

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

MINUTES

July 1, 2021

A 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 Chair McLaughlin, Jurupa Community Services District.

Directors Present:

Ken McLaughlin, Jurupa Community Services District - Chair
Jim Bowman, City of Ontario – Vice Chair
Eunice Ulloa, City of Chino
Peter Rogers, City of Chino Hills
Greg Newton, City of Norco
Marco Tule, Inland Empire Utilities Agency
Vicki Rupe, Santa Ana River Water Company
Gracie Torres, Western Municipal Water District
Mike Gardner, Western Municipal Water District (Alternate)

Directors Absent:

None

Others Present:

Thomas O'Neill, CDA General Manager/CEO
Michael Chung, CDA CFO/Treasurer
Jose Garcia, CDA Principal Accountant
Casey Costa, CDA Executive Assistant
Allison Burns, CDA Deputy General Counsel
Dave Crosley, City of Chino
Chris Bonadurer, City of Ontario
Bryan Smith, Inland Empire Utilities Agency
Ben Armel, Jurupa Community Services District
John Lopez, Santa Ana River Water Company
Todd Minten, Santa Ana River Water Company
Derek Kawaii, Western Municipal Water District
Cindy Miller, Hazen & Sawyer
Bob Bowcock, Integrated Resources Management/SB County Airports
James Jenkins, San Bernardino County Department of Airports
Ben Weink, Tetra Tech
Nicole Blute, Hazen & Sawyer

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 JUNE 3, 2021 SPECIAL BOARD MEETING**
2. **ANNUAL REVIEW OF INVESTMENT POLICY**
Report by: Michael Chung, CDA CFO/Treasurer
3. **TREASURER'S FINANCIAL AFFAIRS REPORT**
Report by: Jose Garcia, CDA Principal Accountant
4. **TREASURER'S REPORT ON GENERAL DISBURSEMENTS**
Report by: Jose Garcia, CDA Principal Accountant
5. **BUDGET VARIANCE REPORT**
Report by: Jose Garcia, CDA Principal Accountant
6. **INVESTMENT REPORT**
Report by: Jose Garcia, CDA Principal Accountant

Motion: *It was moved by Director Ulloa/City of Chino and seconded by Director Bowman/City of Ontario to approve Consent Items 1-6.*

Motion carried:

Ayes: Eunice Ulloa, City of Chino
Peter Rogers, City of Chino Hills
Greg Newton, City of Norco
Jim Bowman, City of Ontario
Vicki Rupe, Santa River Water Company
Gracie Torres, Western Municipal Water District
Ken McLaughlin, Jurupa Community Services District

Noes: None

Absent: None

ACTION ITEMS

7. **CONSTRUCTION CONTRACT AWARD FOR CHINO I DESALTER VOC TREATMENT FACILITIES PROJECT**
Report By: Thomas O'Neill, General Manager/CEO

Staff Recommendation:

1. Dismiss the first apparent low bid as non-responsive.
2. Approve the contract award to the lowest responsive and responsible bidder Pacific Hydrotech for the Construction of the Chino I Desalter VOC Treatment Facilities Project in the not-to-exceed amount of \$11,226,000.

3. Authorize the General Manager/CEO to execute the contract and approve authorized expenditures up to a not-to-exceed total of \$12,350,000.
4. Approve disbursement from the Operating Contingency Reserve in the amount of \$676,594.13 to fund project shortfall.

General Manager O'Neill reviewed staff's recommendations to dismiss the first apparent low bid as non-response and award the contract for the Construction of the Chino I Desalter VOC Treatment Facilities Project to Pacific Hydrotech in the not-to-exceed amount of \$11,226,000. The bid package was publicly advertised, and four bids were received on May 26, 2021 from Caliagua, Pacific Hydrotech, GSE Construction and Kiewit. Caliagua's bid package was deemed non-responsive based on their failure to meet the requirements to have at least three projects in the last five years for public contract experience in the State of California for water Treatment Plant Projects and to list completed projects within the last five years which are similar enough to demonstrate Bidder's ability to perform the required Work. Caliagua submitted bid protest letters on June 4 and 7, 2021. A response was provided by CDA's legal counsel on June 11, 2021, substantiating the finding of non-responsiveness. The second apparent low bid was from Pacific Hydrotech, and their bid package was reviewed and determined to be responsive. CDA's current allocated project budget has a shortfall for its portion of the project in the amount of \$677,000 that will be funded from CDA's reserve and reimbursed in FY21/22. Director Rogers/City of Chino Hills called for public comments; James Jenkins, San Bernardino County Department of Airports spoke in support of staff's recommendations.

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

Motion carried:

Ayes: Eunice Ulloa, City of Chino
Peter Rogers, City of Chino Hills
Greg Newton, City of Norco
Jim Bowman, City of Ontario
Vicki Rupe, Santa River Water Company
Ken McLaughlin, Jurupa Community Services District

Noes: None

Abstain: Gracie Torres, Western Municipal Water District

8. CHINO I DESALTER VOC TREATMENT FACILITIES PROJECT: CONSULTANT SELECTION FOR CONSTRUCTION MANAGEMENT & INSPECTION

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

Staff Recommendation:

1. Approve a professional services agreement with Butier Engineering, Inc. for construction management and inspection services in the not-to-exceed amount of \$687,131; and
2. Authorize the General Manager/CEO to finalize and execute the agreement, with subsequent authorizations up to a not-to-exceed total of \$760,000.

General Manager O'Neill reviewed the recommendation to award a professional services agreement with Butier Engineering, Inc. for construction management and inspection services for the Chino I Desalter VOC Treatment Facilities Project in the not-to-exceed amount of \$687,131. Proposals were publicly advertised via PlanetBids and five proposals were received on May 26, 2021 from TRC, Michael Baker International, MWH Constructors, Civiltec and Butier Engineering. The interview panel recommended selection of Butier for award of the contract. James Jenkins, San Bernardino County Department of Airports spoke in support of staff's recommendations.

Motion: It was moved by Director Ulloa/City of Chino and seconded by Director Bowman/City of Ontario to approve Action Item 8.

Motion carried:

Ayes: Eunice Ulloa, City of Chino
Peter Rogers, City of Chino Hills
Greg Newton, City of Norco
Jim Bowman, City of Ontario
Vicki Rupe, Santa River Water Company
Gracie Torres, Western Municipal Water District
Ken McLaughlin, Jurupa Community Services District

Noes: None

Absent: None

9. PROFESSIONAL SERVICES AGREEMENT FOR ON-CALL SUPPORT SERVICES FOR CONCENTRATE REDUCTION FACILITY OPERATIONS

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

Staff Recommendation:

1. Approve a Professional Services Agreement with Carollo Engineers, Inc., in the not-to-exceed amount of \$100,000 for concentrate reduction facility operations support services for FY 2021/22; and
2. Authorize the General Manager/CEO to finalize and execute the agreement and approve up to \$100,000 in authorized expenditures.

General Manager O'Neill reviewed the recommendation to award a Professional Services Agreement with Carollo Engineers, Inc., in the not-to-exceed amount of \$100,000 for concentrate reduction facility operations support services for FY 2021/22. In FY 2020/21, Carollo Engineers, Inc. (Carollo), was contracted to provide operational support for staff in optimizing CRF operations. Carollo's scope of work for FY 2020/21 included project management, operations assessment services and to develop a training program for current and future operators. Carollo's FY 2021/22 proposed scope of work for support services includes Project Management and Operations Assessment Services.

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

Motion carried:

Ayes: Eunice Ulloa, City of Chino
Peter Rogers, City of Chino Hills
Greg Newton, City of Norco
Jim Bowman, City of Ontario
Vicki Rupe, Santa River Water Company
Gracie Torres, Western Municipal Water District
Ken McLaughlin, Jurupa Community Services District

Noes: None

Absent: None

10. SOUTH ARCHIBALD PLUME PROJECT: AMENDMENT 9 TO WEBB'S AGREEMENT FOR DESIGN OF CHINO II WELL FIELDS SYSTEM EXPANSION PIPELINES

Report By: Cindy Miller, South Archibald Plume Program Manager

Staff Recommendation:

1. Approve an amendment to the professional services agreement with Albert A. Webb Associates for engineering design services in the not-to-exceed amount of \$15,903; and
2. Authorize the General Manager/CEO to finalize and execute the amendment, with subsequent authorizations up to a not-to-exceed total of \$1,173,903.

Program Manager Miller reviewed the recommendation to approve Amendment 9 to the Professional Services Agreement with Albert A. Webb Associates for engineering design services for Design of Chino II Well Fields System Expansion Pipelines Project in the not-to-exceed amount of \$15,903. Additional tasks were identified to complete the project which included design and permit coordination of the Well II-6 connection and additional engineering for construction support including design plans for alignment changes in Eastvale, permit coordination with JCSD and City of Eastvale, and additional submittal reviews and RFIs. The total amount of Amendment No. 9 is \$31,730, for a total contract amount of \$1,163,903, which requires approval of \$15,903 above the previous authorization limit.

Motion: It was moved by Director Ulloa/City of Chino and seconded by Director Bowman/City of Ontario to approve Action Item 10.

Motion carried:

Ayes: Eunice Ulloa, City of Chino
Peter Rogers, City of Chino Hills
Greg Newton, City of Norco
Jim Bowman, City of Ontario
Vicki Rupe, Santa River Water Company
Gracie Torres, Western Municipal Water District
Ken McLaughlin, Jurupa Community Services District

Noes: None

Absent: None

11. CHINO BASIN DESALTER AUTHORITY WATER SHORTAGE CONTINGENCY PLAN 2020

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

Staff Recommendation:

1. Approve Resolution No. 2021-05 adopting the 2020 Water Shortage Contingency Plan (WSCP).

General Manager O'Neill reviewed the recommendation to approve a resolution adopting the 2020 Water Shortage Contingency Plan. He reviewed that the CDA Board approved Resolution No. 2021-04 adopting the Chino Basin Desalter Authority 2020 Urban Water Management Plan (UWMP) on June 3, 2021. The 2020 Water Shortage Contingency Plan (WSCP) is included in Chapter 8 of the 2020 UWMP, however the Water Code requires that the WSCP be treated as a standalone plan for adoption procedures, thus a separate resolution is required.

Motion: It was moved by Director Bowman/City of Ontario and seconded by Director Rogers/City of Chino Hills to approve Action Item 11.

Motion carried:

Ayes: Eunice Ulloa, City of Chino
Peter Rogers, City of Chino Hills
Greg Newton, City of Norco
Jim Bowman, City of Ontario
Vicki Rupe, Santa River Water Company
Gracie Torres, Western Municipal Water District
Ken McLaughlin, Jurupa Community Services District

Noes: None

Absent: None

INFORMATION ITEMS

12. UPDATE ON PFOS/PFAS SAMPLING ON CDA WELLS

Report By: Nicole Blute, Ph.D., PE, Hazen & Sawyer

Nicole Blute, Hazen and Sawyer, reported on PFAS concentrations in the CDA groundwater supplies and impacts of regulations. Similar trends were observed in the 2021 sampling as in the 1029 and 2020 samples and quarterly sampling will continue, as required by DDW. The proposed treatment system at Chino I will remove compounds from contaminated CDA Wells I-1 through I-4, I-16 through I-18 and 10 County Wells. Wells II-6, II-7 and II-8 are currently being connected to the VOC raw water pipeline to direct flow to RO treatment.

13. QUARTERLY OPERATIONS REPORT

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

General Manager O'Neill reviewed product water deliveries at 99.8% of entitlements as of the end of May 2021. He provided updated production numbers through the end of June, at 35,475 AF, with goal for fiscal year being 35,200. He reviewed plant production, nitrate and TDS levels and Brine Line Discharge. Well I-13 is out of service for rehabilitation and I-1, I-2, I-3 and I-17 remain offline due to high levels of 1,23-TCP and Wells II-6 and II-10 were returned to service. There were no questions or comments.

14. QUARTERLY SOUTH ARCHIBALD PLUME REPORT

Report By: Cindy Miller, Hazen & Sawyer, South Archibald Plume Program Manager

Program Manager Miller reviewed the progress of project components of the South Archibald Plume Project, expected to be complete August 2021. Production Well II-12 drilling is complete; well equipping is underway and is currently estimated to be complete August 2021. Monitoring Wells MW-II-3, MW-II-4, and MW-II-5 have been completed. Program Manager Miller reported on the Raw Water Transmission pipeline, reporting that installation via trenchless jack-and-bore method at the intersection of Hamner and Bellegrave in the City of Eastvale has been completed, as well as the installation at Wineville and Bellegrave in Jurupa Valley and the pressure relief pipeline and valve vault at Chino II Desalter. The Chino II Decarbonator Project is expected to be complete June 2021. Program Manager Miller reviewed project costs and grant funding for the project. There were no questions or comments.

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 commended Operations Staff at Chino I and Chino II plants for their efforts and hard work to meet production goals this year.

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).

- 7. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:
CONSIDERATION OF INITIATION OF LITIGATION PURSUANT TO GOVERNMENT
CODE SECTION 54956.9(D)(4)
(TWO POTENTIAL CASES)**
- 8. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:
SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO GOVERNMENT CODE
SECTION 54956.9(D)(2)
(TWO POTENTIAL CASES)**

The Board did not enter into Closed Session.

DIRECTOR COMMENTS

There were no comments.

ADJOURN

The meeting was adjourned at 3:03 p.m.



Secretary of the Board of Directors