

**SAN GABRIEL BASIN WATER QUALITY AUTHORITY
ADMINISTRATIVE/FINANCE COMMITTEE AND
SPECIAL MEETING OF THE BOARD OF DIRECTORS
APRIL 9, 2019 AT 10:00 A.M.**

CALL TO ORDER

Mr. Kuhn 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.

**COMMITTEE MEMBERS
PRESENT**

Bob Kuhn and Tim Miller

WATERMASTER LIASON

Dave Michalko

**COMMITTEE MEMBERS
ABSENT**

Mike Whitehead and Mark Paulson

**OTHER BOARD MEMBERS
PRESENT**

None.

STAFF MEMBERS PRESENT

Ken Manning, Executive Director; Randy Schoellerman, Assistant Executive/Senior Engineer; Stephanie Moreno, Executive Assistant/Public Outreach Coordinator; Mary Saenz, Director of Finance; Michelle Sanchez, Accounting Assistant; Dan Colby, Project Resource Manager

**MEMBERS OF THE PUBLIC
PRESENT**

Lynda Noriega, California Domestic Water Company; Jared Macias, City of Alhambra; Jazmine Lopez, Valley County Water District

PUBLIC COMMENT

None.

***Budget Workshop for Fiscal Year
2019/2020***

Ms. Saenz gave an overview of the draft budget for 2019/2020 and reviewed project costs, revenues and assessment reserves. She reported that under the WQA enabling act there is the ability to impose a maximum assessment of \$10/acre foot. She noted that under section 608 of the act there is an annual CPI adjustment which if applied the maximum assessment for fiscal year could be \$14.13/acre foot. She reported that as discussed at the March 20th Board meeting WQA is proposing an increase to the assessment from \$10 per acre foot to \$12 per acre foot of prescriptive pumping rights. She pointed out there are a total of 197,610 acre feet of prescriptive pumping rights in the Basin, so the assessment increase will raise annual assessment funding by \$395,220 for FY 19/20. She indicated that 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. She reviewed the costs

funded by assessments and the increased use of assessment dollars for project costs and noted that implementing these projects will require annual additional assessments ranging from \$235K to \$650K per year, and \$2.5M over all for the next 5 years. Lastly, she reviewed the project cost allocations and how the costs are divided among all of the operable units. She noted that there would be a public hearing and workshop scheduled for the April 17th Board meeting with the anticipation of adopting the budget on May 22nd.

Mr. Kuhn requested that Ms. Saenz provide a breakdown of the costs related to the Government Relations line item in her future presentations on the budget.

Mr. Miller asked if staff has considered any other federal funding strategy beyond the Restoration Funds such as EPA Superfund grants. He also requested that staff provide a cost/acre foot for treated water for each project. He indicated it might provide a different look and assist when talking to legislators.

Mr. Manning indicated that staff has looked into other federal funding opportunities, including EPA. He noted that staff would specifically look at the available EPA Superfund grants again.

Mr. Macias questioned what the motivation was for WQA to partner with the Regional Board for site remediation.

Mr. Manning explained that working with the Regional Board on site remediation is part of WQA's mission. However, WQA prioritized groundwater remediation early on and is now assisting with source remediation.

Mr. Kuhn encouraged everyone to attend the next WQA Board meeting to share these comments with the entire Board. He indicated that this type of dialogue would be educational for all involved.

***Report on Cash and Investments
for 1st Quarter 2019***

Mr. Manning reported that the quarterly report on cash and investments was enclosed with the agenda packet for review.

**EXECUTIVE DIRECTOR'S
REPORT**

Mr. Manning reported that SB 413 has made it through two committees and was set to go to the Appropriations. He commended Mr. Schoellerman for his work and testimony at the hearings while he was on vacation. He noted that he would be giving a presentation to the San Gabriel Valley Water Association on April 22, 2019. Lastly he reported that he had a great time on his trip to South East Asia.

ADJOURNMENT

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


Chairman


Secretary