

**AGENDA
SPECIAL COMMISSION MEETING OF THE
CHINO BASIN REGIONAL FINANCING AUTHORITY**

**WEDNESDAY, JULY 19, 2023
9:50 A.M.**

**VIEW THE MEETING LIVE ONLINE AT IEUA.ORG
TELEPHONE ACCESS: (415) 856-9169 / Conf Code: 373 012 992#**

The public may participate and provide public comment during the meeting by dialing into the number provided above. Comments may also be submitted by email to the Board Secretary/Office Manager Denise Garzaro at dgarzaro@ieua.org prior to the completion of the Public Comment section of the meeting. Comments will be distributed to the Commissioners.

CALL TO ORDER OF THE CHINO BASIN REGIONAL FINANCING AUTHORITY

FLAG SALUTE

PUBLIC COMMENT

Members of the public may address the Commission on any item that is within the jurisdiction of the Commission; 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 Commission on any matter, whether or not it appears on the agenda, are requested to email the Board Secretary/Office Manager prior to the public comment section or request to address the Commission 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. ACTION ITEMS

A. MINUTES

Approve minutes of January 18, 2023 Chino Basin Regional Financing Authority Commission meeting.

B. ADOPTION OF RESOLUTION NO. 2023-2, AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER INFRASTRUCTURE FINANCE AND INNOVATION ACT LOAN AMENDMENT

It is recommended that the Commissioners adopt Resolution No. 2023-2, authorizing the execution and delivery of a Water Infrastructure Finance and Innovation Act (WIFIA) Loan Amendment.

C. APPOINTMENT OF THE CHINO BASIN REGIONAL FINANCING AUTHORITY TREASURER, ALTERNATE TREASURER

It is recommended that the Commissioners approve the appointment of IEUA Assistant General Manager Kristine Day to serve as Treasurer, and the appointment of IEUA Acting Treasurer Alex Lopez to serve as alternate Treasurer.

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

**MINUTES OF THE
COMMISSION MEETING OF
THE CHINO BASIN REGIONAL FINANCING AUTHORITY
JANUARY 18, 2023**

COMMISSIONER PRESENT:

Steven J. Elie, President
Marco Tule, Secretary

COMMISSIONERS PRESENT via Video/Teleconference:

Michael Camacho, Vice President
Paul Hofer, Commissioner

COMMISSIONERS ABSENT:

Jasmin A. Hall, Commissioner

STAFF PRESENT:

Shivaji Deshmukh, P.E., General Manager
Christiana Daisy, P.E., Deputy General Manager
Kristine Day, Assistant General Manager
Adham Almasri, P.E., Principal Engineer
Tony Arellano, Safety Officer
Kevin Asprer, Associate Engineer
Josh Biesiada, Senior Project Manager
Jerry Burke, Director of Engineering
Jana Crawford, Administrative Assistant II
Lucia Diaz, Manager of Facilities & Water System Programs
Lisa Dye, Director of Human Resources
Dan Dyer, Operations Supervisor
Chris Garcia, Environmental Resources Planner II
Denise Garzaro, Board Secretary/Office Manager
Brandon Gonzalez Contreras, Technology Specialist I
Don Hamlett, Director of Information Technology
Michael Hurley, Director of Planning & Resources
Elizabeth Hurst, Chino Basin Program Manager
Michael Larios, Technology Specialist I
Jacqueline Lopez, Administrative Assistant II
Jason Marseilles, Manager of Engineering
Ed Makowski, Wastewater Treatment Plant Operator II
Liza Munoz, Senior Engineer
Dominic Palencia, Internal Auditor
Cathleen Pieroni, Senior Policy Advisor
Alyson Piguee, Director of External & Government Affairs
Sandra Salazar, Associate Engineer
Vicky Salazar, Senior Associate Engineer
Steve Smith, Acting Groundwater Recharge Supervisor
James Spears, Senior Engineer
Travis Sprague, P.E., Principal Engineer
Megan Trott, Associate Engineer
Ryan Ward, Assistant Engineer
Brian Wilson, Principal Engineer
Teresa Velarde, Manager of Internal Audit
Jeff Ziegenbein, Acting Director of Operations & Maintenance

STAFF PRESENT via Video/Teleconference:

Deborah Berry, Controller
Jerry Burke, Director of Engineering
Andrea Carruthers, Communications Officer
Pierre Cayatte, Senior Engineer
Javier Chagoyen-Lazaro, Director of Finance
Stephanie Chancellor,
Nelson Delgado, Senior Compost Operations & Maintenance Technician
Robert Delgado, Manager of Maintenance
Warren Green, Manager of Contracts & Procurement
Jon Florio, Deputy Manager of Maintenance
Jennifer Hy-Luk, Executive Assistant
Linda Johnson, Records Management Supervisor
Lisa Mejri, Government Affairs Intern
Sushmitha Reddy, Manager of Laboratories
Michael Smith, Maintenance Planner
Yvonne Taylor, Administrative Assistant II
Ashley Womack, Grants and Government Affairs Officer

OTHERS PRESENT via Video/Teleconference:

Jean Cihigoyenetché, JC Law Firm

A Commission meeting of the Chino Basin Regional Financing Authority (CBRFA) was held at the Inland Empire Utilities Agency Headquarters, 6075 Kimball Avenue, Bldg. A, Chino, California and via video/teleconference on the above date.

CALL TO ORDER

President Elie called the meeting to order at 10:00 a.m. Manager of Internal Audit Teresa Velarde led the Pledge of Allegiance. Board Secretary/Office Manager Denise Garzaro took roll call and established that a quorum was present.

There were no public comments received. There were no additions or deletions to the agenda.

1. ACTION ITEMS

A. ADOPTION OF RESOLUTION NO. 2023-1, MAKING CERTAIN FINDING AND DETERMINATIONS REGARDING SPECIAL RULES FOR CONDUCTING MEETINGS THROUGH TELECONFERENCE

MOVED BY COMMISSIONER CAMACHO, SECONDED BY COMMISSIONER TULE, THE COMMISSION ADOPTED RESOLUTION NO. 2023-1, MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING SPECIAL RULES FOR CONDUCTING MEETINGS THROUGH TELECONFERENCE, BY THE FOLLOWING VOTE:

Ayes: Camacho, Elie, Hofer, Tule
Noes: None
Absent: Hall

B. MINUTES

MOVED BY COMMISSIONER CAMACHO, SECONDED BY COMMISSIONER TULE, THE COMMISSION APPROVED THE MINUTES OF THE DECEMBER 21, 2022 CHINO BASIN REGIONAL FINANCING AUTHORITY COMMISSION MEETING, BY THE FOLLOWING VOTE:

Ayes: Camacho, Elie, Hofer, Tule
Noes: None
Absent: Hall

C. ELECTION OF OFFICERS

General Counsel Jean Cihigoyenetché stated that the Commissioners elect officers for the Chino Basin Regional Financing Authority Commission at its first meeting of each calendar year and opened the floor for nominations for the Commission's officers.

President Elie nominated a slate of Commissioner Tule as President, Commissioner Elie as Vice President and Commissioner Camacho as Secretary.

COMMISSIONER ELIE NOMINATED THE FOLLOWING SLATE OF OFFICERS: COMMISSIONER TULE AS PRESIDENT, COMMISSIONER ELIE AS VICE PRESIDENT, AND COMMISSIONER CAMACHO AS SECRETARY. THE COMMISSION APPROVED THE NOMINATIONS, ELECTING THE SLATE OF OFFICERS FOR THE CHINO BASIN REGIONAL FINANCING AUTHORITY FOR A ONE-YEAR TERM, BY THE FOLLOWING VOTE:

Ayes: Camacho, Elie, Hofer, Tule
Noes: None
Absent: Hall

D. APPOINTMENT OF THE CHINO BASIN REGIONAL FINANCING AUTHORITY TREASURER, ALTERNATE TREASURER AND GENERAL MANAGER

General Counsel Cihigoyenetché explained that the Commission must appoint a Treasurer, alternate Treasurer and General Manager annually.

MOVED BY COMMISSIONER HOFER, SECONDED BY COMMISSIONER CAMACHO, THE COMMISSION APPROVED THE APPOINTMENT OF IEUA ASSISTANT GENERAL MANAGER KRISTINE DAY AS TREASURER, THE APPOINTMENT OF IEUA DIRECTOR OF FINANCE JAVIER CHAGOYEN-LAZARO AS THE ALTERNATE TREASURER, AND THE APPOINTMENT IEUA GENERAL MANAGER SHIVAJI DESHMUKH AS CBRFA GENERAL MANAGER FOR 2023, BY THE FOLLOWING VOTE:

Ayes: Camacho, Elie, Hofer, Tule

Noes: None
Absent: Hall

ADJOURNMENT

With no further business, Commissioner Elie adjourned the meeting at 10:05 a.m.

Commissioner Camacho, CBRFA Secretary

APPROVED: JULY 19, 2023

DRAFT

ACTION ITEM
1B

CHINO BASIN REGIONAL FINANCING AUTHORITY

Date: July 19, 2023

To: The Honorable Commissioners

From: Shivaji Deshmukh, P.E. *SD*
General Manager

Subject: Adoption of Resolution No. 2023-2, Authorizing the Execution and Delivery of a Water Infrastructure Finance and Innovation Act (WIFIA) Loan Amendment

RECOMMENDATION

Adopt Resolution No. 2023-2, authorizing the execution and delivery of a Water Infrastructure Finance and Innovation Act (WIFIA) Loan Amendment.

BACKGROUND

On March 24, 2022, Inland Empire Utilities Agency (Agency), Chino Basin Regional Financing Authority (Authority) and the US Environmental Protection Agency (EPA) entered into a Water Infrastructure Finance and Innovation Act (WIFIA) loan agreement for the Regional Wastewater Improvements Program for a maximum of 49 percent of eligible project costs. This program is intended to implement infrastructure upgrades across IEUA's service area, including the RP-5 Expansion, RP-1 Solids Thickening, CCWRF Asset Management and Improvement, and Philadelphia Lift Station and Force Main Improvements Projects.

This amendment eliminates the Philadelphia Lift Station and Force Main Improvements Project, which replaces two existing pipelines with larger diameter pipelines due to alignment issues and project timing. Funds associated with this project will be reallocated to the RP-1 project.

PRIOR BOARD ACTION

On March 16, 2022, the Commissioners adopted Resolution 2022-1, authorizing the WIFIA Loan Agreement between the Agency, the Authority, and the EPA to finance a portion of the Project for a not-to-exceed amount of \$120,000,000, excluding interest and other related costs, effective March 23, 2022, and a final maturity of November 1, 2060.

IMPACT ON BUDGET

None.

Attachments:

Attachment 1 – Resolution 2023-2

Attachment 2 – Amendment 1 to 2022 WIFIA Installment Purchase Agreement

RESOLUTION NO. 2023 – 2

RESOLUTION OF THE CHINO BASIN REGIONAL FINANCING AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF A WIFIA LOAN AMENDMENT AND CERTAIN DOCUMENTS AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Chino Basin Regional Financing Authority (the “Authority”), a joint exercise of powers authority duly organized and existing under and pursuant to the Constitution and laws of the State of California, has been requested to assist Inland Empire Utilities Agency (the “Agency”) to undertake the acquisition of certain improvements to the Agency’s wastewater system; and

WHEREAS, on March 24, 2022, the Agency, the Authority and the EPA, acting by and through the Administrator of the Environmental Protection Agency (the “WIFIA Lender”), entered into that certain WIFIA Loan Agreement for the Regional Wastewater System Improvements Program (WIFIA-N20111CA) (the “2022 WIFIA Loan Agreement”); and

WHEREAS, the parties thereto desire to amend the 2022 WIFIA Loan Agreement as set forth in the Amendment No. 1 to the WIFIA Loan Agreement dated as of March 24, 2022, for the Regional Wastewater System Improvements Program (WIFIA-N20111CA) (“Amendment No. 1 to the 2022 WIFIA Loan Agreement”).

NOW, THEREFORE, the Commission of the Chino Basin Regional Financing Authority hereby finds, determines, declares and resolves as follows:

1. Amendment No. 1 to the 2022 WIFIA Loan Agreement in substantially the form on file with the Authority is hereby approved. The President, Vice President, Treasurer, or General Manager, or the designee thereof are each hereby individually authorized and directed to execute and deliver Amendment No. 1 to the 2022 WIFIA Loan Agreement with such changes, insertions and omissions as may be recommended by the General Counsel or Bond Counsel and approved by the person executing the same, said execution being conclusive evidence of such approval.
2. The President, Vice-President, Treasurer, General Manager, or Secretary or the designee thereof and any other proper officer of the Authority, acting singly, be and each of them hereby is authorized and directed to execute and deliver any and all documents and instruments, including any amendments necessary to conform that certain Installment Purchase Agreement, by and between the Agency and the Authority, dated as of March 24, 2022, to the amendments set forth in Amendment No. 1 to the 2022 WIFIA Loan Agreement, and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the Amendment No. 1 to the 2022 WIFIA Loan Agreement and this Resolution.
3. Unless otherwise defined herein, all terms used herein and not otherwise defined shall have the meanings given such terms in Amendment No. 1 to the 2022 WIFIA Loan Agreement unless the context otherwise clearly requires.
4. This Resolution shall take effect immediately.

ADOPTED this 19th day of July, 2023.

Marco Tule
President of the Chino Basin Regional
Financing Authority and the
Board of Commissioners thereof

ATTEST:

Michael Camacho
Secretary of the Chino Basin Regional
Financing Authority and the
Board of Commissioners thereof

(SEAL)

AMENDMENT NO. 1 TO INSTALLMENT PURCHASE AGREEMENT

by and between

INLAND EMPIRE UTILITIES AGENCY*

and

CHINO BASIN REGIONAL FINANCING AUTHORITY

Dated as of July 19, 2023

relating to the

\$120,000,000

CHINO BASIN REGIONAL FINANCING AUTHORITY
2022 WIFIA LOAN AGREEMENT

* *A Municipal Water District.*

AMENDMENT NO. 1 TO INSTALLMENT PURCHASE AGREEMENT

This AMENDMENT NO. 1 TO INSTALLMENT PURCHASE AGREEMENT (the “Amendment”) is made and entered into as of July 19, 2023, by and between INLAND EMPIRE UTILITIES AGENCY, a municipal water district duly organized and existing under and by virtue of the laws of the State of California (the “Agency”), and CHINO BASIN REGIONAL FINANCING AUTHORITY, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California (the “Authority”).

WITNESSETH:

WHEREAS, the Authority, the Agency and the United States Environmental Protection Agency, acting by and through the Administrator of the Environmental Protection Agency (the “Authority Lender”), have entered into a WIFIA Loan Agreement dated March 24, 2022 (the “Original 2022 WIFIA Loan Agreement”), secured, *inter alia*, by the payments to be made by the Agency to the Authority under an Installment Purchase Agreement, dated as of March 24, 2022 (the “Installment Purchase Agreement”), by and between the Agency and the Authority, to finance the WIFIA Portion of the Project; and;

WHEREAS, the Authority, the Agency and the Authority Lender have determined to amend the Original 2022 WIFIA Loan Agreement pursuant to an Amendment No. 1, dated as of July 19, 2023 (the “Amendment 1 to the 2022 WIFIA Loan Agreement”), by and among the Authority, the Agency and the Authority Lender, to, among other things, amend the scope of work of the Project due to updates in permitting and project costs;

WHEREAS, the Authority and the Agency desire to amend the Installment Purchase Agreement pursuant to Section 9.14 thereof to make certain changes to align the Installment Purchase Agreement provisions with the terms of Amendment 1 to the 2022 WIFIA Loan Agreement;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

SECTION 1. This Amendment hereby incorporates by reference all terms and conditions set forth in the Installment Purchase Agreement unless specifically modified by this Amendment. All terms and conditions set forth in the Installment Purchase Agreement which are not specifically modified by this Amendment shall remain in full force and effect.

SECTION 2. The capitalized terms set forth in this Amendment not otherwise defined herein shall have the meanings set forth in the Installment Purchase Agreement.

SECTION 3. Each of the following definitions in Section 1.1 of the Installment Purchase Agreement is hereby amended in its entirety to read as follows (double underlining indicates additions and ~~strike through~~ indicates deletions):

Project. The term “Project” means the Regional Wastewater System Improvements Program, located in Chino and Ontario, CA, and which consists of the following components: (a) Regional Plant No. 5 (RP-5) Expansion Sub-Project, which includes expansion of the liquids

treatment system capacity, construction of a new RP-5 solids treatment facility and construction of offsite pump stations and force mains to convey sewer flows to RP-5; (b) Regional Plant No.1 (RP-1) Solids Thickening Sub-Project, which includes increasing the liquids stream capacity at the plant and converting the secondary treatment system to a membrane bioreactor process; and (c) ~~the Philadelphia Lift Station and Force Main Improvements Sub Project, which replaces two existing pipelines with larger diameter pipelines;~~ and (d) the Carbon Canyon Water Recycling Facility Sub-Project, a process improvements project which includes replacement of the existing headworks, odor control system and aeration blowers to maintain wastewater treatment capacity at the Agency’s wastewater treatment plant; and as such Project may be modified in accordance with any modifications to the definition of “Project” in the 2022 WIFIA Loan Agreement.

2022 WIFIA Loan Agreement. The term “2022 WIFIA Loan Agreement” has the meaning provided in the third WHEREAS clause herein means that certain WIFIA Loan Agreement (WIFIA ID – 20111CA), dated as of March 24, 2022, and amended on July 19, 2023, by and among the Authority, the Agency and the Authority Lender, and as it may from time to time be amended or supplemented.

SECTION 4. Section 3.2 of the Installment Purchase Agreement is hereby amended in its entirety to read as follows (double underlining indicates additions and ~~strikethrough~~ indicates deletions):

Section 3.2 Acquisition and Construction of the Project. The Authority hereby agrees to cause the Project and any additions or modifications thereto to be constructed, acquired and installed by the Agency as its agent, and hereby appoints the Agency to act on its behalf as its agent hereunder and under the other Related Documents. The Agency hereby accepts such appointment. The Agency shall enter into contracts and provide for, as agent for the Authority, the complete design, construction, acquisition and installation of the Project in accordance with all applicable laws and the 2022 WIFIA Loan Agreement. The Agency hereby agrees that it will cause the construction, acquisition and installation of the Project to be diligently performed. The Agency agrees to deposit the WIFIA Amount (or relevant portion thereof) (other than any funds to be applied to prepayment or redemption of Interim Financing) into the Project Acquisition Fund, upon satisfactory completion of design work and compliance with the California Environmental Quality Act and approval by the Board of Directors of the Agency, and that it will use its best efforts to cause the construction, acquisition and installation of the Project to be substantially completed by ~~December 31, 2026~~ June 30, 2027 unforeseeable delays beyond the reasonable control of the Agency only excepted. It is hereby expressly understood and agreed that the Authority shall be under no liability of any kind or character

whatsoever for the payment of any cost of the Project and that all such costs and expenses shall be paid by the Agency.

SECTION 5. THIS AMENDMENT SHALL BE CONSTRUED AND GOVERNED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.

SECTION 6. This Amendment shall become effective upon its execution and delivery.

SECTION 7. This Amendment may be executed in several counterparts, each of which shall be deemed as an original, all of which shall constitute but one of the same instrument.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment by their officers thereunto duly authorized as of the day and year first written above.

INLAND EMPIRE UTILITIES AGENCY

By: _____
General Manager

CHINO BASIN REGIONAL FINANCING
AUTHORITY

By: _____
General Manager

ACTION ITEM
1C

CHINO BASIN REGIONAL FINANCING AUTHORITY

Date: July 19, 2023

To: The Honorable Commissioners

From: Shivaji Deshmukh, P.E. *SD*
General Manager

Subject: Appointment of the Chino Basin Regional Financing Authority Treasurer,
Alternate Treasurer

RECOMMENDATION

Approve the appointment of IEUA Assistant General Manager Kristine Day to serve as Treasurer, and the appointment of IEUA Acting Treasurer Alex Lopez to serve as alternate Treasurer.

BACKGROUND

In accordance with the JPA (Section 4.8), it is recommended that the Commissioners delegate the powers and duties of the Treasurer's office to the Assistant General Manager of the Inland Empire Utilities Agency.

It is also recommended that the Commissioners appoint an alternate Treasurer, which is in accordance with the JPA (Section 4.10).

The Commission shall have the power to appoint and employ such other officers, employees, consultants, and independent contracts as it may deem necessary for the purposes of this Agreement, any of whom may be employees of a Member, and who shall have such powers, duties, and responsibilities as are determined by the Commission.

PRIOR BOARD ACTION

On January 18, 2023, the Commissioners appointed Assistant General Manager Kristine Day as Treasurer for the Chino Basin Regional Financing Authority and Director of Finance Javier Chagoyen-Lazaro, as alternate Treasurer.

IMPACT ON BUDGET

None.

SD/dg