

Approved September 9, 2020

**EAST VALLEY WATER DISTRICT
REGULAR BOARD MEETING
VIA TELECONFERENCE**

August 12, 2020

MINUTES

The Chairman of the Board called the meeting to order at 5:30 p.m. Vice Chairman Goodrich led the flag salute.

PRESENT: Directors: Carrillo, Coats, Goodrich, Morales, Smith

ABSENT: None

STAFF: John Mura, General Manager/CEO; Brian Tompkins, Chief Financial Officer; Jeff Noelte, Director of Engineering and Operations; Kelly Malloy, Director of Strategic Services; Justine Hendricksen, District Clerk; Shayla Antrim, Sr. Administrative Assistant

LEGAL COUNSEL: Jean Cihigoyenetché

GUEST(s): Members of the public

PUBLIC COMMENTS

Chairman Smith declared the public participation section of the meeting open at 5:33 p.m.

There being no written or verbal comments, the public participation section was closed.

APPROVAL OF AGENDA

M/S/C (Carrillo-Goodrich) by unanimous roll call vote that the August 12, 2020 agenda be approved as submitted.

DIRECTORS' FEES AND EXPENSES FOR JULY 2020

M/S/C (Morales-Goodrich) by unanimous roll call vote that the Board approve the Directors' fees and expenses for July 2020 as submitted.

APPROVE THE JUNE 10, 2020 REGULAR BOARD MEETING MINUTES

M/S/C (Coats-Goodrich) by roll call vote that the Board approve the June 10, 2020 regular board meeting minutes as submitted.

AYES: Directors: Carrillo, Coats, Goodrich, Smith

NOES: None

ABSTAIN: Director Morales

ABSENT: None

UPDATE ON PLANT 134 GRANULAR ACTIVATED CARBON (GAC) PROCESS IMPROVEMENTS

The Director of Engineering and Operations provided an update on the Plant 134 Total Trihalomethanes (TTHM) exceedance event that occurred in 2017. He stated that five commitments to reduce or eliminate the risk of a similar exceedance have been completed to date. That two more complex commitments remain: The Upper Zone Pipeline, and GAC at Plant 134. That the District is moving forward this fiscal year with installation of GAC at Plant 134, which may be sufficient to mitigate future potential for a TTHM exceedance, eliminating the need for the Upper Zone Pipeline. That in an effort to be stewards of our ratepayers while maintaining the District's commitment to water quality, construction of the \$4 million project has been placed on hold until the benefits of the GAC are confirmed.

The Director of Engineering and Operations stated that the design-build project delivery method has been selected for GAC at Plant 134. That staff issued a Request for Qualifications (RFQ) in June, and six Statements of Qualifications (SOQs) were received on July 30, 2020. That an evaluation committee is currently reviewing the SOQs to determine which firms will be invited to submit a proposal for design-build services. The District has familiarity with the GAC treatment process since it is currently being used at Plant 28 to treat groundwater.

For information only.

UPDATE ON PLANT 134 SLUDGE MANAGEMENT EVALUATION

The Director of Engineering and Operations provided information on the Plant 134 Upgrade and Expansion project that was completed in July 2013. He stated that no modifications were done to the sludge handling system. That operational experience suggests the existing lagoon system will not be able to process the waste solids in a sustainable fashion when the plant flows approach the design capacity of the membrane system of 8 MGD.

The Director of Engineering and Operations reviewed the scope of work HDR Engineering proposed to the District in June 2019 to evaluate alternatives for improving the sludge management system at Plant 134. He stated that the COVID-19 pandemic led to the suspension of services by equipment vendors to evaluate sludge samples; therefore, the evaluation had to rely upon data based on HDR's experience with similar projects and

data from water industry publications. That knowledge gained from the sludge management evaluation will assist in determining how the project can be integrated into the District's Capital Improvement Program. That in the near-term, Engineering and Operations staff will be collaborating on tests to evaluate the effectiveness of relatively simple modifications on the performance of the existing lagoon system.

For information only.

BOARD OF DIRECTORS' REPORTS

Director Carrillo reported that on August 7 he discussed District business with the General Manager/CEO.

Director Morales reported on the following: August 3 he participated in the Association of California Water Agencies State Legislative Committee where they discussed AB-3030; August 4 he discussed District business with the General Manager/CEO; August 11 he participated in the San Bernardino Board of Water Commissioners meeting where they discussed the detachment of their sewer system from East Valley Water District; and August 11 he participated in the Finance & Human Resources Committee meeting where they discussed updates to the Debt Management Policy and he received a presentation from the District's Bond Counsel.

Director Coats reported on the following: July 28 he participated in the Highland Chamber of Commerce monthly meeting where speakers from Redlands Community Hospital discussed the pandemic; July 29 he participated in the Inland Empire Economic Partnership meeting where a graduation ceremony was held for those that participated in the Leadership Academy; August 4 he participated in the San Bernardino Valley Municipal Water District Board meeting; and August 5 he participated in the San Bernardino Valley Municipal Water District Special Board meeting.

Vice Chairman Goodrich reported on the following: August 6 he met with the General Manager/CEO to review the agenda; August 7 he received an update on SNRC construction and permitting from the General Manager/CEO; and August 11 he participated in the Finance & Human Resources Committee meeting

Chairman Smith reported on the following: August 6 he met with the General Manager/CEO to review the agenda; August 7 he received an update on SNRC construction and permitting from the General Manager/CEO; and August 12 he participated in the San Bernardino Valley Water Conservation District Board meeting.

Information only.

GENERAL MANAGER/CEO REPORT

The General Manager/CEO provided an election update: candidate filing ended last Friday, six individuals filed papers, and staff will be contacting candidates to schedule candidate orientations.

The General Manager/CEO provided information on upcoming events:

- On August 14, District staff will present during two sessions of the Southern California Annual Water Conference hosted by the Building Industry Association.
- August 14 District staff will be participating in a conference call with the Inland Empire Economic Partnership.
- September 22 District staff and Chairman Smith will provide a District update and highlights of the SNRC to the Highland Chamber of Commerce.

The General Manager/CEO provided an estimated financing schedule for 2020:

August 12 - Staff completed financial data for preliminary official statement

August 18 - Rating agency presentation from Standard & Poors

August 25 - Receive credit rating

August 26 - Board meeting to consider approval of legal documents, preliminary official statement and revised debt management policy

August 27 - Post preliminary official statement

September 3 - Bond pricing

September 10 - Bond sale closing

He thanked the public for their continued support during these try times and for participating in the District's teleconferencing meetings and stated that meetings will be held via teleconference until further notice.

Information only.

LEGAL COUNSEL REPORT

No report at this time.

BOARD OF DIRECTORS' COMMENTS

Director Carrillo thanked Ms. Malloy and Mr. Noelte for presenting this Friday at the San Bernardino Annual Water Conference. He stated that this will be a great opportunity for the District.


Chairman Smith thanked Mr. Noelte for his presentation.
Information only.

ADJOURN

Chairman Smith adjourned the meeting at 6:17 p.m.



John Mura, Secretary



David E. Smith, Board President