

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

**MINUTES  
April 2, 2020**

The Regular Meeting of the Board of Directors of the Chino Basin Desalter Authority was held via teleconference and videoconference on the above date. The meeting was called to order at 2:00 p.m. by Director Haughey, City of Chino.

**Directors Present:**

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

**Directors Absent:**

Vicki Rupe, 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  
Chris Bonadurer, City of Ontario  
Ben Armel Jurupa Community Services District  
Derek Kawaii, Western Municipal Water District  
Cindy Miller, Hazen & Sawyer  
Bob Bowcock, Integrated Resources Management/SB County Airports

**PUBLIC COMMENT ON NON-AGENDA ITEMS**

There were no public comments.

**CONSENT CALENDAR ITEMS**

*Consent Calendar items are expected to be routine and non-controversial to be acted upon by the Board at one time without discussion. If any Board member, staff member, or interested person requests that an item be removed from the Consent Calendar, it will be moved to the first item on the Action Items.*

**1. MINUTES OF MARCH 5, 2020 SPECIAL BOARD MEETING**

2. **TREASURER'S FINANCIAL AFFAIRS REPORT FOR QUARTER ENDED DECEMBER 2019**  
Report by: Jose Garcia, CDA Principal Accountant
3. **TREASURER'S REPORT ON GENERAL DISBURSEMENTS FOR THE QUARTER ENDED DECEMBER 2019**  
Report by: Jose Garcia, CDA Principal Accountant
4. **BUDGET VARIANCE REPORT FOR THE QUARTER ENDED DECEMBER 2019**  
Report by: Jose Garcia, CDA Principal Accountant
5. **INVESTMENT REPORT**  
Report by: Jose Garcia, CDA Principal Accountant

***Motion:*** *It was moved by Director Anderson/Jurupa Community Services District and seconded by Director Newton/City of Norco to approve Consent Items 1-5.*

***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  
Bob Stockton, Western Municipal Water District

**Noes:** None

**Absent:** Vicki Rupe, Santa River Water Company

**Abstained:** None

## **ACTION ITEMS**

*Prior to action of the CDA Board, any member of the public will have the opportunity to address the CDA Board on any item listed on the agenda by submitting written comments at least one hour prior to the start of the meeting at (909) 218-3230 or ccosta@chinodesalter.org. Please note the agenda item number in your email. Comments will be read aloud during the meeting by the Board Secretary.*

6. **CONSIDERATION OF APPROVAL OF AMENDED AND RESTATED EMPLOYMENT AGREEMENT WITH THOMAS O'NEILL**

Report By: Allison Burns, CDA Deputy General Counsel

**Staff Recommendation:**

1. Approve the First Amended and Restated Employment Agreement with Thomas O'Neill effective April 15, 2020; and
2. Authorize the Board Chairman to execute the First Amended and Restated Employment Agreement with Thomas O'Neill with an effective date of April 15, 2020.

Deputy General Counsel Burns reviewed the recommendation to approve the First Amended and Restated Employment Agreement with Thomas O'Neill, pursuant to the Board's review and Closed Session discussion. There were no questions or comments.

***Motion:*** It was moved by Director Rogers/City of Chino Hills and seconded by Director Anderson/Jurupa Community Services District to approve Action Item 6.

***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  
Bob Stockton, Western Municipal Water District

**Noes:** None

**Absent:** Vicki Rupe, Santa River Water Company

**Abstained:** None

**7. GRANT ADMINISTRATION AGREEMENT BETWEEN CHINO BASIN DESALTER AUTHORITY (CDA) AND INLAND EMPIRE UTILITIES AGENCY (IEUA) REGARDING GRANT FUNDING FOR FUTURE PROJECTS**

Report By: Thomas O'Neill, CDA General Manager/CEO

**Staff Recommendation:**

1. Approve the Grant Administration Agreement between CDA and IEUA Regarding Grant Funding for Future Projects; and
2. Authorize the General Manager/CEO to execute the agreement.

General Manager O'Neill reviewed the recommendation to approve an agreement with IEUA to administer USBR WaterSMART Drought Resiliency Project Grant and future grants as they become available. He reviewed that CDA and IEUA currently have a Grant Administration Agreement for the Phase 3 Expansion Project. General Manager O'Neill added that he has been in contact with USBR regarding the state of grant funding projects due to the current national public health emergency and was advised to avoid delay in entering into the agreement, but there are no indications that grant funding is in jeopardy.

***Motion:*** It was moved by Director Bowman/City of Ontario and seconded by Director Rogers/City of Chino Hills to approve Action Item 7.

***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  
Bob Stockton, Western Municipal Water District

**Noes:** None

**Absent:** Vicki Rupe, Santa River Water Company

**Abstained:** None

**8. RECONCILIATION OF THE ALLOCATION OF COSTS FOR FISCAL YEAR 2018/19 AND RELATED RESERVE BALANCE ANALYSIS**

Report By: Jose Garcia, CDA Principal Accountant

**Staff Recommendation:**

1. Approve the reconciliation of the allocation of costs for Fiscal Year 2018/19 per the attached Exhibit A; and
2. Approve the analysis of reserve balance at June 30, 2019 per the attached Exhibit B.

CDA Principal Accountant Jose Garcia reviewed the recommendation to approve the Reconciliation of the Allocation of Costs for Fiscal Year 2018/19 and approve the analysis of reserve balance as of June 30, 2019. The combined total audited costs for the fiscal year was \$24,826,318, against total received assessments of \$26,992,348, resulting in an overpayment of \$2,166,030. The reserve analysis revealed a surplus of \$522,962 and the members agreed that no action is necessary for this fiscal year. There were no comments or questions.

***Motion:*** It was moved by Director Anderson/Jurupa Community Services District and seconded by Director Rogers/City of Chino Hills to approve Action Item 8.

***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  
Bob Stockton, Western Municipal Water District

**Noes:** None

**Absent:** Vicki Rupe, Santa River Water Company

**Abstained:** None

**9. SOUTH ARCHIBALD PLUME PROJECT: GOLDEN STATE AGREEMENT FOR LABOR COMPLIANCE SERVICES FOR SAP CONSTRUCTION PROJECTS**

Report By: Cindy Miller, South Archibald Plume Program Manager

**Staff Recommendation:**

1. Approve a professional services agreement with Golden State for labor compliance services in the not-to-exceed amount of \$91,303; and
2. Authorize the General Manager/CEO to finalize and execute the amendment, with subsequent authorizations up to a not-to-exceed total of \$100,500.

Program Manager Miller reviewed the recommendation to award a Professional Services Agreement to Golden State Labor Compliance for certified labor compliance documentation to South Archibald Plume construction invoices. There were no questions or comments.

***Motion:*** It was moved by Director Bowman/City of Ontario and seconded by Director Rogers/City of Chino Hills to approve Action Item 9.

***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  
Bob Stockton, Western Municipal Water District

**Noes:** None

**Absent:** Vicki Rupe, Santa River Water Company

**Abstained:** None

**10. SOUTH ARCHIBALD PLUME PROJECT: AMENDMENT NO. 3 TO GEOSCIENCE'S AGREEMENT FOR DESIGN OF TWO MONITORING WELLS**

Report By: Cindy Miller, South Archibald Plume Program Manager

**Staff Recommendation:**

1. Approve an amendment to the professional services agreement with Geoscience for geohydrologic design and inspection services in the not-to-exceed amount of \$58,109; and
2. Authorize the General Manager/CEO to finalize and execute the amendment, with subsequent authorizations up to a not-to-exceed total of \$202,000.

Program Manager Miller reviewed the recommendation to approve an amendment to the Professional Services Agreement with Geoscience for the design a the third monitoring well according requirements of the Proposition 1 Grant Agreement.

***Motion:*** It was moved by Director Anderson/Jurupa Community Services District and seconded by Director Haugey/City of Chino to approve Action Item 10.

***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  
Bob Stockton, Western Municipal Water District

**Noes:** None

**Absent:** Vicki Rupe, Santa River Water Company

**Abstained:** None

**11. MICHAEL BAKER INTL AGREEMENT FOR ON-CALL CONSTRUCTION SURVEY AND STAKING SERVICES FOR SAP CONSTRUCTION PROJECTS**

Report By: Cindy Miller, South Archibald Plume Program Manager

**Staff Recommendation:**

1. Approve an on-call professional services agreement with Michael Baker International for construction survey and staking services; and
2. Authorize the General Manager/CEO to finalize and execute the agreement, with authorizations up to a not-to-exceed total of \$100,000.

Program Manager Miller reviewed the recommendation to award a Professional Services Agreement to Michael Baker International (MBI) for Construction survey and staking services for SAP Construction projects. A Request for Qualifications was advertised on PlanetBids; 95 vendors were notified, 29 vendors registered as prospective bidders and one response was received from MBI. Director Newton/City of Norco expressed concern regarding re-staking charges. Program Manager Miller responded that the Construction Manager will monitor re-staking and if it is the fault of the contractor, costs will be incurred by the contractor.

*During review of this item, Director Stockton/Western Municipal Water District was disconnected from the teleconference.*

**Motion:** *It was moved by Director Newton/City of Norco and seconded by Director Anderson/Jurupa Community Services District to approve Action Item 11.*

**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

**Noes:** None

**Absent:** Vicki Rupe, Santa River Water Company  
Bob Stockton, Western Municipal Water District

**Abstained:** None

**INFORMATION ITEMS**

**12. EMERGENCY REPAIRS TO 30-INCH FIBERGLASS REINFORCED RO INFLUENT PIPELINE AT CHINO I DESALTER**

Report By: Thomas O'Neill, CDA General Manager/CEO

General Manager O'Neill reviewed the progress of emergency repairs. The pipe will be delivered on April 6, 2020. Pascal & Ludwig will install on April 7, 2020 and current costs are approximately \$70,000.

*At 2:21 p.m. Director Stockton/Western Municipal Water District rejoined the teleconference.*

### **STAFF COMMENTS**

- i. Deputy CDA General Counsel, Allison Burns had no comments.
- ii. CDA CFO/Treasurer, Michael Chung had no comments.
- iii. CDA General Manager/CEO, Thomas O'Neill reported that the Concentrate Reduction Facility has been taken offline due to staffing issues related to social distancing requirements. Production is currently at 93% and with Chino I repairs completed, it is expected that 100% production will be achieved.

### **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).*

- 13. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:  
CONSIDERATION OF INITIATION OF LITIGATION PURSUANT TO GOVERNMENT  
CODE SECTION 54956.9(D)(4)  
(TWO POTENTIAL CASES)**
- 14. 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 2:25 p.m.

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Secretary of the Board of Directors/cc