

**SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THE
CHINO BASIN DESALTER AUTHORITY**

**MINUTES
February 6, 2020**

The Special Meeting of the Board of Directors of the Chino Basin Desalter Authority was held at the City of Ontario, 303 E. "B" Street, Ontario, CA, on the above date. The meeting was called to order at 2:00 p.m. by Director Robert Stockton, Western Municipal Water District.

Directors Present:

Tom Haughey, City of Chino - Chair
Betty Anderson, Jurupa Community Services District – Vice Chair
Jim Bowman, City of Ontario - Secretary
Don Galleano, Western Municipal Water District
Kati Parker, Inland Empire Utilities Agency
Peter Rogers, City of Chino Hills
Greg Newton, City of Norco

Directors Absent:

Santa Ana River Water Company

Others Present:

Thomas O'Neill, CDA General Manager/CEO
Todd Minten, CDA Operations Manager
Jose Garcia, CDA Principal Accountant
Michael Chung, CDA CFO/Treasurer
Casey Costa, CDA Executive Assistant
Allison Burns, CDA Deputy General Counsel
Dave Crosley, City of Chino
Chris Bonadurer, City of Ontario
Sean Stone, City of Ontario
Aaron Anderson, Jurupa Community Services District
Ben Armel Jurupa Community Services District
Derek Kawaii, Western Municipal Water District
Cindy Miller, Hazen & Sawyer
Bob Bowcock, Integrated Resources Management/SB County Airports
Sam Gershon, Albert A. Webb Associates

FLAG SALUTE

The Pledge of Allegiance was led by Director Betty Anderson, Jurupa Community Services District

PUBLIC COMMENT ON NON-AGENDA ITEMS

There were no comments from the public.

ACTION ITEMS

Prior to action of the CDA Board, any member of the audience will have the opportunity to address the CDA Board on any item listed on the agenda, including those on any consent calendar. Please submit a comment card to the secretary with the agenda item number noted.

1. MINUTES OF JANUARY 9, 2019 SPECIAL BOARD MEETING

Motion: It was moved by Director Rogers/Chino Hills and seconded by Director Bowman/City of Ontario to approve Action Item 1.

Motion carried:

Ayes: Tom Haughey, City of Chino
Peter Rogers, City of Chino Hills
Betty Anderson, Jurupa Community Services District
Greg Newton, City of Norco
Jim Bowman, City of Ontario
Don Galleano, Western Municipal Water District

Noes: None

Absent: Santa Ana River Water Company

Abstained: None

2. APPROVAL OF ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR 2018/19

Report by: Jose Garcia, CDA Principal Accountant

Staff Recommendation:

1. Approve the Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2019, as presented, and direct staff to make distribution, as appropriate, to the various federal, state and local agencies, financial institutions, bond rating agencies and other interested parties.

Principal Accountant Garcia reviewed PowerPoint presentation overview of FY 2018/19 Annual Financial Report. He discussed Revenue and Expenses by category compared to previous fiscal year and provided reasoning for substantial differences and reviewed the Reserve Summary.

It was questioned whether there could be a savings by refinancing the long-term debt. Principal Accountant Garcia replied that the CDA refunded its bond in 2016. Treasurer Chung will evaluate whether a savings can be realized and will report at the next scheduled Board Meeting.

Motion: It was moved by Director Bowman/City of Ontario and seconded by Director Newton/City of Norco to approve Action Item 2.

Motion carried:

Ayes: Tom Haughey, City of Chino
Peter Rogers, City of Chino Hills
Betty Anderson, Jurupa Community Services District
Greg Newton, City of Norco
Jim Bowman, City of Ontario
Don Galleano, Western Municipal Water District

Noes: None

Absent: Santa Ana River Water Company

Abstained: None

3. ADMINISTRATIVE OFFICE SPACE LEASE

Report by: Tom O'Neill, CDA General Manager/CEO

Staff Recommendation:

1. Approve the terms and conditions for a lease agreement for administrative office space at 3550 Philadelphia Street, Ontario, CA 91761; and
2. Authorize the General Manager/CEO to execute a lease agreement, subject to CDA legal counsel review.

General Manager O'Neill reviewed the terms to renew the lease agreement at the current location and terms of the proposed lease agreement at 3550 Philadelphia Street, Unit 170, Ontario. Considering the additional square footage and cost savings of \$112,000 over the next five years, staff recommended that the Board approve the lease agreement for the unit located at 3550 Philadelphia Street. There were no comments or questions.

Motion: It was moved by Director Newton/City of Norco and seconded by Director Anderson/Jurupa Community Services District to approve Action Item 3.

Motion carried:

Ayes: Tom Haughey, City of Chino
Peter Rogers, City of Chino Hills
Betty Anderson, Jurupa Community Services District
Greg Newton, City of Norco
Jim Bowman, City of Ontario
Don Galleano, Western Municipal Water District

Noes: None

Absent: Santa Ana River Water Company

Abstained: None

STAFF COMMENTS

- i. Deputy CDA General Counsel, Allison Burns administered the Oath of Office to Director Kati Parker/Inland Empire Utilities Agency.
- ii. CDA CFO/Treasurer, Michael Chung had no comments.
- iii. CDA General Manager/CEO, Thomas O'Neill had no comments.

CLOSED SESSION

The Authority may adjourn to a Closed Session to consider litigation matters, personnel matters, or other matters as provided for in the Ralph M. Brown Act (Section 54950 et seq., of the Government Code).

**4. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:
CONSIDERATION OF INITIATION OF LITIGATION PURSUANT TO GOVERNMENT
CODE SECTION 54956.9(D)(4)**

(TWO POTENTIAL CASES)

**5. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:
SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO GOVERNMENT CODE
SECTION 54956.9(D)(2)**

(ONE POTENTIAL CASES)

The Board did not enter into closed session.

DIRECTOR COMMENTS

There were no comments.

ADJOURNMENT – There being no further business to come before the Board, the meeting was adjourned at 2:15 p.m.



Secretary of the Board of Directors/cc

