



**CHINO BASIN
DESALTER
AUTHORITY**

**Meeting of the
Finance Committee
of the Board of Directors**

February 21, 2019 • 2:00 p.m.

2151 S. Haven Avenue, Suite 202
Ontario, CA 91761 • (909) 218-3230

**FINANCE COMMITTEE OF THE
BOARD OF DIRECTORS**

CHINO BASIN DESALTER AUTHORITY

**February 21, 2019
2:00 p.m.**

**Chino Basin Desalter Authority
2151 S. Haven Avenue, Suite 202, Ontario, CA 91761**

*All documents available for public review are on file with the Authority's
secretary located at 2151 S. Haven, Suite 202, Ontario, CA 91761*

AGENDA

CALL TO ORDER

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 complete and submit to the Board Secretary a "Request to Speak" form which is available on the table in the Board Room. Comments will be limited to five 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.

ACTION ITEMS

- 1. MINUTES OF JANUARY 24, 2019 FINANCE COMMITTEE MEETING**
- 2. CONTRACTS WITH BRENNTAG PACIFIC INC. FOR SUPPLY OF SODA ASH, SULFURIC ACID, MAGNESIUM CHLORIDE, AND POLYMERS**
Report by: Jose Garcia, Principal Accountant

It is recommended that the Committee recommend the following action to the full Board at the 03/07/19 Board Meeting:

1. Approve four contracts with Brenntag Pacific Inc, for supply and delivery of soda ash, sulfuric acid, magnesium chloride, and polymers.
2. Authorize the Interim General Manager to finalize and execute the contract.

INFORMATION ITEMS

3. MONTHLY CREDIT CARD ACTIVITY REPORT FOR DECEMBER 2018

Report by: Jose Garcia, CDA Principal Accountant

COMMITTEE MEMBER COMMENTS

STAFF COMMENTS

CDA Interim General Manager

CDA CFO/Treasurer

ADJOURN

Declaration of Posting

I, Casey Costa, Executive Assistant to the Chino Basin Desalter Authority, hereby certify that a copy of this agenda has been posted at the Chino Basin Desalter Authority's main office, 2151 S. Haven Ave., Ontario, CA by February 18, 2019 at 2:00 p.m.

Casey Costa, Executive Assistant



Finance Committee Meeting

Agenda Item

No. 1

**MEETING OF THE FINANCE COMMITTEE
OF THE BOARD OF DIRECTORS OF THE
CHINO BASIN DESALTER AUTHORITY**

MINUTES

January 24, 2019

The Meeting of the Finance Committee of the Chino Basin Desalter Authority (CDA) was held at the CDA Administrative Offices, 2151 S. Haven Avenue, Suite 202, Ontario, CA, on the above date.

The meeting was called to order at 2:00 p.m.

COMMITTEE MEMBERS PRESENT

Tom Haughey, City of Chino
Peter Rogers, City of Chino Hills
Betty Anderson, Jurupa Community Services District

COMMITTEE MEMBERS ABSENT

None

OTHERS PRESENT

Tom O'Neill, CDA Interim General Manager
Michael Chung, CDA CFO/Treasurer
Todd Minten, CDA Operations Manager
Jose Garcia, CDA Principal Accountant
Casey Costa, CDA Executive Assistant
Steve Popelar, Jurupa Community Services District

PUBLIC COMMENT

There were no comments from the public.

ADDITIONS TO THE AGENDA

There were no additions to the agenda.

ACTION ITEMS

1. MINUTES OF DECEMBER 20, 2018 FINANCE COMMITTEE MEETING

Motion: It was moved by Director Haughey/Chino, seconded by Director Anderson/JCSD, and carried unanimously to approve Action Item 1.

2. COST OF LIVING ADJUSTMENT – CDA EMPLOYEES

Report by: Michael Chung, CDA CFO/Treasurer

It is recommended that the Committee recommend the following action to the full Board at the 02/07/19 Board Meeting:

1. Approve a Cost of Living Adjustment (COLA) of 3.60% for CDA employees effective Pay Period 1 of 2019.

Treasurer Chung reviewed the recommendation to approve a cost of living adjustment of 3.60%, according to the Consumer Price Index data from November 2017 to November 2018 for the Riverside-San Bernardino-Ontario area, reported by the Bureau of Labor Statistics. It was asked whether there was any discussion among the Technical Advisory Committee. Interim General Manager O'Neill replied that the TAC had no comments and recommended that the item move forward to the Finance Committee. There were no further questions or comments.

Motion: It was moved by Director Haughey/Chino, seconded by Director Anderson/JCSD, and carried unanimously to approve Action Item 2.

3. PHASE 3 EXPANSION PROJECT: CHANGE ORDER NO. 2 TO HELIX ENVIRONMENTAL PURCHASE ORDER FOR BIOLOGICAL CONSULTING SERVICES FOR SANTA ANA RIVER CROSSING HDD PROJECT

Report by: Cindy Miller, Phase 3 Expansion Program Manager

It is recommended that the Committee recommend the following action to the full Board at the 02/07/19 Board Meeting:

1. Approve Change Order No. 2 in the amount of \$25,000 to the Helix Environmental purchase order for Biological Consulting Services for Santa Ana River Crossing HDD Project, for a total contract amount of \$94,600.
2. Authorize the Interim General Manager to execute Change Order No. 2 and approve authorized expenditures up to a not-to-exceed total of \$104,060.

Interim General Manager O'Neill reviewed the recommendation to approve a change order with Helix Environmental for biological construction monitoring for the Santa Ana River HDD Project. The additional amount requested is due to the need for extended work hours each day and on the weekend due to weather delays and hard ground. Director Haughey/Chino questioned how many hours of drilling is occurring each day and if there is a contingency plan if the project is not finished in time.

Interim General Manager O'Neill replied that drilling has been taking place from 7am to 5pm and the contractor will be asked to extend their crews' schedules. He reported that the drilling and pipeline under the river is scheduled to be completed by February 28th. If the remainder of the work on either side of the river is not completed before bird nesting season, the ends of the pipe will need to be buried until the site can be accessed again. He reported that all measures are being taken to complete the project on time. There were no further questions or comments.

Motion: It was moved by Director Haughey/Chino, seconded by Director Anderson/JCSD, and carried unanimously to approve Action Item 3.

INFORMATION ITEMS

4. MONTHLY CREDIT CARD ACTIVITY REPORT FOR NOVEMBER 2018

Report by: Jose Garcia, CDA Principal Accountant

Principal Accountant Garcia reviewed the credit card report.

COMMITTEE MEMBER COMMENTS

There were no comments.

STAFF COMMENTS

Interim General Manager O'Neill reported on a meeting with Lewis Management that took place regarding wellsite acquisition; Lewis desires to move forward with the sale. CDA legal counsel is drafting a Right of Entry Agreement for the monitoring wells, as well as a Purchase and Sale Agreement. State approval is required for the location of the wellsite. Wildermuth and Dudek are assembling information supporting the proposed location of the well.

ADJOURN

There being no further business the meeting was adjourned at 2:12 p.m.



Finance Committee Meeting

Agenda Item

No. 2



SUBJECT: CONTRACTS WITH BRENNTAG PACIFIC INC. FOR SUPPLY OF SODA ASH, SULFURIC ACID, MAGNESIUM CHLORIDE, AND POLYMERS

RECOMMENDATION:

Staff recommends that the Board:

- 1. Approve four contracts with Brenntag Pacific Inc, for supply and delivery of soda ash, sulfuric acid, magnesium chloride, and polymers.
2. Authorize the Interim General Manager to finalize and execute the contract.

BACKGROUND:

Each contract will reflect an initial two-year period of performance running from March 1, 2019 through February 28, 2021. The unit price includes all delivery charges and will remain fixed throughout the initial two years. The contract will also establish three one-year options where the unit price will be adjusted annually based on negotiation and mutual agreement between the CDA and Brenntag. Inclusion of these options will result in a potential five-year aggregate term for the contemplated contracts. Sulfuric acid is used at the Chino I and Chino II Desalters. Soda ash, magnesium chloride, and polymers are used in the operation of the Concentrate Reduction Facility at Chino II.

In preparation for issuing new multi-year contracts for CDA's bulk supply of chemicals, four competitive requests for proposals were issued to a total of 8-10 prospective suppliers (per chemical) via the Inland Empire Utilities Agency's electronic bid system (PlanetBids). The requests for proposals was advertised January 28, 2019 through February 11, 2019. Two vendors submitted proposals; Brenntag Pacific Inc., submitted one responsive proposal for each of the four chemicals solicited and Univar USA Inc. submitted a non-responsive bid due to late submittal. The proposed rates are comparable with CDA's current rates (also from Brenntag), therefore staff recommends awarding contract to Brenntag Pacific. Inc. Below is a table comparing current rates to proposed rates.

Table with 4 columns: Bidder, Current Rates / pound, New Rates / pound, \$ Change. Rows include Soda Ash, Sulfuric Acid, Magnesium Chloride, Polymer - Zetag, and Polymer - Magnafloc.

Prepared by: Jose Garcia, Principal Accountant

Board of Directors: [] Approved [] Continued [] Denied

CDA GM/CEO Acknowledgement: Date:

This item was reviewed and approved by the Technical Advisory Committee on February 12, 2019 and Finance Committee on February 21, 2019.

IMPACT ON BUDGET:

The FY2018/19 budget for each chemical is listed below:

Soda Ash	\$684,627
Sulfuric Acid	\$412,107
Magnesium Chloride	\$345,000
Polymers	\$150,000

Prepared by: Jose Garcia, Principal Accountant

Page 2 of 2

Board of Directors: Approved Continued Denied

CDA GM/CEO Acknowledgement: _____ **Date:** _____



Finance Committee Meeting

Agenda Item

No. 3



SUBJECT: MONTHLY CREDIT CARD ACTIVITY REPORT

This credit card activity report covers the period of December 10, 2018 – January 9, 2019. There were no purchases using the credit card account during this period.

IMPACT ON BUDGET:

There is no impact on budget.

Prepared by: Jose Garcia, CDA Principal Accountant

Page 1 of 1

Board of Directors: Approved Continued Denied

CDA GM/CEO Acknowledgement: _____ **Date:** _____



CHINO BASIN DESALTER
December 10, 2018 - January 09, 2019

WorldPoints

Company Statement

Account Information:
www.bankofamerica.com

Mail Billing Inquiries to:
BANK OF AMERICA
PO BOX 982238
EL PASO, TX 79998-2238

Mail Payments to:
BUSINESS CARD
PO BOX 15796
WILMINGTON, DE 19886-5796

Customer Service:
1.800.673.1044, 24 Hours

TTY Hearing Impaired:
1.888.500.6267, 24 Hours

Outside the U.S.:
1.509.353.6656, 24 Hours

For Lost or Stolen Card:
1.800.673.1044, 24 Hours

Business Offers:
www.bankofamerica.com/mybusinesscenter

Payment Information

New Balance Total \$0.00
Minimum Payment Due \$0.00
Payment Due Date 02/05/19

Minimum Payment Warning: If you make only the minimum payment each period, you will pay more in interest and it will take you longer to pay off your balance.

Account Summary

Previous Balance \$318.03
Payments and Other Credits **-\$318.03**
Balance Transfer Activity \$0.00
Cash Advance Activity \$0.00
Purchases and Other Charges \$0.00
Fees Charged \$0.00
Finance Charge \$0.00
New Balance Total \$0.00

Credit Limit \$10,000
Credit Available \$10,000.00
Statement Closing Date 01/09/19
Days in Billing Cycle 31

Transactions

Posting Date	Transaction Date	Description	Reference Number	Amount
CHINO BASIN DESALTER				
Account Number: 4738				
		Payments and Other Credits		
01/03	01/03	AUTO PAYMENT DEDUCTION		- 318.03
		TOTAL PAYMENTS AND OTHER CREDITS FOR THIS PERIOD		-\$318.03

December 10, 2018 - January 09, 2019

New Balance Total \$0.00
Minimum Payment Due \$0.00
Payment Due Date 02/05/19

Enter payment amount

\$

For change of address/phone number, see reverse side.

BUSINESS CARD
PO BOX 15796
WILMINGTON, DE 19886-5796

CHINO BASIN DESALTER
2151 S HAVEN AVE UNIT 202
ONTARIO, CA 91761-0742

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