

**A REGULAR MEETING
OF THE
SAN GABRIEL BASIN WATER QUALITY AUTHORITY
MARCH 20, 2019 AT 12:00 P.M.**

CALL TO ORDER	Mr. Marquez called the regular meeting of the San Gabriel Basin Water Quality Authority to order and reviewed the actions anticipated on the agenda for the meeting.
ROLL CALL OF BOARD MEMBERS	Jorge Marquez, Bob Kuhn, Tim Miller, Valerie Munoz, Mark Paulson and Al Contreras (alternate)
BOARD MEMBERS ABSENT	Mike Whitehead and Ed Chavez
STAFF MEMBERS PRESENT	Randy Schoellerman, Assistant Executive Director/Senior Engineer; Mary Saenz, Director of Finance; Stephanie Moreno, Executive Assistant/Outreach Coordinator; Michelle Sanchez, Admin/Accounting Assistant; Dan Colby; Project Resource Manager; Richard Padilla, Legal Counsel
MEMBERS OF THE PUBLIC PRESENT	David Muse, Valley County Water District; Shauna Racicot, California American Water
PUBLIC COMMENT	None.
ITEMS TOO LATE TO BE AGENDIZED	None.
CONSENT CALENDAR	Mr. Miller moved to approve the consent calendar. Mr. Paulson seconded the motion and it was unanimously approved.
OTHER ACTION/INFORMATION ITEMS	
<i>Review of Draft Budget for Fiscal Year 2019/2020</i>	Ms. Saenz reported that at the February's Administrative/Finance Committee meeting the committee discussed an increase to the assessment from \$10 per acre foot to either \$12, \$13 or \$14 per acre foot. She indicated that there are a total of 197,610 acre feet of prescriptive pumping rights in the Basin, so the potential assessment increases will raise annual assessment funding by \$395,220, \$592,830 or \$790,440, respectively. She also reported the need for the increase is largely driven by the availability of Proposition 1 funding which requires 10 percent to 50 percent in matching funds from the WQA.

Mr. Kuhn commented that he would not be in favor of increasing the assessment to \$14 and would be in favor of an increase to \$12 considering other areas that will also suffer from increases such as fire and health insurance.

Mr. Contreras questioned if we were getting all we could from the responsible parties.

Mr. Schoellerman indicated that PRPs are paying a substantial portion of the overall cleanup.

Ms. Saenz reported that the first draft of the budget would be presented at the April 9, 2019 budget workshop.

***Discussion/Action Regarding
Draft 404 Status Report for March
2019***

Mr. Schoellerman reported that in 2007, legislation created Chapter 404, Statutes of 2007 (AB1010, Hernandez) added Section 711 to the WQA statutes. Under this section, the WQA is required to provide a status report semi-annually on its activities undertaken pursuant to the §406 plan. As such, much of the information provided in this status report is already available in the §406 plan. This report to the State Water Resources Control Board and the Los Angeles Regional Water Quality Control Board is due March 31, 2019 and is prepared to comply with Section 711 for WQA activities through December 31, 2018. He highlighted the minor changes made to the status report.

He noted that this could be the final stand-alone 404 Status Report if SB413 passes later this year. The legislation allows WQA to combine the 404 Status Report with the annual 406 Plan update.

After brief discussion, Mr. Kuhn moved to approve the Draft 404 Status Report for March 2019. Mr. Contreras seconded the motion and it was unanimously approved.

***Discussion/Action Regarding
Board of Directors Cost of Living
Adjustment ("COLA") for Fiscal
Year 2019/2020***

Mr. Schoellerman reported that WQA Procedure No. 23 provides that each Board Member receive a daily stipend for services rendered for WQA. Under subsection H of the procedure, the Board may increase the Daily Stipend by an amount equal to the lesser of 5% or the percentage increase in the annual Consumer Price Index for All Urban Consumers ("CPI-U"), Los Angeles-Long Beach-Anaheim area. He noted that the CPI for January 2019 is 3.2% and increasing Board Member compensation by this amount would comply with the requirements of WQA Procedure No. 23 and the CA Water Code by the not exceeding the 5% limitation. Lastly he noted that should the Board elect to increase the compensation the rate would increase to \$154.21 from \$149.43. A Board action would be necessary only to approve the increase.

After some discussion, the Board decided to not take any action on this item and to not increase the daily stipend.

***Discussion/Action Regarding
Contract with Kadesh &
Associates for Federal Advocacy
Services***

Mr. Schoellerman reported that in February, Mr. Manning and Mr. Monares spent two full days in Washington, D.C. with the Blue Water Strategies principals visiting members of Congress and the Senate. After this trip it became clear that Blue Water Strategies firm was not the best fit for WQA. Therefore, staff had recommended the Chairman select an ad hoc committee to work with staff to review alternatives and make a recommendation to the board.

Mr. Schoellerman indicated that an ad hoc Committee of the Mr. Marquez, Ms. Munoz and Mr. Whitehead met on February 14, 2019 and interviewed Mark Kadesh of Kadesh & Associates, LLC. The ad hoc committee was recommending that the board retain Kadesh & Associates as WQA's representative in Washington, D.C. and let the current Blue Water Strategies contract expire June 30, 2019.

Ms. Munoz commented that she was comfortable with retaining Kadesh & Associates, LLC.

Mr. Marquez commented that he knew the staff and was very confident with retaining Kadesh & Associates, LLC.

Mr. Kuhn noted he was not opposed to hiring Kadesh & Associates. However, with no commitments from legislators to prioritize WQA's funding request he was uncomfortable with the timing of hiring another federal consultant now. He asked if there was any way that WQA could retain Kadesh & Associates, LLC on a month to month basis.

Mr. Monares reported that there was a 30-day "out" clause in the agreement if the WQA decided to terminate the agreement.

Mr. Miller commented that he would like staff to work with WQA's attorney to review the contract with Blue Water Strategies. He preferred to end their contract prior to June 30, 2019.

After detailed discussion, Ms. Munoz moved to authorize staff to retain the federal representation services of Kadesh & Associates, LLC with a retainer of \$15,000 per month and have staff work with Mr. Padilla to review the Blue Water contract for early termination. Mr. Paulson seconded the motion and it was approved by the following vote:

AYES: MARQUEZ, MILLER, PAULSON, MUNOZ

NO: KUHN AND CONTRERAS

ENGINEER'S REPORT

Mr. Schoellerman reported that a project committee meeting for the El Monte Operable Unit was held the previous day.

ATTORNEY'S REPORT

None.

EXECUTIVE DIRECTOR'S REPORT

Mr. Schoellerman reported that Mr. Manning along with Ms. Munoz gave a presentation to the South El Monte City Council. He noted that staff continued to work on SB 413 the bill to amend the WQA's election cycle. He also noted that there was a bill regarding the expansion of the boundaries of the San Gabriel Valley Monument and that staff would bring it to the next Legislative/Public Information committee to review. He lastly noted that staff gave both Senator Susan Rubio and Assemblywoman Blanca Rubio a briefing which included a tour of the San Gabriel Valley Water Company's B6 treatment facility.

FUTURE AGENDA ITEMS

None.

FUTURE BOARD AND COMMITTEE MEETINGS

The next Administrative/Finance Committee meeting will be held on Tuesday, March 12, 2019 at 10:00 A.M. at WQA

The next Engineering Committee meeting will be held on Tuesday, March 12, 2019 at 11A.M.

The next Legislative/Public Information Committee meeting will be held on Wednesday, March 13, 2019 at 11:00 A.M. at WQA

The next WQA Board meeting will be held on Wednesday, March 20, 2019 at 12:00 P.M. at WQA

BOARD MEMBERS' COMMENTS/ REPORTS

Mr. Contreras wanted clarification regard WQA's federal representation. He asked if the WQA would be paying for two federal lobbyists for a couple of months since the WQA was currently in a contract with the Blue Water Strategies Group.

Mr. Schoellerman responded and said yes, the contract with the Blue Water Strategies Group would not end until June 30, 2019.

Ms. Munoz reported that she took a tour of the La Puente Valley Water District and commended Mr. Manning on his presentation to the South El Monte city council.

Mr. Miller introduced Shana ----- from California American Water who was sitting in the audience.

Mr. Marquez reported that he would be attending the City of Alhambra council meeting to make a presentation to their council.

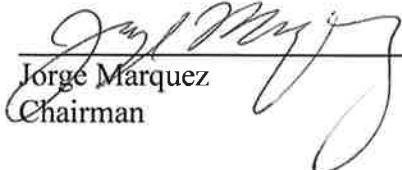
CLOSED SESSION

A closed session was not held.

ADJOURNMENT

The Chairman asked if there were any other items of business to come before the Board. There being none, the meeting was

adjourned to March 20, 2019.



Jorge Marquez
Chairman



Valerie Munoz
Secretary