and recycled water
- 2016: IEUA begins salinity evaluation for its permit and Basin Plan commitments
- 2017: New drinking water regulations | Prop 1 Water Storage Investment Program (WSIP)
- 2018: CBP awarded WSIP conditional funding
- 2019 - 2021: CBP | WSIP Program Refinement
- 2021: Extreme Drought conditions on State Water Project & Colorado River

CBP | WSIP Overview - *North of Delta*



- \$212 Million WSIP funding for the CBP is based on providing pulse flows from the State Water Project to the Bay Delta to support habitat
- Program Components:
 - 375,000 AF over 25 years
 - Maximum 50,000 AF per call year
- IEUA's State Water Project Contract Partner: Metropolitan Water District of Southern California (Metropolitan)

CBP | WSIP Overview - *North of Delta Exchange*



Graphic source: California Water Commission

To provide pulse flows from the Chino Basin Program, IEUA, Metropolitan, the Department of Water Resources (DWR), and the California Department of Fish and Wildlife (CDFW) must work together.

CBP | WSIP Overview - *South of Delta Facilities*

1

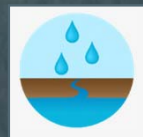
Water Purification



15,000 AF/year

2

Groundwater Storage



150,000 AF
storage

3

New Wells



Constructs new
production and
injection wells

4

Pipeline Interconnection



Interconnection to
Metropolitan

\$650 million (2019\$) capital investment | **\$212.1 million** WSIP Conditional Funding



CBP | WSIP Alternatives- *Facility Comparison*

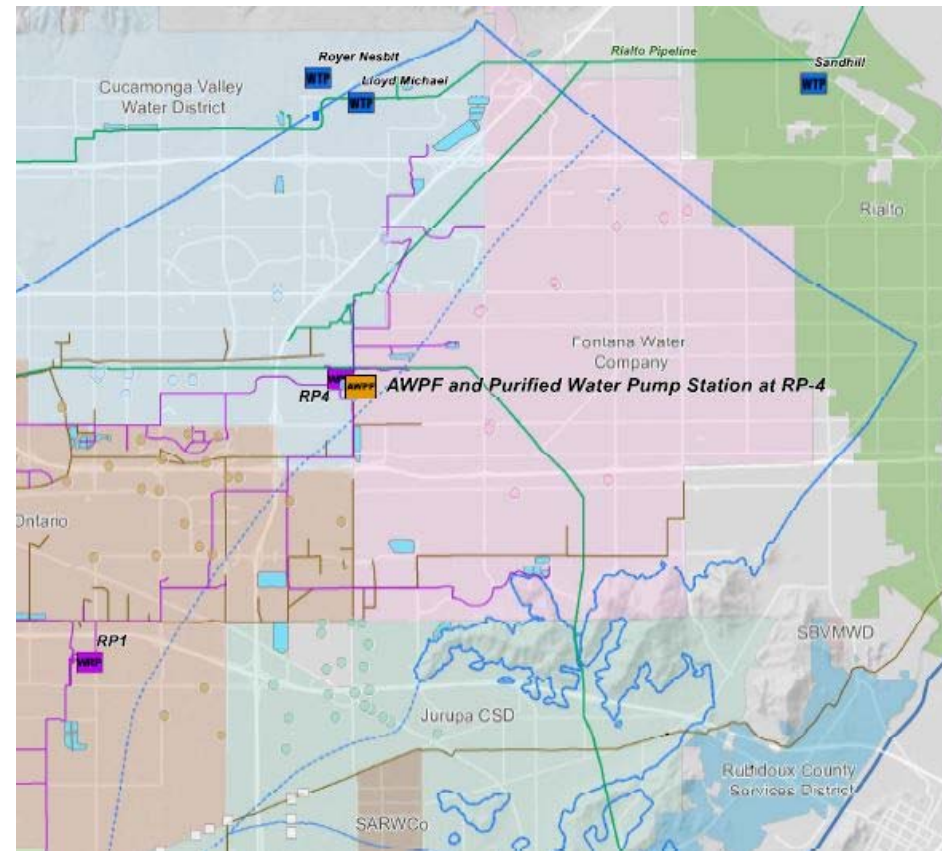
Facility	Baseline Compliance	Recycled Water Program Expansion	CBP WSIP
Advanced Water Purification Facility [AWPF]	✓	✓	✓
Injection Wells		✓	✓
External Supplies		✓	✓
Potable Water Pipelines			✓
Extraction Wells			✓
MWD Interconnection			✓

Baseline Compliance

Facilities:

- 9,000 AF/year AWPf at RP-4 located in City of Rancho Cucamonga

Capital Cost: \$160 M (2019\$)



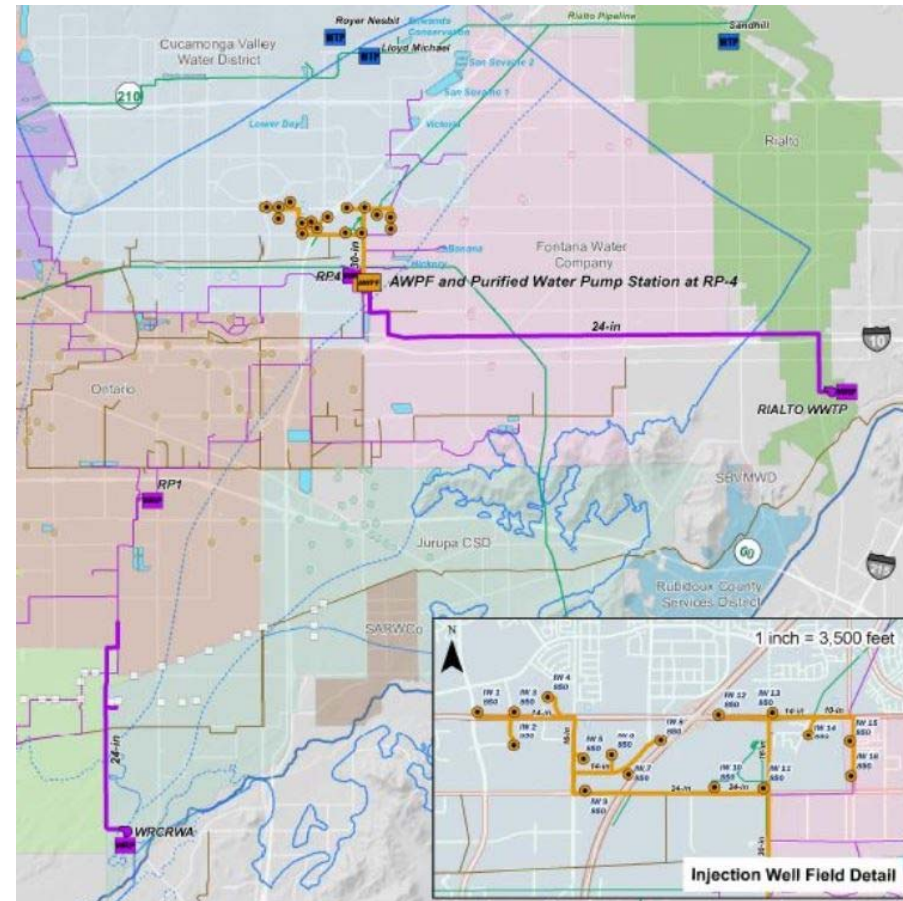
Recycled Water Program Expansion

AWPF + Injection Wells + External Supplies

Facilities:

- 15,000 AF/year AWPf at RP-4
- Advanced treated recycled water pipeline
- 15,000 AF/year Injection wells
- 6,000 AF/year external water supply sources

Capital Cost: \$386M (2019\$)



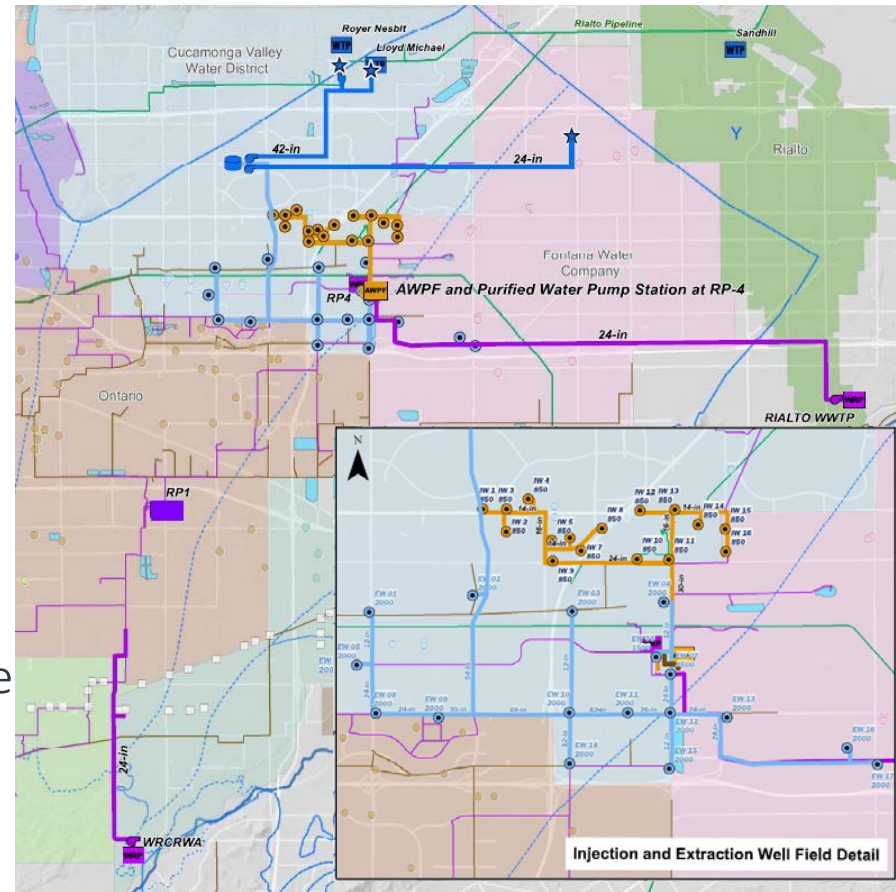
CBP | WSIP Program

AWPF + Regional RW Program Expansion + Extraction Facilities

Facilities:

- 15,000 AF/year AWPf at RP-4
- Advanced treated recycled water pipeline
- 15,000 AF/year Injection wells
- 6,000 AF/year external water supply sources
- 40,000 AF/year Extraction wells
- Potable water pipelines & Reservoir
- Interconnection to Metropolitan's Rialto Pipeline

Capital Cost: \$650 M (2019\$)



CBP | WSIP Components

AWPF needed to meet IEUA's wastewater permit compliance and Basin Plan commitment for reuse

Baseline Compliance

Recycled Water Program Expansion

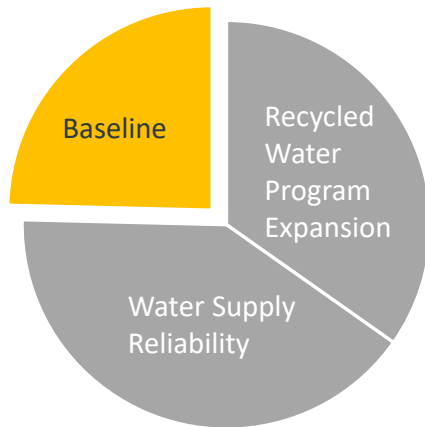
AWPF needed to maximize use of recycled water

Water Supply Reliability

Wells and pipeline distribution network to provide water supply reliability and CBP performance



CBP | WSIP Components - *Baseline Compliance*

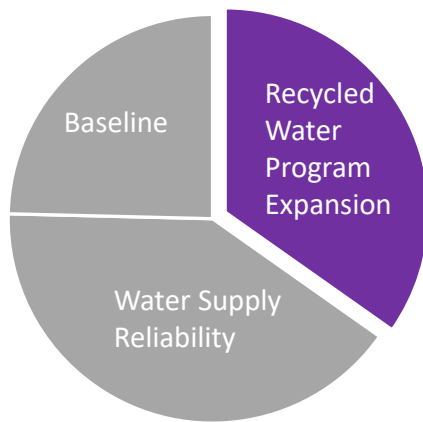


- AWWPF for regulatory compliance for IEUA's wastewater permit and Basin Plan commitments paid for by existing wastewater rate payers [EDU]
- Baseline Facilities: 9,000 AF/year AWWPF with target treatment level for IEUA RW at 500 mg/L [IEUA Permit limit 550 mg/L]

IMPACT: Funded by monthly sewer fees [EDU rates]



CBP | WSIP Components - *Regional Recycled Water Program Expansion*

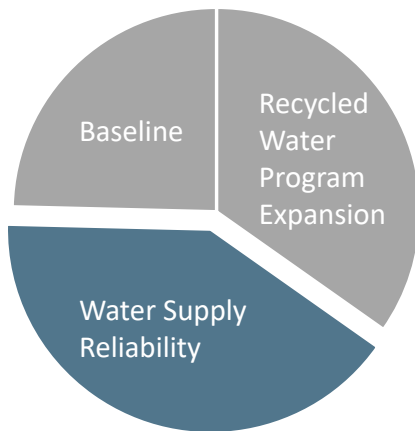


- Includes an additional 6,000 AF/year of AWPf, acquisition of 6,000 AF/year of external water supply and 15,000 AF/year of injection wells
- Currently, all IEUA Regional Contract Agencies pay for the Regional Recycled Water Program, regardless of individual benefits
- Considerations:
 - Should costs continue to be shared, or based on individual benefits?
 - How should the region balance interest in access to recycled water and available unused supplies?

IMPACT: Paid by participating agencies only | No cost impact to non-participating agencies



CBP | WSIP Components - *Water Supply Reliability*

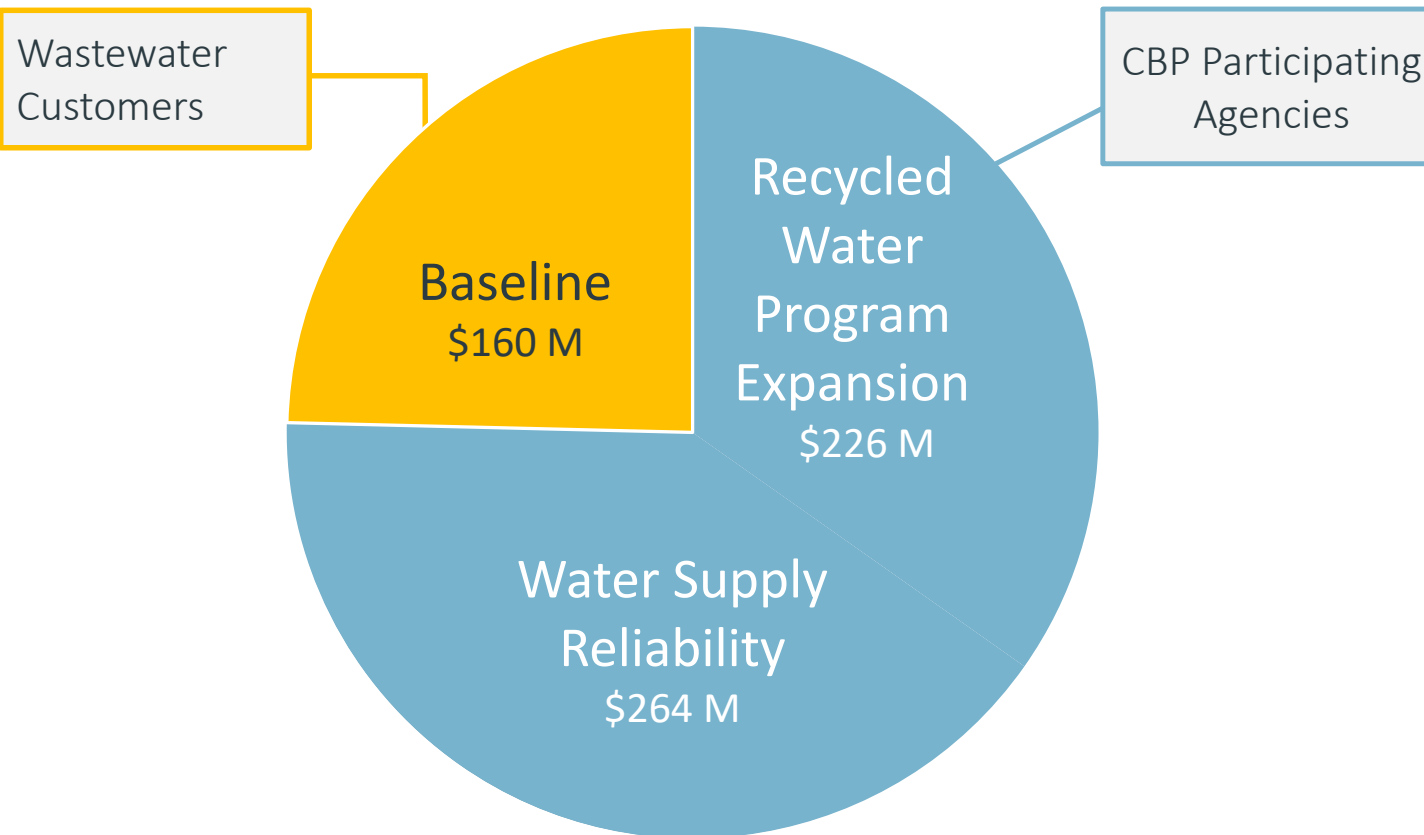


- Includes 40,000 AF/year extraction wells, pipeline distribution network, pump stations and interconnection to Metropolitan's Rialto Pipeline
- Participating agencies pay for the capital and operating costs
- Participating agencies will enter into final agreement with IEUA

IMPACT: Paid by Participating Agencies only | No cost impact to non-participating agencies



CBP | WSIP Alternatives- *Cost Allocation*



Investments in recycled water program and water reliability include \$212M WSIP funding.
Actual cost to participating agencies is \$278 M



Rate Impacts | *Net Present Value (2021\$)*

	Baseline	CBP	
Take Capacity (AF/year)		40,000	
Water Supply (AF/year)		12,000	
Full Costs Start Year	FYE 2031	FYE 2029	
Wastewater Rate	\$4.75/EDU	\$4.70/EDU	Wastewater Customers
Participating Agency Cost			Participating Agencies Only
Capacity Purchase Cost [30 Years]	-	\$470/AF	
Water Supply Cost	-	\$1,300/AF	



CBP | WSIP Evolution

2017 Initial Concept

- Accelerate AWPf by 8 years
- CBP performance and costs shared by all IEUA agencies
- Water sources for CBP from growth and outside sources

2021 Refined Configuration

- Accelerate AWPf by 2 years
 - By implementing 2 years earlier construction costs are reduced by 4%/year
 - CBP funding offsets capital infrastructure costs
- CBP performance and costs shared only by participating agencies
- Water sources from participating agencies' recycled water and external sources paid for by participants



CBP | WSIP Evolution

2017 Initial Concept

- 100% of CBP supplies exported from local basin for State performance [375,000 AF over 25 years]

2021 Refined Configuration

- 80% of CBP water for use within the Chino Basin [300,000 AF over 25 years]
 - 300,000 AF of CBP water for local use to offset imported water purchases from Metropolitan
 - No imported water associated costs [Tier 1, Capacity, Readiness To Serve RTS charges]
- 20% or 75,000 AF of CBP water planned for pump back to MWD



Stakeholder Feedback Summary

(May- Sept 2021)

1. Q. What is the proposed cost breakdown/rate impact of the CBP on participating vs non-participating agencies?
 - A. All existing wastewater customers will pay for Baseline Compliance-related costs. Anything beyond Baseline is currently proposed to be paid for by participating agencies.
2. Q. If all wastewater agencies pay for the Baseline AWWPF, how do their rate payers get the benefit of that investment?
 - A. Baseline AWWPF is required to meet IEUA's wastewater compliance; Recycled water operations and use will continue as is.



Stakeholder Feedback Summary

(May- Sept 2021)

3. Q. Will water be exported from the Basin or used locally?
 - A. 80%, or 300,000 AF of the CBP water will be available for local, in-basin use by participating agencies. 20%, or 75,000 AF of CBP water planned for pump back to MWD.

4. Q. Are there other funding opportunities?
 - A. Yes. IEUA will continue to explore other potential funding opportunities including other State and Federal grants/loans and partnership opportunities.



Stakeholder Feedback Summary

(May- Sept 2021)

- 5. Q. Will relationships and agreements tied to the CBP prevent other agreements or investments, such as the Water Bank from moving forward?
 - A. No, they will not. Infrastructure constructed through the CBP may help facilitate other agreements, partnerships, and programs.

- 6. Q. Considerations: Are there opportunities to join in the future?
 - A. Yes, there will be additional opportunities to join.



Schedule | *October 2021 IEUA Board Meeting*

Proposed IEUA Board Consideration for October 20, 2021:

- Direction to IEUA General Manager to provide a letter of commitment for local cost share for the CBP capital infrastructure by setting future rates and through participating agency agreements
 - Assumption:
 - Wastewater permit compliance and Basin Plan commitment paid by future EDU rates
 - Water supply reliability costs paid by Participating Agencies

IEUA commitment is needed for the project to remain eligible for funding



Schedule | *October 2021 IEUA Board Meeting*

IEUA's October 2021 CBP Board Consideration

- Maintain eligibility for WSIP Funding:
 - Request California Water Commission for feasibility determination in Nov/Dec 2021
 - Continue to use \$8.9 M Early Funding (\$5.5 M used to date)
 - Continue pursuit of additional State and Federal funding for the CBP
 - Continue to work with Participating Agencies, Partners and Resource Agencies to develop agreements
- The WSIP funding will not be pursued:
 - Continue AWPf design for baseline compliance by 2030
 - Release the WSIP conditional award of \$212 million
 - Pause discussions on external supplies until new funding sources are identified



Fall/Winter 2021 Schedule

Sep 2021

Joint IEUA Board &
Policy Workshop

Notice of
Preparation of
CEQA

Oct 2021

IEUA Board
Consideration

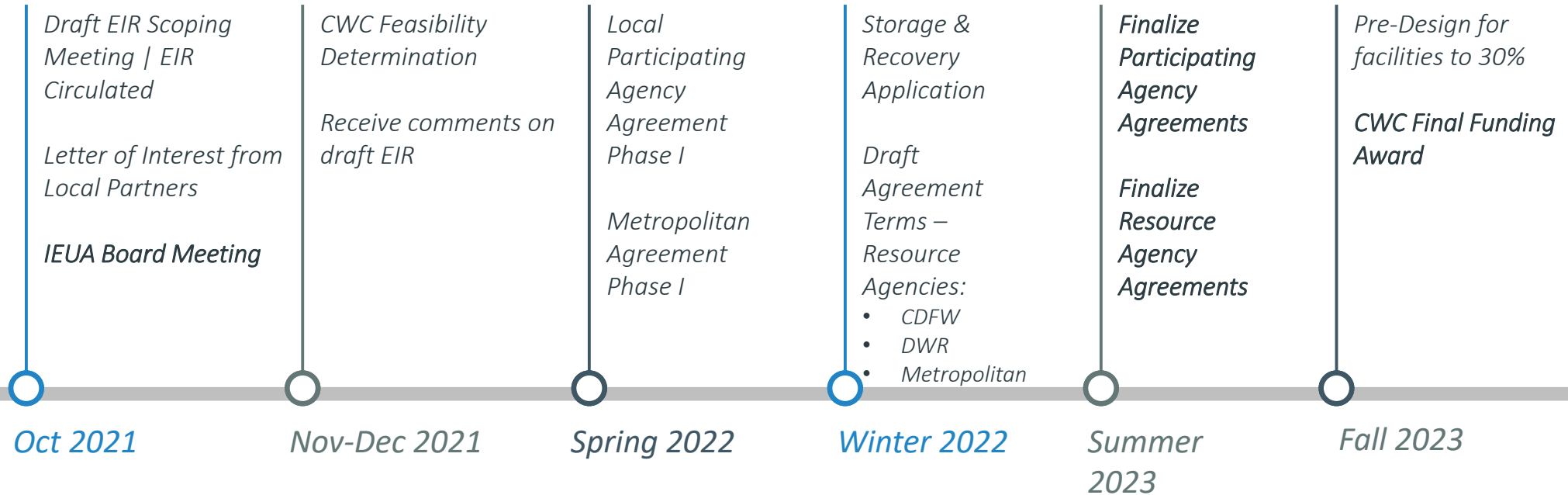
Circulation of
CBP Draft EIR

Dec 2021

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



Draft CBP Working Schedule





Stakeholder Discussion