

**MINUTES OF A REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF  
THE INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY (IERCA)  
FEBRUARY 3, 2020  
10:00 A.M.**

**DIRECTORS PRESENT:**

Paul Hofer, Chairperson  
Jon Blickenstaff, Vice Chairperson  
Shivaji Deshmukh, Director  
Robert Ferrante, Director  
Michael Camacho, Director

**DIRECTORS ABSENT:**

Margaret Finlay, Director

**OTHERS PRESENT:**

Jeff Ziegenbein, Project Manager, IERCA  
Ann Heil, Assistant Project Manager, IERCA  
Christina Valencia, Treasurer, IERCA  
Marty Cihigoyenette, General Counsel  
Randy Lee, Executive Manager of Operations/AGM, IEUA  
Warren Green, Manager of Contracts Procurement and Risk Services  
Matt Bao, Supervising Engineer, Reuse and Compliance, SDLAC  
Teresa Velarde, Manager of Internal Audit, IEUA  
James Spears, Associate Engineer, IEUA  
Victoria Stone, Recording Secretary, IERCA

A regular meeting of the Board of Directors of the IERCA was held at the Inland Empire Regional Composting Facility (IERCF) administrative building located at 12645 Sixth Street, Rancho Cucamonga, CA, on the above date.

Chairperson Hofer called the meeting to order at 10:00 a.m. and he led the pledge of allegiance to the flag. A quorum was present.

**INTRODUCTIONS**

Chairperson Hofer stated that members of the public may address the Board. There were no persons desiring to address the Board of Directors.

Chairperson Hofer asked if there were any changes, additions, and or deletions to the agenda. There were no changes/additions/deletions to the agenda.

Chairperson Hofer thanked the board for their confidence in him over this past year. However, he is not seeking re-election. Chairperson Hofer then turned the meeting over to General Counsel who opened the floor for nominations.

**ELECTION OF OFFICERS**

Mr. Cihigoyenette, General Counsel stated that it is time to fill the positions of Chairperson and Vice Chairperson for the IERCA Board. Mr. Cihigoyenette opened the floor for nominations. Director Hofer stated that he would like to nominate Director Blickenstaff as Board Chairperson. Director Blickenstaff accepted this nomination and thanked the Board. Director Blickenstaff nominated Director Camacho as Vice Chairperson. Director Camacho accepted this nomination and thanked the Board.

Upon motion by Director Ferrante, seconded by Director Hofer the motion carried:

**M2020-2-1**  
The Board:  
  
Elected Blickenstaff as Chairperson of the Board; and  
  
Elected Camacho as Vice Chairperson of the Board.

With the following roll call vote:

Ayes: Blickenstaff, Camacho, Ferrante, Hofer, Deshmukh  
Noes: None  
Absent: Finlay  
Abstain: None

Chairperson Hofer asked Vice Chairperson Blickenstaff to continue with conducting this meeting.

**CONSENT CALENDAR**

Upon motion by Chairperson Blickenstaff, seconded by Vice Chairperson Camacho the motion carried:

**M2020-2-2**  
The Board:  
Approved the Consent Calendar:  
  
1. Minutes from the November 4, 2019, regular meeting of the Board of Directors.  
  
2. Investment and Disbursement Report as submitted.

**ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Christina Valencia, IERCA Treasurer, presented the Annual Financial Report for fiscal year ended June 30, 2019. She reviewed the highlights stating that total revenue in Fiscal Year (FY) 2018/19 had a slight increase to \$9.0 million from \$8.7 million reported in the prior fiscal year. She further stated that total expenses of \$11.0 million reported an increase of \$0.4 million and depreciation of \$0.5 million which is offset by decrease in the non-operating expense of \$0.2 million. The total ending net position decreased by \$1.9 million to \$85.2 million as of June 30, 2019, of which approximately \$81.3 million has been invested in capital assets. The remaining \$3.9 million is working capital designated to support operating contingencies, self-insurance liability costs, and capital replacement and construction investment. No call was made against the \$1,000,000 capital call budget in FY 2018/19.

Upon motion by Director Deshmukh, seconded by Director Hofer, the motion carried:

**M2020-2-3**  
The Board:  
  
Approved the Annual Financial Report for the Fiscal Year ended June 30, 2019, as presented; and Direct staff to distribute the report as appropriate to the various federal, state and local agencies, financial institutions, and other interested parties.

**ADOPTION OF DEPOSITORY AGREEMENT AND INVESTMENT FUND SIGNATORY RESOLUTIONS**

Ms. Valencia presented the Authority’s signatory resolutions by designating new signatories namely, Jeffrey R. Ziegenbein, Project Manager, and Jesse Pompa, Deputy Manager of Grants and eliminating Tina Y. Cheng, Budget Officer who retired on January 30, 2020 from the Inland Empire Utilities Agency.

Upon motion by Director Ferrante seconded by Director Hofer, the motion carried:

<p style="text-align: center;"><b>M2020-2-4</b></p> <p>The Board:</p> <ol style="list-style-type: none"><li>1. Adopted Resolution No. 2020-2-1, authorizing and designating signatories for depository agreement, depository cards, deposits, transfers, checks, and withdrawal of funds;</li><li>2. Adopted Resolution No. 2020-2-2, authorizing participation in the Local Agency Investment Fund and designating signatories for the deposit and withdrawal of funds; and</li><li>3. Adopted Resolution No. 2020-2-3, authorizing participation in the Los Angeles County Pooled Surplus Investment Fund and designating signatories for the deposit and withdrawal of funds.</li></ol>
--

**PROJECT MANAGER’S REPORT**

Mr. Ziegenbein presented the Project Manager’s report stating that there was a lost time injury. He said a Compost Operator fell and injured his knee which resulted in knee surgery. The Operator is currently out on worker’s compensation leave. Mr. Ziegenbein went on to report that staff maintained full throughput with no environmental compliance issues. He further stated that the facility painting project is in process and it is expected to be completed by the end of February. The project includes paint to the exterior of the tilt-up building, the entire administration building interior and exterior, facility piping and bollards as well as the interior of the operations and maintenance areas. Mr. Ziegenbein went on to report that the maintenance team has started testing a new product which can protect and repair both mechanical and structural components within the IERCF responding to corrosion and other issues at the facility. Mr. Ziegenbein went on to update the Board on the progress of the Compost Research Intern program, a partnership between IERCA and the Chino Basin Water Conservation District. He stated that there are two potential candidates and that they are anticipating the research to begin in February 2020. He further stated that he will update the Board on the status at the next Board meeting.

**CAPITAL PROJECTS UPDATE**

Mr. Ziegenbein introduced James Spears, Associate Engineer, IEUA, who updated the Board on the Screening Plant No. 1 Replacement project. Mr. Spears stated that the screen is fully installed, however the infeed conveyor has been failing and the contractor will be replacing this conveyor with a new rock quarry-rated conveyor. Mr. Spears went on to state that the second project he is working on is the Ductwork Work Replacement project in the screening area. He stated that the work was completed in early December, and that the new system is currently operational with the slide gates and curtains minimizing dust in this area. The Board requested that staff provide a mid-meeting update to inform the Board about progress on screen reliability.

**TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE QUARTER ENDED DECEMBER 31, 2019**

Ms. Valencia presented the Treasurer's Report of Financial Affairs for the quarter ended December 31, 2019. She stated that the Authority's investment portfolio average rate of return for December 2019 shows a decrease of \$410,789 when compared to the September balance of \$4,364,323. The decrease was mainly due to higher cash outflow for operating and administrative expenses. Ms. Valencia also stated that the Interest earnings on the investment portfolio totaled \$22,903 for the fiscal year through December 2019.

**PROPERTY INSURANCE**

Mr. Ziegenbein presented the property Insurance update stating that both IEUA and LACSD staff continue to seek the best value premiums for reasonable asset coverage. He further stated that the insurance broker will be visiting the facility in mid-March for a tour.

**DIRECTORS' COMMENTS**

None.

With no further business, Chairperson Blickenstaff adjourned the meeting at 10:55 a.m.

---

Victoria Stone, Recording Secretary  
**APPROVED: May 4, 2020**