

**A REGULAR MEETING
OF THE
SAN GABRIEL BASIN WATER QUALITY AUTHORITY
AT
1720 W. CAMERON AVENUE, SUITE 100
WEST COVINA, CALIFORNIA
WEDNESDAY, MARCH 20, 2019 AT 12:00 P.M.**

AGENDA

I. CALL TO ORDER **MARQUEZ**

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL OF BOARD/COMMITTEE MEMBERS **MORENO**

Jorge Marquez	_____	_____	(alt)
Bob Kuhn	_____	_____	(alt)
Tim Miller	_____	_____	(alt)
Valerie Munoz	_____	_____	(alt)
Mike Whitehead	_____	_____	(alt)
Mark Paulson	_____	_____	(alt)
Ed Chavez	_____	_____	(alt)

IV. PUBLIC COMMENTS (Agendized Matters Only): **MARQUEZ**

As provided under Government Code Section 54954.3, this time has been set aside for persons in the audience to provide comment or make inquiries on matters appearing on this Special Meeting agenda only. Please complete the appropriate request card and submit it to the Secretary, prior to the item being heard. A five-minute time limit on remarks is requested.

V. ITEMS TOO LATE TO BE AGENDIZED - Recommended Action: **MARQUEZ**

Approve motion determining need to take action on item(s) which arose subsequent to posting of the Agenda (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board or, if less than two-thirds of Board members are present, a unanimous vote)

VI. CONSENT CALENDAR **MARQUEZ**

(Consent items may all be approved by single motion) [enc]

- (a) Minutes for 2/20/19 Regular Board Meeting
- (b) Ratification of Demands D01496 – D01501
- (c) Ratification of EFT/ACH Board Payroll Fund
- (d) Demands on Administrative Fund
- (e) Demands on Project Fund

VII. ACTION/INFORMATION ITEMS

MARQUEZ

(These items may require action)

- (a) Review of Draft Budget for Fiscal Year 2019/2020 [enc]
- (b) Discussion/Action Regarding Draft 404 Status Report for March 2019 [enc]
- (c) Discussion/Action Regarding Board of Directors Cost of Living Adjustment (“COLA”) for Fiscal Year 2018-2019 [enc]
- (d) Discussion/Action Regarding Contract with Kadesh & Associates for Federal Advocacy Services [enc]

VIII. ENGINEER'S REPORT

SCHOELLERMAN

- (a) Project Updates:

	<u>Status</u>
1. Baldwin Park Operable Unit	
• Arrow/Lante Well (Subarea 1)	Operational
• Monrovia Wells	Operational
• SGVWC B6 Plant	Operational
• SGVWC B5 Plant	Operational
• CDWC Well No. 14	Operational
• La Puente Valley County Water District	Operational
2. El Monte Operable Unit	
• Eastern Shallow Zone	Operational
• Eastern Deep Zone	Operational
• GSWC Encinita Plant	Operational
• Western Shallow Zone	Operational
3. South El Monte Operable Unit	
• Whitmore Street. Ground Water Remediation Treatment Facility	Operational
• City of M.P. Well No. 5 VOC Treatment Facility	Operational
• City of M.P. Well No. 12 VOC Treatment Facility	Operational
• City of M.P. Well No. 15	Operational
• City of M.P. Well Nos. 1, 3, 10 VOC Treatment Facility	Operational
• GSWC Wells SG-1 & SG-2	Operational
• SGVWC Plant No. 8	Operational
4. Puente Valley Operable Unit	
• Shallow Zone	Design
• Deep Zone	Design
5. Area 3 Operable Unit	
• City of Alhambra Phase 1	Operational
• City of Alhambra Phase 2	Operational

IX. ATTORNEY'S REPORT	PADILLA
X. EXECUTIVE DIRECTOR'S REPORT	MANNING
XI. FUTURE AGENDA ITEMS	MARQUEZ
XII. INFORMATION ITEMS [enc]	MARQUEZ
(a) San Gabriel Basin Water Calendar	
XIII. FUTURE BOARD/COMMITTEE MEETINGS	MARQUEZ
(a) The next Administrative/Finance Committee meeting will be held on Tuesday, April 9, 2019 at 10:00 P.M. at WQA	
(b) The next Engineering Committee meeting will be held on Tuesday, April 9, 2019 at 11:00 A.M. at WQA	
(c) The next Legislative/Public Information Committee meeting will be held on Wednesday, April 10, 2019 at 11:00 A.M. at WQA	
(d) The next WQA Board meeting will be held on Wednesday, April 17, 2019 at 12:00 P.M. at WQA	
XIV. BOARD MEMBERS' COMMENTS/REPORTS	MARQUEZ
XV. ADJOURNMENT	MARQUEZ

Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection in the lobby of the Authority's business office located at 1720 W. Cameron Ave., Suite 100, West Covina, CA 91790, during regular business hours. When practical, these public records will also be made available on the Authority's internet web site, accessible at www.wqa.com.

DRAFT

A REGULAR MEETING OF THE SAN GABRIEL BASIN WATER QUALITY AUTHORITY FEBRUARY 20, 2018 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, Mike Whitehead and Ed Chavez

BOARD MEMBERS ABSENT

Mark Paulson

STAFF MEMBERS PRESENT

Ken Manning, Executive Director; 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

Brian Bowcock, Three Valleys MWD; Ben Tansey, Member of the Public

PUBLIC COMMENT

None.

ITEMS TOO LATE TO BE AGENDIZED

None.

CONSENT CALENDAR

Mr. Miller moved to approve the consent calendar. Mr. Kuhn seconded the motion and it was unanimously approved. Mr. Whitehead abstained from project demand No. E90598.

COMMITTEE REPORTS

Administrative/Finance Committee Report

Mr. Manning reported the minutes for the committee meeting were enclosed for review.

Discussion/Action Regarding Draft Audited Financial Statements for the Fiscal Year Ended June 30, 2018.

Ms. Saenz provided a brief presentation on the audited financial statements for the fiscal year ended June 30, 2018. She indicated that the auditors issued an unqualified clean opinion on the financial statements and there were no journal entries or significant deficiencies or material weaknesses. She noted that the required communications to the WQA Board regarding any serious issues with accounting records or processes was reviewed and no such matters were noted in this audit.

Ms. Munoz moved to approve the draft audit for the financial statements for fiscal year ended June 30, 2019. Mr. Kuhn seconded the motion and it was unanimously approved.

*Discussion/Action Regarding
Proposal for Audit Services*

Mr. Manning reported that WQA conducted a full RFP process in April 2016 to select an independent audit firm. This resulted in the Board of Directors approving a contract for audit services with Vasquez & Company LLP (Vasquez) for three years, which covered fiscal years of 2016, 2017 and 2018 at fixed fees of \$24,280, \$25,008 and \$25,758, respectively. He noted that the Government Finance Officers Association's (GFOA) recommended practice for audit procurement states an audit contract should be at least five years in duration when obtaining the services of independent auditors. Such multi-year agreements can take a variety of forms, including a series of single or multiple year agreements. He indicated that Vasquez has submitted an audit proposal for the next three fiscal years ending June 30 with the following proposed fixed fees:

- 2019 – \$25,758 (no increase from 2018)
- 2020 – \$26,531 (3% increase over 2019)
- 2021 - \$27,326 (3% increase over 2020)

He also noted that these fees include both a financial statement audit and a single audit of the WQA's federal awards. If a single audit is not required, the fees will be reduced accordingly. He lastly noted that given Vasquez's established knowledge of WQA's operations, the Finance staff would like to engage the firm for an additional three years. This would allow for greater continuity and help to minimize the potential for disruption in connection with the independent audit, plus bring WQA into conformity with the GFOA recommendation.

Mr. Kuhn, moved to approve the proposal from Vasquez & Company LLP for fiscal years 2019, 2020 and 2021. Mr. Miller seconded the motion and it was unanimously approved.

*Discussion/Action Regarding the
San Gabriel Valley Economic
Partnership Annual Membership*

Mr. Manning reported that WQA holds a Leader Level Membership with the annual renewal amount of \$20,000 which is discounted from the regular price of \$25,000. WQA's membership has been beneficial in putting WQA's issues out in front of the community by allowing the WQA to participate in local events with local and state legislators. It also gives the WQA a seat on the Board of the Directors.

Mr. Kuhn Moved to approve demand No. 7034 in the amount of \$20,000 for WQA's annual membership to the San Gabriel Valley Economic Partnership. Mr. Whitehead seconded the motion and it was unanimously approved.

Engineering Committee Report

Mr. Manning reported the minutes for the committee meeting were enclosed for review.

*Discussion/Action Regarding
Operation and Maintenance Task
Order for Avocet Environmental,
Inc.*

Mr. Manning reported that Avocet Environmental, Inc. (Avocet) has been operating and maintaining WQA's Whitmore Street Groundwater Remediation Facility (WSGRF) for the past 11 years and the current Task Order authorization concludes February 28, 2019. Staff is now recommending issuing a Task Order to Avocet to extend operation of the system for an additional year.

Ms. Munoz moved to approve a task order with Avocet Environmental, for an additional year of operation and maintenance of the Whitmore Street Groundwater Remediation Facility. Mr. Miller seconded the motion and it was unanimously approved.

*Discussion/Action Regarding
Stetson Engineers Task Order for
DDW Policy 97-005 Guidance
Manual*

Mr. Manning reported that staff participates in a working group organized by the Coalition for Environmental Protection, Restoration and Development to improve the implementation of the State Water Resources Control Board Department of Drinking Water's (DDW) Policy 97-005. The DDW policy describes how highly impaired sources of water can be permitted and used for drinking water. He noted that, the process has become lengthy and somewhat unpredictable, which can also increase costs substantially. With some of these issues in mind, the working group, which includes DDW, asked WQA to produce a guidance manual for both DDW staff and water purveyors to use. He indicated that to begin the next phase staff is recommending a Task Order not to exceed \$15,000 for Stetson Engineers to begin working on the 97-005 guidance manual itself using the previously completed outline as a reference. In addition, other members of the working group have made similar funding commitments that will assure completion of the guidance manual.

Mr. Whitehead commented that the producers in the San Gabriel Valley pioneered Policy 97-005 and that it was a groundbreaking policy.

After brief discussion, Mr. Kuhn moved to approve a task order not to exceed \$15,000 for Stetson Engineers to begin the full 97-005 guidance manual. Ms. Munoz seconded the motion and it was unanimously approved.

*Legislative/Public Information
Committee Report*

Mr. Manning reported the minutes for the committee meeting were enclosed for review.

**OTHER
ACTION/INFORMATION
ITEMS**

None.

ENGINEER'S REPORT

Mr. Schoellerman presented draft time lapse animations of the basin contamination plumes over the past decades that were completed by Wildermuth Environmental to demonstrate the

positive effect cleanup activities are having on the groundwater basin over time. He also reported that he was in the process of coordinating a presentation for the South El Monte city council at the request of Ms. Munoz.

ATTORNEY'S REPORT

None.

EXECUTIVE DIRECTOR'S REPORT

Mr. Manning reported that a tour has been scheduled for Senator Rubio and Assemblywoman Rubio on March 8, 2019 at 2 pm. He noted that the last Washington, D.C. trip laid the ground work and another trip may be necessary in April. He remained concerned about the status of WQA's Restoration Fund appropriations.

Mr. Whitehead commented that staff should assess the WQA's lobbying resources.

Mr. Marquez commented that he would like to appoint an ad Hoc committee to discuss the WQA's federal lobbyist. He appointed himself along with Mr. Whitehead and Ms. Munoz.

Mr. Manning also reported that Senator Rubio agreed to carry the bill that would include WQA's city council election amendments. He lastly reminded everyone that the ACWA Spring Conference was scheduled for May 6th through May 9th in Monterey, California.

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. Chavez reported that he son has taken a position as a staff member for Assemblyman James Ramos.

Ms. Munoz commented that she looked forward to continue updating the cities on the WQA activities.

Mr. Kuhn commented that he had a conflict with the next Legislative/Public Information Committee meeting in March.

Mr. Miller commented that the AWWA holds their DC Conference in April and to keep that in mind when scheduling

another trip back to meet with legislators. He also reported that he attended the Bear Flag Seminar in Sacramento.

Mr. Whitehead commended staff on their work for the good audit.

Mr. Marquez reported that he attended the City of Azusa council meeting and gave a brief presentation.

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

DRAFT

The following demands on the Administration Fund Account at Bank of the West are hereby submitted for ratification and payment.

Check No.	Payable to	Description	Amount
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Demands D01496 to D01501 and EFT/ACH Board Payroll Fund are hereby submitted for ratification.

D01496	Bob Kuhn	Board Member Compensation for February 2019		
		6 Days WQA Business	896.58	
		Meeting/Travel Expenses/Other	74.82	
		Less Deferred Compensation	(827.99)	
		Less Taxes Withheld	(68.59)	74.82
D01497	Michael Whitehead	Board Member Compensation for February 2019		
		3 Day WQA Business	448.29	
		Meeting/Travel Expenses/Other	0.00	
		Less Deferred Compensation	0.00	
		Less Taxes Withheld	(34.29)	414.00
D01498	Ed Chavez	Board Member Compensation for February 2019		
		6 Days WQA Business	896.58	
		Meeting/Travel Expenses/Other	0.00	
		Less Deferred Compensation	0.00	
		Less Taxes Withheld	(68.59)	827.99
D01499	Jorge Marquez	Board Member Compensation for February 2019		
		6 Days WQA Business	896.58	
		Meeting/Travel Expenses/Other	28.42	
		Less Deferred Compensation	0.00	
		Less Taxes Withheld	(400.33)	524.67
D01500	Valerie Munoz	Board Member Compensation for February 2019		
		5 Days WQA Business	747.15	
		Meeting/Travel Expenses/Other	25.52	
		Less Deferred Compensation	0.00	
		Less Taxes Withheld	(57.15)	715.52
D01501	Mark Paulson	Board Member Compensation for February 2019		
		1 Day WQA Business	149.43	
		Meeting/Travel Expenses/Other	14.38	
		Less Deferred Compensation	0.00	
		Less Taxes Withheld	(11.43)	152.38
EFT/ACH	SGBWQA - Board Payroll Fund	Replenish payroll fund for February 2019		
		Board Deferred Compensation-Lincoln Life	827.99	
		Board Payroll Taxes - Federal & State	949.02	1,777.01

Demands EFT/ACH (Payroll Fund and Revolving Fund) and 7035 to 7049 are hereby submitted for payment.

EFT/ACH	SGBWQA - Payroll Fund	Replenish payroll fund for February 2019		
		Staff Payroll		77,344.43
		Total replenishment to payroll fund		81,830.82
EFT/ACH	SGBWQA - Revolving Fund	Replenish revolving fund for 02/01/19 to 02/28/19 disbursements		
		Computer Systems O&M	284.99	
		Equipment Lease	411.72	
		Group Insurance	1,202.61	
		Meeting & Conferences	56.41	
		Misc. Office Expense	40.00	
		Office Supplies	202.24	
		Outside Services: Accounting	1,260.00	
		Outside Services: Computer Consultant	463.32	
		Printing and Mailing	1,292.13	
		Public Relations	427.94	
		Telephone Service	73.04	
		Travel & Mileage Reimbursement	103.77	
		Project Costs	1,671.18	7,489.35

DRAFT

The following demands on the Administration Fund Account at Bank of the West are hereby submitted for ratification and payment.

Check No.	Payable to	Description	Amount
7035	ACWA/JPIA	Invoice No. 601589, Medical and life insurance premiums for April 1, 2019 to May 1, 2019	9,368.33
7036	Accent Computer Solutions, Inc.	Professional IT services for February and March 2019 Invoice No. 125967 - February 2019 Invoice No. 126547 - March 2019	1,316.00 1,316.00 2,632.00
7037	ACI Consulting	Invoice No. 2019, Annual plan renewal for Sage 100	2,755.24
7038	Bank of America	Invoice No. '19-02Feb-KM', Credit Card Expenses incurred for 02/01/19 to 02/28/19 Travel & Mileage Meetings & Conferences Meetings & Conferences-SGVI	533.96 1,903.88 1,454.94 3,892.78
7039	Bank of America	Invoice No. '19-02Feb-RS', Credit Card Expenses incurred for 02/01/19 to 02/28/19 Internet Service Travel & Mileage Meetings & Conferences	29.95 247.01 154.00 430.96
7040	Bank of America	Invoice No. '19-01Jan-SM', Credit Card Expenses incurred for 01/01/19 to 01/31/19 Accounts Receivable-other Travel & Mileage Meetings & Conferences	4.71 55.93 16.05 76.69
7041	BlueWater Strategies, LLC	Invoice No. 3487, Professional consulting services for February 2019	10,221.90
7042	Civic Publications	Invoice No. 1498, Professional services for February 2019 - Community Profiles Magazine	17,000.00
7043	Emerald Isle	Invoice No. 76057, Plant Maintenance for March 2019	197.10
7044	The Gualco Group	Invoice No. '19-02Feb', Professional consulting services for February 2019	5,320.00
7045	The Monares Group, LLC	Invoice No. '19-04Apr', Professional consulting services for April 2019	16,000.00
7046	Nestle Pure Life Direct	Invoice No. 19B0013610332, for February 2019 services	17.74
7047	Olivarez Madruga Lemieux O'Neill, LLP	Invoice No. 6270, Professional legal services for January 2019	2,100.00
7048	Ruffle Properties, LLC	Office lease, CAM, and Storage for April 2019 Invoice No. '19-04Apr', Office lease Invoice No. '19-04Apr-CAM', Electricity charges Invoice No. '19-04Apr-Storage', Storage Room	6,646.40 643.20 150.00 7,439.60
7049	Wildermuth Environmental, Inc.	Invoice No. 2019033, Professional services for January 2019	24,817.40
TOTAL			191,589.91

mlb
3-13-19



Water Quality Authority

Board Member Per Diem

\$149.43 per meeting, 6 meeting maximum per month

Mileage Rate: \$0.58 per mile

(updated January 2019)

EXPENSE SHEET

NAME: Bob Kuhn

MONTH/YEAR: Feb-19

DATE	MEETING DESCRIPTION	Roundtrip Mileage	# of Days (not to exceed 6)	\$149.43 PER DIEM
2/5/19	Glendora Womens Club - San Gabriel Valley Water Issues	0	1	\$149.43
2/12/19	Administration/ Finance Committee	20	1	\$149.43
2/13/19	Legislative Committee / Bear Flag Republic Seminar, Sacramento	45	1	\$149.43
2/18/19	Talk Group - Several City Council and Mayors from the San Gabriel Valley	18	1	\$149.43
2/20/19	Board Meeting	20	1	\$149.43
2/27/19	Meeting with Bill Manis, New Exec. Director for the SGVEP	26	1	\$149.43
				\$0.00
				\$0.00
				\$0.00
				\$0.00
Total Meetings			6	\$896.58
Total Mileage (at \$0.58 per mile)		129		\$74.82

DATE	Expense Reimbursement Description (receipts required)	Amount
TOTAL Expenses		\$0.00

TOTAL MEETINGS, MILEAGE, EXPENSES		\$971.40
457	Deferred Compensation Amount (enter a positive number)	896.58
TOTAL		\$74.82

I hereby certify that I have incurred and paid all of the above expenses on behalf of the
SAN GABRIEL BASIN WATER QUALITY AUTHORITY

Signature _____

Please attach any fliers or back-up information regarding meetings listed above to be in compliance with AB 1234. If there are no attachments, a verbal report is required.



Water Quality Authority

Board Member Per Diem

\$149.43 per meeting, 6 meeting maximum per month

Mileage Rate: \$0.575 per mile

(updated January 2015)

EXPENSE SHEET

NAME: Michael Whitehead MONTH/YEAR: Feb-19

DATE	MEETING DESCRIPTION	Roundtrip Mileage	# of Days (not to exceed 5)	\$149.43 PER DIEM
2/12/19	Admin and Finance Committee Meeting		1	\$149.43
2/20/19	WQA Board Meeting		1	\$149.43
2/21/19	Ad Hoc Committee Mtg. RE: DC Consultants		1	\$149.43
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
Total Meetings			3	\$448.29
Total Mileage (at \$0.575 per mile)		0		\$0.00

DATE	Expense Reimbursement Description	Amount	Receipt Attached
		\$0.00	
		\$0.00	
		\$0.00	
		\$0.00	
	TOTAL Expenses	\$0.00	

	TOTAL MEETINGS, MILEAGE, EXPENSES	\$448.29
457	Deferred Compensation Amount (enter a positive number)	
	TOTAL	\$448.29

I hereby certify that I have incurred and paid all of the above expenses on behalf of the ~~SAN GABRIEL BASIN WATER QUALITY AUTHORITY~~



EXPENSE SHEET

NAME: Edward L. Chavez **MONTH/YEAR:** Jan-19

DATE	MEETING DESCRIPTION	Roundtrip Mileage	# of Days (not to exceed 6)	\$149.43 PER DIEM
2/4/19	Meeting with Jessica Shewmaker, Councilwoman - City of West Covina		1	\$149.43
2/5/19	West Covina City Council Meeting		1	\$149.43
2/6/18	San Gabriel Basin Watermaster Board Meeting		1	\$149.43
2/9/19	Assemblyman James Ramos Community Swearing-In Ceremony		1	\$149.43
2/20/19	San Gabriel Basin Water Quality Authority Board Meeting		1	\$149.43
2/21/19	Water Replenishment District of Southern California Board of Directors' Meeting		1	\$149.43
				\$0.00
				\$0.00
				\$0.00
				\$0.00
Total Meetings			6	\$896.58
Total Mileage (at \$0.535 per mile)		0		\$0.00

DATE	Expense Reimbursement Description (receipts required)	Amount
TOTAL Expenses		\$0.00

TOTAL MEETINGS, MILEAGE, EXPENSES		\$896.58
457	Deferred Compensation Amount (enter a positive number)	
TOTAL		\$896.58

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 SAN GABRIEL BASIN WATER QUALITY AUTHORITY

 Signature

Please attach any fliers or back-up information regarding meetings listed above to be in compliance with AB 1234. If there are no attachments, a verbal report is required.



Water Quality Authority

Board Member Per Diem

\$149.43 per meeting, 6 meeting maximum per month

Mileage Rate: \$0.58 per mile

(updated January 2019)

EXPENSE SHEET

NAME: JORGE A MARQUEZ

MONTH/YEAR: Feb-19

DATE	MEETING DESCRIPTION	Roundtrip Mileage	# of Days (not to exceed 6)	\$149.43 PER DIEM
2/4/19	AZUSA CITY COUNCIL MEETING - UPDATE TO COUNCIL FOR WQA - AZUSA	10	1	\$149.43
2/11/19	SGV REGIONAL CHAMBER GOV'T LEGISLATIVE MEETING - WQA Membership - WALNUT	20	1	\$149.43
2/12/19	WQA - ADMIN/FINANCE COMMITTEE MEETING - WEST COVINA	0	1	\$149.43
2/12/19	WQA - ENGINEERING COMMITTEE MEETING - WEST COVINA	0	1	\$149.43
2/20/19	WQA - BOARDMEETING - WEST COVINA	0	1	\$149.43
2/21/19	WQA AD HOC - SEARCH FOR NEW LOBBYING FIRM - WEST COVINA	0	1	\$149.43
	(***BELOW NO BOARD PER DIEM CLAIMED but Mileage Reimbursement***)			\$0.00
2/15/19	NEW MEMBER WQA INTRO DISCUSSION FOR WQA - USGVMWD DIRECTOR JENNIFER SANTANA - DUARTE	19	0	\$0.00
				\$0.00
				\$0.00
Total Meetings			6	\$896.58
Total Mileage (at \$0.58 per mile)		49		\$28.42

DATE	Expense Reimbursement Description (receipts required)	Amount
TOTAL Expenses		\$0.00
TOTAL MEETINGS, MILEAGE, EXPENSES		\$925.00
457	Deferred Compensation Amount (enter a positive number)	
TOTAL		\$925.00

I hereby certify that I have incurred and paid all of the above expenses on behalf of the SAN GABRIEL BASIN WATER QUALITY AUTHORITY

Please attach any fliers or back-up information regarding meetings listed above to be in compliance with AB 1234. If there are no attachments, a verbal report is required.



Water Quality Authority

Board Member Per Diem

\$149.43 per meeting, 6 meeting maximum per month

Mileage Rate: \$0.58 per mile (updated January 2019)

EXPENSE SHEET

NAME: Valerie Munoz

MONTH/YEAR: Feb-19

DATE	MEETING DESCRIPTION	Roundtrip Mileage	# of Days (not to exceed 6)	\$149.43 PER DIEM
2/1/19	Tour with La Puente Water District	0	1	\$149.43
2/13/19	Ledge and Pub Meeting	6	1	\$149.43
2/20/19	WQA Board Meeting	6	1	\$149.43
2/21/19	WQA Board AdHoc Meeting	6	1	\$149.43
2/28/19	Three Valley Leadership Breakfast	26	1	\$149.43
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
Total Meetings			5	\$747.15
Total Mileage (at \$0.58 per mile)		44		\$25.52

DATE	Expense Reimbursement Description (receipts required)	Amount
TOTAL Expenses		\$0.00
TOTAL MEETINGS, MILEAGE, EXPENSES		\$772.67
457	Deferred Compensation Amount (enter a positive number)	
TOTAL		\$772.67

I hereby certify that I have incurred and paid all of the above expenses on behalf of the
SAN GABRIEL BASIN WATER QUALITY AUTHORITY

Signature

Please attach any fliers or back-up information regarding meetings listed above to be in compliance with AB 1234. If there are no attachments, a verbal report is required.

DRAFT *RATIFICATION*

The following demands on the Project Fund Account at Bank of the West are hereby submitted for ratification. Checks were issued on

Check No.	Payable to	Description	Amount	Funding Sources
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BALDWIN PARK OPERABLE UNIT

4644	RC Foster Corporation	Invoice No. 02-19-011, Project spare parts costs for February 2019	711.48	CR's
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SOUTH EL MONTE OPERABLE UNIT

4645	Avocet Environmental Inc.	Project costs for Whitmore Groundwater Treatment system		
		Invoice No. 5598 -Whitmore GW Treatment System	3,300.30	
		Invoice No. 5599 - Round 1 Prop 1-Whitmore Hydropunch	2,424.50	
		Invoice No. 5600 - Round 2 Prop 1 - SEMOU Regional GW	<u>6,529.00</u>	12,253.80 WQA/Prop 1

Total Project Costs	<u>12,965.28</u>
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DRAFT

The following demands on the Project Fund Account at Bank of the West are hereby submitted for payment. Subsequent release of the demands is expected to be on April 2, 2019, subject to approval and availability of funds pursuant to the BPOU Project Agreement Section 4.7 Payment of Invoices.

Check No.	Payable to	Description	Amount	Funding Sources
<u>BALDWIN PARK OPERABLE UNIT</u>				
4646	La Puente Valley County WD	Invoice No. 4-2019-02, Project T&R costs for February 2019	59,047.91	CR's
4647	Main San Gabriel Basin Watermaster	Invoice No. 02-205, Administrative Project Costs for February 2019		
		Administrative costs	4,832.23	
		T&R costs	<u>20,730.45</u>	25,562.68 CR's
4648	Suburban Water Systems	Invoice No. 59880219, for project T&R costs for February 2019	32,345.30	CR's
4649	Valley County Water District	Project costs for February 2019		
		Invoice No. 386, Capital costs	48,953.30	
		Invoice No. 386, T&R costs	97,970.47	
		Invoice No. 387, T&R costs	<u>3,500.18</u>	150,423.95 CR's
4650	California Domestic Water Co.	Project costs for February 2019		
		Invoice No. 3250, T&R costs for Perchlorate	19,186.72	
		Invoice No. 3251, T&R costs for NDMA & VOC's	<u>47,888.00</u>	67,074.72 CR's
E90606	San Gabriel Valley Water Co.	Project costs for January 2019		
		Invoice No. 19-03067, B5 T&R costs	5,364.25	
		Invoice No. 19-03066, B5 T&R costs	94,783.64	
		Invoice No. 19-03069, B6 T&R costs	<u>321,022.50</u>	421,170.39 CRs
Total BPOU Project Costs			<u><u>755,624.95</u></u>	

mb
3-13-19



San Gabriel Basin Water Quality Authority

1720 W. Cameron Avenue, Suite 100, West Covina, CA 91790 • 626-338-5555 • Fax 626-338-5775

AGENDA SUBMITTAL

To: WQA Board of Directors
From: Kenneth R. Manning, Executive Director
Date: March 20, 2019
Subject: Draft Budget for FY 19/20 – Version v1

Discussion

The budget for FY 19/20 involves the participation of several interested parties – the WQA Board of Directors, the Water Producers, the Responsible Parties (RPs), the Prescriptive Pumping Rights Holders and the public. The first version of the draft budget for FY 19/20 is hereby submitted.

As discussed at February's Administrative/Finance Committee meeting, WQA staff is proposing an increase to the assessment from \$10 per acre foot to either \$12, \$13 or \$14 per acre foot. 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. 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.

The following are WQA projects that currently lack a funding source other than assessments.

- The CAA grant for operating the Whitmore Treatment Facility ended September 30, 2018. WQA is continuing to operate it at an estimated annual cost of \$135,000 - this will need to be funded by assessments.
- Additionally WQA plans to apply for a Proposition 1 grant to expand the Whitmore site within 2 to 3 years – the funding match requirement for that project is estimated to be approximately \$500,000.
- WQA has been asked to assist the Regional Board in site remediation investigation projects and is applying for Proposition 1 grants for these projects. The funding match is projected to be approximately \$50K to \$250K per year.
- The Site Remediation Investigation projects could lead to future remediation projects that would be funded by Proposition 1 grants and could require up to \$500K as WQA's match.

All total, implementing these projects will require additional assessments ranging from \$235K to \$650K per year.

The enclosed Draft Budget v1 shows the assessment at \$12 per acre foot. Also included with this report are two additional Assessment Reserve Schedules showing the effect of increasing the assessment to \$13 per acre foot and \$14 per acre foot.

The WQA will hold its first Budget Workshop on April 9, 2019 at the Special Board Meeting - Administrative/Finance Committee Meeting. A second Budget Workshop is scheduled for the regular WQA Board Meeting on April 17, 2019.

Recommendations / Proposed Actions

- Discuss options for the assessment increase and approve the Draft Budget to be presented at the April 9, 2019 Budget Workshop.

Attachments

2019/2020 Budget and Assessment Schedule

FY 19/20 Draft Budget v1, dated 3/12/2019

FY 19/20 Assessment Reserve Schedules at \$13 and \$14 per acre foot

2019/2020 BUDGET AND ASSESSMENT SCHEDULE

TASK	DATE
Administrative/Finance Committee - review of initial draft budget	03/12/19
Budget Workshop / Special Board Meeting - With Interested Parties and Producers	04/09/19
Public Hearing and Budget Presentation at the Regular Board Meeting	04/17/19
Administrative/Finance Committee - review of revised draft budget (if necessary)	05/14/19
WQA Board Meeting Budget Hearing Adoption of Budget, Set Date of Assessment Public Hearing Adoption of Budget Set Date of Assessment Public Hearing Resolution Setting Schedule of Assessment Collection	05/22/19
Mail Notices of Assessment Hearing and Anticipated Assessment Amount and Schedule of Collections to Producers, Cities, Watermaster, and Interested Parties (<i>minimum 90 days Prior to Assessment Hearing</i>)	05/23/19
Place Newspaper Announcement (2 days) (minimum <i>45 days prior to hearing</i>)	06/17/19 and 06/24/19
Post Hearing Notice at Entrance of Public Hearing Location (minimum <i>45 days prior to hearing</i>)	06/26/19
WQA Board Meeting - Assessment Public Hearing and ADOPTION of Assessment	08/21/19
Mail Invoices for Assessments	8/22/19
Collect Assessments (1st installment)	09/20/19
Collect Assessments (2nd installment)	11/15/19

NOTE: These dates are subject to change with notification

SAN GABRIEL BASIN WATER QUALITY AUTHORITY

BUDGET SUMMARY

FOR FISCAL YEAR ENDING JUNE 30, 2020

Draft v1 dated 3-12-19

LINE ITEMS	Other Projects	Baldwin Park Operable Unit	El Monte Area Operable Unit	So. El Monte Operable Unit	Puente Valley Operable Unit	Area Three Operable Unit	Administration	Total Project Budget
	(3 Projects)	(9 Projects)	(5 Projects)	(10 Projects)	(3 Projects)	(1 Project)		
<u>CAPITAL COSTS</u>	<u>\$4,750,033</u>	<u>\$3,385,818</u>	<u>\$83,000</u>	<u>\$563,083</u>	<u>\$8,485,100</u>	<u>\$23,000</u>	<u>\$0</u>	<u>\$17,290,034</u>
WQA Salaries	1,000	0	0	40,000	4,500	0		45,500
WQA Benefits	333	0	0	13,283	1,500	0	0	15,116
WQA Overhead	500	0	0	20,000	2,250	0	0	22,750
Project Planning & Design	0	0	0	15,000	0	0		15,000
Design	0	0	0	0	0	0	0	0
Legal/Mediation	0	0	0	0	0	0	0	0
Government Relations	16,000	273,000	59,500	86,200	34,800	19,400	0	488,900
Community Relations	11,200	33,500	18,500	37,100	11,200	3,600	0	115,100
Postage/Supplies/Other	0	0	5,000	1,500	0	0	0	6,500
Project Construction	0	0	0	0	0	0		0
Contractors/Grants	4,721,000	3,079,318	0	350,000	8,430,850	0	0	16,581,168
Site Acquisition	0	0	0	0	0	0	0	0
<u>OPERATING EXPENSES</u>	<u>\$97,950</u>	<u>\$18,496,094</u>	<u>\$1,931,658</u>	<u>\$3,968,050</u>	<u>\$221,333</u>	<u>\$11,900</u>	<u>\$1,148,602</u>	<u>\$25,875,588</u>
WQA Salaries	24,000	119,500	35,000	142,500	25,000	6,500	462,000	814,500
WQA Benefits	7,950	39,478	11,550	47,100	8,333	2,100	149,152	265,664
WQA Overhead	12,000	59,750	17,500	71,250	12,500	3,300	537,450	713,750
Project Services & Supplies	0	0	0	0	0	0		0
Subcontractors	0	0	0	0	0	0	0	0
Consultants	0	50,000	0	27,000	0	0	0	77,000
Legal	0	35,000	0	0	0	0	0	35,000
Utilities	0	0	0	20,000	0	0	0	20,000
Carbon & Supplies	0	0	0	0	0	0	0	0
Equipment	0	0	0	0	0	0	0	0
Other (See attached pages)	0	0	1,000	200	500	0	0	1,700
Treatment and Remediation	54,000	18,192,366	1,866,608	3,660,000	175,000	0	0	23,947,974
Costs/Administrative	0	0	0	0	0	0	0	0
<u>TOTAL CAPITAL & OPERATING</u>	<u>\$4,847,983</u>	<u>\$21,881,912</u>	<u>\$2,014,658</u>	<u>\$4,531,133</u>	<u>\$8,706,433</u>	<u>\$34,900</u>	<u>\$1,148,602</u>	<u>\$43,165,622</u>
<u>REVENUES</u>	<u>\$4,847,983</u>	<u>\$21,881,912</u>	<u>\$2,014,658</u>	<u>\$4,531,133</u>	<u>\$8,706,433</u>	<u>\$34,900</u>	<u>\$1,148,602</u>	<u>\$43,165,622</u>
Rest. Fund/Title XVI/PRPs/Producers								
Restoration Funds (RF)	589,000	0	150,000	0	800,000	0	0	1,539,000
Title XVI (XVI)	0	0	0	0	0	0	0	0
Potentially Responsible Parties	0	19,542,739	1,716,608	0	7,805,850	0	0	29,065,197
Water Producers (PROD)	1,821,000	1,002,440	0	1,700,000	0	0	0	4,523,440
State - SWRCB/Prop 84/Prop 1	2,365,000	1,100,000	0	329,750	0	0	0	3,794,750
SEMOU Cooperative Agreement	0	0	0	1,373,000	0	0	0	1,373,000
SEMOU Settlement Funding	0	0	0	452,000	0	0	0	452,000
Interest income	0	0	0	0	0	0	120,000	120,000
Other Income	0	0	0	0	0	0	0	0
WQA Assessment	72,983	236,733	148,050	676,383	100,583	34,900	1,028,602	2,298,235
<u>ASSESSMENT RESERVE</u>								
<i>Reserve balance from FY 2017-18</i>								1,612,156
<i>Projected reserve increase from Assessments for FY 2018-19</i>								(53,607)
<i>Projected reserve balance for FY 2018-19</i>								1,558,549
<i>WQA Assessments Collected @ \$12 acre foot</i>								2,371,320
<i>WQA 19-20 Budgeted Costs Funded By Assessments</i>								(2,298,235)
<i>Projected Assessment Reserve for FY 19-20</i>								1,631,634
<u>WQA ASSESSMENT SUMMARY - "See Annotation 33, page 52"</u>								
WQA ASSESSMENT FOR FY 2019-20								<u>\$2,371,320</u>
WQA ASSESSMENT PER ACRE FOOT								<u>\$12</u>

OTHER - GENERAL
(See Annotation No. 1 Page 42)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$26,808</u>	<u>\$27,200</u>	<u>\$25,600</u>	<u>\$27,200</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations	15,804	16,000	14,100	16,000
Community Relations	11,004	11,200	11,500	11,200
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$16,899</u>	<u>\$16,500</u>	<u>\$15,638</u>	<u>\$16,500</u>
WQA Salaries	9,235	9,000	8,546	9,000
WQA Benefits	3,047	3,000	2,820	3,000
WQA Overhead	4,617	4,500	4,272	4,500
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other (Escrow Fees)				
Treatment and Remediation				
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$43,707</u>	<u>\$43,700</u>	<u>\$41,238</u>	<u>\$43,700</u>
<u>REVENUES</u>	<u>\$43,707</u>	<u>\$43,700</u>	<u>\$41,238</u>	<u>\$43,700</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)				
Potentially Responsible Parties (PRP)				
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment	43,707	43,700	41,238	43,700

City of South Pasadena- Wilson Reservoir Treatment
(See Annotation No. 2 Page 43)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$1,179,833</u>	<u>\$0</u>	<u>\$2,357,833</u>
WQA Salaries		1,000		1,000
WQA Benefits		333		333
WQA Overhead		500		500
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants		1,178,000		2,356,000
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other (Escrow Fees)				
Treatment and Remediation				
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$0</u>	<u>\$1,179,833</u>	<u>\$0</u>	<u>\$2,357,833</u>
<u>REVENUES</u>	<u>\$0</u>	<u>\$1,179,833</u>	<u>\$0</u>	<u>\$2,357,833</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)		294,500		589,000
Title XVI (XVI)				
Potentially Responsible Parties (PRP)				
Water Producers (PROD)		883,500		1,767,000
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment		1,833		1,833

SGVWC PLANT 11

(See Annotation No. 2 Page 43)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition/97-005 Permit				
<u>OPERATING EXPENSES</u>	<u>\$54,000</u>	<u>\$54,000</u>	<u>\$54,000</u>	<u>\$54,000</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other (permits)				
Treatment and Remediation	54,000	54,000	54,000	54,000
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$54,000</u>	<u>\$54,000</u>	<u>\$54,000</u>	<u>\$54,000</u>
<u>REVENUES</u>	<u>\$54,000</u>	<u>\$54,000</u>	<u>\$54,000</u>	<u>\$54,000</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)			0	
Title XVI (XVI)				
Potentially Responsible Parties (PRP)				
Water Producers (PROD)	54,000	54,000	54,000	54,000
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment				

WHITTIER NARROWS OPERABLE UNIT

(See Annotation No. 2 Page 43)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$2,365,000</u>	<u>\$0</u>	<u>\$2,365,000</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants		2,365,000		2,365,000
Site Acquisition/97-005 Permit				
<u>OPERATING EXPENSES</u>	<u>\$15,365</u>	<u>\$18,300</u>	<u>\$23,685</u>	<u>\$27,450</u>
WQA Salaries	8,400	10,000	12,919	15,000
WQA Benefits	2,770	3,300	4,306	4,950
WQA Overhead	4,195	5,000	6,459	7,500
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other (permits)				
Treatment and Remediation				
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$15,365</u>	<u>\$2,383,300</u>	<u>\$23,685</u>	<u>\$2,392,450</u>
<u>REVENUES</u>	<u>\$15,365</u>	<u>\$2,383,300</u>	<u>\$23,685</u>	<u>\$2,392,450</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)			0	
Title XVI (XVI)				
Potentially Responsible Parties (PRP)				
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1		2,365,000		2,365,000
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment	15,365	18,300	23,685	27,450

BALDWIN PARK AREA OPERABLE UNIT - GENERAL

(See Annotation No. 1 Page 42)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$301,284</u>	<u>\$306,500</u>	<u>\$302,600</u>	<u>\$306,500</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations	268,274	273,000	268,100	273,000
Community Relations	33,010	33,500	34,500	33,500
Postage/Supplies/Other	0	0	0	0
Project Construction	0	0	0	0
Contractors/Project Grants	0	0	0	0
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$758,105</u>	<u>\$809,426</u>	<u>\$743,332</u>	<u>\$958,258</u>
WQA Salaries	81,677	112,000	73,260	112,000
WQA Benefits	26,954	37,000	24,383	37,000
WQA Overhead	40,839	56,000	36,630	56,000
Project Services & Supplies	0	0	0	0
Subcontractors	0	0	0	0
Consultants	0	0	40,000	50,000
Legal	5,737	40,000	25,000	35,000
Utilities	0	0	0	0
Carbon & Supplies	0	0	0	0
Equipment	0	0	0	0
Other (Escrow Fees)	0	0	0	0
Treatment and Remediation	602,898	564,426	544,059	668,258
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$1,059,389</u>	<u>\$1,115,926</u>	<u>\$1,045,932</u>	<u>\$1,264,758</u>
<u>REVENUES</u>	<u>\$1,059,389</u>	<u>\$1,175,926</u>	<u>\$1,045,932</u>	<u>\$1,264,758</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)	0	0	0	0
Title XVI (XVI)	0	0	0	0
Potentially Responsible Parties (PRP)	749,292	966,026	837,303	1,029,858
Water Producers (PROD)		0		
State - SWRCB/Prop 84/Prop 1		0		
SEMOU Cooperative Agreement		0		
Settlement Funding		0		
Interest income		0		
Other Income		0		
WQA Assessment	310,096	209,900	208,629	234,900

The costs shown on this schedule include costs for Projects that are included in the BPOU Agreement and also for Projects that are not included in the BPOU Agreement. See the next two pages for cost details for each.

BALDWIN PARK AREA OPERABLE UNIT - GENERAL: BPOU COMMITTEE

(See Annotation No. 1 Page 42)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$271,334</u>	<u>\$274,600</u>	<u>\$272,300</u>	<u>\$274,600</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations	249,274	252,300	249,300	252,300
Community Relations	22,060	22,300	23,000	22,300
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$732,969</u>	<u>\$787,426</u>	<u>\$722,903</u>	<u>\$936,258</u>
WQA Salaries	67,942	100,000	62,097	100,000
WQA Benefits	22,421	33,000	20,699	33,000
WQA Overhead	33,971	50,000	31,048	50,000
Project Services & Supplies				
Subcontractors				
Consultants			40,000	50,000
Legal	5,737	40,000	25,000	35,000
Utilities				
Carbon & Supplies				
Equipment				
Other (Escrow Fees)/Misc			0	
Treatment and Remediation	602,898	564,426	544,059	668,258
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$1,004,303</u>	<u>\$1,062,026</u>	<u>\$995,203</u>	<u>\$1,210,858</u>
<u>REVENUES</u>	<u>\$1,004,303</u>	<u>\$1,122,026</u>	<u>\$995,203</u>	<u>\$1,210,858</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)				
Potentially Responsible Parties (PRP)	749,292	966,026	837,303	1,029,858
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment	255,011	156,000	157,900	181,000

The above schedule reflects costs for Projects included in
the BPOU Agreement

BALDWIN PARK AREA OPERABLE UNIT - GENERAL: NON-COMMITTEE PROJECTS

(See Annotation No. 1 Page 42)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$29,950</u>	<u>\$31,900</u>	<u>\$30,300</u>	<u>\$31,900</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations	19,000	20,700	18,800	20,700
Community Relations	10,950	11,200	11,500	11,200
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$25,135</u>	<u>\$22,000</u>	<u>\$20,429</u>	<u>\$22,000</u>
WQA Salaries	13,735	12,000	11,163	12,000
WQA Benefits	4,533	4,000	3,684	4,000
WQA Overhead	6,868	6,000	5,582	6,000
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other (Escrow Fees)				
Treatment and Remediation				
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$55,085</u>	<u>\$53,900</u>	<u>\$50,729</u>	<u>\$53,900</u>
<u>REVENUES</u>	<u>\$55,085</u>	<u>\$53,900</u>	<u>\$50,729</u>	<u>\$53,900</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)				
Potentially Responsible Parties (PRP)		0		0
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment	55,085	53,900	50,729	53,900

The above schedule reflects costs for Projects that are not
included in the BPOU Agreement

BALDWIN PARK AREA OPERABLE UNIT - LPVCWD

(See Annotation No. 3 Page 44)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$1,409,987</u>	<u>\$1,563,472</u>	<u>\$1,436,511</u>	<u>\$1,443,247</u>
WQA Salaries		1,000		1,000
WQA Benefits		330		330
WQA Overhead		500		500
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other				
Treatment and Remediation	1,409,987	1,561,642	1,436,511	1,441,417
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$1,409,987</u>	<u>\$1,563,472</u>	<u>\$1,436,511</u>	<u>\$1,443,247</u>
<u>REVENUES</u>	<u>\$1,409,987</u>	<u>\$1,563,472</u>	<u>\$1,436,511</u>	<u>\$1,443,247</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)			0	
Title XVI (XVI)			0	
Potentially Responsible Parties (PRP)	1,409,987	1,563,472	1,436,511	1,443,247
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment				

BALDWIN PARK AREA OPERABLE UNIT - SGVWC PLANT B6

(See Annotation No. 4 Page 44)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$2,194,800</u>	<u>\$0</u>	<u>\$1,945,000</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants		2,194,800		1,945,000
Site Acquisition/97-005 Permit				
<u>OPERATING EXPENSES</u>	<u>\$5,033,725</u>	<u>\$4,280,148</u>	<u>\$4,551,729</u>	<u>\$4,650,319</u>
WQA Salaries		1,500		1,500
WQA Benefits		495		495
WQA Overhead		750		750
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other				
Treatment and Remediation	5,033,725	4,277,403	4,551,729	4,647,574
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$5,033,725</u>	<u>\$6,474,948</u>	<u>\$4,551,729</u>	<u>\$6,595,319</u>
<u>REVENUES</u>	<u>\$5,033,725</u>	<u>\$6,474,948</u>	<u>\$4,551,729</u>	<u>\$6,595,319</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)				
Potentially Responsible Parties (PRP)	5,033,725	5,374,948	4,551,729	5,495,319
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1		1,100,000		1,100,000
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment				

BALDWIN PARK AREA OPERABLE UNIT - CDWC WELL 14
(See Annotation No. 5 Page 44)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$259,588</u>	<u>\$794,572</u>	<u>\$9,567</u>	<u>\$393,881</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction	0			
Contractors/Project Grants	259,588	794,572	9,567	393,881
Site Acquisition/97-005 Permit				
<u>OPERATING EXPENSES</u>	<u>\$1,808,979</u>	<u>\$1,988,542</u>	<u>\$1,783,718</u>	<u>\$1,674,680</u>
WQA Salaries		1,000		1,000
WQA Benefits		330		330
WQA Overhead		500		500
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other				
Treatment and Remediation	1,808,979	1,986,712	1,783,718	1,672,850
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$2,068,567</u>	<u>\$2,783,114</u>	<u>\$1,793,285</u>	<u>\$2,068,561</u>
<u>REVENUES</u>	<u>\$2,068,567</u>	<u>\$2,783,114</u>	<u>\$1,793,285</u>	<u>\$2,068,561</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)	3,026			
Title XVI (XVI)				
Potentially Responsible Parties (PRP)	2,065,541	2,783,114	1,793,285	2,068,561
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment				

BALDWIN PARK AREA OPERABLE UNIT - SGVWC PLANT B5
(See Annotation No. 6 Page 45)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$1,775,000</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants		1,775,000		
Site Acquisition/97-005 Permit				
<u>OPERATING EXPENSES</u>	<u>\$2,785,172</u>	<u>\$4,193,281</u>	<u>\$3,061,617</u>	<u>\$3,241,192</u>
WQA Salaries		1,000		1,000
WQA Benefits		330		330
WQA Overhead		500		500
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other				
Treatment and Remediation	2,785,172	4,191,451	3,061,617	3,239,362
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$2,785,172</u>	<u>\$5,968,281</u>	<u>\$3,061,617</u>	<u>\$3,241,192</u>
<u>REVENUES</u>	<u>\$2,785,172</u>	<u>\$5,968,281</u>	<u>\$3,061,617</u>	<u>\$3,241,192</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)				
Potentially Responsible Parties (PRP)	2,785,172	5,968,281	3,061,617	3,241,192
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment				

BALDWIN PARK AREA OPERABLE UNIT - VCWD SUB-AREA 1
(See Annotation No. 7 Page 45)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$995,024</u>	<u>\$740,437</u>	<u>\$1,168,198</u>	<u>\$740,437</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants	995,024	740,437	1,168,198	740,437
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$4,332,845</u>	<u>\$5,040,291</u>	<u>\$4,187,335</u>	<u>\$5,173,424</u>
WQA Salaries		2,000		2,000
WQA Benefits		660		660
WQA Overhead		1,000		1,000
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other				
Treatment and Remediation	4,332,845	5,036,631	4,187,335	5,169,764
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$5,327,869</u>	<u>\$5,780,728</u>	<u>\$5,355,533</u>	<u>\$5,913,861</u>
<u>REVENUES</u>	<u>\$5,327,869</u>	<u>\$5,780,728</u>	<u>\$5,355,533</u>	<u>\$5,913,861</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)		0		
Title XVI (XVI)				
Potentially Responsible Parties (PRP)	5,327,869	5,780,728	5,355,533	5,913,861
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment				

BALDWIN PARK AREA OPERABLE UNIT - SWS PLANTS

(See Annotation No. 8 Page 45)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$756,396</u>	<u>\$326,327</u>	<u>\$723,778</u>	<u>\$350,701</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other				
Treatment and Remediation	756,396	326,327	723,778	350,701
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$756,396</u>	<u>\$326,327</u>	<u>\$723,778</u>	<u>\$350,701</u>
<u>REVENUES</u>	<u>\$756,396</u>	<u>\$326,327</u>	<u>\$723,778</u>	<u>\$350,701</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)				
Potentially Responsible Parties (PRP)	756,396	326,327	723,778	350,701
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment				

BALDWIN PARK AREA OPERABLE UNIT - CDWC WELL 10 TREATMENT WELL
(See Annotation No. 9 Page 45)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$92,308</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants		92,308		0
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other				
Treatment and Remediation				
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$0</u>	<u>\$92,308</u>	<u>\$0</u>	<u>\$0</u>
<u>REVENUES</u>	<u>\$0</u>	<u>\$92,308</u>	<u>\$0</u>	<u>\$0</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)		60,000	0	
Title XVI (XVI)				
Potentially Responsible Parties (PRP)	0	32,308	0.0	0
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment				

BALDWIN PARK AREA OPERABLE UNIT - COVINA IRRIGATING COMPANY
BALDWIN WELLS PUMPING PLANT
(See Annotation No. 10 Page 46)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$752,397</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction	752,397	0	0	
Contractors/Project Grants			0	
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$0</u>	<u>\$1,004,270</u>	<u>\$0</u>	<u>\$1,004,273</u>
WQA Salaries		1,000		1,000
WQA Benefits		330		333
WQA Overhead		500		500
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other				
Treatment and Remediation		1,002,440		1,002,440
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$752,397</u>	<u>\$1,004,270</u>	<u>\$0</u>	<u>\$1,004,273</u>
<u>REVENUES</u>	<u>\$752,397</u>	<u>\$1,004,273</u>	<u>\$0</u>	<u>\$1,004,273</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)	489,058	0	0	
Title XVI (XVI)				
Potentially Responsible Parties (PRP)				
Water Producers (PROD)	263,339	1,002,440	0	1,002,440
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment		1,833		1,833

BALDWIN PARK AREA OPERABLE UNIT - VCWD NIXON WELLS TREATMENT

(See Annotation No. 11 Page 46)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other				
Treatment and Remediation				
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>REVENUES</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)				
Potentially Responsible Parties (PRP)				
Water Producers (PROD)	0		0	
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment				

EL MONTE AREA OPERABLE UNIT - GENERAL

(See Annotation No. 1 Page 42)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$81,795</u>	<u>\$83,000</u>	<u>\$79,500</u>	<u>\$83,000</u>
WQA Salaries	0			
WQA Benefits	0		0	
WQA Overhead	0		0	
Project Planning & Design				
Design				
Legal/Mediation	0	0	0	0
Government Relations	59,216	59,500	56,500	59,500
Community Relations	22,007	18,500	23,000	18,500
Postage/Supplies/Other	572	5,000		5,000
Project Construction				
Contractors/Project Grants				
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$71,920</u>	<u>\$55,900</u>	<u>\$58,373</u>	<u>\$55,900</u>
WQA Salaries	36,627	30,000	31,898	30,000
WQA Benefits	12,087	9,900	10,526	9,900
WQA Overhead	18,314	15,000	15,950	15,000
Project Services & Supplies				
Subcontractors				
Consultants				
Legal	4,892			
Utilities				
Carbon & Supplies				
Equipment				
Other		1,000		1,000
Treatment and Remediation				
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$153,715</u>	<u>\$138,900</u>	<u>\$137,873</u>	<u>\$138,900</u>
<u>REVENUES</u>	<u>\$153,715</u>	<u>\$138,900</u>	<u>\$137,873</u>	<u>\$138,900</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)				
Potentially Responsible Parties (PRP)	0	0		
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment	153,715	138,900	137,873	138,900

EL MONTE AREA OPERABLE UNIT- GSWC ENCINITA
(See Annotation No. 12 Page 46)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition				
	<u>0</u>	<u>185,000</u>	<u>0</u>	<u>185,000</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other				
Treatment and Remediation		185,000		185,000
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>0</u>	<u>185,000</u>	<u>0</u>	<u>185,000</u>
<u>REVENUES</u>	<u>0</u>	<u>185,000</u>	<u>0</u>	<u>185,000</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)			0	
Title XVI (XVI)				
Potentially Responsible Parties (PRP)	0	185,000	0	185,000
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment			0	

EL MONTE AREA OPERABLE UNIT - WESTSIDE SHALLOW REMEDY

(See Annotation No. 13 Page 46)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$3,532</u>	<u>\$614,575</u>	<u>\$3,586</u>	<u>\$614,575</u>
WQA Salaries	1,930	2,500	1,956	2,500
WQA Benefits	637	825	652	825
WQA Overhead	965	1,250	978	1,250
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other				
Treatment and Remediation		610,000		610,000
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$3,532</u>	<u>\$614,575</u>	<u>\$3,586</u>	<u>\$614,575</u>
<u>REVENUES</u>	<u>\$3,532</u>	<u>\$614,575</u>	<u>\$3,586</u>	<u>\$614,575</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)		0		
Potentially Responsible Parties (PRP)	0	610,000	0	610,000
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment	3,532	4,575	3,586	4,575

EL MONTE AREA OPERABLE UNIT - ESPSD
EASTSIDE SHALLOW REMEDY
(See Annotation No. 14 Page 47)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries			0	
WQA Benefits			0	
WQA Overhead			0	
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$3,143</u>	<u>\$435,610</u>	<u>\$0</u>	<u>\$435,610</u>
WQA Salaries	1,717	2,500	0	2,500
WQA Benefits	567	825	0	825
WQA Overhead	859	1,250	0	1,250
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other				
Treatment and Remediation		431,035		431,035
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$3,143</u>	<u>\$435,610</u>	<u>\$0</u>	<u>\$435,610</u>
<u>REVENUES</u>	<u>\$3,143</u>	<u>\$435,610</u>	<u>\$0</u>	<u>\$435,610</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)	0			
Title XVI (XVI)				
Potentially Responsible Parties (PRP)	0	431,035		431,035
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment	3,143	4,575	-	4,575

EL MONTE AREA OPERABLE UNIT - City of El Monte / ESPSD
SOUTHEAST DEEP REMEDY
(See Annotation No. 15 Page 47)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$1,233</u>	<u>\$405,519</u>	<u>\$0</u>	<u>\$405,519</u>
WQA Salaries	674			
WQA Benefits	222			
WQA Overhead	337			
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other				
Treatment and Remediation		405,519		405,519
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$1,233</u>	<u>\$405,519</u>	<u>\$0</u>	<u>\$405,519</u>
<u>REVENUES</u>	<u>\$1,233</u>	<u>\$405,519</u>	<u>\$0</u>	<u>\$405,519</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)		150,000		150,000
Title XVI (XVI)				
Potentially Responsible Parties (PRP)	1,233	255,519	0	255,519
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment				

EL MONTE AREA OPERABLE UNIT- City of El Monte Wells 2,10, 12 and 3

(See Annotation No. 16 Page 47)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$0</u>	<u>\$235,054</u>	<u>\$0</u>	<u>\$235,054</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other				
Treatment and Remediation		235,054		235,054
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$0</u>	<u>\$235,054</u>	<u>\$0</u>	<u>\$235,054</u>
<u>REVENUES</u>	<u>\$0</u>	<u>\$235,054</u>	<u>\$0</u>	<u>\$235,054</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				0
Title XVI (XVI)				
Potentially Responsible Parties (PRP)		235,054		235,054
Water Producers (PROD)			0	
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment	0	0	0	0

SO. EL MONTE AREA OPERABLE UNIT - GENERAL
(See Annotation No. 1 Page 42)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$113,536</u>	<u>\$124,800</u>	<u>\$112,200</u>	<u>\$124,800</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design (Reg. Board)				
Legal/Mediation				
Government Relations	83,556	86,200	80,000	86,200
Community Relations	29,372	37,100	30,700	37,100
Postage/Supplies/Other(Reg. Board)	608	1,500	1,500	1,500
Project Construction				
Contractors/Project Grants				
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$185,620</u>	<u>\$195,200</u>	<u>\$204,372</u>	<u>\$241,000</u>
WQA Salaries	96,342	100,000	111,679	125,000
WQA Benefits	31,793	33,000	36,854	41,300
WQA Overhead	48,171	50,000	55,839	62,500
Project Services & Supplies				
Subcontractors				
Consultants	9,092	12,000		12,000
Legal	222			
Utilities				
Carbon & Supplies				
Equipment				
Other - conference and meetings		200		200
Treatment and Remediation				
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$299,156</u>	<u>\$320,000</u>	<u>\$316,572</u>	<u>\$365,800</u>
<u>REVENUES</u>	<u>\$299,156</u>	<u>\$320,000</u>	<u>\$316,572</u>	<u>\$365,800</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)				
Potentially Responsible Parties (PRP)				
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding		225,000		
Interest income				
Other Income				
WQA Assessment	299,156	95,000	316,572	365,800

SO. EL MONTE AREA OPERABLE UNIT - MONTEREY PARK WELL NO. 12
(See Annotation No. 17 Page 48)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition/97-005 Permit				
<u>OPERATING EXPENSES</u>	<u>\$1,016,805</u>	<u>\$500,000</u>	<u>\$677,870</u>	<u>\$675,000</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other (permits)				
Treatment and Remediation	1,016,805	500,000	677,870	675,000
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$1,016,805</u>	<u>\$500,000</u>	<u>\$677,870</u>	<u>\$675,000</u>
<u>REVENUES</u>	<u>\$1,016,805</u>	<u>\$500,000</u>	<u>\$677,870</u>	<u>\$675,000</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)				
Potentially Responsible Parties (PRP)				
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement	1,016,805	500,000	677,870	675,000
Settlement Funding				0
Interest income				
Other Income				
WQA Assessment			0	

SO. EL MONTE AREA OPERABLE UNIT - MONTEREY PARK WELL NO. 15
(See Annotation No. 17 Page 48)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition/97-005 Permit				
<u>OPERATING EXPENSES</u>	<u>\$143,211</u>	<u>\$155,000</u>	<u>\$95,474</u>	<u>\$100,000</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other (permits)				
Treatment and Remediation	143,211	155,000	95,474	100,000
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$143,211</u>	<u>\$155,000</u>	<u>\$95,474</u>	<u>\$100,000</u>
<u>REVENUES</u>	<u>\$143,211</u>	<u>\$155,000</u>	<u>\$95,474</u>	<u>\$100,000</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)				
Potentially Responsible Parties (PRP)				
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement	143,211	155,000	95,474	100,000
Settlement Funding				
Interest income				
Other Income				
WQA Assessment			0	

SO. EL MONTE AREA OPERABLE UNIT - MONTEREY PARK WELL NO. 5

**SO. EL MONTE AREA OPERABLE UNIT - MONTEREY PARK
CENTRALIZED TREATMENT PLANT**
(See Annotation No. 18 Page 48)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits			0	
WQA Overhead			0	
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition/97-005 Permit				
<u>OPERATING EXPENSES</u>	<u>\$0</u>	<u>\$1,713,750</u>	<u>\$0</u>	<u>\$1,713,750</u>
WQA Salaries		7,500		7,500
WQA Benefits		2,500		2,500
WQA Overhead		3,750		3,750
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other (permits)				
Treatment and Remediation		1,700,000		1,700,000
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$0</u>	<u>\$1,713,750</u>	<u>\$0</u>	<u>\$1,713,750</u>
<u>REVENUES</u>	<u>\$0</u>	<u>\$1,713,750</u>	<u>\$0</u>	<u>\$1,713,750</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)				
Potentially Responsible Parties (PRP)				
Water Producers (PROD)		1,700,000		1,700,000
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement	0			
Settlement Funding				
Interest income				
Other Income				
WQA Assessment		13,750	0	13,750

SO. EL MONTE AREA OPERABLE UNIT - MONTEREY PARK WELLS 1,3,10 and Fern
(See Annotation No. 17 Page 48)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition/97-005 Permit				
<u>OPERATING EXPENSES</u>	<u>\$402,578</u>	<u>\$350,000</u>	<u>\$268,385</u>	<u>\$350,000</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other (permits)				
Treatment and Remediation	402,578	350,000	268,385	350,000
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$402,578</u>	<u>\$350,000</u>	<u>\$268,385</u>	<u>\$350,000</u>
<u>REVENUES</u>	<u>\$402,578</u>	<u>\$350,000</u>	<u>\$268,385</u>	<u>\$350,000</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)				
Potentially Responsible Parties (PRP)				
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding	402,578	350,000	268,385	350,000
Interest income				
Other Income				
WQA Assessment			0	

SO. EL MONTE AREA OPERABLE UNIT - SGVWC PLANT 8
(See Annotation No. 19 Page 48)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$2,250,000</u>	<u>\$2,006,428</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants		2,250,000	2,006,428	
Site Acquisition/97-005 Permit				
<u>OPERATING EXPENSES</u>	<u>\$227,631</u>	<u>\$400,000</u>	<u>\$236,047</u>	<u>\$250,915</u>
WQA Salaries	297		100	500
WQA Benefits	98		33	165
WQA Overhead	149		50	250
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other (permits)				
Treatment and Remediation	227,087	400,000	235,864	250,000
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$227,631</u>	<u>\$2,650,000</u>	<u>\$2,242,475</u>	<u>\$250,915</u>
<u>REVENUES</u>	<u>\$227,631</u>	<u>\$2,650,000</u>	<u>\$2,242,475</u>	<u>\$250,915</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)		1,125,000	1,125,000	
Title XVI (XVI)				
Potentially Responsible Parties (PRP)				
Water Producers (PROD)	0	1,125,000	881,428	
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement	227,631	400,000	235,864	250,000
Settlement Funding				
Interest income				
Other Income				
WQA Assessment		0	183	915

SO. EL MONTE AREA OPERABLE UNIT - GSWC SG 1 & 2 WELLS

(See Annotation No. 20 Page 48)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition/97-005 Permit				
<u>OPERATING EXPENSES</u>	<u>\$81,458</u>	<u>\$150,000</u>	<u>\$65,000</u>	<u>\$150,000</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other (permits)				
Treatment and Remediation	81,458	150,000	65,000	150,000
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$81,458</u>	<u>\$150,000</u>	<u>\$65,000</u>	<u>\$150,000</u>
<u>REVENUES</u>	<u>\$81,458</u>	<u>\$150,000</u>	<u>\$65,000</u>	<u>\$150,000</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)		0		
Title XVI (XVI)				
Potentially Responsible Parties (PRP)			0	
Water Producers (PROD)		0		
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement	81,458	148,000	63,000	148,000
Settlement Funding		2,000	2,000	2,000
Interest income				
Other Income				
WQA Assessment			0	

SO. EL MONTE AREA OPERABLE UNIT - SGVWC PLANT G4
(See Annotation No. 21 Page 48)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition/97-005 Permit				
<u>OPERATING EXPENSES</u>	<u>\$130,411</u>	<u>\$100,000</u>	<u>\$80,912</u>	<u>\$100,000</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other (permits)				
Treatment and Remediation	130,411	100,000	80,912	100,000
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$130,411</u>	<u>\$100,000</u>	<u>\$80,912</u>	<u>\$100,000</u>
<u>REVENUES</u>	<u>\$130,411</u>	<u>\$100,000</u>	<u>\$80,912</u>	<u>\$100,000</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)				
Potentially Responsible Parties (PRP)				
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding	130,411	100,000	80,912	100,000
Interest income				
Other Income				
WQA Assessment				

**SO. EL MONTE AREA OPERABLE UNIT
WHITMORE STREET TREATMENT FACILITY**
(See Annotation No. 22 Page 49)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$18,671</u>	<u>\$194,000</u>	<u>\$118,911</u>	<u>\$127,450</u>
WQA Salaries	3,902		10,334	15,000
WQA Benefits	1,288		3,410	4,950
WQA Overhead	1,951		5,167	7,500
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants	11,530	194,000	100,000	100,000
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$175,624</u>	<u>\$222,385</u>	<u>\$175,255</u>	<u>\$187,385</u>
WQA Salaries	8,007	9,500	12,680	9,500
WQA Benefits	2,642	3,135	4,200	3,135
WQA Overhead	4,004	4,750	6,300	4,750
Project Services & Supplies				
Subcontractors				
Consultants		15,000		15,000
Legal				
Utilities (So Cal Edison & Verizon broadband)	14,083	20,000	17,752	20,000
Carbon & Supplies				
Equipment				
Other (permits)	20,208			
Treatment and Remediation	126,680	170,000	134,323	135,000
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$194,295</u>	<u>\$416,385</u>	<u>\$294,166</u>	<u>\$314,835</u>
<u>REVENUES</u>	<u>\$194,295</u>	<u>\$416,385</u>	<u>\$294,166</u>	<u>\$314,835</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)		125,000		
Title XVI (XVI)				
Potentially Responsible Parties (PRP)				
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1	152,454	185,713	78,300	50,000
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment	41,841	105,672	215,866	264,835

SO. EL MONTE AREA OPERABLE UNIT
REGIONAL SITE INVESTIGATION - Phase 2-Type
(See Annotation No. 23 Page 49)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$7,455</u>	<u>\$0</u>	<u>\$42,933</u>	<u>\$310,833</u>
WQA Salaries			15,264	25,000
WQA Benefits			5,037	8,333
WQA Overhead			7,632	12,500
Project Planning & Design				15,000
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants	7,455		15,000	250,000
Site Acquisition				
<u>OPERATING EXPENSES</u>	<u>\$0</u>	<u>\$360,833</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries		25,000		
WQA Benefits		8,333	0	
WQA Overhead		12,500	0	
Project Services & Supplies				
Subcontractors				
Consultants		15,000		
Legal				
Utilities (So Cal Edison & Verizon broadband)				
Carbon & Supplies				
Equipment				
Other (permits)				
Treatment and Remediation				
Costs/Administrative Costs/Grants		300,000		
TOTAL CAPITAL & OPERATING	<u>\$7,455</u>	<u>\$360,833</u>	<u>\$42,933</u>	<u>\$310,833</u>
<u>REVENUES</u>	<u>\$7,455</u>	<u>\$360,833</u>	<u>\$42,933</u>	<u>\$310,833</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)				
Potentially Responsible Parties (PRP)				
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1		240,000		279,750
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment	7,455	120,833	42,933	31,083

PUENTE VALLEY AREA OPERABLE UNIT - GENERAL
(See Annotation No. 1 Page 42)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$45,816</u>	<u>\$46,000</u>	<u>\$44,400</u>	<u>\$46,000</u>
WQA Salaries		0		
WQA Benefits		0		0
WQA Overhead		0		0
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations	34,209	34,800	32,900	34,800
Community Relations	11,003	11,200	11,500	11,200
Postage/Supplies/Other	604	0		
Project Construction				
Contractors/Project Grants				
Site Acquisition/97-005 Permit				
<u>OPERATING EXPENSES</u>	<u>\$50,970</u>	<u>\$37,167</u>	<u>\$57,700</u>	<u>\$46,333</u>
WQA Salaries	27,853	20,000	31,473	25,000
WQA Benefits	9,191	6,667	10,491	8,333
WQA Overhead	13,926	10,000	15,736	12,500
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other (meetings and conferences)		500		500
Treatment and Remediation				
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$96,786</u>	<u>\$83,167</u>	<u>\$102,100</u>	<u>\$92,333</u>
<u>REVENUES</u>	<u>\$96,786</u>	<u>\$83,167</u>	<u>\$102,100</u>	<u>\$92,333</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)				
Potentially Responsible Parties (PRP)		0		
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment	96,786	83,167	102,100	92,333

PUENTE VALLEY AREA OPERABLE UNIT
SGVWC PLANT B11
(See Annotation No. 24 Page 49)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition/97-005 Permit				
<u>OPERATING EXPENSES</u>	<u>\$0</u>	<u>\$175,000</u>	<u>\$0</u>	<u>\$175,000</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other (permits)				
Treatment and Remediation		175,000		175,000
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$0</u>	<u>\$175,000</u>	<u>\$0</u>	<u>\$175,000</u>
<u>REVENUES</u>	<u>\$0</u>	<u>\$175,000</u>	<u>\$0</u>	<u>\$175,000</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)				
Potentially Responsible Parties (PRP)	0	175,000	0	175,000
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment				

**PUENTE VALLEY AREA OPERABLE UNIT
INTERMEDIATE ZONE REMEDY**
(See Annotation No. 25 Page 49)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$7,931</u>	<u>\$8,439,100</u>	<u>\$0</u>	<u>\$8,439,100</u>
WQA Salaries	4,334	4,500	0	4,500
WQA Benefits	1,430	1,500	0	1,500
WQA Overhead	2,167	2,250	0	2,250
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction	0	0		
Contractors/Project Grants		8,430,850	0	8,430,850
Site Acquisition/97-005 Permit				
<u>OPERATING EXPENSES</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other (permits)				
Treatment and Remediation	0	0		
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$7,931</u>	<u>8,439,100</u>	<u>\$0</u>	<u>8,439,100</u>
<u>REVENUES</u>	<u>\$7,931</u>	<u>\$8,439,100</u>	<u>\$0</u>	<u>8,439,100</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)	0	800,000		800,000
Title XVI (XVI)				
Potentially Responsible Parties (PRP)	0	7,630,850	0	7,630,850
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment	7,931	8,250	0	8,250

**PUENTE VALLEY AREA OPERABLE UNIT
SHALLOW ZONE REMEDY**
(See Annotation No. 26 Page 50)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries			0	
WQA Benefits			0	
WQA Overhead			0	
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations				
Community Relations				
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition/97-005 Permit				
<u>OPERATING EXPENSES</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
WQA Salaries			0	0
WQA Benefits			0	0
WQA Overhead			0	0
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other (permits)				
Treatment and Remediation				
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>REVENUES</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)				
Title XVI (XVI)				
Potentially Responsible Parties (PRP)				
Water Producers (PROD)				
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment		0	0	0

AREA THREE OPERABLE UNIT- City of Alhambra
(See Annotations No. 1 Page 42 and No. 27 Page 50)

ESTIMATED COSTS

LINE ITEMS	Fiscal Yr 17-18 Actual	Fiscal Yr 18-19 Budget	Fiscal Yr 18-19 Projected	Fiscal Yr 2019-20 Budget
<u>CAPITAL COSTS</u>	<u>\$22,710</u>	<u>\$23,000</u>	<u>\$22,600</u>	<u>\$23,000</u>
WQA Salaries				
WQA Benefits				
WQA Overhead				
Project Planning & Design				
Design				
Legal/Mediation				
Government Relations	19,071	19,400	18,800	19,400
Community Relations	3,639	3,600	3,800	3,600
Postage/Supplies/Other				
Project Construction				
Contractors/Project Grants				
Site Acquisition/97-005 Permit				
<u>OPERATING EXPENSES</u>	<u>\$14,080</u>	<u>\$11,900</u>	<u>\$0</u>	<u>\$11,900</u>
WQA Salaries	7,694	6,500	0	6,500
WQA Benefits	2,539	2,100	0	2,100
WQA Overhead	3,847	3,300	0	3,300
Project Services & Supplies				
Subcontractors				
Consultants				
Legal				
Utilities				
Carbon & Supplies				
Equipment				
Other (permits)				
Treatment and Remediation				
Costs/Administrative Costs/Grants				
TOTAL CAPITAL & OPERATING	<u>\$36,790</u>	<u>\$34,900</u>	<u>\$22,600</u>	<u>\$34,900</u>
<u>REVENUES</u>	<u>\$36,790</u>	<u>\$34,900</u>	<u>\$22,600</u>	<u>\$34,900</u>
Rest. Fund/Title XVI/PRPs/Producers				
Restoration Funds (RF)		0		0
Title XVI (XVI)				
Potentially Responsible Parties (PRP)				
Water Producers (PROD)	0	0	0	
State - SWRCB/Prop 84/Prop 1				
SEMOU Cooperative Agreement				
Settlement Funding				
Interest income				
Other Income				
WQA Assessment	36,790	34,900	22,600	34,900

SAN GABRIEL BASIN WATER QUALITY AUTHORITY
OPERATING EXPENSE BUDGET
FISCAL YEAR ENDING JUNE 30, 2020

ACCOUNT NAME	F Yr 17-18 Actual	FY Yr 18-19 Budget	FY 18-19 Projected	FY 2019-20 Budget	Ratio
<u>OPERATING EXPENSES</u>					
<u>Board Member Fees</u>	<u>35,266</u>	<u>66,800</u>	<u>36,858</u>	<u>66,800</u>	<u>4.5%</u>
<u>Insurance</u>	<u>160,021</u>	<u>174,000</u>	<u>166,300</u>	<u>181,000</u>	<u>12.2%</u>
-General Liability/Property Insurance	24,918	30,000	25,900	30,000	
-Group Insurance	130,309	138,000	135,400	145,000	
-Workers Compensation	4,794	6,000	5,000	6,000	
<u>Office Expenses</u>	<u>36,748</u>	<u>48,000</u>	<u>44,245</u>	<u>48,000</u>	<u>3.2%</u>
- Supplies	6,570	12,000	11,000	12,000	
- Printing/Mailings	1,300	1,500	1,300	1,500	
- Dues & Subscriptions	19,190	22,000	21,800	22,000	
- Postage	900	1,000	745	1,000	
- Telephone	5,430	6,000	5,300	6,000	
- Graphics/Photo	550	2,500	1,200	2,500	
- Plant & Water Service	2,808	3,000	2,900	3,000	
<u>Rents & Leases</u>	<u>98,395</u>	<u>97,800</u>	<u>97,500</u>	<u>98,000</u>	<u>6.6%</u>
- Office Facilities "See Annotation 31a"	89,300	89,400	89,300	89,400	
- Equipment: Postage Machine	1,730	1,600	1,800	1,800	
- Security System	1,390	1,300	1,200	1,300	
- Copy Machine	5,975	5,500	5,200	5,500	
<u>Equipment O & M</u>	<u>29,613</u>	<u>36,200</u>	<u>33,000</u>	<u>36,200</u>	<u>2.4%</u>
- Car Allowance	14,203	16,200	14,700	16,200	
- Computer Systems "See Annotation 31b"	12,755	15,000	15,300	15,000	
- Copier Machine	2,265	3,000	1,900	3,000	
- Phone System	0	500	500	500	
- Postage Machine	0	500	200	500	
- Web Hosting	390	1,000	400	1,000	
<u>Outside Consulting Services</u>	<u>169,417</u>	<u>315,000</u>	<u>260,000</u>	<u>330,000</u>	<u>22.3%</u>
- Computer Consultant "See Annotation 31c"	12,382	15,000	19,500	25,000	
- Engineering/Geology	675	10,000	5,000	10,000	
- General Discharge Permit "See Annotation 31d"	8,300	10,000	11,800	15,000	
- Database & Mapping "See Note (a)"	44,310	95,000	95,000	95,000	
- Legal (General Counsel)	14,400	50,000	20,500	50,000	
- Legal (Special Counsel)	6,950	20,000	0	20,000	
- Management Services	0	5,000	5,000	5,000	
- Accounting/Audit/Finance	19,280	30,000	30,800	30,000	
- Accounting	6,250	15,000	12,700	15,000	
- Public Information/Relations "See Annotation 31e"	53,750	60,000	54,500	60,000	
- General Outside Services "See Annotation 31f"	3,120	5,000	5,200	5,000	
<u>Education & Training</u>	<u>740</u>	<u>2,500</u>	<u>1,300</u>	<u>2,500</u>	<u>0.2%</u>
- Tuition Reimbursement	0	0	0	0	
- Training	740	2,500	1,300	2,500	
<u>Travel, Meetings & Conference Expenses</u>	<u>32,742</u>	<u>45,000</u>	<u>36,300</u>	<u>45,000</u>	<u>3.0%</u>
"See Annotation 31g"					
- Board Member Travel, Meeting & Conferences	2,685	15,000	6,000	15,000	
- Regular Employee Travel, Meeting & Conferences	30,057	30,000	30,300	30,000	

SAN GABRIEL BASIN WATER QUALITY AUTHORITY
OPERATING EXPENSE BUDGET
FISCAL YEAR ENDING JUNE 30, 2020

ACCOUNT NAME	F Yr 17-18 Actual	FY Yr 18-19 Budget	FY 18-19 Projected	FY 2019-20 Budget	Ratio
Administrative Salaries & Benefits "See Annotation 31h"	<u>641,568</u>	<u>596,100</u>	<u>632,201</u>	<u>591,780</u>	<u>40.0%</u>
-Salaries - Full Time Employees	814,718	819,100	824,570	860,000	
-Payroll Taxes	15,094	18,500	18,965	19,780	
-Retirement Plan	100,883	106,000	105,000	110,000	
-Salaries Allocated to Projects "See Annotation 31i"	(289,127)	(347,500)	(316,334)	(398,000)	
Fixed Assets	<u>14,220</u>	<u>20,000</u>	<u>22,400</u>	<u>30,000</u>	<u>2.0%</u>
- Office Improvements / Furniture	2,080	5,000	7,400	5,000	
- Computer Systems/Equipment	12,140	15,000	15,000	25,000	
Contingency	<u>0</u>	<u>50,000</u>		<u>50,000</u>	<u>3.4%</u>
TOTAL OPERATING EXPENSES	<u>\$1,218,730</u>	<u>\$1,451,400</u>	<u>\$1,330,104</u>	<u>\$1,479,280</u>	<u>100.0%</u>
REVENUES	<u>\$1,218,730</u>	<u>\$1,451,400</u>	<u>\$1,330,104</u>	<u>\$1,479,280</u>	
Interest income "See Annotation 32"	111,518	90,000	153,101	120,000	
Other Income (Agenda/Copy Fees/Luncheons)	6,800	0		0	
Benefits & Overhead Allocated to Projects	239,975	288,696	262,560	330,678	
SEMOU Settlement Funding / FFPA Funds		0	0	0	
WQA Assessment	860,437	1,072,704	914,443	1,028,602	

ANNOTATIONS-Nos. 31-32 see annotations pages 51-53.

Note (a): The budget for Fiscal Yr. 18-19 reflects line item transfers approved by the board, subsequent to approval of the budget. (See below)

	<u>Original</u> <u>Budget</u>	<u>Transfer</u> <u>Amount</u>	<u>Amended</u> <u>Budget</u>	<u>Date of Line</u> <u>Item</u> <u>Transfer</u>
<u>Budget Line Items Transfers for FY 18/19</u>				
Database & Mapping Activities	60,000	35,000	95,000	11-14-18
Legal - BPOU	75,000	(35,000)	40,000	11-14-18

SAN GABRIEL BASIN WATER QUALITY AUTHORITY

OPERATING AND PROJECT EXPENSE BUDGET FISCAL YEAR ENDING JUNE 30, 2020

ANNOTATIONS AND PROJECT DESCRIPTIONS

PROJECTS

1. Project Budget Line Items

Each of the following headings are included on each project budget and are defined as follows:

1a. Legal/Mediation/Litigation

This item includes the professional services required to negotiate, develop agreements, and/or litigate. The budget costs reflect anticipated professional services by our general and/or specialized counsel.

1b. Government Relations / Community Relations

Government Relations: These costs reflect the fees associated with efforts in Washington D.C. and Sacramento to find outside sources of funding for cleanup projects. The fees have been proportionately allocated to the related projects requiring outside funding. The allocation rate is based upon funding provided to activities in the operable units. The rate is reviewed on an annual basis and adjusted accordingly. The rates for FY 19/20 are shown below.

Community Relations: The WQA disseminates information to a large audience throughout the year with the use of approximately eight to ten full-color inserts exclusive to the WQA, as well as e-mail "blasts" to approximately 60,000 readers. These are issued in conjunction with Earth Day, Civic Leadership, Water Awareness and other special sections or events. The WQA has also developed a comprehensive social media communications plan that capitalizes on social media's increasing influence to communicate its goal to the general public. The fees are allocated proportionately among the 31 projects that are included in the budget.

	<u>Government</u>	<u>Community</u>
	<u>Relations</u>	<u>Relations</u>
Baldwin Park Operable Unit - BPOU Committee	53.0%	19.4%
Baldwin Park Operable Unit - Non-Committee	4.0%	9.7%
El Monte Operable Unit	12.0%	16.1%
So. El Monte Operable Unit	17.0%	32.3%
Puente Valley Operable Unit	7.0%	9.7%
Area Three Operable Unit	4.0%	3.1%
Other Projects	<u>3.0%</u>	<u>9.7%</u>
TOTAL	<u>100.0%</u>	<u>100.0%</u>

SAN GABRIEL BASIN WATER QUALITY AUTHORITY

OPERATING AND PROJECT EXPENSE BUDGET FISCAL YEAR ENDING JUNE 30, 2020

ANNOTATIONS AND PROJECT DESCRIPTIONS

1. Project Budget Line Items (continued)

1c. Treatment and Remediation (T & R) / Administration Costs/Grants

Costs on this line item are associated with projects that are owned and operated by either the WQA, Responsible Parties (RPs), or Water Producers and reflect the expenses necessary to maintain and operate a treatment system or the costs associated with administering outside funding and grants.

2. OTHER PROJECTS

CITY OF SOUTH PASADENA - WILSON RESERVOIR TREATMENT (See page 3)

The project is located in the City of South Pasadena at its Wilson Reservoir and involves the construction of a 1,2,3-trichloropropane (TCP) treatment facility using granular activated treatment for the removal of TCP with a plant capacity of 3,000 gpm. The treated water will be conveyed into South Pasadena's existing distribution system. The WQA Board has allocated Restoration funds to partially offset the cost of construction.

SAN GABRIEL VALLEY WATER COMPANY - PLANT 11 (See page 4)

The WQA Board authorized the use of Restoration funds in prior years to offset a portion of SGVWC's treatment and remediation costs for Plant 11. The federal funds for Plant 11 were utilized in FY 9/10; no federal funds have been allocated since that date. Plant 11 continues to operate with costs currently funded by SGVWC.

WHITTIER NARROWS OPERABLE UNIT (WNOU) (See page 5)

The WQA is assisting the U.S. Environmental Protection Agency (EPA) and the Department of Toxic Substances Control (DTSC) in developing a long-term plan to guarantee the continued operations of the WNOU remedy and to ensure that the remedy is performing as required by the WNOU Record of Decision (ROD). The plan currently calls for the San Gabriel Valley Water Company (SGVWC) to assume operations of the treatment plant. In order for SGVWC to assume operations capital upgrades are required. The upgrades include the construction of an onsite reservoir, construction of blending controls and a 3,000 gpm booster station as well as an updated pump station and disinfection equipment. In addition, a 7,000 linear foot blending pipeline is necessary to bring needed blend water from SGVWC's Plant 11 to facilitate long term operation of the treatment facility. The costs associated with the capital upgrades total approximately \$15M and are being funded by an agreement between EPA, DTSC and state funding through Proposition 1, with a preliminary Proposition 1 award of up to \$7.1M. Any costs associated with WQA involvement are currently being funded by WQA.

SAN GABRIEL BASIN WATER QUALITY AUTHORITY

OPERATING AND PROJECT EXPENSE BUDGET FISCAL YEAR ENDING JUNE 30, 2020

ANNOTATIONS AND PROJECT DESCRIPTIONS

3. BALDWIN PARK AREA OPERABLE UNIT - LPVCWD (See page 9)

The 2,500 gpm groundwater treatment project was constructed in 2000 for the La Puente Valley County Water District (LPVCWD). The plant utilizes air stripping, ion exchange and ultraviolet light to treat VOCs, Perchlorate, n-nitrosodimethylamine (NDMA) and 1,4-Dioxane. The treatment and remediation costs for the project are funded through the Baldwin Park Operable Unit (BPOU) Project Agreement. In addition, LPVCWD tested waste brine destruction methods resulting from the operation of the ion exchange treatment technology. The regenerable ion exchange treatment equipment was subsequently replaced with more efficient single pass ion exchange treatment equipment thereby eliminating all waste brine discharges. In addition to the ion exchange treatment equipment, LPVCWD constructed a new onsite production well. The costs for the completion of the ion exchange treatment equipment and the new well were reflected in the FY09/10 budget and were funded through the BPOU Project Agreement, a USBR Title XVI award, and Restoration funds approved by the Board. The FY19/20 budget includes the subsequent treatment and remediation costs that are being funded through the BPOU Project Agreement.

4. BALDWIN PARK AREA OPERABLE UNIT - PLANT B6 (See page 10)

The 7,800 gpm groundwater treatment project at San Gabriel Valley Water Company's (SGVWC) existing B6 well field is currently operating under its amended water supply permit. The project removes VOCs, Perchlorate, NDMA and 1,4-Dioxane from the groundwater with a combination of treatment technologies including air stripping and single pass ion exchange treatment equipment. The project also includes four extraction wells at two extraction locations near the southwestern edge of the BPOU. In addition, SGVWC was required by the DPH to construct an additional fixed bed ion exchange treatment system for the removal of nitrates. The second round of funding from Proposition 84, Section 75025 provided funding for the nitrate system. SGVWC is also planning the installation of an advanced UVFlex modular treatment system for 1,4-dioxane and NDMA at an estimated cost of \$2.2M. This system would reduce the amount of energy necessary to operate and optimize the treatment of contaminants. Proposition 1 funding of a portion of the UVFlex project was approved. The FY19/20 budget includes treatment and remediation costs that are funded through the BPOU Project Agreement.

5. BALDWIN PARK AREA OPERABLE UNIT - CDWC Well 14 (See page 11)

California Domestic Water Company (CDWC) has constructed VOC, Perchlorate and NDMA treatment facilities at their Well No. 14. While the project is not part of the EPA ROD, it is funded as part of the comprehensive BPOU Project Agreement that has been endorsed by the EPA. In FY09/10 CDWC constructed an extraction well to replace existing Well No. 14 due to sub-surface failure. The FY 19/20 budget includes the cost of completing the constructing a pipeline between the CDWC Bassett Well Field and SGVWC's Plant B5, and treatment and remediation costs for Well No. 14. These costs are funded through the BPOU Project Agreement.

SAN GABRIEL BASIN WATER QUALITY AUTHORITY

OPERATING AND PROJECT EXPENSE BUDGET FISCAL YEAR ENDING JUNE 30, 2020

ANNOTATIONS AND PROJECT DESCRIPTIONS

6. BALDWIN PARK AREA OPERABLE UNIT - PLANT B5 (See page 12)

The 7,800 gpm treatment system at SGVWC's existing B5 well field and extraction well on site is located at the southern edge of the BPOU and is part of the EPA's ROD and the BPOU Project Agreement. Construction started during FY 04/05 and was completed during FY08/09; the project treats Perchlorate, NDMA, 1,4-Dioxane and VOCs. The B5 treatment facility started operations in FY 08/09 with all associated costs funded through the BPOU Project Agreement. The FY 19/20 budget includes treatment and remediation costs that are being funded through the BPOU Project Agreement.

7. BALDWIN PARK AREA OPERABLE UNIT - VCWD SUB-AREA 1 (See page 13)

The 7,800 gpm groundwater treatment system at Valley County Water District's (VCWD) Arrow/Lante well field removes Perchlorate, NDMA, 1,4-Dioxane and VOCs utilizing treatment systems similar to those used in the B6 project. The project includes two extraction wells (SA1-1 and SA1-2) and a treated water pipeline to Suburban Water Systems' (SWS) existing distribution system. VCWD has replaced its existing regenerable ion exchange treatment equipment with the more efficient single pass ion exchange treatment equipment. The FY 19/20 budget includes costs for the ongoing rehabilitation of a groundwater extraction well and a liquid phase granular activated quench system. The WQA Board has allocated Restoration funds to partially offset the cost of design and construction of these systems. Additionally, the second round of funding from Proposition 84, Section 75025 has provided funding for bypass piping to address nitrate contamination. The FY19/20 budget also includes ongoing treatment and remediation costs that are being funded through the BPOU Project Agreement.

8. BALDWIN PARK AREA OPERABLE UNIT - SWS Plants (See page 14)

SWS has constructed two new production wells, one at their Plant 121 and the other at their Plant 142, to replace the production lost at its Plant 139. The project included a pipeline that connected Plant 121 with an adjacent service area that includes their Plant 140 NDMA treatment facility and the construction of a third production well Plant 151. The project was funded by the Project Agreement. The FY19/20 budget includes ongoing treatment and remediation costs that are being funded through the BPOU Project Agreement.

9. BALDWIN PARK AREA OPERABLE UNIT - CDWC WELL 10 (See page 15)

California Domestic Water Company (CDWC) is constructing a Perchlorate Treatment facility at Well 10 with capacity to be 5,000 GPM. The project is consistent with EPA's remedy for the BPOU and is funded by the BPOU Project Agreement. The WQA Board has allocated Restoration funds to partially offset the cost of design and construction.

SAN GABRIEL BASIN WATER QUALITY AUTHORITY

OPERATING AND PROJECT EXPENSE BUDGET FISCAL YEAR ENDING JUNE 30, 2020

ANNOTATIONS AND PROJECT DESCRIPTIONS

10. BALDWIN PARK AREA OPERABLE UNIT - BALDWIN WELLS PUMPING PLANT (See page 16)

This project is located at Covina Irrigating Company's (CIC) Baldwin Park Pumping Plant where CIC constructed a 6,600 gpm treatment system utilizing fixed bed ion exchange treatment technology for the removal of perchlorate from onsite wells 1, 2 and 3. The project is not part of the EPA ROD, therefore it was not funded through the BPOU Project Agreement. The WQA Board allocated Restoration funds to partially offset the cost of design and construction. The second round of funding from Proposition 84, Section 75025 also provided funds for the project.

11. BALDWIN PARK AREA OPERABLE UNIT - NIXON WELLS TREATMENT (See page 17)

The project is located at the VCWD Nixon water production facility. VCWD constructed an LPGAC treatment system for the removal of VOCs from Wells Nixon West and Nixon East. The project is not part of the EPA ROD, therefore it is not funded by the BPOU Project Agreement. The WQA Board previously allocated Restoration funds to partially offset the cost of construction, which were utilized in FY 11/12. No additional funding has been provided, therefore treatment and remediation costs are funded entirely by VCWD.

12. EL MONTE AREA OPERABLE UNIT - Encinita (See page 19)

This VOC treatment project enables the Golden State Water Company (GSWC) to treat all of the 2,250 gpm available at the Encinita Plant. Funding for the project came from a variety of sources including federal funding. The WQA Board had allocated Restoration funds to offset treatment and remediation costs, which have been utilized in full as of FY 11/12. The costs reflected in FY 19/20 are for treatment and remediation costs that are funded by RPs.

13. EL MONTE AREA OPERABLE UNIT - Westside Shallow Remedy (See page 20)

In FY 06/07 the Westside Performing Settling Defendants (WSPSD) constructed additional monitoring wells required by EPA to fully characterize the extent of contamination in the western portion of the El Monte Operable Unit (EMOU). In FY 07/08 the WSPSD began construction of VOC treatment facilities and conveyance pipelines. In the event that emergent chemical contamination is found appropriate treatment will be added. The project work meets the west side shallow zone remediation requirements of EPA's EMOU ROD. The WQA Board allocated Title XVI funds and Restoration Funds to offset the cost of construction of the VOC facilities and pipelines and the funds have been fully utilized. Construction was completed in FY 12/13 and the project is now fully operational. Treatment and remediation costs are being funded by the WSPSD. However, recent data indicates the need to construct additional advanced oxidation treatment for destruction of 1,4-dioxane with the additional construction costs being funded by the WSPSD. In FY 19/20 WSPSD will continue construction of additional shallow zone extraction wells due to the lowering groundwater table, with costs being funded by the WSPSD.

SAN GABRIEL BASIN WATER QUALITY AUTHORITY

OPERATING AND PROJECT EXPENSE BUDGET FISCAL YEAR ENDING JUNE 30, 2020

ANNOTATIONS AND PROJECT DESCRIPTIONS

14. EL MONTE AREA OPERABLE UNIT - Eastside Shallow Remedy (See page 21)

During FY 07/08, the Eastside Performing Settling Defendants (ESPSD) began construction of extraction wells, re-injection wells, conveyance pipelines and a VOC treatment facility. In the event that emergent chemical contamination is found, appropriate treatment will be added. The work meets the east side shallow zone remediation requirements of EPA's EMOU ROD. The WQA Board also allocated Title XVI funds and Restoration funds to offset the cost of construction. The FY 15/16 budget included capital costs associated with the project construction and staff time associated with project coordination and processing federal awards. The Title XVI and Restoration funds have been fully utilized as of FY 15/16, and no further funding has been provided as of FY 19/20. The construction has been completed and the project is now operational. Treatment and remediation costs are being funded by the ESPSD.

15. EL MONTE AREA OPERABLE UNIT - Southeast Deep Remedy (See page 22)

The ESPSD and the City of El Monte (CEM) entered into an agreement to construct three new extraction wells and necessary conveyance pipelines. The project also includes the construction of a centralized VOC treatment facility. The CEM will operate the treatment facility and use all of the treated water produced for domestic supply. This project satisfies the east side deep zone remediation requirements of EPA's EMOU ROD. The WQA Board allocated Restoration funds to offset the cost of construction, with construction starting in FY 07/08. The FY 15/16 budget included capital costs associated with the project construction and staff time associated with project coordination and processing federal awards. The construction has been completed and the project is now operational. Treatment and remediation costs are being funded by the ESPSD. The Board also allocated Restoration funds to cover the cost of one year of operations. These funds are expected to be utilized in FY 19/20.

16. EL MONTE AREA OPERABLE UNIT - City of El Monte Wells 2, 10, 12 and 3 (See page 23)

The CEM has constructed VOC treatment systems at its well sites for Wells 2, 10 and 12. The WQA Board allocated Restoration funds to partially offset the cost of treatment and remediation, which had been fully utilized as of FY 15/16. No additional funding has been provided, therefore treatment and remediation costs are funded entirely by the CEM. The second round of funding from Proposition 84, Section 75025 also provides funds for the construction of a treatment facility at Well 3 for the remediation of VOCs and to facilitate blending.

SAN GABRIEL BASIN WATER QUALITY AUTHORITY

OPERATING AND PROJECT EXPENSE BUDGET FISCAL YEAR ENDING JUNE 30, 2020

ANNOTATIONS AND PROJECT DESCRIPTIONS

17. SO. EL MONTE AREA OPERABLE UNIT - Monterey Park Wells (See pages 25-27 and 29)

The FY18/19 budget includes treatment and remediation costs associated with the City of Monterey Park's (CMP) Well 5, Well 12 and Well 15 VOC treatment facilities. Funding for the treatment and remediation costs is provided by the EPA Cooperative Agreement and SEMOU settlement funds.

CMP also operates a VOC treatment plant for Wells 1, 3, 10 and Fern. The treatment and remediation costs for FY 19/20 are funded by SEMOU settlement funds.

18. SO. EL MONTE AREA OPERABLE UNIT - Monterey Park Centralized Groundwater Treatment System (See page 28)

The CMP has constructed a centralized groundwater treatment system (CGT) at its Delta Plant to replace the individual remedy wellhead systems. The CGT will remove VOCs and 1,4-dioxane and will enable the City to maximize production from its three remedy wells. The \$8.2M project is partially funded by a Proposition 84 grant and is expected to be operational in FY 19/20. It will eventually replace the Well 12 VOC, Wells 12 & 15 Dual Barrier and Well 15 VOC treatment facilities.

19. SO. EL MONTE AREA OPERABLE UNIT - SGVWC Plant 8 (See page 30)

SGVWC started the design process for additional treatment consisting of ion exchange for perchlorate contamination and advanced oxidation of 1,4-dioxane destruction; the additional treatment will be necessary if concentrations exceed 50% of the maximum contaminate level. The WQA Board allocated the use of federal funds to offset the cost of SGVWC's design which were utilized in FY 12/13. In FY 18/19 SGVWC began construction of an advanced oxidation treatment system for 1,4-dioxane contamination - the WQA Board has also allocated federal funds to offset a portion of these construction costs. These funds were awarded to SGVWC in FY 18/19. For FY 19/20, funding for the treatment and remediation costs for VOC treatment at Plant 8 are provided by the EPA Cooperative Agreement.

20. SO. EL MONTE AREA OPERABLE UNIT - GSWC SG 1 & 2 Wells (See page 31)

In prior years the Golden State Water Company (GSWC) retrofitted two of its existing six carbon vessels for ion exchange treatment of Perchlorate, and subsequently reversed the two vessels back into VOC treatment. The WQA Board had allocated federal funds to offset a portion of GSWC's treatment and remediation costs of the VOC and the temporary Perchlorate treatment systems - the funds were completely utilized as of FY 14/15. Treatment and remediation costs associated with the VOC treatment for Wells SG1 and SG2 are provided by the EPA Cooperative Agreement and SEMOU settlement funds.

21. SO. EL MONTE AREA OPERABLE UNIT - SGVWC Plant G4 (See page 32)

SGVWC constructed a VOC treatment facility at its existing Plant G4. The WQA Board allocated federal funds to offset a portion of the treatment and remediation costs associated with the VOC treatment, which were completely utilized as of FY 10/11. For FY 19/20 the treatment and remediation costs are funded by SEMOU settlement funds.

SAN GABRIEL BASIN WATER QUALITY AUTHORITY

OPERATING AND PROJECT EXPENSE BUDGET FISCAL YEAR ENDING JUNE 30, 2020

ANNOTATIONS AND PROJECT DESCRIPTIONS

22. SO. EL MONTE OPERABLE UNIT - Whitmore Street Treatment Facility (See page 33)

During FY 07/08, the WQA constructed a treatment facility utilizing UV oxidation and LPGAC treatment technologies for the removal of 1,4-Dioxane and VOCs. The WQA received a grant from the State of California to offset the costs of construction and a portion of treatment and remediation which provided funding through December 2012. In December 2012, the State approved an additional five years of funding for the construction of a new extraction well and to offset costs of treatment and remediation. The State funding was fully expended within the first quarter of FY 18/19, at which time the cost of operating the treatment facility is being funded entirely by the WQA. Treatment and remediation costs for FY 19/20 are funded by the WQA.

The WQA is investigating the contamination in the shallow aquifer surrounding the Whitmore site. Using hydropunch technology at 11 locations, the WQA will gain additional data to enhance the extraction at the Whitmore site. The cost of this project is partially funded by a Proposition 1 grant with the remainder of the funding being provided by the WQA. The costs for this project are included in the budget for FY 19/20.

23. SO. EL MONTE OPERABLE UNIT - Phase 2-type Investigation (See page 34)

The WQA is involved in a collaborative effort with the Los Angeles Regional Water Quality Control Board, the SWRCB Department of Financial Assistance, and the DTSC to facilitate the investigation and cleanup of contamination sources. The WQA is applying for a planning grant to be used to perform a remedial Phase 2-type investigation of soil, soil gas, and groundwater beneath high priority sites within the Basin. The cost of this project is partially funded by a Proposition 1 grant with the remainder of the funding being provided by the WQA. Costs for this project are included in the FY19/20 budget.

24. PUENTE VALLEY AREA OPERABLE UNIT - SGVWC Plant B11 (See page 36)

The WQA Board authorized the use of federal funds to offset a portion of SGVWC's treatment and remediation costs for Plant B11. The federal funds for Plant B11 were fully utilized in FY 10/11. No federal funds have been allocated for FY 18/19. Plant B11 continues to operate with costs currently funded by RPs.

25. PUENTE VALLEY AREA OPERABLE UNIT - Intermediate Zone Remedy (See page 37)

In FY 06/07, the PVOU Responsible Party (Northrop Grumman), began construction on the intermediate zone remedy for the Puente Valley Operable Unit (PVOU). Subsequently, the project was relocated and completely redesigned, with construction on the redesigned facility starting in FY 18/19. The project consists of extraction wells, conveyance pipelines, VOC treatment equipment, ion exchange treatment equipment and UV oxidation treatment equipment located on a property acquired by Northrop Grumman. The WQA Board has allocated Restoration funds to offset a portion of the construction costs.

SAN GABRIEL BASIN WATER QUALITY AUTHORITY

OPERATING AND PROJECT EXPENSE BUDGET FISCAL YEAR ENDING JUNE 30, 2020

ANNOTATIONS AND PROJECT DESCRIPTIONS

26. PUENTE VALLEY AREA OPERABLE UNIT - Shallow Zone Remedy (See page 38)

This project is being implemented by United Technologies Corporation to satisfy its responsibility for the PVOU shallow zone remedy. The project consists of extraction wells, raw water pipelines, centralized treatment facility, treated water pipeline and re-injection wells. The treatment facility will have a capacity of 1,560 gpm and will treat for VOCs and emergent chemicals. Costs are not included for FY 19/20 as construction is not expected to start during the next fiscal year.

27. AREA THREE OPERABLE UNIT - City of Alhambra (See page 39)

The City of Alhambra's ("Alhambra") Phase I of its pump and treat program consists of a 1,600 gpm air stripping plant at Well 7. Phase II consists of a centralized treatment plant for the remediation of VOCs, including 1,2,3-TCP. The treatment plant utilizes LPGAC, was designed for a capacity of 5,400 gpm and accepts flow from City Wells Nos. 8, 11, and 12. The treated water is then blended with the treated water from Well No. 7 and conveyed to Alhambra's distribution system. The WQA Board allocated Restoration funds to this project to partially reimburse Alhambra for the Phase I and Phase II costs and to offset a portion of the treatment and remediation costs. As of FY 13/14, all federal funds had been fully utilized by Alhambra. No federal funds have been allocated for FY 19/20. Costs for treatment and remediation are funded by the City of Alhambra.

NOTE: Annotations 28 through 30 are not applicable for FY 19/20

SAN GABRIEL BASIN WATER QUALITY AUTHORITY

OPERATING AND PROJECT EXPENSE BUDGET FISCAL YEAR ENDING JUNE 30, 2020

ANNOTATIONS AND PROJECT DESCRIPTIONS

OPERATING EXPENSE BUDGET (See pages 40 - 41)

31. Operating Expenses

31a. Office Facilities

Office facilities includes the monthly lease expense and any related utility costs.

31b. Equipment O&M-Computer Systems

This line item reflects costs associated with maintaining computers and related equipment, the network and its backup system, as well as an internet connection line. Certain maintenance is performed in-house. However, the WQA does require the expertise of professional computer consultants. The cost of the consultant is included in the cost category of Outside Consultants: Computer (see 31c. below).

31c. Outside Consultants: Computer

During FY 18/19, the WQA engaged an information systems consulting firm to provide for consistent and reliable computer support, with services including maintaining and monitoring servers, workstations and network security. The FY 19/20 budget includes costs related to the consulting firm.

31d. General Discharge Permit Activities

The WQA participated in the acquisition of a general discharge permit to facilitate the construction and operation of wells and treatment facilities in the San Gabriel Basin. The total project budget was \$415,000 and spanned the years of FY 11/12 through 13/14. Additional costs were subsequently budgeted as the WQA continued to provide assistance to water entities in obtaining general discharge permits.

During FY 17/18, the WQA began participating in a working group to assist in the development of a guidance manual for the SWRCB Department of Drinking Water Policy 97-005 process. The project is continuing and costs have been budgeted for FY 19/20 for this project. It is expected to be completed in FY 19/20.

31e. Public Information/Relations

Public information expenses include the cost of basin-wide informational workshops and the issuance of an annual report based on the 406 plan as well as all required public notices that are published in local and regional newspapers which are not attributable to projects. The WQA co-hosts an annual informational workshop jointly with selected other water districts. It also hosts several mini-workshops throughout the year. The WQA is also participating in youth outreach programs.

31f. General Outside Services

The budget for FY 19/20 includes the cost of engaging a professional organization to scan additional documents for electronic storage - these documents were not included in the original project in which the bulk of the WQA's documents were scanned.

SAN GABRIEL BASIN WATER QUALITY AUTHORITY

OPERATING AND PROJECT EXPENSE BUDGET FISCAL YEAR ENDING JUNE 30, 2020

ANNOTATIONS AND PROJECT DESCRIPTIONS

31g. Travel, Meetings and Conference Expenses

The expenses in this category include mileage reimbursements, airfare, car rental, hotel and out-of-town meals for authorized meetings, such as ACWA, EPA, meetings with legislators in Sacramento and Washington D.C and meetings for contract negotiations, as well as conference registration fees (i.e., ACWA, NGWA) and costs to attend and/or host meetings related to WQA activities.

The total budget is allocated between WQA Board Members and WQA Employees.

Board Member Travel, Meeting & Conference

The FY 19/20 budget projects the maximum amount of WQA-paid expenses that each Board Member incurs at \$4,000 per Board Member.

Employee Travel, Meeting & Conference

This budget category includes staff costs and other costs to attend and/or host meetings related to the WQA activities.

31h. Administrative Salaries & Benefits

The WQA currently has six full-time employees. Employee equivalents are computed based upon the fraction of the fiscal year that each employee worked in the categories listed below and on the next page.

31i. Salaries and Benefits Paid by Projects

The WQA currently utilizes an internal allocation procedure whereby salaries for technical positions (see Category 1 below) are allocated to projects based on individual record keeping and actual time spent on projects.

Salaries for administrative positions (see Category 2 below) are allocated proportionately to both projects and general administration. The allocation rates are reviewed annually and adjusted based on the projected activities in the operable units. The allocation method is based on level of effort expended for each operable unit.

The categories shown on the next page reflect the FY 19/20 allocations.

SAN GABRIEL BASIN WATER QUALITY AUTHORITY

OPERATING AND PROJECT EXPENSE BUDGET
FISCAL YEAR ENDING JUNE 30, 2020

ANNOTATIONS AND PROJECT DESCRIPTIONS

31. Operating Expenses (continued)

31i. Salaries and Benefits Paid by Projects (continued)

Category 1: Salaries Allocated by Individual Record Keeping Based on Actual Time to Projects

Applicable Positions: Executive Director, Assistant Executive Director, Project Resource Manager, and Executive Assistant/Public Outreach Coordinator.

Category 2: Salaries Allocated by Proportionate Share to Projects and General Administration

2019/2020 Computation: 50.0% ADMIN; 14.1% BPOU - Committee; 2.6% BPOU Non-committee; 5.8% EMOU; 19.3% SEMOU; 5.8% PVOU; 1.2% ATOU and 1.2% Other Projects.

Applicable Positions: Director of Finance & Administrative/Accounting Assistant.

32. Operating Revenues

32a. Interest Income

This line item reflects investment interest earned from the Local Agency Investment Fund (LAIF) and interest income earned from bank accounts. For the current year projected interest income is based on historical interest earnings, projected interest rates, and the projected timing of cash receipts and disbursements. The budgeted interest income for FY 19/20 is estimated based on an average LAIF balance of \$6.0M and includes assumptions about the timing of cash receipts and disbursements. The majority of the funds held by WQA are to be used for reimbursement of costs through FFPA awards and other agreements.

33. Pumping Right Assessments

The Pumping Right Assessment as established for the FY 19/20 Budget is \$10.00 per acre-foot of prescriptive pumping rights.

Section 605 of WQA's enabling Act, as amended effective January 1, 2004, grants the WQA the authority to impose an annual pumping right assessment not to exceed \$10 per acre-foot. Additionally, Section 608 of the enabling Act grants WQA the authority to annually adjust the assessment rate by an amount not to exceed the percentage change in the regional Consumer Price Index - All Urban Consumers (CPI). The increase in the CPI from 2004 to 2018 is 35.2 percent, resulting in an allowable maximum assessment of \$14.13.

**SAN GABRIEL BASIN WATER QUALITY AUTHORITY
BUDGET SUMMARY
FOR FISCAL YEAR ENDING JUNE 30, 2020**

ASSESSMENT RESERVE - \$13 PER ACRE FT

Draft v1 dated 3-12-19

<u>ASSESSMENT RESERVE</u>	
<i>Reserve balance from FY 2017-18</i>	1,612,156
<i>Projected reserve increase from Assessments for FY 2018-19</i>	(53,607)
<i>Projected reserve balance for FY 2018-19</i>	1,558,549
<i>WQA Assessments Collected @ \$13 acre foot</i>	2,568,930
<i>WQA 19-20 Budgeted Costs Funded By Assessments</i>	(2,298,235)
<i>Projected Assessment Reserve for FY 19-20</i>	1,829,244
<u>WQA ASSESSMENT SUMMARY - "See Annotation 33, page 52"</u>	
WQA ASSESSMENT FOR FY 2019-20	<u>\$2,568,930</u>
WQA ASSESSMENT PER ACRE FOOT	<u>\$13</u>

**SAN GABRIEL BASIN WATER QUALITY AUTHORITY
BUDGET SUMMARY
FOR FISCAL YEAR ENDING JUNE 30, 2020**

ASSESSMENT RESERVE - \$14 PER ACRE FT

Draft v1 dated 3-12-19

<u>ASSESSMENT RESERVE</u>	
<i>Reserve balance from FY 2017-18</i>	1,612,156
<i>Projected reserve increase from Assessments for FY 2018-19</i>	(53,607)
<i>Projected reserve balance for FY 2018-19</i>	1,558,549
<i>WQA Assessments Collected @ \$14 acre foot</i>	2,766,540
<i>WQA 19-20 Budgeted Costs Funded By Assessments</i>	(2,298,235)
<i>Projected Assessment Reserve for FY 19-20</i>	2,026,854
<u>WQA ASSESSMENT SUMMARY - "See Annotation 33, page 52"</u>	
WQA ASSESSMENT FOR FY 2019-20	<u>\$2,766,540</u>
WQA ASSESSMENT PER ACRE FOOT	<u>\$14</u>



San Gabriel Basin Water Quality Authority

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AGENDA SUBMITTAL

To: WQA Board of Directors
From: Kenneth R. Manning, Executive Director
Date: March 20, 2019
Subject: Draft 404 Status Report for March 2019

Background and Discussion

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.

Recommendation / Proposed Action

Approve the Draft 404 Status Report for March 2019.

Attachments

Draft 404 Status Report for March 2019



Water Quality Authority

Draft Semi-Annual Status Report

Prepared Pursuant to Ch. 404/Statutes of 2007

March 20, 2019

Board of Directors

Jorge Marquez, Chairman
Bob Kuhn, Vice Chairman
Mark Paulson, Treasurer
Valerie Munoz, Secretary
Michael Whitehead, Board Member
Tim Miller, Board Member
Ed Chavez, Board Member

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TERMS AND ACRONYMS

§406	San Gabriel Basin Groundwater Quality Management and Remediation Plan
ACT	The California Safe Drinking Water Act (Health & Safety Code §§ 116275 <i>et seq.</i>)
ARARs	Applicable or Relevant and Appropriate Requirements
ARMWC	Adams Ranch Mutual Water Company
Basin	Main San Gabriel Basin
Basin Plan	LARWQCB Los Angeles Basin Plan
BATT	Best Available Treatment Technology
BPOU	Baldwin Park Operable Unit
CBMWD	Central Basin Municipal Water District
CD	Consent Decree
CDWC	California Domestic Water Company
CEM	City of El Monte
CERCLA	Comprehensive Environmental Response, Compensation, and Liability Act of 1980
CrVI	Chromium VI (Hexavalent Chromium)
CMP	City of Monterey Park
CPUC	California Public Utilities Commission
DDW	State Water Resources Control Board, Division of Drinking Water (formerly California Department of Public Health)
DTSC	Department of Toxic Substances Control
EC	Emergent Chemicals
EMOU	El Monte Operable Unit
ESD	Explanation of Significant Differences
ESPSD	East Side Performing Settling Defendant
FFPA	Federal Funding Program Administration
General Permit	LARWQCB Issued General NPDES Permit No. CAG914001
GSWC	Golden State Water Company
IROD	Interim Record of Decision
IRWMP	Integrated Regional Water Management Plan
LACFCD	Los Angeles County Flood Control District
LARWQCB	Los Angeles Regional Water Quality Control Board
LPVCWD	La Puente Valley County Water District
MCL	Maximum Contaminant Level
MSBWM	Main San Gabriel Basin Watermaster
NCP	National Contingency Plan
NDMA	N-Nitrosodimethylamine
NL	Notification Level
Northrop	Northrop Grumman Systems Corporation
OAL	Office of Administrative Law
OEHHA	Office of Environmental Health Hazard Assessment
OU	Operable Unit
Process Memo 97-005	State Water Resources Control Board, Division of Drinking Water Process Memo 97-005
PRPs	Potentially Responsible Parties
PVOU	Puente Valley Operable Unit
PVOUSC	Puente Valley Operable Unit Steering Committee
QSA	Quantification Settlement Agreement
Restoration Fund	San Gabriel Basin Restoration Fund

RI/FS	Remedial Investigation Feasibility Study
ROD	Record of Decision
SA1	Subarea 1
SEMOU	South El Monte Operable Unit
SGVWC	San Gabriel Valley Water Company
SEMOU Barrier	South El Monte Shallow Extraction Barrier
SWRCB	State Water Resources Control Board
SWS	Suburban Water Systems
TCP	1,2,3-Trichloropropane
TDS	Total Dissolved Solids
Title XVI	San Gabriel Basin Demonstration Project
USBR	United States Bureau of Reclamation
USEPA	The United States Environmental Protection Agency
USGVMWD	Upper San Gabriel Valley Municipal Water District
UTC	United Technologies Corporation
UWMP	Urban Water Management Plan
VCWD	Valley County Water District
VOC	Volatile Organic Compound
Watermaster	Main San Gabriel Basin Watermaster
WQA	San Gabriel Basin Water Quality Authority
WQA Act	San Gabriel Basin Water Quality Authority's Enabling Act
WSGRF	Whitmore Street Groundwater Remediation Facility
WSPSD	West Side Performing Settling Defendant

About WQA

The San Gabriel Basin Water Quality Authority (“WQA”) was formed by a special act of the California Legislature in 1992 (Senate Bill 1679, Russell). The statute gives WQA authority, *inter alia*, to plan for and to coordinate among several agencies with authority affecting cleanup of the San Gabriel Basin (“Basin”). §406 of the statute requires WQA to develop and adopt a basinwide groundwater quality management and remediation plan (referred to as the §406 Plan). The current §406 Plan, as referenced in this report, was adopted on January 22, 2019.

Purpose of Ch. 404 Status Report

In 2007, legislation created Chapter 404, Statutes of 2007 (AB1010, Hernandez) added Section 711 to the WQA statutes. Under this new 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 (“SWRCB”) and the Los Angeles Regional Water Quality Control Board (“LARWQCB”) is due March 31, 2019 and is prepared to comply with Section 711 for WQA activities through December 31, 2018.

Overview of Groundwater Contamination in the San Gabriel Basin

The groundwater Basin has the dubious distinction of being one of the most contaminated in the nation. The Basin’s groundwater is contaminated from the ground disposal—dating back to World War II— of synthetic organic compounds used primarily as solvents in industrial and commercial activities.

The seriousness of the groundwater contamination problem became evident when high concentrations of volatile organic compounds (“VOCs”) were discovered in Azusa in 1979 near a major industrial complex. Over the next four years, further investigation revealed widespread VOC contamination significantly impacting the Basin. This discovery led United States Environmental Protection Agency (“USEPA”) to place four portions of the Basin on the National Priorities List under authority of Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (“CERCLA”), also known as the Superfund program.

Unfortunately, in 1997, newly detected contaminants, perchlorate and N-Nitrosodimethylamine (“NDMA”) liquid/solid rocket fuel, complicated and delayed progress of cleanup activities. Most notably affected was the largest geographical area of the San Gabriel Valley Superfund site known as the Baldwin Park Operable Unit (“BPOU”). This led USEPA, state and

local agencies to conduct further investigation of the sources and treatment technologies available for remediating groundwater for potable use.

In prior years, several VOC treatment/supply projects were expanded at significant costs to treat perchlorate and other emerging compounds. More recently, many of these multiple treatment train projects were further burdened with increased levels of VOCs. As a result, additional VOC treatment, also known as a secondary barrier, was needed to meet State Water Resources Control Board, Division of Drinking Water (“DDW”) permitting requirements under its 97-005 Process Memo for Extremely Impaired Sources (“Process Memo 97-005”). While the additional treatment is necessary, each step has incrementally increased the costs of capital construction and treatment and remediation resulting in an overall project cost 4 to 5 times the original VOC treatment/supply project. Of all of the operable units (“OUs”) in the basin, South El Monte Operable Unit (“SEMOU”) has been affected the most by the need for additional treatment.

On February 1, 2015, the Office of Environmental Health Hazard Assessment (“OEHHA”) officially lowered its Public Health Goal (“PHG”) for perchlorate to 1 ppb, and in 2017 DDW began the process of re-evaluating the current 6 ppb MCL for perchlorate by studying the feasibility of lowering the laboratory reporting limit for perchlorate to 1 ppb. Should DDW ultimately decide to lower the MCL as well additional perchlorate treatment will be required in the Basin. Additionally, the USEPA has announced that they will establish a federal MCL which will most likely be implemented close to the 1 ppb suggested by its draft risk assessment released in 2002.

On July 1, 2014, an MCL of 10 ppb for Hexavalent Chromium (“CrVI”) became effective as the only CrVI drinking water standard in the country. In 2015, SB385 was passed by the legislature to establish compliance timeframe and assist water purveyors to coming into compliance with the new regulation. However, in May 2017 the Superior Court of Sacramento County invalidated the MCL noting that the “state failed to properly consider the economic feasibility of complying with the MCL.” As a result, DDW has embarked on creating a new CrVI regulation that is expected to take between 18 and 24 months to complete.

On December 14, 2017, an MCL of 5 ppt for 1,2,3 TCP became effective. A Notification Level of 5 ppt existed previously and several wells in the Basin already have treatment in place for this contaminant. However, in 2018 the City of South Pasadena was forced to shut down one of their wells as a result of the new MCL. In response, the WQA Board authorized a transfer of funding to assist the City with the construction of their new treatment system.

WQA will continue to coordinate activities while reviewing the potential impact of regulatory standards on current and planned treatment projects throughout the Basin.

Goals for Basin Groundwater

The long-term goal of creating a sustainable and reliable source of water supply in the Basin cannot be met unless the Basin's giant underground aquifers can be fully utilized. The contamination of many of these aquifers stymies opportunities for local drinking water and for recharge and storage.

WQA's goals were developed as a result of discussions with federal, state and local agencies, various stakeholders, and comments heard at public workshops and hearings. Each year, the goals are re-evaluated as part of the §406 Plan update and are described in the following paragraphs.

Accelerate Removal of Contaminant Mass in the Basin - Cleanup actions, implemented earlier than CERCLA provides, are needed to address the immediate threats to the local water supplies. This is accomplished by engaging the regulatory processes of other agencies of the State, and, wherever possible, "fast tracking" the activities, to reach the desired outcome sooner than would occur under the applicable regulatory process.

Previously, the WQA focused its accelerated removal activities on projects that could be implemented immediately to remove contaminant mass. In more recent years, the focus has changed due to the ever-growing list of threatened and impaired water supply wells. Faced with this widespread impact, water purveyors, individually and jointly with the WQA and/or other agencies, have undertaken the early implementation of several treatment facilities, thereby initiating clean up well ahead of the mandate from regulatory agencies.

With contamination rapidly migrating towards critical water supplies, the WQA now primarily focuses on projects to accelerate and advance cleanup activities while providing a clean water supply or protecting a nearby water source. More of these types of early actions are necessary to either:

- (1) remove contaminant mass to immediately prevent further degradation of downgradient aquifers,
- (2) contain the spread of contamination to protect critical water supplies,
- (3) restore critical water supplies, or
- (4) combine the aforementioned.

Although early actions are implemented before a regulatory mandate, there is always extensive coordination with USEPA and the LARWQCB to link the

early action to the eventual mandate. By working closely with USEPA, the WQA and other local stakeholders can affect USEPA's decision-making and identify certain high priority cleanup projects that are consistent with USEPA's objectives.

Although USEPA cannot formally endorse and mandate cleanup until a rigorous process is completed, WQA can facilitate and assist in the implementation of the required action well before the mandate. Waiting on mandated actions has already had severe impacts in many parts of the Basin.

Prevent Migration of Contamination into Critical Groundwater Supplies

- In many parts of the Basin, the contamination continues to spread towards, and threaten groundwater supply wells. Given that so many supply wells have already been shut down, the current situation presents a significant and ongoing threat to the Basin's water supply. Therefore, priority is given to implementing cleanup projects that will prevent the loss of water supplies.

In order to meet this goal, remediation measures must be implemented quickly to prevent contaminants from entering clean drinking water supplies. Further, these actions must also prevent contaminants from entering drinking water supplies with existing treatment not built or suited to treat the threatening contaminant(s). The goal to contain the contamination is supported with actions that specifically address threats to groundwater pumping centers. Loss of major production centers will continue to impair the water supply unless these types of threats are immediately addressed in a cleanup plan. In furtherance of this goal WQA has allocated funding to assist purveyors in discrete well destruction activities to ensure that non-producing well do not act as a conduit for contamination migration.

The Main San Gabriel Basin Watermaster ("MSGBW") has existing rules and regulations which govern the location and production of water wells for water quality purposes. The WQA works with the MSGBW and its existing rules and regulations to help contain and control the migration of contaminants within the Basin.

Integrate Cleanup with Water Supply - With so much of the local water supply impaired, it is essential that water treated from the cleanup projects be put to its highest and best use. Putting the treated water back into the supply system enhances the overall water supply situation in the Basin and helps many water purveyors mitigate the threat to their water supply. The desired objectives can be achieved by maximizing the use of existing facilities that have either been shut down or have been impaired. When new facilities are needed, these should be integrated into the supply of the appropriate water purveyor.

If cleanup facilities are built without the consideration of the local supply, then many water purveyors will be forced to build redundant treatment facilities on impaired wells or import increasingly scarce surface supplies from other areas. Currently, water purveyors only use surface water sources when they are readily available or when groundwater sources become impaired or unavailable; otherwise the predominant source of supply is from the local groundwater.

Although cleanup projects that put treated water to beneficial use will provide localized benefits, there are, of course, broad benefits that impact the regional water supply situation in California. Decreasing supplies from the Colorado River and the State Water Project, as a result of recent court decisions, make it critical to protect and develop groundwater resources so that both groundwater and surface waters of the State can be managed more effectively. Critical to this statewide need is the full utilization and restoration of the Basin groundwater.

Minimize Economic Impact to the Public - The issue of who pays for the cleanup is often the biggest obstacle in initiating the necessary cleanup programs. Although Potentially Responsible Parties (“PRPs”) may be held completely liable for the costs of a response action under the CERCLA mandate, actions normally do not occur until a lengthy process is completed. Equally detrimental is the fact that there is no assurance that water purveyors will be able to fully recover and collect all costs associated with protecting and fulfilling immediate water supply concerns through CERCLA cost recovery actions. Therefore, many water purveyors may still need to fund, at least partially, the construction of treatment facilities or the acquisition of alternative water supplies even after some or all of the solvent PRPs have fulfilled their obligations resulting from a CERCLA cost recovery action.

Adding to the economic complexity of the situation is the fact that USEPA conducts its own detailed financial evaluation of PRPs and may settle for a reduced amount. And even then, many businesses cannot fully absorb the financial liability without hurting their businesses. In the meantime, the contamination continues to spread, impacting more water supply sources and, by extension, the basic reliability of plentiful water to support the economic basis and vitality of the Basin.

The WQA has pursued and continues to aggressively pursue sources of funding from responsible parties and the federal/state government. Despite these efforts, organizations like WQA and some of the local water purveyors have had to pool their own resources to immediately initiate many of the required response actions. This has required a financial commitment on behalf of the local public (at least initially). Early actions financed outside of the CERCLA process have been necessary to assure that many of the

critical projects are implemented quickly. In addition, cleanup projects such as those prescribed by WQA are designed from a local perspective to address groundwater cleanup in conjunction with the water supply. However, costs borne by the public for this effort would have to be absorbed or recovered through litigation.

To accommodate potentially conflicting goals between accelerating cleanup and minimizing impact to water rate payers, WQA has identified high priority response actions that can be implemented ahead of USEPA's mandate using available financial resources, including federal reimbursement funding, and in some cases, financial participation from PRPs. If a required project lacks sufficient funding, a commitment by the affected water purveyors and/or WQA through its assessment, along with other potential local sources, will be required. Where WQA is required to use its own assessment to quickly assist in the development of a project, WQA always considers cost recovery actions to minimize costs borne by the public. To that end, WQA has already filed two costs recovery actions and may consider other cost recovery actions against those responsible entities that chose not to participate in the sponsored early remedial actions.

Coordination with Other Agencies

The WQA was created to fulfill a need to coordinate response actions to the contamination in the Basin. The WQA continues to call for the involved federal, state, and local agencies to unite with all stakeholders to work more effectively and efficiently. Stakeholders include but are not limited to:

<i>Federal</i>
<i>-U.S. Environmental Protection Agency -U.S. Bureau of Reclamation</i>
<i>State</i>
<i>-Department of Toxic Substances Control -State Water Resources Control Board -Los Angeles Regional Water Quality Control Board -SWRCB Division of Drinking Water</i>
<i>Local</i>
<i>-WQA and its three member water districts -Main San Gabriel Basin Watermaster -Cities affected by Basin groundwater contamination -San Gabriel Valley Water Association -Water purveyors in the Basin</i>

-Responsible Parties

The WQA engages the existing rules, regulations and standards of these agencies, to coordinate and promote the reasonable and beneficial use of water produced and treated under mandate from the USEPA. WQA recognizes that a number of voluntary or consensual arrangements ultimately will be required to implement the objective to integrate water cleanup operations and water supply operations in the Basin. In addition to engaging existing regulatory authority held by other agencies, WQA encourages the needed voluntary or consensual arrangements through the exercise of authority under the WQA Act, including its authority to seek recovery of WQA's costs to respond to and cleanup groundwater contamination in the Basin.

Recent examples of agency coordination include:

- Spearheading the development of a new general discharge permit with the LARWQCB to assure continued operations of water treatment facilities.
- Overseeing the operation of remedy projects in the SEMOU through a cooperative agreement with USEPA
- Participation in BPOU and SEMOU Principals' meetings
- Facilitating permits with the LARWQCB and the Los Angeles County Flood Control District ("LACFCD") to resolve discharge issues associated with cleanup activities that effect multiple operable units
- Participation in quarterly technical meetings sponsored by the USEPA to discuss remedial activities in the SEMOU, the El Monte Operable Unit ("EMOU") and the Puente Valley Operable Unit ("PVOU")
- Participation in public outreach meetings in the EMOU.
- Assisting the USEPA and DTSC in developing a long-term plan to guarantee the continued operation of the WNOU remedy and to ensure that the remedy is performing as required by the WNOU IROD.
- Facilitating the development of an alternative end use feasibility study for the PVOU Intermediate Zone remedy with the Puente Basin Water Agency, USEPA, MSGBW and Northrop.
- Stakeholder in the advisory group overseeing the transition of the drinking water program from the California Department of Public Health to the SWRCB, now known as the Division of Drinking Water
- Facilitating the development of a Policy 97-005 Guidance Manual to assist regulators and permit applicants who desire to utilize highly impaired water resources for potable water use.

WQA's coordination efforts are broad-based, recognizing that migrating groundwater contamination threatens the drinking water supplies in adjacent communities. Recent examples include:

- Participating in the Leadership Committee for the Greater L.A. County Integrated Regional Water Management program. This program facilitates a new regional approach to watershed management by establishing collaborative efforts across the watersheds and functions that may have not been done otherwise.
- Participating in various committees of the Association of California Water Agencies
- Participating in meetings with the San Gabriel Valley Water Association
- Participating in the Coalition for Environmental Protection, Restoration & Development Conference

Recognizing that actions elsewhere in the state or country can positively or negatively affect its cleanup efforts, during 2007 the WQA joined in an amicus brief regarding *United Sates vs. Atlantic Research Corporation*. This case could have jeopardized funding under the CERCLA. The WQA undertook a leadership role with the amicus brief to try and preserve contribution claims against responsible parties for early projects. Fortunately, this case was decided in favor of the position supported by the amicus brief.

Public Outreach and Information

The WQA has succeeded over a number of years in building public support for cleaning up contaminated groundwater in the Basin. The public information program seeks to foster understanding of the WQA's mission, projects and accomplishments and plans, and to encourage public participation in the cleanup process. The WQA's ongoing efforts are undertaken to ensure that all stakeholders, including the general public, understand projects that involve the WQA and have ample opportunity to contribute ideas and opinions.

Because the Basin is a Superfund site, the processes used must always meet requirements under the National Contingency Plan ("NCP"), including its public participation component. In addition, whenever needed or requested, WQA works closely with water purveyors to help them meet the extensive public outreach requirements set forth in the DDW Process Memo 97-005. However, absent regulatory requirements, the WQA continues to be committed to informing the public of all of its activities.

The program employs a variety of methods to reach everyone from specialized audiences, such as the local water community and legislators in Sacramento and Washington, to the general public in the Basin and beyond.

Website - The WQA web site is regularly updated and provides instant access to news releases, publications, agendas, minutes of meetings, and reports on projects. In addition to WQA-specific issues, the web site links to local, state and federal water agencies and organizations. It also gives access to the names of officials who can be contacted for further information. A new and improved website was launched in June, 2007. In March of 2008, WQA launched an e-mail notification page which lets subscribers know when new information is posted to the website, including Board and committee agendas. In June of 2011, WQA redesigned its webpage once again and expanded its role in social media outlets by creating an active Facebook page with additional updates through Twitter and YouTube. Furthermore, the website was redesigned again in 2016. This latest update included improvements to the subscription system and site optimization for mobile users.

Communication with Government Officials - The WQA keeps the local offices of federal and state legislators informed of any developments and the progress of cleanup issues in the Basin through office visits, tours of treatment facilities and invitations to participate in the WQA legislative committee. The WQA hosts the Legislative Water Forum Luncheon, inviting elected officials to update the Basin water community on state legislation. Speakers in the series to date have included United States Senators ~~s-Barbara Boxer and~~ Dianne Feinstein, former United State Senator Barbara Boxer, former Congressman David Dreier, former Congresswoman and former U.S. Secretary of Labor Hilda Solis (now L.A. County Supervisor), Congresswoman Lucille Roybal-Allard, former State Attorney and State Treasurer General Bill Lockyer, former California Secretary of State Bruce McPherson (now Santa Cruz County Supervisor) and former California Board of Equalization Member Judy Chu (now Congresswoman).

In 2006, the WQA developed a DVD presentation that features Senator Dianne Feinstein and former Congressman David Dreier. The DVD has been used in Sacramento and Washington, D.C to educate legislators, bureaucrats and other stakeholders about the strategic importance of the Basin. Senator Feinstein and Congressman Dreier implore the state and the state legislators to become full participants in the cleanup of the Basin.

The WQA continues to conduct briefings and tours with local, state and federal officeholders. Past briefings and/or tours were conducted for Congresswoman Grace Napolitano, former California Public Utilities Commission (“CPUC”) President Michael Peevey, ~~CPUC Commissioner Carla Peterman~~, former CPUC Commissioners Carla Peterman, Catherine Sandoval and Diane Grunick, former State Water Resources Control Board Chair Felicia Marcus, former SWRCB member Francis Spivey-Weber, former State Senator Ed Hernandez,

Assemblymembers Anthony Rendon, Ed Chau and Ian Calderon, and former Assemblymembers Mike Eng and Curt Hagman. Also included were several legislative staff as well as meetings with several members of the Administration, including representatives of the California Environmental Protection Agency and the Governor's Office.

Media communications - The public information program uses a variety of written publications to carry its message. These may include annual reports, brochures, bulletins for specific projects and periodic news inserts in the *Los Angeles Times*, *San Gabriel Valley Tribune*, *Pasadena Star News* and the *Whittier Daily News*. The inserts are distributed throughout the Basin, through home and business delivery and general sales.

The WQA works with major news outlets, such as the Los Angeles News Group, *Los Angeles Times*, and foreign language publications, such as *La Opinion* and the *Chinese Daily News*. It also provides information to other local newspapers, city and chambers of commerce newsletters and publications directed at water and environmental interests, the business press and the electronic media. It distributes press releases, contacts and meets with reporters and editors to inform them of activities, responds to press inquiries and takes other steps to encourage media interest.

In 2007, KCET's *Life & Times* program produced a segment on the Basin. The segment focused on the status of the cleanup, the impact of the contamination on the City of Monterey Park's ("CMP's") water supply, the potential impact on ratepayers, and the need for more state involvement. A DVD of the segment is also used to educate local stakeholders on the cleanup of the Basin.

In 2013, WQA began publishing an annual report. The full color annual publication also serves as an executive summary of the §406 Plan.

Additionally, in 2013 the WQA's Executive Director was featured in one part of the 4-part video series on water by former State Senator Ed Hernandez. The "Water Wise" series was aired on local Charter Communications channels throughout California.

WQA Board - The WQA Board, through a variety of means, including public meetings and workshops, also interacts with the public to provide information and to solicit input.

In addition to regular Board meetings, Board members participate in several committees, including the Administrative/Finance Committee, the Engineering Committee and the Legislative/Public Information Committee.

As an example of the Board's outreach activities, in May 2011, the WQA Board held a one day conference to gather input on WQA's performance. In addition

to staff presentations, several stakeholders gave presentations to illustrate their perspectives on how to improve WQA. This provided valuable input for the Board and staff to consider.

In 2012, the WQA became a founding partner of the San Gabriel Valley Water Forum. Along with the Upper San Gabriel Valley Municipal Water District, the San Gabriel Valley Municipal Water District and the Three Valleys Municipal Water District, the WQA provides financial and organizational support for the event. This semi-annual one-day forum offers information for a broad public audience that includes students, educators, public officials and water professionals. The topics covered include all facets of water history, water policy, water rights, and groundwater cleanup in the San Gabriel Valley.

In June of 2014, WQA participated in the mini-water forum held in the city of Monterey Park. The focus of the mini-forum was to reach out to the Asian business community to educate them of water issues of the San Gabriel Valley.

Funding From Potentially Responsible Parties and Other Sources

The WQA is committed to accelerating cleanup, integrating cleanup with water supply, preventing migration, and minimizing the financial impact to the public through its annual assessment. In order to meet these goals, adequate funds, primarily from PRPs, state and/or federal programs, are necessary for implementation. While the WQA recognizes that PRPs must fulfill their CERCLA liabilities, it is often a very slow process - a process that jeopardizes the groundwater and increases the cost of implementing projects.

Although USEPA has urged PRPs to consider affected water supplies and to coordinate their cleanup efforts with the water purveyors, USEPA enforcement under the CERCLA process does not allow USEPA to require such considerations and efforts. It is for these reasons that WQA aggressively seeks funds from PRPs before, during and after project implementation, either voluntarily, through mandated CERCLA actions or through litigation measures. If funds cannot be generated from PRPs to begin an identified early action project, WQA will work with individual purveyors, the MSGBW and/or other local agencies to develop funding for the project using federal and/or state funds, WQA member agency funds, including individual purveyors, and only if necessary, its own assessment.

A summary of funding sources and amounts is included as Table 1. In addition, Table 1 shows an estimated funding gap which is updated semi-annually to reflect changing conditions. The current funding gap is ~~\$469~~\$518 million which is has grown down ~~\$47~~\$49 million over the last reporting period. This change reflects updated information received from each project.

Potentially Responsible Parties - The WQA is committed to securing PRP funding for any given project. In the absence of sufficient PRP funds, WQA and others may combine resources to fund a project. In this event, WQA may choose to initiate cost recovery actions, as it did previously in the BPOU, in which WQA brought two separate legal actions against PRPs to recover costs incurred from the La Puente Valley County Water District (“LPVCWD”) Treatment Plant and the Big Dalton Well Treatment Facility.

In 2002, WQA along with three affected purveyors (“water entities”) jointly settled with 13 of the more than 60 PRPs in the SEMOU. Thereafter, the water entities initiated litigation against the remaining PRPs in a concerted effort to recover escalating costs and ensuring funds for future operations of the cleanup projects built with WQA participation.

In November 2007, the USEPA filed two Consent Decrees (“CDs”), for a total of \$12.5 million as a result of settlements between WQA, affected purveyors, several PRPs, USEPA and DTSC. The added funds helped to continue operating about eight water purification facilities in the SEMOU. In July 2008, WQA completed USEPA’s grant application to gain access to the funds recovered in one of the CDs. The second CD was appealed by recalcitrant PRPs not included in the CD. On June 2, 2010, the Ninth Circuit Court of Appeals remanded the case back to the district court for further hearings. As a result of the delays associated with the challenges to the CDs the USEPA obtained \$2.2 million in gap funding from its Superfund program in July 2010 to help offset a portion of the water entity Interim Record Of Decision (IROD) costs. The second CD was ultimately entered in 2011 upon conclusion of the appeals process.

Additionally, while the second CD was being appealed negotiations continued with the remaining PRPs resulting in the subsequent approval of seven additional CDs. Settlements to date from all nine entered CDs total \$35.3 million.

Federal Government - As a result of ongoing efforts by WQA and other local agencies, two federal programs, the San Gabriel Basin Restoration Fund and the San Gabriel Basin Demonstration Project under Title XVI, have been authorized by Congress specifically for the Basin. Both programs are administered through the USBR and are used, to the maximum extent possible, to accelerate cleanup and to provide incentives for PRPs to address affected water suppliers, while implementing cleanup actions in the Basin under CERCLA.

San Gabriel Basin Restoration Fund - In December of 2000, through the leadership of Congressman David Dreier, Congress authorized the San Gabriel Basin Restoration Fund (“Restoration Fund”). The authorization provides \$85

million for groundwater cleanup, \$10 million for the CBMWD to clean up the Central Basin and \$75 million for the WQA to clean up the Basin. This program requires a 35% non-federal match to obtain a maximum reimbursement of 65% from federal sources. These funds are available for design, construction and operation for up to 10 years following construction. To date, the CBMWD has received its full \$10 million appropriation and WQA has received \$70.5 million of its \$75 million appropriation.

In recognition of the cleanup progress, and the need for additional funding to meet an estimated \$570 million funding gap, Congressman Dreier along with his colleagues in the San Gabriel Congressional Delegation introduced H.R. 123 in January 2007 to raise the authorization on the Restoration Fund by \$50 million. The additional authorization would increase the total cap to \$135 million.

H.R. 123 passed the House on December 12, 2007 and was referred for approval to the United States Senate. On June 16, 2008, H.R. 123 was placed on the Senate Legislative Calendar. Unfortunately by the close of 2008, H.R. 123 was not heard or voted on in the United States Senate.

In January 2009, Congressman Dreier reintroduced the H.R. 123 language as H.R. 102 in the new Congressional session. In addition, Senator Harry Reid introduced S. 22 in the U.S. Senate and it also included the language of H.R. 102. S. 22 passed the U.S. Senate and awaited passage in the U.S. House of Representatives.

However, in March 2009, Congress passed the large Omnibus Land Bill H.R. 146. H.R. 146 included the language from Congressman Dreier's H.R. 102 and effectively raised the total cap of the Restoration Fund to \$146.2 million. This total includes an additional \$50 million for the San Gabriel Basin and an additional \$11.2 million for the Central Basin over the original \$85 million authorization.

In 2011, Congresswoman Judy Chu introduced H.R. 3132 to provide an additional five years that projects can receive operational funding from the Restoration Fund. This bill was reintroduced in the new 2013 Congress, but did not receive enough votes for passage.

In March 2014, WQA received a request from Senator Feinstein's office to submit an appropriations request for fiscal year 2015 for \$10 million of Restoration Funds. This was significant because it is the first time in 5 years that WQA has received such a request. Unfortunately, due to the continuing earmark stalemate in Congress, the appropriation request failed to gain full approval. Nevertheless, WQA continually strives to secure federal appropriations at every opportunity.

Title XVI - In 1992, Congress authorized the San Gabriel Basin Demonstration Project to implement conjunctive use projects in the Basin. By implementing cleanup projects that provide a reliable source of water and reduce the need for outside sources of water, many of the Basin's cleanup projects are eligible for this program. This program requires a 75% non-federal match to reimburse the project up to a maximum of 25% from federal sources. Funds from this program may be used for design and construction only.

In 2004, Congresswoman Grace Napolitano authored H.R. 1284 which was passed and signed into law. The legislation raised the cap on the Title XVI program by \$6.5 million. The total authorization for the Title XVI program is now \$44.5 million.

New Water Supply Coalition/Tax Credit Bond Legislation - The WQA is a member of the New Water Supply Coalition ("Coalition"). The Coalition is composed of water districts located from California to Florida. The Coalition seeks to fund water infrastructure projects throughout the United States by using Tax Credit Bonds. In 2007, the Coalition was successful in having Congressman Xavier Becerra and Congressman Jon Porter introduce H.R. 3452, the Clean Renewable Water Supply Bond Act ("CREWS Bonds"). CREWS Bonds would provide a potential source of funding for the WQA's cleanup projects. The CREWS Bond program would allow the WQA to float Tax Credit Bonds that would provide the holder of the bond with a tax credit to offset their tax liability. Unfortunately, the legislation was not enacted prior to the end of the 110th Congress.

In 2009, Representatives Xavier Becerra and Ginny Brown-Waite reintroduced the Clean Renewable Water Supply Bond Act, H.R. 4132 along with original cosponsors Representatives Lucille Roybal-Allard (D-CA), Adam Putnam (R-FL), and Laura Richardson (D-CA). The Coalition was ultimately able to secure 22 co-sponsors. A companion bill, S. 1371, was also introduced in the Senate by Bill Nelson (D-FL). Unfortunately, neither bill was enacted by the 111th Congress and no further action is anticipated on this program.

State Government - The WQA has been working tirelessly to educate State agencies, the Administration, and Legislators and their staff on the merits of financial participation in the near term and the potential impacts of lack of participation on State and local agencies in the future. The WQA continues to emphasize that stemming the flow and mitigating the spread of contamination is more cost effective and reduces the impact on both the State and local ratepayers.

As described in the previous federal funding sections regarding the Restoration Fund and Title XVI funds, a non-federal match is required in order to release the federal funds. While WQA will continue to work with PRPs to help meet that match, additional funds are still needed to release available federal dollars.

The WQA has actively worked with the current Administration and other stakeholders in Sacramento to identify State-partnership funding opportunities. The WQA regularly updates Cal EPA, the DDW, the Governor's Office, as well as incoming members of the Legislature, on the funding needs and challenges associated with cleanup of the San Gabriel Basin.

AB 2823, introduced in 2008 by Assemblymember Eng, proposed establishing a San Gabriel Basin State Restoration Fund, similar to the Federal San Gabriel Restoration Fund. It passed the Assembly on a 73/2 vote and unanimously passed the Senate Environmental Quality Committee. However, it was held in the Senate Appropriations Committee due to concerns about cost pressures on the State.

In 2013 WQA sponsored three bills in the state legislature. AB1043 was introduced by Assemblymember Ed Chau and would modify the language in Prop 84 so that agencies receiving Prop 84 funding would be allowed to keep settlement funds received from polluters for additional cleanup. AB687 was introduced by Assemblymember Roger Hernandez and would allow groundwater cleanup projects to receive preferred energy pricing through the state's direct access energy program. Finally, SB429 was introduced by Senator Ed Hernandez to extend the sunset date of the WQA to June 30, 2030. SB429 was signed into law by the Governor on September 6, 2013.

Clean Up and Abatement Account Funding from the SWRCB - In September, 2007, the SWRCB awarded a grant of \$1.42 million to the WQA from its Clean Up and Abatement Account (CAA) to provide funding for the removal of 1,4-dioxane and other VOCs at WQA's Whitmore Street Groundwater Remediation Facility ("WSGRF"). Under the USEPA Record of Decision, no PRPs are liable for the cleanup costs of 1,4-dioxane. The funding covered the costs of construction and five years of operation for six extraction wells that remove contaminants and protect many down gradient drinking water wells. WQA received the fully executed and signed grant agreement from the SWRCB on June 30, 2008. The WSGRF was completed and dedicated in 2008. (See Appendix A - SEMOU Shallow Zone Extraction for the status of this project.)

In December 2012, the SWRCB granted WQA an additional \$950,646 in CAA funding to operate the WSGRF through September 2018. During this time WQA has continued funding the project temporarily until an alternative funding source can be obtained. WQA will continue to work with the USEPA and DTSC to find alternative sources of funding for this project.

State Bond Funds - In 2000, California voters passed Proposition 13, which authorized the sale of \$1.9 billion for the Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Bond Act. This bond included an

authorization of \$7 million in funding assistance for groundwater cleanup programs. Although the original intent of the language was to provide grant funds, the DTSC interpreted the funding language to mean “loans” and established procedures in 2001 for low interest 20-year loans. WQA applied for the full \$7 million on behalf of the Valley County Water District (“VCWD”) Subarea 1 (“SA1”) project and was awarded the entire amount.

In November, 2002, California voters passed a \$3.44 billion bond, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, also known as Proposition 50. Very little of the funds in this bond are available for groundwater cleanup and protection activities and those funds that are available are limited to construction costs only. The WQA partnered with the San Gabriel Valley Water Company (“SGVWC”) and submitted a grant request for Proposition 50 funding to DDW, but the project was not ranked high enough to receive funding.

The WQA is actively engaged in the Integrated Regional Water Management Plan (“IRWMP”) for the San Gabriel Basin and the Greater Los Angeles area. Funding to implement projects within IRWMPs may be forthcoming in future years from Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, which provides \$5.3 billion for water, parks, habitat and natural resources projects and programs.

Proposition 84 also provides \$60 million to the DDW for groundwater cleanup projects that provide drinking water. But the language in the initiative limited these funds to capital costs only, excluding treatment and remediation costs which are the actual costs of clean up. The costs to extract the contaminated water and treat it comprise the bulk of the current funding gap in the Basin of approximately \$469 million.

In 2008, the Proposition 84 appropriations bill SB 2XX was passed by the Legislature and signed by the Governor. It included language appropriating \$10 million for groundwater contamination projects which meet certain criteria, two of which include being located at Superfund sites and being able to leverage other funds. In October 2009, the WQA submitted Notices of Intent to apply for five cleanup projects in the Basin per the implementation guidelines released by DDW in the prior weeks. Unfortunately, the expedited grant schedule did not allow enough time for the project proponents to complete CEQA before the final application was due to DDW on January 7, 2010. Therefore, the projects were not considered for this round funding. However, in 2011 DDW solicited applications for a second round of funding and WQA submitted six projects. On April 20, 2012 DDW announced awards for five of the projects totaling approximately \$10 million.

In November 2009, the State Legislature passed several water bills including SB 7X2, an \$11.1 billion water bond, titled The Safe, Clean and Reliable Drinking water Supply Act of 2010, which was subsequently signed by Governor Schwarzenegger, for inclusion on the November, 2010 ballot for voter consideration. However, in August 2010, the Legislature passed and the Governor signed a bill delaying the bond measure to the November, 2012 ballot. And the measure was delayed once again in 2012 when the Legislature and Governor approved moving it to November 2014.

Through the united efforts of the San Gabriel Valley State Legislative Caucus SB 7X2 includes language that is favorable to the WQA's efforts to secure future funding for projects in the Basin. However, due to drafting errors, SB 7X2 again included language that limited the funds to capital projects. The Legislature's leadership assured the Caucus of their support to remedy the deficiencies.

To that end, AB 153 was introduced by the leadership of the San Gabriel Valley Legislative Caucus (Hernandez, Eng, and Huff), to correct the drafting errors in the water bond. The section of the water bond that allocates \$100 million for projects to address groundwater contamination would cover the costs of projects, programs, and activities necessary to clean up the ground water. This language will also permit the bond funds to be used for actual treatment and remediation. AB 153 required a two thirds vote of both the Senate and the Assembly to pass (any amendment to this water bond requires a two thirds vote). On August 31, 2010, the bill passed its final vote and was sent to Governor Schwarzenegger for signature.

In 2014 the public was finally able to vote on and approve the water bond as Proposition 1, a substantially smaller \$7.525 billion water bond that had undergone significant modification by the legislature once again. Proposition 1 makes \$720 million available for grants and loans for projects to prevent or clean up the contamination of groundwater that serves or has served as a drinking water source and requires a 50% match. In addition, the Proposition 1 language specifically makes \$80 million available for grants for "treatment and remediation activities" that prevent or reduce the contamination of groundwater that serves as a source of drinking water.

However, despite support from the Assembly Speaker's Office, the SWRCB Department of Finance, the Office of Administrative Law and the San Gabriel Valley Legislative Caucus, the State Attorney General's Office offered an unpublished opinion via the State Treasurer's Office that the \$80M in Proposition 1 cannot be used for "treatment and remediation activities" as the WQA, the Legislature and the voters intended because it may conflict with state bond law.

In 2018, voters passed Proposition 68 – the Parks, Environment and Water Bond. This bond requires a 50% match and contains language to effectively

clarify and authorize the use of \$80M in Prop 1 funding for Treatment and Remediation activities.

~~WQA is now pursuing other alternatives including additional legislation to clarify that the use of the funds is not in conflict with state bond law. WQA continues working closely with the SWRCB and the San Gabriel Valley State Legislative Caucus to access this funding.~~

The WQA will continue to seek to ensure that any proposed State water bonds include significant funding and appropriate language for groundwater remediation projects. Working with other water entities in the Basin, the WQA will lead efforts to formulate a comprehensive approach to water infrastructure in the Basin. The WQA will look to any future proposed bond packages for much needed funding for cleanup projects in the Basin.

Water Quality Authority - WQA imposes an annual pumping rights assessment for capital and operational costs of \$10.00 per acre-foot which generates \$1.98 million annually. These funds are utilized only when available federal and/or state funding is insufficient, in addition to PRP funds. If PRPs do not voluntarily provide funds to a project, then the WQA, on a project-by-project basis, considers the use of assessment funds to underwrite the project costs with or without other local dollars. However, the WQA is committed to recovering its costs from non-participating PRPs at a later date so that the cost to the local consumer will ultimately be minimized.

Water Purveyors/Cities/Member Agencies/Other Local Water Agencies-

The WQA requires impacted water purveyors to fund or secure funds other than WQA's assessment representing a minimum of 25% of capital costs. In the event projects cannot be otherwise fully funded using any or all of the above funding sources, WQA will work with an affected city, member water agency and/or other local water agencies to develop potential funding sources. The WQA will pursue the recovery of these funds on behalf of the participating agency, if necessary.

Status of Non-Operable Unit Specific Plans

Within the Basin the majority of contamination is located within the boundaries of the six identified operable units. However isolated pockets of contamination exist throughout the Basin. Inside the known operable units, USEPA has established a methodical process that includes the review of the extent of contamination, development of cleanup options and selection of the most appropriate cleanup plan. Contamination outside the known operable units has no such process for cleanup activities to take place. Affected purveyors must assess the need for treatment or try to secure other sources of water. WQA endorses the construction of treatment facilities that are consistent with WQA's Administrative Procedure No. 38, discussed later in this report, and will assist in any means possible.

Currently there are four treatment facilities operating outside the boundaries of known operable units. Three of the treatment facilities are currently treating VOC's by carbon adsorption technology:

- City of Arcadia's Longden Wells treatment facility began operation in January of 1985. It has treated approximately ~~70,496.76~~~~70,242.80~~ acre-feet and removed approximately ~~744,740~~ pounds of contamination as of ~~June 30~~December 31, 2018. There is no current estimate on how long the treatment facility will need to operate.
- City of Monrovia's Myrtle Well field treatment facility began operation in March of 1996. It has treated approximately ~~69,549.38~~~~67,174.75~~ acre-feet and removed approximately ~~1,187.81~~~~135.7~~ pounds of contamination as of ~~June 30~~December 31, 2018. There is no current estimate on how long the treatment facility will need to operate.
- San Gabriel Valley Water Company's Well 11B treatment facility began operation March of 1991. It has treated approximately ~~45,124.18~~~~44,897.38~~ acre-feet and removed approximately ~~320.13~~~~149.7~~ pounds of contamination as of ~~June 30~~December 31, 2018. There is no current estimate on how long the treatment facility will need to operate.

The remaining treatment project utilizes ion exchange technology for the removal of a combination of nitrates and perchlorate:

- Golden State Water Company's Highway treatment facility began operation in May of 2005. It has treated approximately ~~19,550.21~~~~19,482.26~~ acre-feet and removed approximately ~~366.53~~~~665~~ pounds of contamination as of ~~June 30~~December 31, 2018. There is no current estimate on how long the treatment facility will need to operate.

There are numerous wells that are vulnerable to contamination in the Basin with the bulk located within known operable units. Some of the water purveyors that may need treatment in the future and are located outside of known operable units include but not limited to City of Arcadia, City of Glendora, Valencia Heights Water Company and the City of Whittier.

Operable Unit Specific Plans

After more than 20 years of studies and investigations, USEPA's CERCLA activities have progressed to a point where the configuration of the required remedies, in conjunction with local needs, can be determined in most areas. In general, these remedies include multiple groundwater extraction and treatment facilities designed to remove and contain the spread of contamination. Appendix A presents the WQA's specific plans for the individual OUs including key components and OU specific issues. Table 1 identifies the project costs of each OU within the Basin boundaries.

Projected activities of the next reporting period

During the next reporting period WQA will continue to play an integral role in protecting the groundwater supplies of the Basin by actively participating in all operable unit remedies to ensure that the necessary facilities are constructed and treatment and remediation continues to occur in a manner that provides the greatest benefit to the residents of the Basin.

BPOU - Additional modifications necessary to operate the BPOU remedy projects in the most cost effective way possible will continue. Once all modifications are complete the BPOU projects combine to provide up to 25,900 gpm of potable supply. WQA will continue to participate in decisions that affect project treatment and remediation activities as a member of the project committee.

SEMOU – The WQA received a Proposition 1 planning grant from the SWRCB to conduct additional site investigation activities upgradient of the WSGRF. The activities include several hydropunch locations along with cone penetration testing to further delineate plume boundaries while providing invaluable aquifer lithology. It is anticipated that the additional site investigation work will lead to an implementation grant that will ensure the optimization of the WSGRF. In addition, WQA will be applying for additional Prop 1 funds to assist the LARWQCB with contaminant source investigation activities at various locations within the SEMOU.

EMOU - WQA will continue to participate in the remedial activities including but not limited to remedial design, project oversight and federal reimbursement activities associated with the EMOU. In 2012, the westside workparty finished construction of the shallow zone remedy and will continue operation as required by the USEPA. In late 2015, the eastside workparty's shallow zone remedy became operational and a 97-005 amended water supply permit application was submitted to DDW on July 21, 2016. It is anticipated that DDW will approve the permit during the next reporting period. In addition WQA will encourage that the end use of the treated water be put for beneficial use whenever possible.

PVOU - WQA will continue to participate in the remedial activities, including but not limited to, remedial design and project oversight associated with the PVOU remedy. It is anticipated that the PVOU IZ Remedy will begin construction of the centralized treatment facility. WQA will continue to assist the workparties in developing an enhanced alternative end use discharge plan that will have a regional benefit to the San Gabriel Valley water supply.

Area 3 - It is anticipated that the City of Alhambra will continue to operate its Phase I and Phase II treatment facilities. In addition, WQA will assist USEPA and LARWQCB whenever possible to further characterize contamination within the Area 3 boundaries.

WNOU – WQA will continue to assist the DTSC in its oversight of the WNOU remedy to guarantee the continued operation and to ensure that the remedy is performing as required by the WNOU IROD.

Non-Operable Unit Projects – All non-operable unit projects mentioned above are anticipated to remain in service and continue to mitigate contaminate migration.

Priorities for Project Funding

WQA utilizes a number of tools to prioritize projects for funding. To be eligible for funding consideration, proposed projects must meet all of the following conditions:

- Project must be located within the jurisdictional boundaries of the WQA*
- Applicant(s) must demonstrate, through WQA's Procedure No. 38 process, (described in the following section) that the project in the area of the proposed groundwater remediation project removes contamination, and protects and/or prevents groundwater contamination from spreading into clean areas*
- Applicant(s) must demonstrate that the project water will be put to beneficial use, with priority given to those projects which include an affected water purveyor and provides potable water, if applicable*
- Project must conform and further the objectives of the WQA §406 Plan or the intent thereof*
- Project must be consistent with the legislative intent of the statute(s) authorizing or appropriating the public funds used for project funding reimbursement*
- Project cannot have been used in calculating the 35% credit provision in the Restoration Funds*
- Project cannot have begun operating prior to July 1, 1999 (this provision may be waived by the WQA Board)*
- Start of project construction for a new project must be anticipated within 18 months of executed agreement between WQA and applicant(s)*
- Applicant(s) must provide a plan that commits 100% of the required funds in WQA's account in advance of each payment owed on the project and prior to each reimbursement request.*

San Gabriel Basin WQA Policy and Procedures Manual - Administrative Procedure 38 - WQA evaluates projects submitted to determine whether the projects are "necessary" and "consistent" with the National Oil and Hazardous Substances Pollution Contingency Plan (NCP). For cost recovery purposes, remediation projects are considered "necessary" if there is evidence of a release of hazardous substances, the project is designed to mitigate the impact of such releases and the project is needed to meet regulatory requirements for remediation and/or water supply. The determination of necessity shall be based on data of sufficient quality and quantity to satisfy the WQA. Remediation

projects are considered “consistent” with the NCP if the remediation project is in substantial compliance with the applicable requirements of the NCP and results in a CERCLA-quality clean-up. Specific potentially applicable NCP requirements are addressed below.

Criteria to which a proposed project shall be measured, but not required, are as follows:

- Project conforms and furthers the objectives of WQA’s §406 Plan or the intent thereof
- Ranking on priority list if multiple requests are competing for available funds
- Project is “necessary” and “consistent” with the NCP
- Requesting party to pay no less than 25% of capital costs
- Funding for operation and maintenance secured from funds other than WQA assessment
- Implementation of construction anticipated within one year of executed agreement

Projects are scored according to the questions and corresponding scores listed in Table 2. Once scored, the projects are then ranked according to the criteria in Table 3. The higher scores represent a higher ranked priority position within each category for available funding.

Contractor Selection

Competitive bids are typically used for contractor selection when project funding sources include WQA assessments, local water funds, or funding from the State or Federal government. Projects with federal dollars follow the federal contracting guidelines regarding competitive bids. Sole source awards may occur, consistent with either federal guidelines, or the criteria established by the individual water purveyor.

Criteria used to quantitatively evaluate projects for effectiveness

During the initial stages of a potential treatment project extensive studies are conducted to ensure the project is located in the appropriate area to achieve:

- *an effective contaminant capture and containment zone*
- *the halting of contamination migration into adjacent clean water supplies*

- *meeting the water supply objectives of the affected water purveyor*

WQA plays a key role during this evaluation process to ensure that each project provides the greatest protection to the water supply of the residents of the Basin while minimizing any economic impact. WQA has developed the following criteria to evaluate projects for effectiveness:

- *How much contaminant mass is removed from the Basin?*
- *How much of the treated water is used for beneficial purposes?*
- *How many downgradient wells are being protected?*
- *Does the project integrate cleanup with water supply?*

WQA also considers that overall impact of the combined cleanup projects. Figure 9 demonstrates the number of treatment plants coming online has grown steadily since WQA's inception in 1993. The total pounds of contaminants removed and acre-feet of water treated are shown in Figure 10.

APPENDIX A

Appendix A – Operable Unit Area Plans

BALDWIN PARK OPERABLE UNIT

Of the five areas of contamination in the Basin, the BPOU is considered the most significant because of the geographic size and degree of contamination. For this reason USEPA prioritized this area for investigation back in the late 1980's. By 1994, there was a general consensus on the technical approach including a financial arrangement whereby sales from the water produced by the treatment plant would be used to offset the costs of the project. However, just as designs were being prepared, the discovery of new contaminants prompted a complete reevaluation of cleanup plans.

In 1997, perchlorate, a contaminant derived from solid rocket fuel, was discovered in many of the active production wells within the OU. This discovery had widespread impacts, primarily because traditional treatment methods were ineffective in removing perchlorate from the groundwater. The new discovery not only disrupted the design of the CERCLA remedy, but also shut down many of the existing treatment plants that had been operating for water supply purposes. In one case, a water purveyor's (LPVCWD) complete water supply was shut down due to excessive concentrations of perchlorate that could not be removed by treatment facilities currently in place. This forced the water purveyor to buy alternative groundwater supply from neighboring water purveyors and supplemental imported water costing five times the cost of groundwater before the discovery of perchlorate.

Based on the discovery of perchlorate, USEPA chose to update its ROD and issue a plan update. This update was similar to the original ROD except that the containment requirement in the southern portion of the OU unit was shifted further downgradient to address the new contaminants and the larger VOC plume resulting from several years of movement since the original ROD was issued. USEPA's plan required that about 22,000 gpm of contaminated groundwater be extracted and treated. The update did not, however, specify how the water was to be used.

In 1998, although USEPA had recently accepted a "good faith offer" from a portion of the BPOU PRPs to conduct the required cleanup, the specifics of the offer suggested that the PRPs intended to construct cleanup facilities without addressing the local water supply needs. The promise of the good faith offer was to extract water from the specified locations, treat the water at centralized facilities using emerging (unapproved) treatment technology and then discharge the water into nearby surface water channels. This approach was met with strong resistance that could have resulted in further delays and continuance of the existing water supply crisis. In addition, USEPA's approach focused on overall containment of the plume and did not include projects that were outside

of USEPA's primary objectives that would have beneficial effects on both cleanup and water supply.

In response to this situation, WQA prescribes a cleanup plan developed by the MSGBW (Figure 2) that integrates cleanup and water supply objectives. The first phase of this plan focused on the southern portion of the plume where the priority is highest to contain the plume, protect critical water supplies and restore critical water supplies.

In 1999, due to the critical need for immediate action, WQA, MSGBW and the Upper San Gabriel Valley Municipal Water District ("USGVMWD") joined resources and began implementation of the plan by constructing the first facility to treat both perchlorate and NDMA for drinking water at the LPVCWD well site. Following the success of the LPVCWD project, WQA prescribed additional early actions that build on the LPVCWD project development model.

In 2002, eight of the 20 BPOU PRPs entered into a comprehensive project agreement with WQA, MSGBW and local purveyors to fund the prescribed remedy described in this section.

To achieve rapid implementation in the BPOU, only treatment processes that are approved as Best Available Treatment Technologies ("BATT") by DDW shall be used to meet drinking water requirements. This requirement is necessary to assure that lengthy approval processes normally associated with emerging technologies are eliminated. Use of BATTs will be necessary to accelerate removal of contaminant mass from the Basin and to restore impacted potable water supplies. However, wherever practical, other technologies may be considered if significant and exceptional benefits are shown to outweigh the need for urgency.

In addition, as new technologies become available, the WQA prescribes that cost effective studies and pilot programs are pursued in order to maximize the potential savings in cleanup costs over the life of the projects. For example, multiple projects are using an ion exchange technology that may be outdated and costly. New resin technology has been introduced that could provide alternatives to the existing technology, and studies have been undertaken to assess the benefits of switching over if the lifetime benefits appear to be substantial.

In the cases where existing technology remains in place, careful optimization will be performed regularly on the equipment in order to achieve the best effective operation and the lowest operating cost possible.

Southern Remedy - In conjunction with the LPVCWD treatment project constructed in 2000, a new treatment facility located at the SGVWC Plant B6 treatment facility near the southern extension of the plume was prescribed for

immediate implementation. The project also included the construction of four new extraction wells (B25A, B25B, B26A and B26B) and transmission pipelines connecting the extraction wells to the Plant B6 treatment facility.

The project finished construction in 2004 and received its 97-005 amended water supply permit from the DDW in June 2005. The water extracted from this facility is needed by SGVWC to replace production capacity lost when contamination forced the closure of the then operating water treatment facilities that lacked the ability to remove the newly discovered contaminants, perchlorate and NDMA. The project has the ancillary benefit of protecting downgradient water supply wells by halting the southeastern migration of contaminant mass.

In 2009, efficiency studies have led to changing out the existing ion exchange treatment technologies at LPVCWD's treatment facility and SGVWC's Plant B6 treatment facility from a regenerable resin technology to a more efficient single-pass resin technology. As a result of changing from a regenerable resin ion exchange technology to a single-pass technology SGVWC will lose the ancillary benefit of some nominal nitrate treatment. Therefore, DDW required SGVWC to construct additional nitrate treatment at its Plant B6 to ensure continued operation of the treatment facility. The new nitrate treatment utilizes a regenerable ion exchange treatment system but will be designed specifically for nitrate removal.

In ~~2018~~2019, SGVWC plans to replace its existing UV treatment equipment with a new more efficient UV treatment technology partially funded via a Proposition 1 grant.

The next component of the remedy prescribed for the southern area is a new treatment facility that is located at the SGVWC Plant B5. The project finished construction and began testing in 2007. In April 2008, the Plant B5 treatment facility received its amended water supply permit from DDW. The Plant B5 treatment facility will treat water from an existing well (B5B), from a new extraction well drilled on site (B5E) and from an existing City of Industry well located in the San Fidel Well Field. The Plant B5 facility is necessary to meet water supply demand and to serve as a final containment point to prevent the further degradation of clean aquifers resulting from the migrating BPOU contamination plume.

This plan prescribes immediate implementation and long term operation of the southern remedies for the BPOU including all of the necessary facilities to achieve full containment of the BPOU plume at the downgradient edge. In June 2008, the last component of the BPOU remedy became operational. These facilities will accelerate removal of contaminant mass in the Basin, prevent migration of contamination into critical groundwater water supplies, and through the integration of cleanup with water supply objectives, mitigate the existing water supply crisis in the area.

As of ~~June 30~~December 31, 2018, the southern remedy projects have treated approximately ~~299,165.01~~287,588.88 acre-feet of contaminated groundwater and have removed approximately ~~39,883.738~~467.3 lbs. of VOCs, perchlorate, NDMA and 1,4-Dioxane.

Northern Remedy - In 2005 construction was completed on a new treatment facility at the VCWD Arrow/Lante wellfield. The new treatment facility known as SA1 treatment facility will consist of all necessary treatment technology and two new extraction wells (SA1-1 and SA1-2) that were constructed east of the treatment facility which will deliver raw water to the facility via new transmission pipelines. The plan also includes a treated water pipeline to deliver all of the treated water to SWS. In 2007, VCWD discovered TCP in its SA1 extraction wells and was forced to construct additional Liquid Phase Granular Activated Carbon (“LPGAC”) treatment at SA1 to combat the new found contamination.

Similarly to LPVCWD and SGVWC in 2008, VCWD initiated the process to replace the ion-exchange regenerable treatment system with single pass ion-exchange treatment equipment. Design and construction of the single pass ion-exchange system was completed in 2009.

In 2014, VCWD approved the nitrate management plan which will provide ancillary nitrate blend capabilities to ensure compliance with drinking water standards.

In 2015, VCWD began construction of a new extraction well that will replace existing extraction wells SA1-1 and SA1-2. The new extraction well along with existing well SA1-3 will provide enough capacity to achieve the revised extraction rate of 6,000 gpm.

As of ~~June 30~~December 31, 2018, the northern remedy project has treated approximately ~~77,414.2775~~450.33 acre-feet of contaminated groundwater and has removed approximately ~~42,820.142~~381.2 lbs. of VOCs, perchlorate, NDMA and 1,4-Dioxane.

Other Remedies - California Domestic Water Company’s (“CDWC”) Well No. 14 was affected by contamination emanating from the BPOU, including perchlorate and NDMA. CDWC expanded its existing VOC and NDMA treatment systems by including a perchlorate treatment system. The project is also designed to protect CDWC’s downgradient wells. Construction was completed in June of 2002.

Recently DDW informed CDWC that blending for VOCs would no longer be allowed and treatment for VOC removal will be mandatory. In addition, DDW stated that Well No. 10 will not be allowed to operate as a blending source for perchlorate if upstream perchlorate levels are shown to be increasing.

Therefore, CDWC intends to construct dedicated VOC and perchlorate treatment systems for its Well No. 10.

As of ~~June 30~~December 31, 2018, the CDWC project has treated approximately ~~363,215.81~~355,661.40 acre-feet of contaminated groundwater and has removed approximately ~~18,064.14~~7,418.2 lbs. of VOCs, perchlorate and NDMA.

After losing its Plant 139 and Plant 140 wellfields to the BPOU contamination, SWS constructed new production wells at its Plant 121, Plant 142 and Plant 151 properties. The interim project also included the construction of pipelines that will allow for better operational flexibility and provide additional supply to its affected service area.

In addition to operating the SA1 treatment facility as part of the BPOU remedy, VCWD also has two additional treatment facilities that it owns and operates for its immediate water supply. In 1990, VCWD constructed the Maine East and West treatment facility and in 2004 the Nixon East and West treatment facility.

As of ~~June 30~~December 31, 2018, the VCWD's Maine and Nixon treatment facilities have treated approximately ~~108,877.71~~105,067.38 acre-feet of contaminated groundwater and have removed approximately ~~2,160.72~~136.4 lbs. of contamination.

Finally, WQA endorses the construction of the Covina Irrigation Company's ("CICs") Baldwin Pumping Plant. In 2014, WQA assisted CIC in receiving a DDW grant for the construction of the treatment facility. In ~~2018~~2019, it is anticipated that CIC will finish construction and begin start-up testing.

SOUTH EL MONTE OPERABLE UNIT

The SEMOU is generally characterized by shallow groundwater contamination that is mostly contained in the upper 100 feet of the aquifer; however some contamination in the northwest and southern portions of the OU has migrated below 100 feet into the intermediate zone aquifers currently used for potable supplies. Contamination in the SEMOU is predominately VOCs with perchlorate concentrations in certain wells exceeding the State MCL of 6 ppb. Furthermore, cleanup has been complicated by the presence of low concentrations of 1,4-Dioxane in the OU.

The contamination in the SEMOU presents significant threats to local water supplies. One threat is to the aquifers and groundwater supply centers in the northwest portion of the OU and to the northwest of the OU itself. The other is directed towards the Whittier Narrows Dam and the Central Basin to the south. The threat to the northwest has already impacted several critical water supply wells, primarily those owned by the CMP, SGVWC and Golden State Water

Company (“GSWC”). These water purveyors have had to implement treatment facilities in order to resolve their water supply crises. The other predominant threat is from contamination in the shallow aquifers near the source areas that provide a continuous source of contamination that has traveled as far south as the Whittier Narrows Dam. Continued migration of the contamination past the Whittier Narrows Dam threatens many production wells and the sensitive recharge areas within the Central Basin. Immediate action is clearly needed to address these imminent threats.

To address the VOC groundwater contamination in the SEMOU, USEPA released its Interim ROD (“IROD”) in September 2000. The IROD specifies extraction from the intermediate zone at or near CMP’s existing well No. 5, CMP’s existing well No. 12, SGVWC’s existing Plant No. 8 wellfield, and GSWC’s existing San Gabriel (SG1 & SG2) wellfield. USEPA’s plan also includes a new extraction well (CMP No. 15) northeast of CMP No. 12. USEPA’s goal is to contain the flow of contaminants and prevent exposure to downgradient pumping centers operated by CMP, SGVWC, and other purveyors. Although USEPA recommends the use of existing water supply facilities, the PRPs are not mandated to use these facilities in their response, nor are they obligated to integrate water supply with the required remedy. After the discovery of perchlorate in several SEMOU water supply wells and 1,4-Dioxane in the shallow zone of the SEMOU, USEPA considered issuing either an IROD Amendment or an Explanation of Significant Differences (ESD) to require treatment for emerging chemicals (“ECs”). In 2005 USEPA issued an ESD for the SEMOU to include treatment of perchlorate in the intermediate zone and reserved the right to include treatment for 1,4-Dioxane and other ECs at a later date.

With the exception of perchlorate treatment, WQA’s prescribed actions for the SEMOU have, for the most part, been put into place and are consistent with USEPA’s proposed plan. They address specific concerns that (1) action needed to take place immediately to halt further migration into critical water supplies, (2) complications in the negotiations with the PRPs would delay USEPA’s implementation schedule, and (3) PRPs may choose to fulfill their CERCLA responsibility to USEPA without addressing the need to restore water supplies. Specifically, the prescribed actions referenced below have and will address both the immediate threat and water supply crisis prevalent in the northwest portion of the OU and the long-term threat to Central Basin to the south.

To date, USEPA has lodged nine CDs embodying settlements with 72 PRPs for costs associated with implementation of the SEMOU remedy. The funds recovered by USEPA will be used to reimburse affected water purveyors for future treatment and remediation costs associated with the continued operation of remedy wells and treatment facilities as described in the SEMOU remedy through a cooperative agreement between USEPA and WQA.

Intermediate Zone Remedy - To address the threat presented in the northwest portion of the OU, WQA's prescribed action (Figure 3) includes the existing VOC and perchlorate blending treatment facility at CMP No. 5 along with the existing VOC treatment facilities at CMP No. 12, SGVWC Plant 8 and GSWC SG1 & SG2. Additionally, the plan specifies that water from CMP remediation Well No. 15 be treated at the existing treatment facility at CMP No. 12.

This plan promotes the beneficial use of the treated water by the appropriate water purveyors. To that end, WQA entered into funding contracts in the year 2000 with CMP, GSWC and SGVWC to construct VOC treatment projects ahead of enforcement action by USEPA.

SGVWC's Plant No. 8 VOC treatment facility was completed in October 2000 and is currently operating. Rising levels of VOCs in the wells at Plant 8 caused the DDW to require SGVWC to install a secondary barrier treatment system. Construction of a LPGAC secondary barrier treatment system to polish the air stripper effluent was completed in 2005. As part of the amended water supply permit issued to SGVWC by DDW to operate the Plant No. 8 VOC treatment facility, a sentinel well, SEMW09 had to be installed upgradient and within two years travel time of the Plant No. 8 wells. The primary purpose of the sentinel well is to provide an "early warning" of emerging contaminants that might affect the operation of the Plant No. 8 VOC treatment facility. A 2005 sample of SEMW09 detected 1,4-Dioxane below 1 ppb however, all subsequent sampling events for 1,4-Dioxane have been non-detect.

SGVWC's recent analyses of onsite production Well 8D revealed and continued to confirm the presence of perchlorate and 1,4-Dioxane at concentrations just below the DDW MCL and NL, respectively. Because the current Plant No. 8 VOC treatment facility is not capable of removing perchlorate or 1,4-Dioxane, SGVWC has designed and plans to construct a 5,000 gpm, single pass ion exchange treatment facility for the removal of perchlorate when levels reach 50% of the MCL. Design for advanced oxidation ultraviolet ("UV") light treatment facility for the removal of 1,4-Dioxane will take place when levels in Well 8D exceed the NL of concentrations of 1,4-Dioxane are detected in one of the remaining Plant No. 8 wells. The addition of the ion exchange and UV light treatment facility will ensure continued operation of the Plant No. 8 VOC treatment facility and continued remediation of the SEMOU groundwater. In 20182019, SGVWC will begin construction of the 1,4-Dioxane treatment facility.

Both CMP's and GSWC's VOC treatment facilities for Well No. 12 and SG1 & SG2, respectively, were completed. However, the wells for both plants were subsequently found to be contaminated with perchlorate and immediately shut down. In 2004, CMP completed construction of a perchlorate treatment plant for Well No. 12. In addition to the VOC treatment, GSWC operated an interim perchlorate treatment facility for Well SG1. However based on two years of non-detects for perchlorate contamination, GSWC and CMP have deactivated

their perchlorate treatment systems. In 2012, GSWC returned Well SG2 into service to restore plant capacity. CMP has constructed additional piping to bypass its perchlorate treatment equipment while maintaining it in a state of readiness if future perchlorate treatment is needed. Both projects are endorsed as they are designed to restore lost water supply and protect existing downgradient production wells.

CMP has completed the construction of Well No. 15 and the pipeline to Well No. 12. Additionally, CMP has proposed to construct additional UV light treatment at the Delta site. The additional treatment is necessary to ensure proper remediation of VOC contamination and to prevent a shutdown of water production due to any future 1,4-Dioxane contamination. Construction of the additional treatment and a pipeline connection is anticipated to begin in late 2017.

In 2018, CMP ~~will finish~~ed construction on its centralized treatment facility. The centralized treatment facility will end the need for redundant wellhead treatment at CMP wells by the construction of a centralized advanced oxidation treatment facility. This new facility will streamline CMP's production and distribution while providing an overall decrease in CMP's treatment and remediation costs.

As of ~~June 30~~December 31, 2018, the intermediate zones remedy projects have treated approximately ~~167,892.17~~162,468.73 acre-feet of contaminated groundwater and have removed approximately ~~22,828.22~~1,927.3 lbs. of VOCs and perchlorate.

Other Intermediate Zone Remedies - In addition to the extraction and containment projects identified in the SEMOU IROD, purveyors in the SEMOU had to construct treatment facilities at several of their wells to ensure a safe and reliable water supply in the event that the IROD projects are temporarily removed from service. Although these projects are not identified as SEMOU remedy projects by USEPA they do contribute to the remedy by removing mass contamination within the groundwater thus improving the regional groundwater basin as a whole.

In 2004, CMP constructed a VOC treatment facility at its Delta Plant to treat VOC contamination that was recently discovered in CMP Well Nos. 1, 3, 10 and Fern. Although not included in USEPA's remedy, the project is consistent with USEPA's IROD.

In 2005, SGVWC constructed a VOC treatment facility at its Plant G4 located within the SEMOU. Although not included in USEPA's remedy, the project is consistent with USEPA's IROD.

In 2016, GSWC constructed a VOC treatment facility at its Garvey Plant located within the SEMOU. Although not included in USEPA's remedy, the project is consistent with USEPA's IROD.

These actions, as prescribed by this plan, will accelerate removal of contaminant mass and help to prevent migration of contamination into critical water supplies. In addition, integrating the cleanup action with the surrounding water supply will mitigate the current water supply crisis caused by the presence of the contamination.

As of ~~June 30~~December 31, 2018, other intermediate zone projects have treated approximately ~~35,733.27~~34,316.35 acre-feet of contaminated groundwater and have removed approximately ~~1,804.51~~781.1 lbs. of VOCs.

Shallow Zone Extraction - Part of WQA's prescribed response to address the threat to Central Basin was the South El Monte Shallow Extraction Barrier ("South El Monte Barrier"). The South El Monte Barrier was constructed under a voluntary partnership including WQA, several of the local businesses and the City of South El Monte. The objective of the response action was to halt the flow of contaminants near the primary source areas within the SEMOU.

The project consisted of two extraction wells, treatment facilities and discharge pipes which allow the treated water to infiltrate back into the aquifer downgradient of the extraction. The project was originally constructed to remove VOCs and later modified with ozone/peroxide treatment to remove 1,4-Dioxane. Given that there are no water supply wells directly affected in the immediate areas and that water from the shallow aquifer is not normally used for potable use by the purveyors, low priority was given to mandating beneficial use of the water.

In 2004, the WQA discontinued operation of the South El Monte Barrier after it was determined that USEPA's fund-led Whittier Narrows project (see the Whittier Narrows Operable Unit ("WNOU") portion of this plan) would halt the contaminant migration farther downgradient. While this situation was not the preferred alternative, the WQA determined that no water supplies would be affected by discontinuing the project. Additionally, funds made available by discontinuing the South El Monte Barrier were redirected to contain an alternate source of contaminants that was threatening water supplies.

In 2005, the WQA initiated design on a shallow groundwater barrier to be constructed in and around the area of the former J.A. Bozung facility. The WSGRF project will remove a hot spot plume of VOCs and 1,4-Dioxane that threatens downgradient water supplies. The WSGRF started full-time operation in January of 2008 with treatment and remediation estimated to continue through 2017.

As of ~~June 30~~December 31, 2018, the treatment facility has treated approximately ~~318.55~~342.69 acre-feet of contaminated groundwater and has removed approximately ~~182.41~~179.3 lbs. of VOCs and 1,4-Dioxane.

EL MONTE OPERABLE UNIT

The EMOU investigation phase has been completed and the remedial objectives have been specified in an USEPA IROD. This OU is generally characterized by shallow groundwater VOC contamination that is mostly contained in the upper 100 feet of the aquifer. Limited amounts of VOC contamination have migrated into the deeper drinking water supplies and the recent discovery of perchlorate in monitoring wells and production wells threatens to complicate cleanup efforts further.

Fortunately, several of the water purveyors have already responded to the spread of contamination by installing wellhead VOC treatment facilities to restore impaired sources of supply before the discovery of perchlorate. However, although many sources were restored, the impact of the contamination on the local water supply remains severe. The City of El Monte ("CEM"), in particular, lost several wells and experienced a shortage of supply. New sources of supply, either from new cleanup facilities or reactivation of existing supplies are greatly needed to enhance and secure the local water supply situation. WQA has provided assistance by leasing the CEM four surplus LPGAC vessels from past WQA projects.

To provide long-term protection of these supplies, immediate actions were needed to cut off and contain the movement of contaminants in the shallow aquifer. Elimination of the high concentrations of contaminants near the sources is necessary to provide for rapid reduction of mass from the aquifer and establish long-term protection of downgradient water supplies. To address this emergency need, in 1997 WQA prescribed the immediate implementation of two shallow extraction barriers to stop the flow of contamination on the western and eastern portion of the OU.

Anticipating that this type of removal would be required, WQA and many of the PRPs for the EMOU executed agreements to fund the construction of these projects. As part of this early response, WQA sponsored three components (extraction and treatment at the Clayton Manufacturing facility and individual extractions with centralized treatment for Hermetic Seal, and Crown City Plating facilities) which operated for several years. Immediate implementation of the shallow extraction barriers ahead of USEPA's mandate will complement these other early responses and help to accelerate the removal of mass from the

Basin and prevent the further migration of contamination into critical groundwater supplies.

In June 1999, USEPA released its IROD which requires containment of the shallow contaminant plume on the western and eastern sides of the OU and containment of the deep contaminant plume on the northwestern and southeastern edges of the OU. In 2002, USEPA released an ESD that requires the containment of emerging chemicals in addition to VOCs. In 2004, due to unrest within the EMOU PRP group, USEPA entered into a CD effectively dividing the PRPs into two distinct work parties, the West Side Performing Settling Defendants (“WSPSD”) and the East Side Performing Settling Defendants (“ESPSD”).

As a result of the elevated levels of Nitrates and Total Dissolved Solids (“TDS”) in both west and east shallow zone extraction projects, local water purveyors are not interested in integrating the treated water into the local supply. Thus, WQA prescribes that, to the extent possible, the water extracted from the shallow extraction projects be put to beneficial use for one of the following alternatives: (1) potable source through blending, (2) industrial reuse, (3) re-injection to the groundwater basin, or (4) used as a reclaimed water source. If no beneficial end use is available and all alternatives have been exhausted, the treated water may be discharged to a nearby channel under direction of the LARWCB and pursuant to the MSGBW's rules and regulations.

The WSPSD is discharging to adjacent Eaton Wash under an NPDES permit issued by the LARWQCB and the ESPSD will be re-injecting all shallow zone treated water up-gradient of the extraction wells under an LARWQCB discharge permit.

Together, all of these facilities will serve to contain the migration of the contamination in the intermediate (potable) aquifers and prevent the further spread of contamination into critical groundwater supplies. Requiring the beneficial use of shallow zone treated water will enhance the local water supply and help to mitigate the current water shortage caused by impairment of water supply wells.

In 2016, USEPA required both work parties to work together and develop a comprehensive workplan to address regional CrVI contamination within the EMOU. WQA is supportive of this joint effort and will provide any and all assistance necessary to fully characterize CrVI contamination within the EMOU.

West Side Remedy - The WSPSD is responsible for containment of the western shallow zone contaminant plume (Figure 4) and the containment of the northwestern deep zone plume (Figure 5). Containment of the western shallow plume will be accomplished via six extraction wells and a centralized treatment facility. The treatment facility will be designed to treat not only VOCs but all

emergent chemicals (“EC’s”) to below drinking water standards. Construction of the western shallow zone treatment facility, extraction wells and pipeline was completed in January 2012.

In ~~2018~~2019, due to the decline in the water table in the area the WSPSD’s plan to enhance the shallow zone remedy by installing 8 new extraction wells.

As of ~~June 30~~December 31, 2018, the WSPSD shallow zone treatment system has treated approximately ~~381.63~~354.33 acre-feet of contaminated groundwater and has removed approximately ~~35.43~~2.3 lbs. of VOCs, perchlorate, nitrate and hexavalent chromium.

The existing GSWC Encinita Plant treatment facilities, owned and operated by GSWC and partially funded by the WSPSD, along with a VOC treatment facility, previously owned and operated by Adams Ranch Mutual Water Company (“ARMWC”), will help address the deep zone contaminant plume in the northwestern sector. Both deep zone projects received federal reimbursement from WQA.

In 2016, ARMWC was acquired by the California American Water Company which has ceased operation of the VOC treatment facility leaving the GSWC’s Encinita Plant as the singular operating deep zone remedy project on the west side of the EMOU.

As of ~~June 30~~December 31, 2018, the west side deep zone remedy projects have treated approximately ~~30,008.49~~29,051.34 acre-feet of contaminated groundwater and have removed ~~724.77~~02.8 lbs. of VOCs.

East Side Remedy - The ESPSD is responsible for containment of the eastern shallow zone contaminant plume (Figure 4) and the containment of the southeastern deep zone contaminant plume (Figure 5). Containment of the eastern shallow plume will be accomplished via five extraction wells, a centralized treatment facility and three re-injection wells. The treatment facility will be designed to treat not only VOCs but all ECs. The east side shallow zone remedy became operational in January 2015.

As of ~~June 30~~December 31, 2018, the east side shallow zone remedy project has treated approximately ~~120.87~~113.4 acre-feet of contaminated groundwater and has removed ~~24.02~~3.3 lbs. of VOCs.

In addition, the ESPSD in conjunction with CEM installed three extraction wells in the intermediate zone aquifer in the southeastern sector and constructing a centralized treatment facility to control migration of low levels of VOCs. The treated water will be conveyed into CEM’s existing distribution system in the area. WQA has provided the ESPSD federal reimbursements for its projects.

The east side deep zone remedy project finished construction and began the required 97-005 amended water supply permit testing.

As of ~~June 30~~December 31, 2018, the east side deep zone remedy project has treated approximately ~~2,501.12~~2,049.61 acre-feet of contaminated groundwater and has removed ~~119.29~~4.8 lbs. of VOCs.

Other Intermediate Zone Remedies - Similar to the SEMOU, affected purveyors in the EMOU had to construct additional treatment facilities. Specifically, the CEM constructed three VOC treatment facilities at wells 2A, 10 and 12 to ensure safe and reliable supply to its customers. Although these projects are not identified as EMOU remedy projects by USEPA they do contribute to the remedy by removing mass contamination within the groundwater thus improving the regional groundwater basin as a whole.

As of ~~June 30~~December 31, 2018, CEM wells 2, 10 and 12 have treated approximately ~~33,499.85~~32,821.69 acre-feet of contaminated groundwater and have remove ~~1,349.81~~273.8 lbs. of VOCs.

WHITTIER NARROWS OPERABLE UNIT

In 1999, USEPA issued an amendment to the ROD for the WNOU which identifies the need for a groundwater extraction barrier approximately ¼ mile north of the Whittier Narrows Dam to halt the flow of contamination traveling towards Central Basin. To form an effective containment barrier, five or six extraction sites were required to remove and treat a total of about 12,000 gpm extracting from both the shallow and intermediate zone aquifers. Because USEPA was implementing this remedy under its “fund lead” authority, the responsibility for administering the design, construction and operation of the comprehensive cleanup facility was USEPA. In 2002, USEPA finished construction of the comprehensive cleanup facility.

In recognition of the immediate threat to downgradient water supplies in Central Basin and the potential for significant delays associated with a large-scale treatment facility, WQA had prescribed a phased approach (Figure 6) that addressed the most severe threats first with an immediate early action at well EW4-3. WQA prescribed that well EW4-3 be integrated into the comprehensive potable treatment facility proposed by USEPA. WQA implemented the first component of this early action with the construction of a temporary treatment facility located at well EW4-3. Water from well EW4-3 was treated and temporarily discharged into nearby surface drainages until the full-scale remedy could be implemented. USEPA has completed construction of its centralized treatment facility and integrated well EW4-3 into its extraction system.

In 2005, the City of Whittier reached an agreement with USEPA to take most of the water extracted from the intermediate zone aquifer and use it as a potable supply for its customers. Water from the shallow zone is extracted at a reduced rate and is being discharged into Legg Lake.

In 2006, USEPA conducted a five-year review of the WNOU remedy to ensure that it remains protective of human health and the environment. USEPA concluded that the remedy for the WNOU is protective of human health and the environment.

In 2011, USEPA conducted its second five-year review of the WNOU remedy. USEPA concluded that in the shallow zone the extent of contamination has shrunk dramatically since the remedy construction was completed in 2002 and that contamination concentrations have continued to decline consistently over the that five-year period (2006 to 2010). By 2013 there were no shallow zone MCL exceedances in the WNOU indicating that continued shallow zone extraction was not needed to meet the goals of the shallow zone remedy and it was ceased.

As of ~~June 30~~December 31, 2018, the WNOU shallow zone remedy project has treated approximately 30,065.52 acre-feet of contaminated groundwater and has removed approximately 1,618.90 lbs. of VOCs.

USEPA's second five-year review also reports that in the intermediate zone the extent of intermediate zone contamination downgradient of the WNOU extraction wells has declined dramatically since remedy extraction began in 2002. These continued concentration declines have occurred despite intermediate zone extraction averaging less than 3,300 gpm over the last five years. This provides strong evidence that the remedial objectives (hydraulic control of migrating contamination) can be met at a lower extraction rate than the current intermediate zone target extraction rate of 6,000 gpm.

In May of 2013, DTSC assumed operation of the WNOU remedy from USEPA. DTSC subsequently entered into a long term operational agreement with SGVWC in which SGVWC will use the treated intermediate zone in its water supply. Currently SGVWC is operating the treatment facility and discharging the water into Legg Lake while additional infrastructure is being constructed to allow SGVWC to take the treated water into its existing distribution system.

In 2018, ~~it is anticipated that~~ DTSC ~~will receive~~d some Proposition 1 funding that will be used to add additional infrastructure to return the WNOU intermediate zone remedy back to a potable water supply project.

As of ~~June 30~~December 31, 2018, the WNOU intermediate zone remedy project has treated approximately ~~53,721.04~~52,020.09 acre-feet of contaminated groundwater and has removed approximately ~~1,811.21~~1,798.4 lbs. of VOCs.

PUEENTE VALLEY OPERABLE UNIT

In 1998, the USEPA released the Interim ROD for the PVOU that described, in part, USEPA's selected remedy for both shallow and intermediate zone contamination. It stated that the remedial action for the shallow zone shall prevent contaminated groundwater from migrating beyond its current lateral and vertical extent as described in the Remedial Investigation/Feasibility Study ("RI/FS"). The remedial action selected by USEPA for the intermediate zone shall prevent contaminated groundwater from migrating beyond the SGVWC B7 Well Field Area (an area defined by 14 wells in the immediate area of SGVWC's B7 Well Field). Furthermore, perchlorate was recently discovered in the B7 Well Field Area causing USEPA to further evaluate remedy options.

In 2005 USEPA issued an ESD for the PVOU mandating treatment for all ECs in both the shallow and intermediate zones.

In 2009, the PVOU remedial activity was stalled due to conflicting interpretations by two separate divisions of the USEPA, namely the Superfund Division and the Water Division which enforces the Clean Water Act.

As a result, USEPA required additional feasibility studies to be conducted to re-evaluate alternatives for the disposition of the treated water in both the shallow and intermediate zone remedies. USEPA is currently evaluating the feasibility studies.

WQA will continue to help facilitate solutions that will resolve the cleanup stalemate as soon as possible.

Shallow Zone Remedy - In 2005 USEPA entered into a CD with United Technologies Corporation ("UTC") to perform the shallow zone remedy in the PVOU. The shallow zone remedy will consist of the installation of nine extraction wells, associated pipelines and a centralized treatment facility at the mouth of the valley (Figure 7). In 2008, UTC completed the installation of all extraction wells and is currently securing pipeline access agreement. Since water from the shallow zone is not suitable for potable use due to high Nitrates and TDS, UTC originally planned to discharge the treated water into a neighboring creek under a discharge waiver from the LARWQCB. However, recent changes to regulations have eliminated that discharge option.

In 2011, due to the continued migration of the contaminant plume USEPA requested that the shallow zone remedy be completed in phases. Phase I consists of migration control of the eastern plume via extraction from well S05, treatment for VOCs and ECs and re-injection of the treated water into the shallow zone aquifer.

The Northrop Grumman Systems Corporation (“Northrop”) is responsible for cleanup of the shallow contamination south of Puente Creek emanating from the former Benchmark Technology Facility. The Benchmark facility is understood to be the largest single source of VOC and 1,4-Dioxane contamination in the eastern portion of the shallow aquifer at the mouth of the Puente Valley. This portion of the shallow zone remedial action was part of the remedy in the 1998 ROD. In 2003, the groundwater contamination downgradient of the former Benchmark facility was to be addressed by a facility-specific cleanup through a Cleanup and Abatement Order (“CAO”) administered by the LARWCQB. However, the cleanup was never implemented and in May 2010, lead agency status was transferred to USEPA. Therefore, the groundwater contamination downgradient of the Benchmark facility is again being addressed as part of the shallow zone remedy.

Intermediate Zone Remedy - In 2008, Northrop finished construction of the six extraction wells and a portion of the pipeline that were approved by USEPA as part of the intermediate zone remedy at the mouth of the valley (Figure 8). At that time the remedy called for contaminated water to be treated at SGVWC’s existing Plant B7 VOC treatment facility. Treatment would consist of an existing air-stripper, liquid phase granular activated carbon, ion-exchange and advanced oxidation/ultraviolet technologies for the treatment of VOCs and all ECs. In addition, Northrop has reached an agreement in principle with SGVWC to accept the treated water and to provide a blending component with other SGVWC sources. SGVWC has constructed a transmission main from its Plant B6 service area to its Plant B24 to facilitate blending of the PVOU treated water.

In 2013, water quality samples indicated elevated levels of TDS and nitrates that would require a much greater of volume of blend water to be compatible with SGVWC’s distribution system. As a result it was determined that additional treatment consisting of reverse osmosis would be required. As a result SGVWC’s Plant B7 site is not likely to accommodate the additional treatment because of its size. Northrop immediately began working with the City of Industry to purchase an alternative site that would be large enough for all treatment facilities.

In 2014, Northrop acquired a property from the City of Industry large enough to site both Intermediate Zone and Shallow Zone South treatment facilities. The current conceptual plan is to have LPVCWD operate the Intermediate Zone Remedy and utilize the treated water in its distribution system.

Pursuant to USEPA’s request and agreement with Northrop, SGVWC, in October 2016, properly destroyed Well B7C and decommissioned the accompanying treatment system. SGVWC’s Well B11B and accompanying treatment system continues to operate in the PVOU.

In 2018, Northrop will complete the construction of an additional extraction well for a total of 7 to capture contamination at the toe of the plume. In addition it is anticipated that Northrop will begin construction of the treatment facility.

As of ~~June 30~~December 31, 2018, Plants B7 and B11 have treated approximately ~~95,943.17~~95,161.64 acre-feet and have removed approximately ~~5,097.55~~5,059.2 lbs. of VOCs.

AREA 3

In 1999, USEPA began RI/FS investigations in the Area 3 (“ATOU”). The purpose of the RI/FS is to determine the nature and extent of soil and groundwater contamination and to identify likely sources. USEPA has completed the installation of additional monitoring wells in order to collect additional data to assess the extent of the contamination and its relationship to suspected source areas. USEPA released the RI in 2010 and is currently evaluating the results to identify cleanup options. Conclusions of the RI will form the basis of an FS to evaluate cleanup alternatives to prevent and eliminate the release of contaminants at the site. USEPA anticipates the release of the FS sometime in mid-2014. The focus of the FS is to develop, screen and evaluate cleanup alternatives. During development of the FS, USEPA continues investigations to address remaining uncertainties identified in the RI.

ATOU VOC contamination has impacted a number of the City of Alhambra’s (“Alhambra”) wells. In 2001, Alhambra started operation of Phase I of its pump and treat program. Phase I consists of a VOC treatment facility at Well No. 7. In 2008, Alhambra finished most of the construction of Phase II of its pump and treat program. Phase II consists of VOC and Nitrate treatment technologies at Well No. 8 and has the ability to treat contaminated groundwater from Wells Nos. 8, 11, 12. Alhambra finished construction of Phase II in 2008 and it is operational. All water treated from both Phase I and Phase II projects is used by Alhambra in its distribution system (Figure 9). Both phases of the Alhambra’s pump and treat program received reimbursement from WQA’s federal funding programs. In addition, California American Water Company has informed USEPA of its rising contamination found at its Rosemead and Grand wells located in the southeastern portion of the ATOU.

As of ~~June 30~~December 31, 2018, Alhambra’s treatment facilities have treated approximately ~~34,072.15~~33,328.15 acre-feet of contaminated groundwater and have removed approximately ~~1,019.69~~86.4 lbs. of VOCs and nitrates.

SAN GABRIEL BASIN WATER QUALITY AUTHORITY

CHAPTER 404 STATUS REPORT

TABLE 1 - SCHEDULE OF FUNDING FROM POTENTIALLY RESPONSIBLE PARTIES AND OTHER SOURCES

AS OF DECEMBER 31, 2018

DRAFT

FUNDING FOR CAPITAL AND

TREATMENT & REMEDIATION COSTS^{1, 2}

	SEMOU	BPOU⁴	EMOU⁹	PVOU⁹	ATOU⁵	Other⁶	Total
Responsible Parties	\$ 15,681,766	\$ 583,305,741	\$ 50,913,617	\$ 97,040,692	\$ -	\$ -	\$ 746,941,816
EPA Federal Grants & Settlements with Responsible Parties ³	23,673,725	-	-	-	-	-	23,673,725
Federal Grants - Bureau of Reclamation	13,923,033	48,357,671	10,188,794	5,320,769	3,163,612	1,692,803	82,646,682
State Grants - SWRCB ¹⁰	5,000,000	4,629,416	-	-	-	-	9,629,416
State Grants - SWRCB Clean Up & Abatement	2,375,646	-	-	-	-	-	2,375,646
State Grants - DTSC	-	2,853,658	-	-	-	684,499	3,538,157
State Loan - DTSC (Responsible Parties) ⁷	-	6,440,000	-	-	-	-	6,440,000
State Funding - Proposition 84 ⁸	5,250,000	7,897,473	1,500,000	-	-	-	14,647,473
Water Producers	19,713,581	19,028,018	1,283,000	2,500,000	11,244,903	1,778,546	55,548,048
Watermaster	-	358,319	-	-	-	-	358,319
WQA Sources (Assessments, interest, etc.)	5,315,543	4,328,578	1,608,653	-	-	836,548	12,089,323
Total Funding for Capital and Treatment & Remediation	\$ 90,933,294	\$ 677,198,874	\$ 65,494,064	\$ 104,861,461	\$ 14,408,515	\$ 4,992,397	\$ 957,888,605

ESTIMATED COSTS FOR CAPITAL

AND TREATMENT & REMEDIATION^{2, 4, 9}

	\$ 193,782,022	\$ 910,331,962	\$ 120,650,752	\$ 188,313,935	\$ 34,623,815	\$ 27,737,363	\$ 1,475,439,849
FUNDING GAP	\$ (102,848,728)	\$ (233,133,088)	\$ (55,156,688)	\$ (83,452,474)	\$ (20,215,300)	\$ (22,744,966)	\$ (517,551,244)

ANNOTATIONS

- 1 Funding for Capital Projects and Treatment & Remediation ("T & R") Costs reflects funding obligations per current agreements including funds received to date and future anticipated funds.
- 2 The dollar amounts for future anticipated funds and estimated costs do not include an inflation factor. Although there are currently agreements in place for the funding of future Capital Projects and T & R Costs, the agreements do not specify the timing of the funding contributions, nor is the funding itself guaranteed.
- 3 The U.S. Environmental Protection Agency ("EPA") and the U.S. Department of Justice have lodged Consent Decrees which require Responsible Parties to pay a certain amount. WQA has entered into Cooperative Agreements with EPA for \$15.27M of these funds. EPA also granted \$2.65M of additional Superfund funding to the Cooperative Agreement. EPA is holding an additional \$5.75M from the Consent Decrees which will be added to the cooperative agreement at a future date.
- 4 The BPOU agreement covers Capital Projects as well as T & R Costs for operations through 2027. Treatment costs shown above are projected to be ongoing for an additional 5 to 10 years.
- 5 Area Three Operable Unit (ATOU) does not currently have a source of funding for T & R Costs. Treatment is projected for 15 years.
- 6 Funding for Capital Projects and T & R has been provided for treatment facilities that are located within the San Gabriel Basin boundaries but are operating outside the bounds of known operable units.
- 7 State Loan - DTSC, shown above as a source of funding, is being repaid to the State of California by the BPOU Responsible Parties.
- 8 Funding for Capital Projects includes \$9.40M from the second round of Proposition 84, Section 75025, as well as \$5.25M in a Proposition 84 IRWMP grant.
- 9 Responsible Parties are projected to fund T & R Costs for the EMOU and the PVOU for 8 years as required by the Consent Decrees. Treatment Costs shown above are projected to be ongoing for 30 years, therefore the remaining years are considered unfunded.
- 10 State funding for SEMOU includes \$5.0M of Proposition 1 funding which requires a match ranging from 10% to 50%.

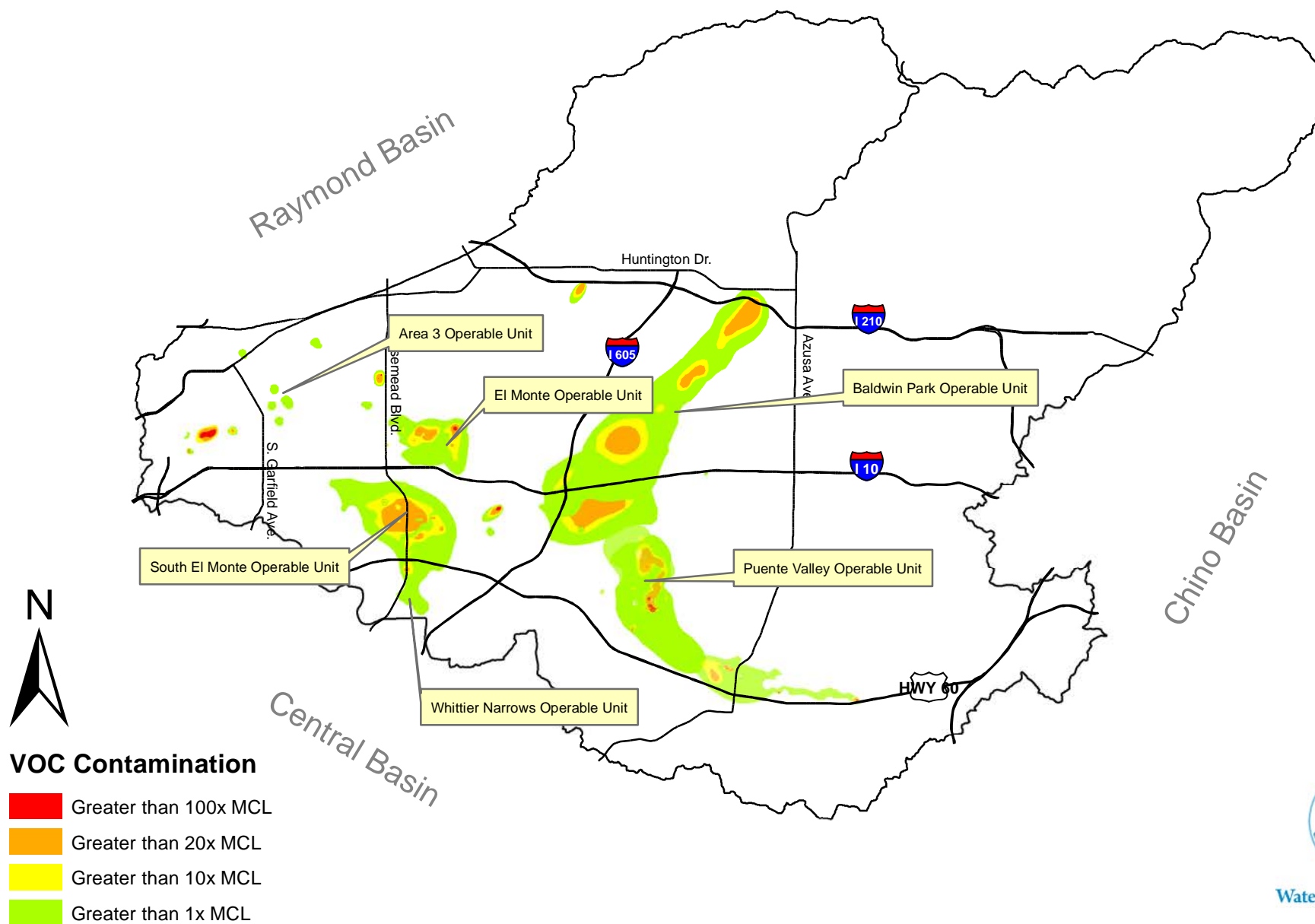
Table 2 – Project Scoring

QUESTION	PTS.	RESPONSE
Is applicant(s) ready to proceed with the groundwater remediation project?	0	Not fully ready to proceed
	10	Yes, ready to proceed
Does the project complement U.S. USEPA's plans? Is it consistent with USEPA's plans and the NCP?	0	Does not complement plan and is not consistent
	5	Complements and is consistent with USEPA plans
	10	Complements and is consistent with USEPA plans and NCP
How effective is project relative to amount of water treated and made available for use? Does the project use technology consistent with BAT?	0	Not effective relative to amount treated & available for use
	5	Somewhat effective and consistent with BAT
	10	Effective relative to amount treated & available for use, consistent with BAT
What are the impacts or potential impacts to the plume within the Main San Gabriel Basin?	0	No
	5	Some impact
	15	Very significant impact
Is project a joint cleanup and water supply project?	0	Not a joint cleanup and supply project
	5	Only a cleanup project
	15	Yes, project is a joint cleanup/supply project
Is project partially or solely funded by affected purveyor(s)?	0	N/A
	5	Yes, partially funded by purveyor(s)
	10	Yes, solely funded by purveyor(s)
Does the project address immediate water supply needs in the MSG Basin?	0	No
	15	Yes
Does the project address a need for migration control?	0	No
	15	Yes
Is project partially or solely funded by PRPs through an executed agreement?	0	No PRP agreement
	5	Yes, partially funded by PRPs with an agreement
	10	Yes, solely funded by PRPs with an agreement

Table 3 – Priority Ranking

CATEGORY	SCORING RANGE	TITLE XVI	RESTORATION FUNDS
Category 1	90-100	0 to 25%	up to 65% capital and/or T&R
Category 2	80-89	0 to 25%	up to 50% capital and/or T&R
Category 3	70-79	based upon availability	up to 40% capital and/or T&R
Category 4	0-69	based upon availability	up to 30% capital and/or T&R

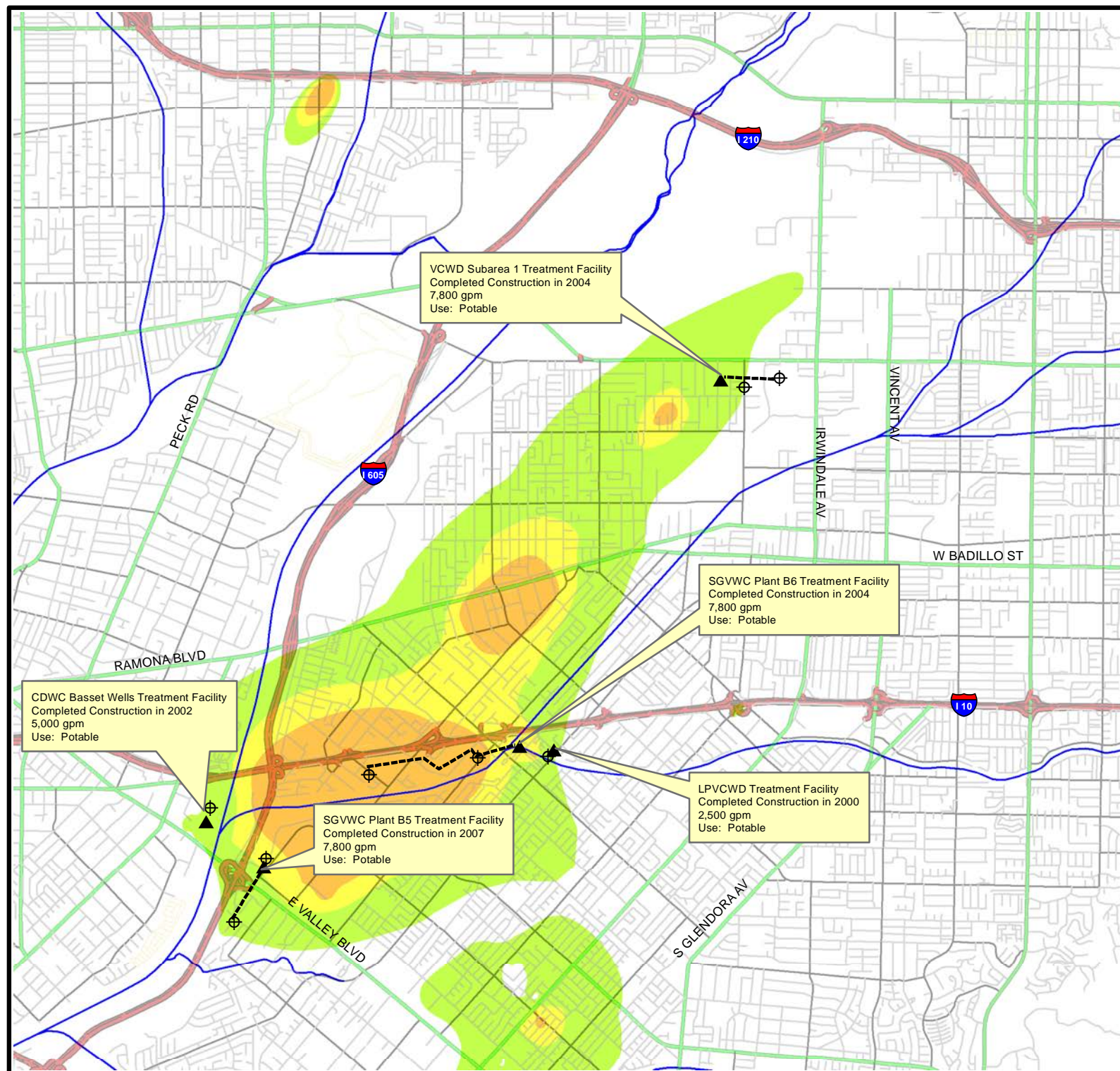
San Gabriel Basin Contamination



Water Quality Authority

Updated 12/05/2018

**-Figure 2-
Prescribed Remedy
Baldwin Park
Operable Unit**



- Pipeline
- ⊕ Remedial Extraction Well
- ▲ Treatment Plant
- Washes

VOC Contamination

- Greater than 100x MCL
- Greater than 20x MCL
- Greater than 10x MCL
- Greater than 1x MCL

Source:
Ecology and Environment, Inc.
San Gabriel Basin Database GIS
Prepared for EPA 2011

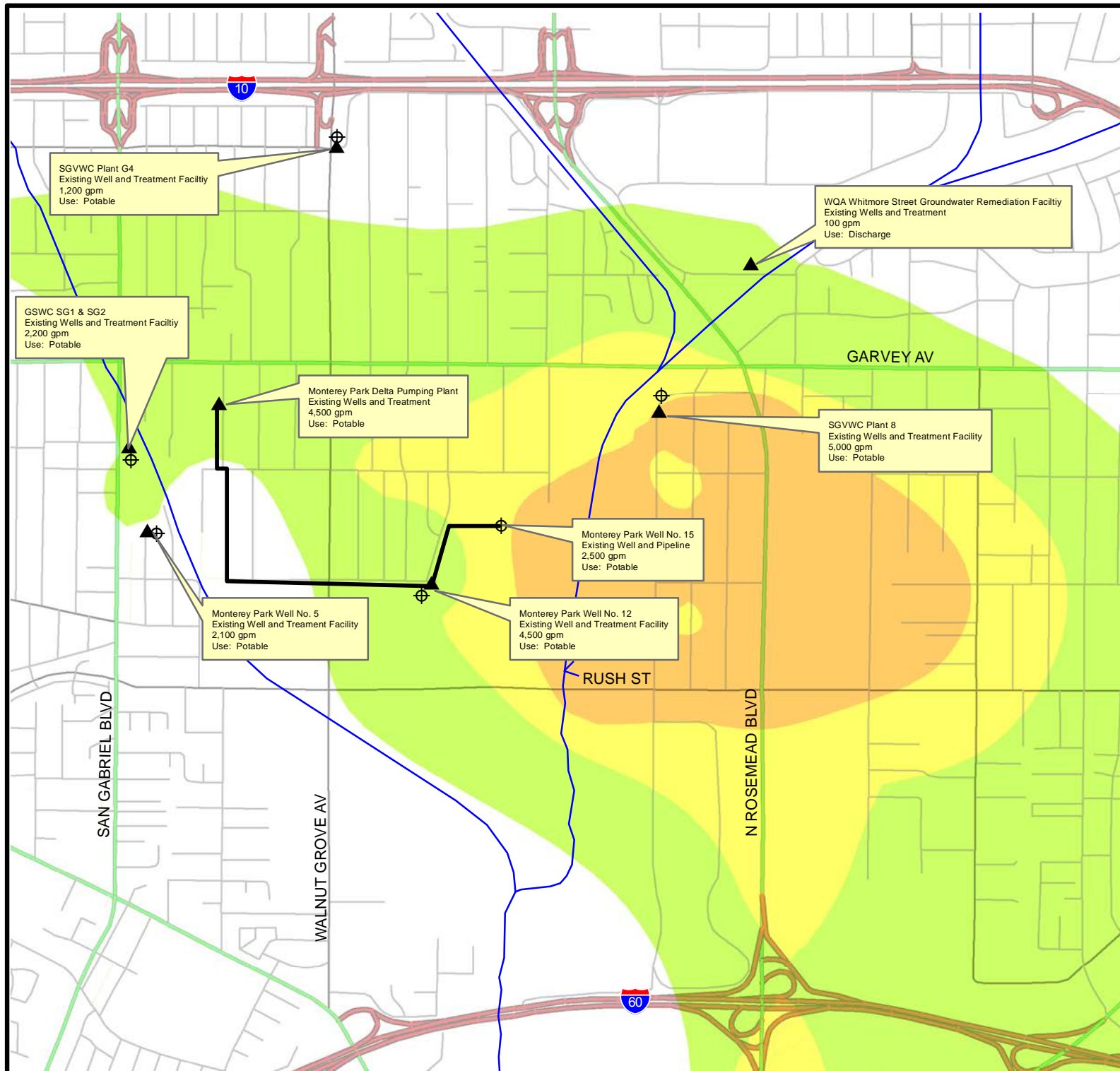
0 0.15 0.3 0.6 0.9 1.2 Miles



Water Quality Authority

Updated 12/05/2018

**-Figure 3-
Prescribed Remedy
South El Monte
Operable Unit**



- Pipeline
- ⊕ Remedial Extraction Well
- ▲ Treatment Plant

— Washes

VOC Contamination

- Greater than 100x MCL
- Greater than 20x MCL
- Greater than 10x MCL
- Greater than 1x MCL

Source:
Ecology and Environment, Inc.
San Gabriel Basin Database GIS
Prepared for EPA 2011

1,300 650 0 1,300 Feet



Water Quality Authority

Updated 12/05/2018

**-Figure 4-
Prescribed Remedy
Shallow Zone
El Monte
Operable Unit**



- Pipeline
- ⊕ Remedial Extraction Well
- ▲ Treatment Plant
- ⊠ Injection Well
- Proposed Extraction Well

— Washes

VOC Contamination

- Greater than 100x MCL
- Greater than 20x MCL
- Greater than 10x MCL
- Greater than 1x MCL

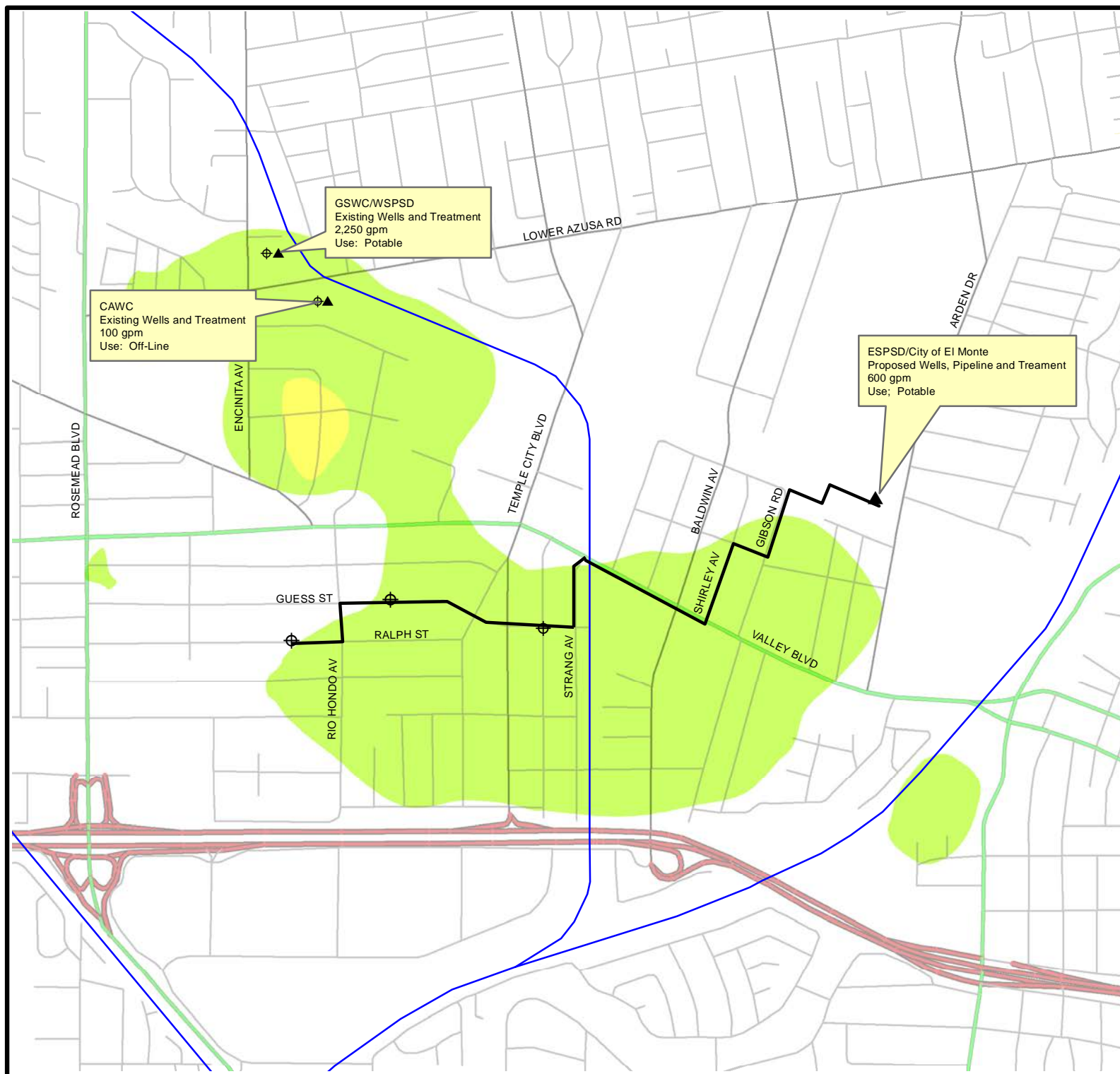
Source:
Ecology and Environment, Inc.
San Gabriel Basin Database GIS
Prepared for EPA 2011

1,000 500 0 1,000 Feet



Water Quality Authority
Updated 12/05/2018

**-Figure 5-
Prescribed Remedy
Intermediate Zone
El Monte
Operable Unit**



- Pipeline
- ⊕ Extraction Well
- ▲ Treatment Plant

— Washes

VOC Contamination

- Greater than 100x MCL
- Greater than 20x MCL
- Greater than 10x MCL
- Greater than 1x MCL

Source:
Ecology and Environment, Inc.
San Gabriel Basin Database GIS
Prepared for EPA 2011

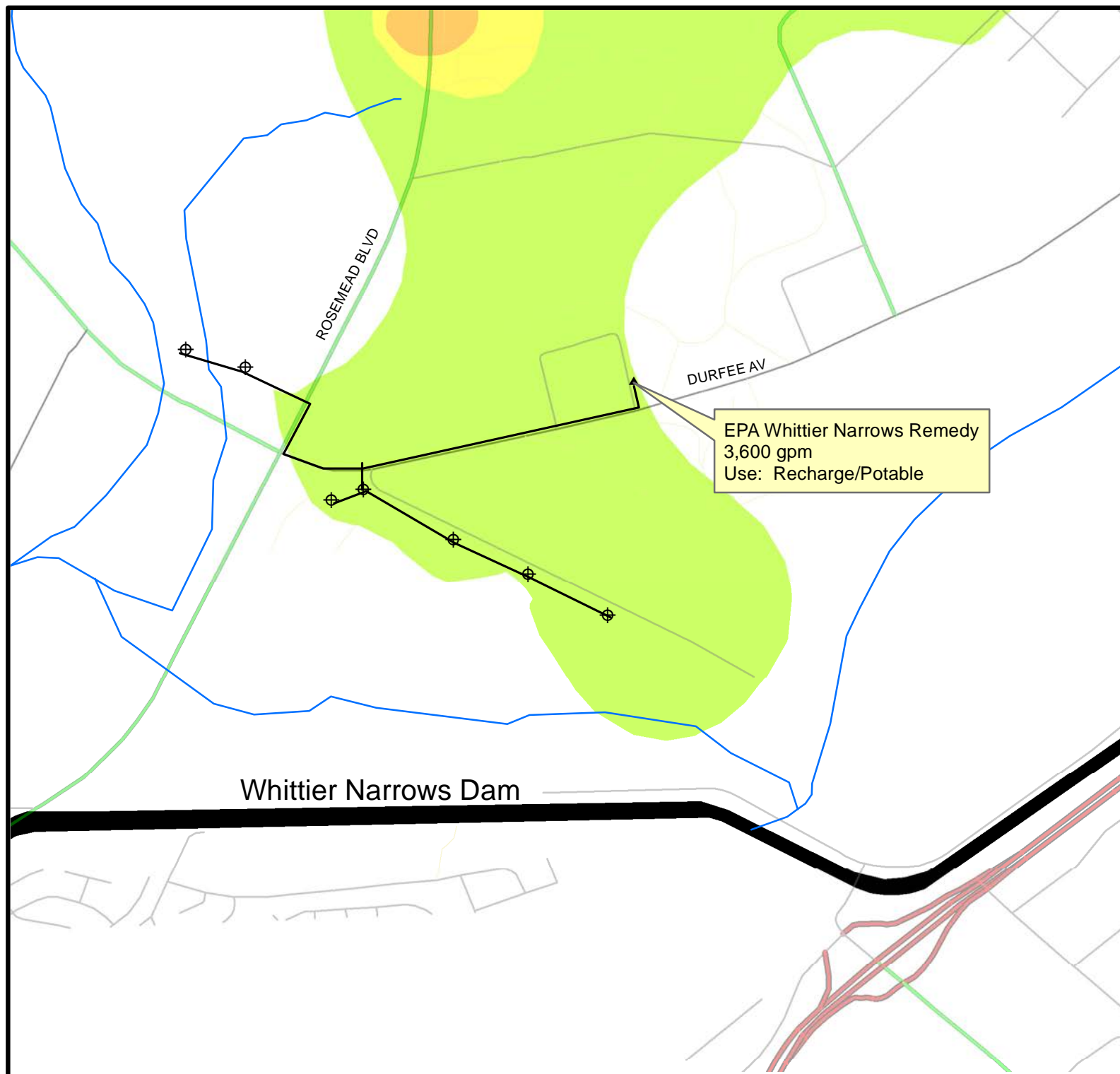
1,100 550 0 1,100 Feet



Water Quality Authority

Updated 12/05/2018

**-Figure 6-
Prescribed Remedy
Whittier Narrows
Operable Unit**



- Pipeline
- ⊕ Remedial Extraction Well
- ▲ Treatment Plant

— Washes

VOC Contamination

- Greater than 100x MCL
- Greater than 20x MCL
- Greater than 10x MCL
- Greater than 1x MCL
- Dams

Source:
Ecology and Environment, Inc.
San Gabriel Basin Database GIS
Prepared for EPA 2011

800 400 0 800 Feet



Water Quality Authority
Updated 12/05/2018

**-Figure 7-
Prescribed Remedy
Shallow Zone
Puente Valley
Operable Unit**



- Shallow Zone Remedy Pipeline
- SZ Remedial Extraction Well
- ▲ Treatment Plant

— Washes

VOC Contamination

- Greater than 100x MCL
- Greater than 20x MCL
- Greater than 10x MCL
- Greater than 1x MCL

Source:
Ecology and Environment, Inc.
San Gabriel Basin Database GIS
Prepared for EPA 2011

1,100 550 0 1,100 Feet







Water Quality Authority

Updated 12/05/2018





**-Figure 8-
Prescribed Remedy
Intermediate Zone
Puente Valley
Operable Unit**




-  Intermediate Zone Remedy Pipeline
-  IZ Remedial Extraction Well
-  Treatment Plant

 Washes

**VOC Contamination
Exceedance**

-  Greater than 100x MCL
-  Greater than 20x MCL
-  Greater than 10x MCL
-  Greater than 1x MCL

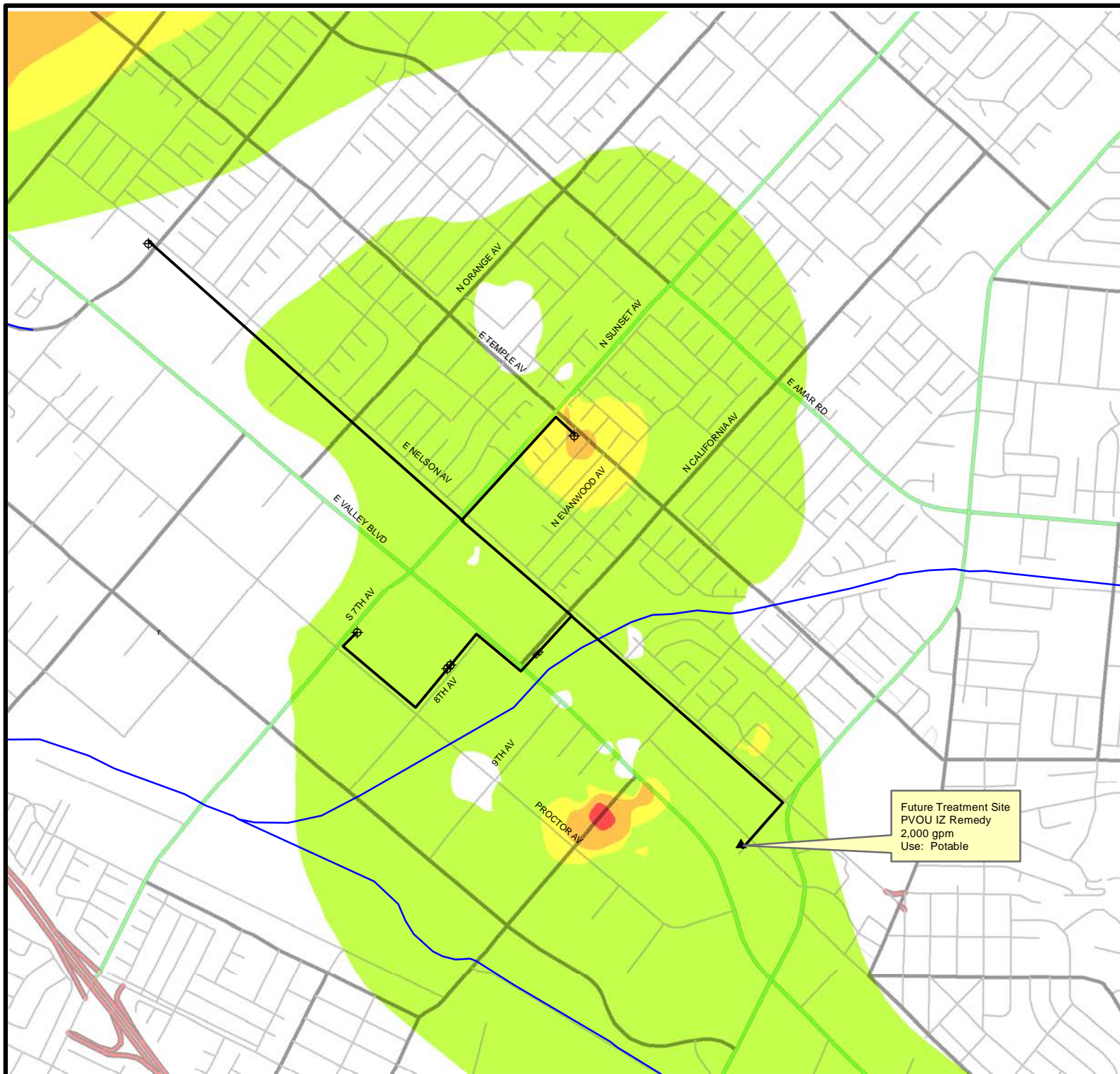
Source:
Ecology and Environment, Inc.
San Gabriel Basin Database GIS
Prepared for EPA 2011

1,200 600 0 1,200 Feet


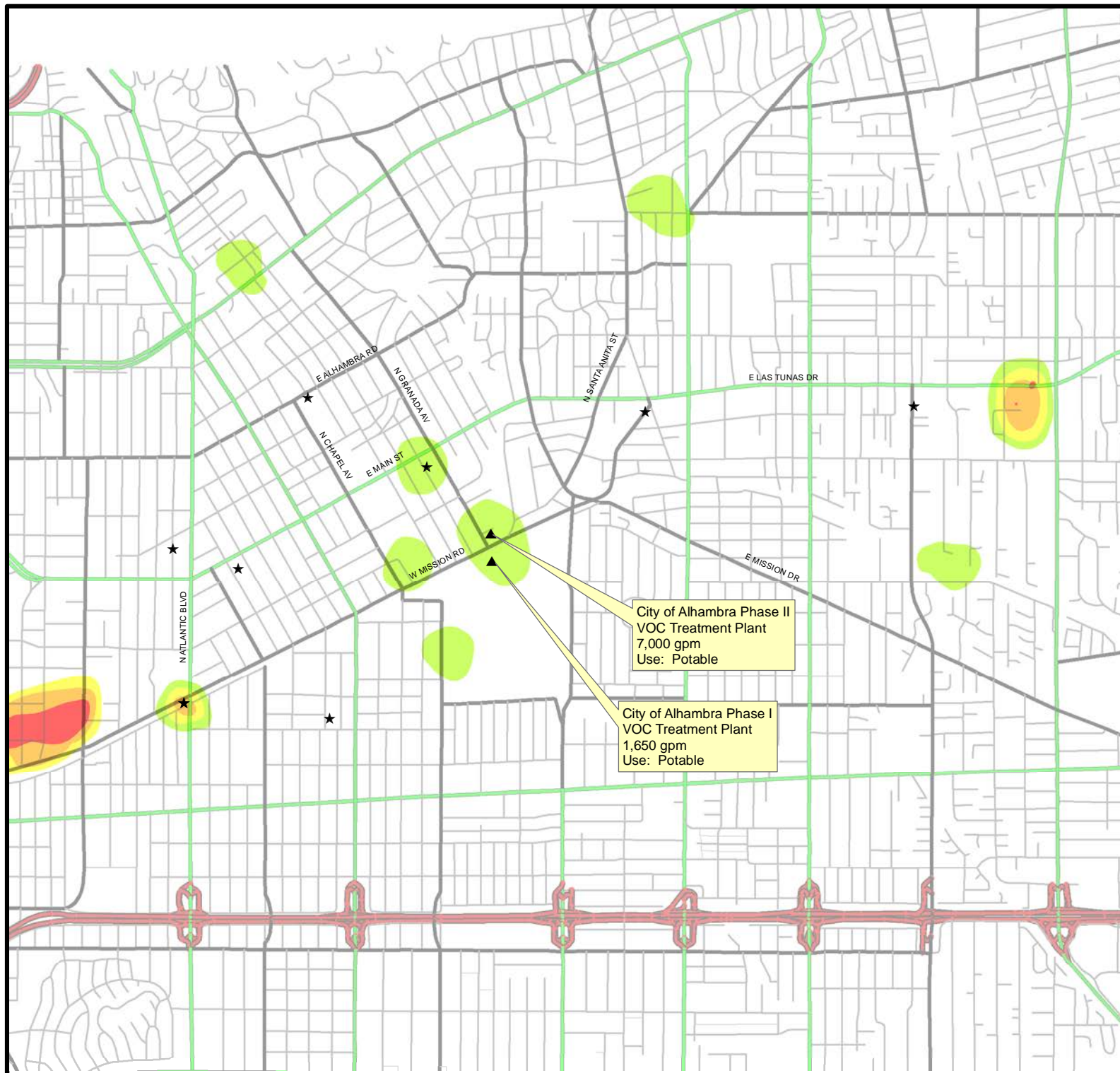


Water Quality Authority

Updated 12/05/2018



**-Figure 9-
Prescribed Remedy
Area 3
Operable Unit**



- ★ EPA Installed Monitoring Well
- ▲ Treatment Plant

- Greater than 100x MCL
- Greater than 20x MCL
- Greater than 10x MCL
- Greater than 1x MCL

Source:
Ecology and Environment, Inc.
San Gabriel Basin Database GIS
Prepared for EPA 2011

2,100 1,050 0 2,100 Feet



Water Quality Authority

Updated 121/05/2018

-FIGURE 10- Superfund vs. Nonsuperfund Projects

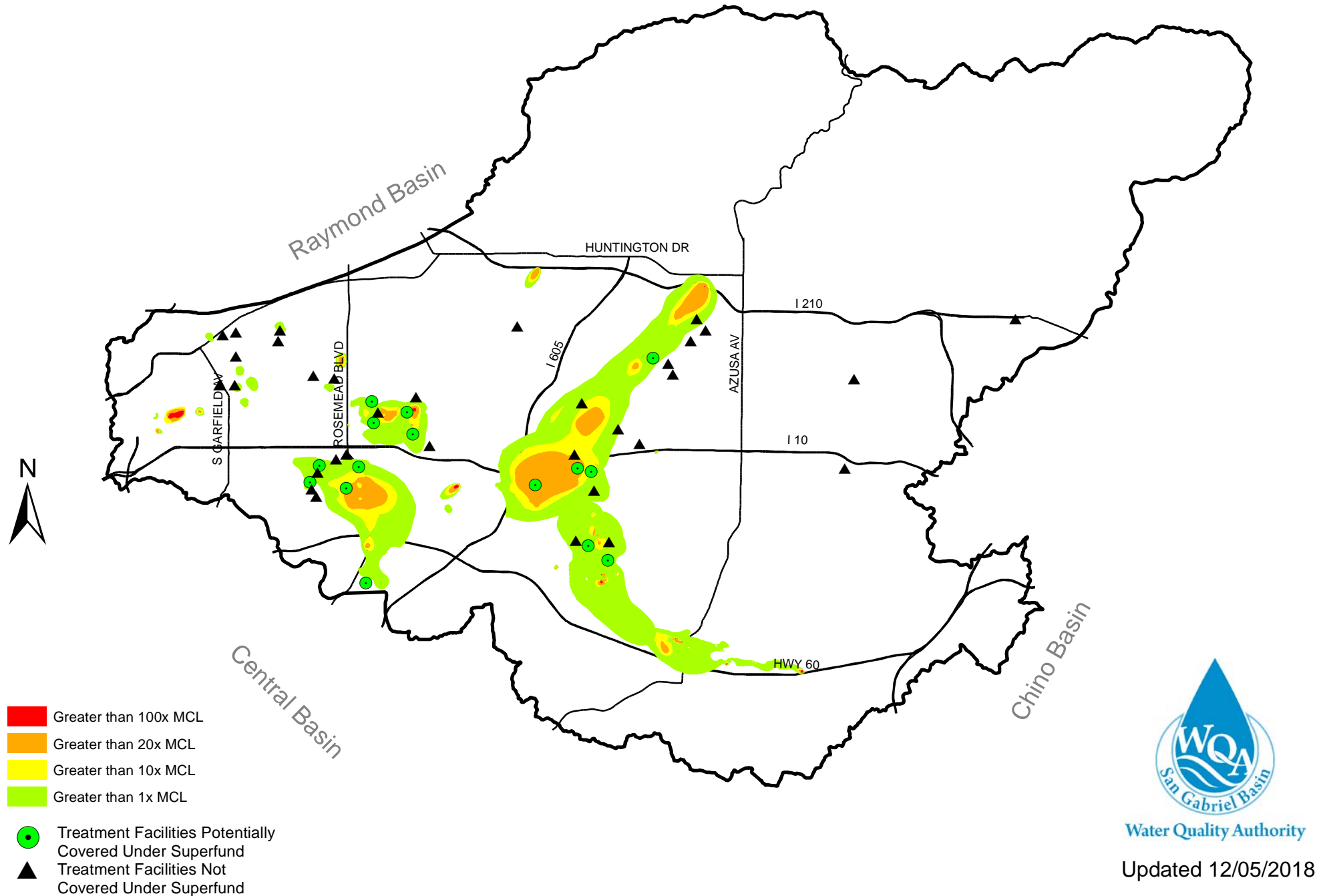


FIGURE 11 – The number of treatment plants operating in the Basin through December 31, 2018.

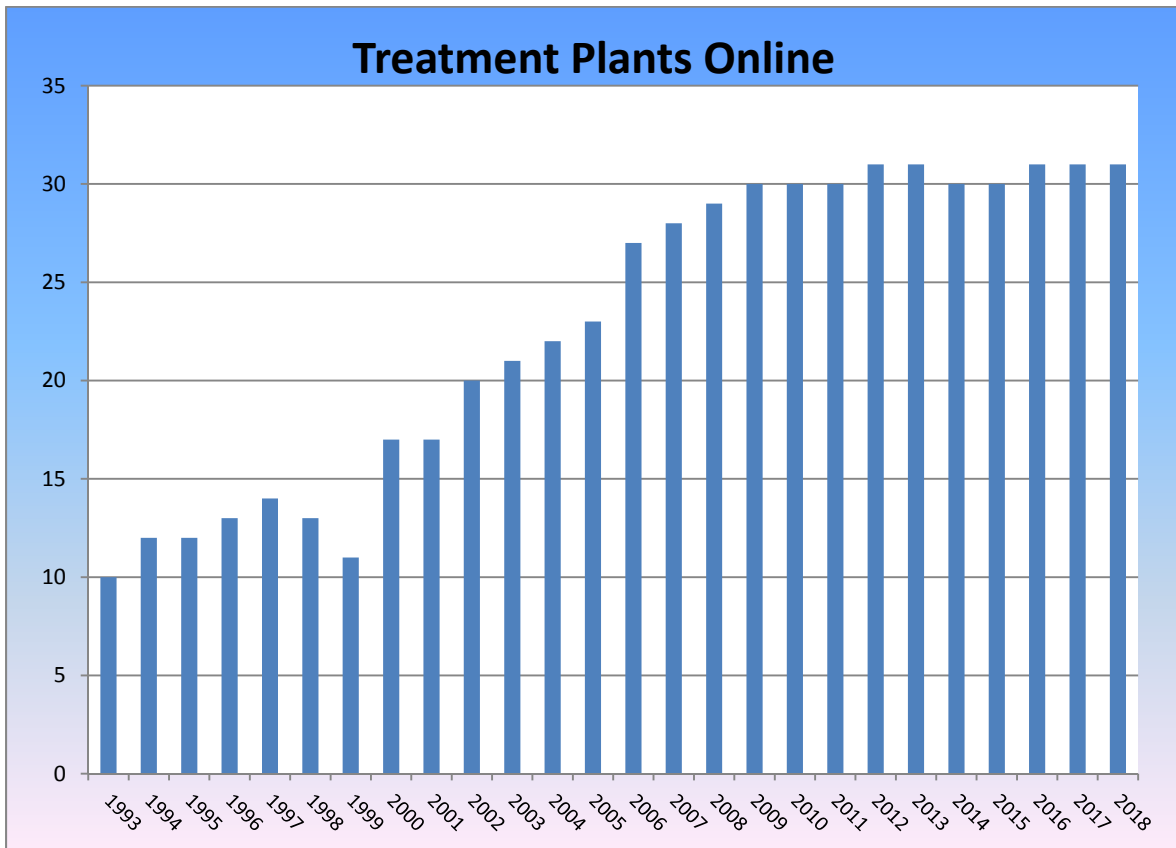
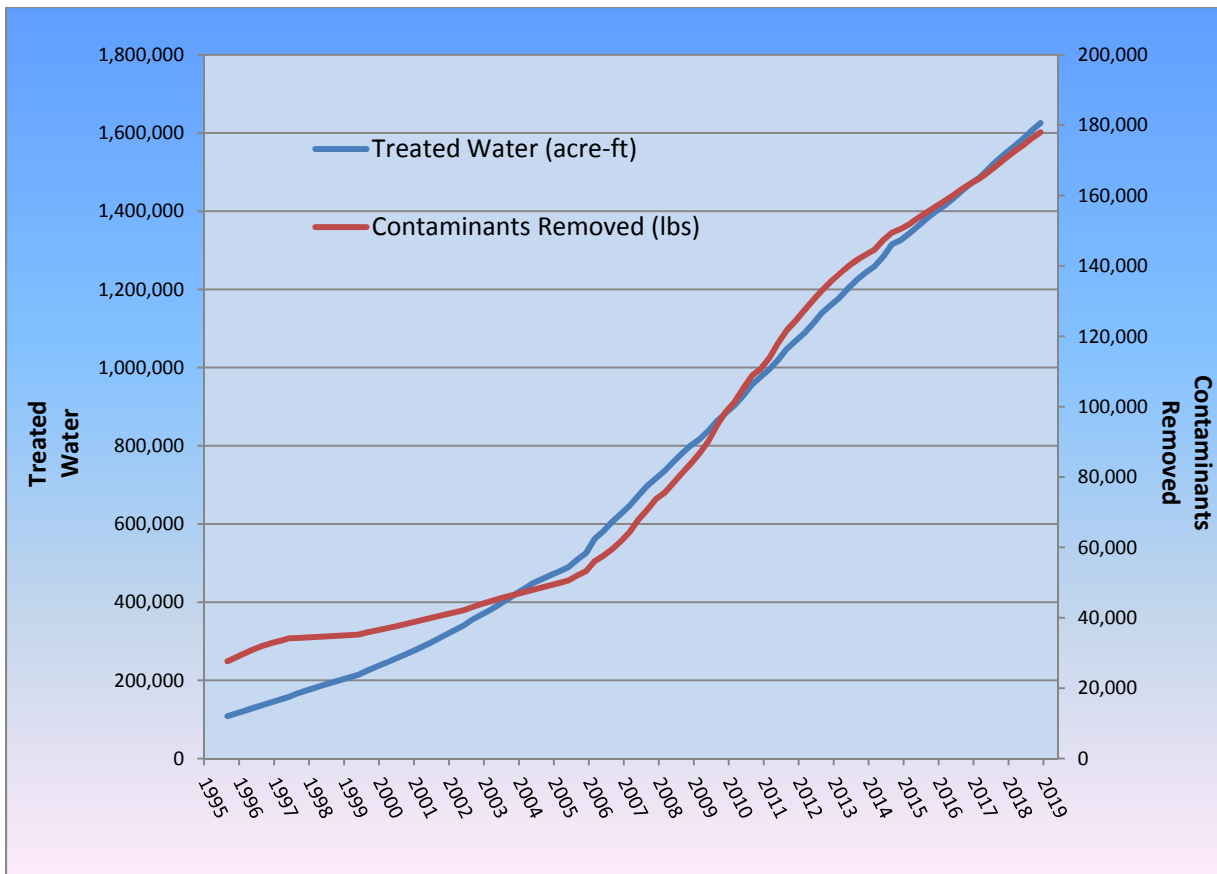


FIGURE 12 – The total amount of water treated and contaminants removed in the Basin. WQA considers the overall impact of the combined cleanup projects. This chart demonstrates how much contaminant mass has been removed from the Basin and how much treated water the projects have made available for beneficial use through December 31, 2018.





San Gabriel Basin Water Quality Authority

1720 W. Cameron Avenue, Suite 100, West Covina, CA 91790 • 626-338-5555 • Fax 626-338-5775

AGENDA SUBMITTAL

To: WQA Board of Directors
From: Kenneth R. Manning, Executive Director
Date: March 20, 2019
Subject: Board of Directors Cost of Living Adjustment ("COLA") for Fiscal Year 2019-2020

Summary

Each year at this time the Board considers a cost of living increase for the daily stipend per WQA procedures. Staff is recommending the Board review the relevant cost of living indicator and applicable CA Water Code requirements when considering this option.

Background

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.

Under Section 20202 of the CA Water Code, increases to the amount of compensation which may be received by members of the governing board of a water district above the amount of \$100 per day may not exceed an amount equal to 5 percent, for each calendar year following the operative date of the last adjustment of the compensation. CA Water Code Section 20203 further requires that any ordinance to establish or increase the compensation rate for Board Members must be approved at a public hearing with prior published notice pursuant to Government Code Section 6066. Also, per Section 20204, an ordinance adopted pursuant to Section 20201 shall only become effective after the passage of 60 days from the date of its final passage.

Discussion

The attached CPI-U indicates that the CPI for January 2019 is 3.2%. 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. Should the Board elect to increase the compensation the rate would increase to \$154.21 from \$149.43. In addition, the Board would need to approve an ordinance at a noticed public hearing pursuant to the CA Water Sections noted above.

Recommendation

Discuss option for cost of living increase to Board compensation.

Attachments

Excerpt from Consumer Price Index for January 2019 – Table 4; Resolution No. 18-006

Table 4. Consumer Price Index for All Urban Consumers (CPI-U): Selected areas, all items index, January 2019
[1982-84=100, unless otherwise noted]

Area	Pricing Schedule ¹	Percent change to Jan. 2019 from:			Percent change to Dec. 2018 from:		
		Jan. 2018	Nov. 2018	Dec. 2018	Dec. 2017	Oct. 2018	Nov. 2018
U.S. city average.....	M	1.6	-0.1	0.2	1.9	-0.7	-0.3
Region and area size²							
Northeast.....	M	1.5	0.2	0.3	1.7	-0.4	-0.1
Northeast - Size Class A.....	M	1.6	0.2	0.3	1.8	-0.5	-0.1
Northeast - Size Class B/C ³	M	1.4	0.3	0.3	1.7	-0.4	0.0
New England ⁴	M	2.0	0.6	0.5	2.2	-0.3	0.0
Middle Atlantic ⁴	M	1.3	0.1	0.2	1.6	-0.5	-0.1
Midwest.....	M	0.8	-0.2	0.2	1.3	-0.9	-0.4
Midwest - Size Class A.....	M	0.8	0.0	0.1	1.2	-0.8	-0.1
Midwest - Size Class B/C ³	M	0.8	-0.3	0.2	1.3	-1.0	-0.5
East North Central ⁴	M	0.8	-0.1	0.2	1.2	-0.7	-0.3
West North Central ⁴	M	0.8	-0.4	0.0	1.3	-1.4	-0.4
South.....	M	1.2	-0.4	0.2	1.5	-0.8	-0.5
South - Size Class A.....	M	1.5	-0.4	0.1	1.8	-0.7	-0.5
South - Size Class B/C ³	M	1.0	-0.4	0.2	1.4	-0.9	-0.6
South Atlantic ⁴	M	1.5	-0.2	0.2	2.0	-0.6	-0.4
East South Central ⁴	M	0.6	-0.7	0.2	0.9	-1.3	-0.9
West South Central ⁴	M	0.8	-0.6	0.1	1.0	-1.1	-0.7
West.....	M	2.7	0.0	0.2	3.1	-0.4	-0.2
West - Size Class A.....	M	2.9	0.1	0.2	3.2	-0.4	-0.1
West - Size Class B/C ³	M	2.5	-0.2	0.1	2.9	-0.3	-0.3
Mountain ⁴	M	2.3	-0.3	-0.3	3.0	-0.1	-0.1
Pacific ⁴	M	2.9	0.1	0.3	3.1	-0.5	-0.2
Size classes							
Size Class A ⁵	M	1.8	0.0	0.2	2.1	-0.6	-0.2
Size Class B/C ³	M	1.3	-0.2	0.2	1.7	-0.7	-0.4
Selected local areas							
Chicago-Naperville-Elgin, IL-IN-WI.....	M	0.8	0.3	0.6	1.1	-0.9	-0.3
Los Angeles-Long Beach-Anaheim, CA.....	M	3.2	0.3	0.7	3.2	-0.7	-0.3
New York-Newark-Jersey City, NY-NJ-PA.....	M	1.6	0.2	0.5	1.6	-0.5	-0.2
Atlanta-Sandy Springs-Roswell, GA.....	2				1.4	-0.6	
Baltimore-Columbia-Towson, MD ⁶	2				1.3	-0.8	
Detroit-Warren-Dearborn, MI.....	2				1.2	-0.6	
Houston-The Woodlands-Sugar Land, TX.....	2				2.3	-0.7	
Miami-Fort Lauderdale-West Palm Beach, FL.....	2				2.9	-0.6	
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD.....	2				1.0	-0.7	
Phoenix-Mesa-Scottsdale, AZ ⁷	2				4.3	-0.3	
San Francisco-Oakland-Hayward, CA.....	2				4.5	0.1	
Seattle-Tacoma-Bellevue, WA.....	2				2.8	0.2	
St. Louis, MO-IL.....	2				0.6	-1.7	
Urban Alaska.....	2				2.8	-0.7	
Boston-Cambridge-Newton, MA-NH.....	1	2.5	0.5				
Dallas-Fort Worth-Arlington, TX.....	1	2.1	-0.2				
Denver-Aurora-Lakewood, CO.....	1	0.4	-1.0				
Minneapolis-St. Paul-Bloomington, MN-WI.....	1	1.4	0.4				
Riverside-San Bernardino-Ontario, CA ⁴	1	3.0	0.4				
San Diego-Carlsbad, CA.....	1	2.6	0.6				
Tampa-St. Petersburg-Clearwater, FL ⁸	1	0.4	-1.1				
Urban Hawaii.....	1	1.9	-0.2				
Washington-Arlington-Alexandria, DC-VA-MD-WV ⁶	1	0.8	0.5				

¹ Foods, fuels, and several other items are priced every month in all areas. Most other goods and services are priced as indicated: M - Every month.

1 - January, March, May, July, September, and November. 2 - February, April, June, August, October, and December.

² Regions defined as the four Census regions.

BOARD RESOLUTION NO. 18-006

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN GABRIEL BASIN WATER QUALITY AUTHORITY AMENDING SUBSECTION H (INCREASES TO THE DAILY STIPEND) OF SECTION III (COMPENSATION – DAILY STIPEND) OF ADMINISTRATIVE PROCEDURES NO. 23 TO ADDRESS NEW CONSUMER PRICE INDEX CLASSIFICATIONS AND TO BETTER CONFORM PROCEDURES FOR STIPEND INCREASES TO APPLICABLE LAW

WHEREAS, the San Gabriel Basin Water Quality Authority (“Authority”) organized under Chapter 134 (San Gabriel Basin Water Quality Authority Act) of the Water Code Appendix (the “Act”); and

WHEREAS, pursuant to Section 134-514 of the Act, the Authority’s governing board of directors (“Board”) is authorized to adopt rules and regulations for the conduct of its affairs; and

WHEREAS, Section 134-512 of the Act provides: “Each member [of the Board] shall receive compensation for each meeting of the board attended, which amount shall be fixed from time to time by the board, but shall not exceed the amount allowed by law for members of the board of a municipal water district”; and

WHEREAS, Water Code Section 20201, which is applicable to municipal water districts and in turn the Authority, provides in relevant part: “[T]he governing board of any water district may, by ordinance ... provide compensation for members of the governing board, unless compensation is prohibited by its principal act, in an amount not to exceed one hundred dollars (\$100) per day for each day’s attendance at meetings of the board or for each day’s service rendered as a member of the board by request of the board, and may, by ordinance, adopted ... in accordance with [Water Code] Section 20202, increase the compensation received by its members of the governing board above the amount of one hundred dollars (\$100) per day”;

WHEREAS, pursuant to Section 20202 of the Water Code, increases to the amount of compensation which may be received by members of the governing board of a water district above the amount of \$100 per day may not exceed an amount equal to 5 percent, for each calendar year following the operative date of the last adjustment of the compensation; and

WHEREAS, in January 2018, the federal Bureau of Labor Statistics (“BLS”) introduced a new geographic area sample for the Consumer Price Index (“CPI”) and as part of this new sample, the Los Angeles and Riverside areas have been split into two separate indices – the Los Angeles-Long Beach-Anaheim area and the Riverside-San Bernardino-Ontario area; and

WHEREAS, references to CPI set forth in subsection H of Section III of Administrative Procedures No. 23 must be updated to reflect changes established by the BLS and to better conform to applicable statutory requirements.

NOW, THEREFORE, THE BOARD OF THE SAN GABRIEL BASIN WATER QUALITY AUTHORITY DOES HEREBY FIND AND RESOLVE AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. Subsection H (Increases to the Daily Stipend) of Section III (Compensation – Daily Stipend) of Administrative Procedures No. 23 is hereby amended in its entirety to now state the following:

H. Increases to the Daily Stipend. Subject to the procedures and restrictions set forth under Water Code Sections 20200 through 20204 and Water Code Section 71255 as the same may be amended from time to time, the Board, no more than once each fiscal year, may take action to increase the Daily Stipend by an amount equal to the lesser of the following:*

(i) the annual percentage change in the January Consumer Price Index (CPI) for the Los-Angeles-Long Beach-Anaheim CA area, Consumer Price Index, All Items, 1982-84=100 for All Urban Consumers (CPI-U); or

(ii) five percent (5%) for each calendar year following the operative date of the last adjustment.

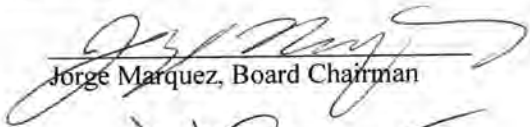
Such increases shall not take effect until the later of the following: (i) July 1st of the fiscal year immediately following the fiscal year in which the increase is finally adopted by the Board; or (ii) 60 calendar days from the date the increase is finally adopted by the Board. The foregoing notwithstanding and pursuant to Water Code Appendix Section 134-512, in no event may the amount of the Daily Stipend exceed the amount set for members of the governing boards of municipal water districts as the amount may be calculated pursuant to Water Code Sections 20202 and 71255.

**Water Code Section 20203 provides that no ordinance to increase compensation shall be adopted except following a public hearing. Notice of the public hearing shall be published in a newspaper of general circulation pursuant to Government Code Section 6066. Government Code Section 6066 provides that publication pursuant to its provisions shall be once a week for two successive weeks. Government Code Section 6066 also states that two publications in a newspaper published once a week or more often, with at least 5 days intervening between the respective publication dates not counting such publication dates, are sufficient. The period of notice commences upon the first day of publication and terminates at the end of the 14th day, including therein the first day.*


SECTION 3. The Executive Director or his designee is authorized to amend Administrative Procedures No. 23 to reflect the edits approved under Section 2 of this Resolution, above.

SECTION 4. This Resolution shall take effect immediately upon its adoption by the Board. The Board Secretary shall certify to the adoption of this Resolution.

PASSED AND ADOPTED by the Board of the San Gabriel Basin Water Quality Authority at its regular meeting on this 20th of June, 2018.


Jorge Marquez, Board Chairman

ATTEST:


Valerie Munoz, Board Secretary



San Gabriel Basin Water Quality Authority

1720 W. Cameron Avenue, Suite 100, West Covina, CA 91790 • 626-338-5555 • Fax 626-338-5775

AGENDA SUBMITTAL

To: WQA Board of Directors
From: Kenneth R. Manning, Executive Director
Date: March 20, 2019
Subject: Contract for new representation in Washington, D.C.

Summary

The Ad Hoc Committee appointed last month by the Board Chairman met on February 14, 2019 to hear from a potential new representative in Washington, D.C. After having had a discussion about our current representation and interviewing Mark Kadesh of Kadesh & Associates, LLC, the committee is recommending that the board retain Kadesh & Associates as our sole representative in Washington, D.C.

Background

For over two decades the Water Quality Authority retained the Furman Group to represent the WQA in Washington, D.C. During that time the Furman Group had been successful in getting the San Gabriel Basin Restoration Act signed into law and had assisted in helping the Authority get over \$70 million dollars in appropriations. Those funds were critical in helping us attract funds from Responsible Parties and state agencies necessary to accomplish our mission of cleaning up the San Gabriel Basin.

In February 2018 the Furman Group merged with the Blue Water Strategies firm with key members of the Furman Group staff being retained by the Blue Water Strategies. The WQA board decided to continue with the combined firm under the existing Furman Group contract with the understanding that key members of the Furman Group Staff would be retained for consistency.

In January of this year the WQA received a new contract from the Blue Water Strategies firm to represent the WQA. That contract was for \$15,000 per month under the same terms as the Furman Group. However, staff was later informed that the last remaining key staff member from the Furman Group was leaving Blue Water Strategies. In an effort to make sure we not go without representation during this critical period in Washington, D.C., it was decided to award the Blue Water Strategies firm a new contract ending June 2019, at a cost of \$10,000 per month. This short contract was awarded to allow the WQA time to evaluate the firm given the new information about staff departures.

Discussion

In February, staff and The Monares Group 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 recommended the Chairman select an ad Hoc committee to work with staff to review alternatives and on a recommendation to the board.

Chairman Marquez appointed himself, Ms. Munoz and Mr. Whitehead to an ad Hoc committee to work with staff in reviewing alternatives. The committee interviewed Mark Kadesh of Kadesh & Associates and believes the firm fits best with WQA's current needs.

Recommendation

The Ad Hoc Committee recommends that the Board authorize staff to retain the federal representation services of Kadesh and Associates with a retainer of \$15,000 per month.

Attachments

"Proposal for Federal Advocacy Services" – Kadesh & Associates

SAN GABRIEL BASIN WATER QUALITY AUTHORITY

PROPOSAL FOR FEDERAL ADVOCACY SERVICES

Submitted by

KADESH & ASSOCIATES

February 25, 2019

KADESH & ASSOCIATES

230 Second Street, SE
Washington, DC 20003
202-547-8800

SAN GABRIEL BASIN WATER QUALITY AUTHORITY

KADESH & ASSOCIATES FEDERAL ADVOCACY SERVICES PROPOSAL

KADESH & ASSOCIATES BACKGROUND

Kadesh & Associates is a top-ranked, bipartisan federal advocacy firm, recognized for its track record of success and accomplishments. Our firm is unique in specializing in advocating for California interests and has been very successful in representing California public and private entities before Congress and the Administration. Our highly respected, bipartisan team has been acknowledged consistently by Members of Congress and key Congressional aides and lobbyists as one of Washington's most effective lobbying firms (The Hill, Bloomberg Government). Bloomberg Government recently ranked *Kadesh & Associates* in the top 20 performing lobbying groups, among nearly 2,000 competitors. Members of our firm have proven themselves to be strategic, smart and capable, garnering a stellar reputation in strategically working both sides of the Capitol and the California Delegation in particular.

We also have extensive experience and success working effectively with the Executive Branch, government agencies and regulatory bodies in advancing our clients' priorities. Based on our bipartisan experience on Capitol Hill, we know when and how to move our clients' priorities by leveraging our issue expertise, policy experience and strategic partnerships and relationships with the California Congressional delegation, members of the House and Senate leadership, key committee staff and with the Administration. We have considerable experience working with the Bureau of Reclamation, U.S. Army Corps of Engineers, the Department of the Interior, the Environmental Protection Agency, the Department of Commerce, and the Department of Transportation, on funding, administrative, regulatory and policy matters.

Our firm's success has been largely based on working closely with our clients to establish clear priorities and developing and implementing effective legislative and regulatory strategies to achieve those goals. Our clients are often their own best advocates and we aim to position our clients to reach the most appropriate audience at the most opportune time with the most effective message. This approach has been successful for our existing clients, and we propose this strategy if retained by the San Gabriel Basin Water Quality Authority (WQA).

Combined, *Kadesh & Associates'* bipartisan team has over seven decades of legislative and advocacy experience, including extensive work on California water, water infrastructure and environmental issues. *Kadesh & Associates'* expertise in water issues and in securing federal funding was gained through direct experience working on the policies and politics related to these issues as senior Congressional staffers and as federal advocates providing advocacy services before Congress and the Administration.

We have an established track record in providing all the required political, strategic and technical services to help advance San Gabriel WQA's federal advocacy goals. This includes outreach to the Authority's California delegation, House and Senate Committees and key Administration officials to keep them apprised of WQA's projects, priorities, and needs; introductions to new members and officials; coordination of Washington DC meetings for key WQA officials, board members and staff;

the exploration of additional advocacy avenues for WQA's priorities; and monitoring of pertinent legislation and pending regulations that could affect the San Gabriel WQA.

KEY LOBBYISTS AND TEAM ORGANIZATION

Mark Kadesh, President of *Kadesh & Associates*, will serve as the primary point of contact for *Kadesh & Associates*. He would be closely assisted by Dave Ramey and Chris Kierig, Principal Consultants. Importantly, we anticipate and encourage San Gabriel's WQA staff to call on any member of our team frequently as the need arises. This type of flexibility and timely "24/7" access has been highly effective in working with our current clients. This on-going level of close communication and collaboration will help ensure the San Gabriel WQA's success in advancing its federal legislative and regulatory policy goals.

Mark Kadesh, *President of Kadesh & Associates*, will serve as *Project Director* for this contract, playing a lead role in public policy strategy development and implementation. Mr. Kadesh has extensive legislative and political experience and insights gained from his distinguished public policy career, including sixteen years working on Capitol Hill. For seven years he served as Chief of Staff to Senator Dianne Feinstein (D-CA) and previously served as her Legislative Director, handling and gaining in-depth knowledge of issues ranging from tax, commerce, environmental regulations, transportation, water, energy, finance, trade and appropriations. Mr. Kadesh also served as Deputy Campaign Manager for Senator Feinstein's 2006 Senate Re-election Campaign. He served as Chief of Staff to Representative Jane Harman (D-CA) and as a Legislative Assistant for Senator Daniel Patrick Moynihan (D-NY).

As a federal advocate, Mr. Kadesh has spent the past decade advocating for California public and private sector interests. He has consistently been named a top lobbyist who has "mastered the art of working Capitol Hill's hallways" (The Hill, Bloomberg Government).

Dave Ramey, a *Principal at Kadesh & Associates*, will serve as the Project Manager for this contract given his considerable expertise in water, infrastructure and environmental policy issues. Mr. Ramey's impressive career in public service has included over three decades of experience as a senior staffer in the House of Representatives. He served nearly twenty years as Chief of Staff to Representative Ken Calvert (R-CA), Chairman of the California Republican Delegation, where he capably administered the office's political, legislative, and communications functions. Mr. Ramey coordinated Rep. Calvert's duties on the Appropriations Committee where Calvert serves as Chairman of the Interior Subcommittee and a senior Member of the Defense, and Energy & Water Subcommittees. Prior to serving as Chief of Staff to Representative Calvert, Mr. Ramey served as his Legislative Director where he oversaw the office's legislative and budget affairs.

Christian Kierig, a *Principal Consultant at Kadesh & Associates*, will serve as the lead for Congressional appropriations and will play a lead role in Congressional and Administration advocacy. Mr. Kierig is highly knowledgeable of the internal workings of the appropriations process and with infrastructure and water issues unique to California. For eight years, he served as Legislative Assistant for Senator Dianne Feinstein (D-CA) where he was responsible for handling the Senator's membership on the Senate Appropriations Committee. As the Senator's key appropriations advisor, he coordinated funding requests for infrastructure projects and programs. This included working directly with California counties and cities to advance their local agendas through federal funding.

Joyce West, *Kadesh & Associates' Public Policy Contracts Manager*, will be responsible for compliance with administrative contact requirements and providing support for meetings, reporting and budgeting. Ms. West has over twenty years of experience managing public policy grants and contracts.

Full CVs for Mark Kadesh, Dave Ramey, and Christian Kierig are attached. The contact information for *Kadesh & Associates* is as follows:

Mark Kadesh, President, *Kadesh & Associates*
230 2nd Street, SE, Washington, DC 20003
Mark@KadeshDC.com (202-547-8800)

KADESH & ASSOCIATES' APPROACH

Kadesh & Associates' success has largely been based on leveraging our extensive bipartisan experience serving at the top levels in the trenches on Capitol Hill for California's two most senior Appropriators – House and Senate, Democrat and Republican. This has afforded us unmatched insight, understanding, and access to the California Delegation and staff, and access to relevant committees and agencies. We capitalize on our substantive policy and legislative expertise and our well-established contacts with California's Congressional Delegation and Congressional, Executive Branch, government agency, and regulatory policymakers and staff.

Shrewd strategy development and diligent implementation is central to our success. We work closely with our clients to formulate clear strategic priorities. We then aggressively develop and execute results-oriented strategies to achieve our clients' federal advocacy and funding goals. A key factor distinguishing us from other top lobbying firms is that there are no junior members of our team. Our clients receive the full attention of seasoned professionals who have held senior positions on Capitol Hill. We function proactively and strategically to achieve results for our clients.

Our prior experience in federal strategy development, lobbying and federal funding, has shown there are several critical elements that, when combined, create an effective agenda and implementation strategy:

Timely Communications, Intelligence Gathering and Feedback. The first critical element is maintaining an efficient communications system between the San Gabriel WQA and *Kadesh & Associates*. We schedule regular conference calls to discuss day-to-day events and issues and use on-going e-mail reports and telephone contacts for issue-specific topics and concerns which arise. Scheduled communications provide a forum for regular exchange of information and intelligence reporting regarding on-going activities and new developments for immediate feedback and consideration. In addition to regularly scheduled calls, we anticipate and plan to have timely phone and email contact with San Gabriel WQA's team to discuss and advance strategic priorities as issues arise.

Identifying Strategic Priorities/Opportunities and Developing Advocacy Action Plans. The second critical element is the development of clear priorities within the San Gabriel WQA's legislative and policy platform. *Kadesh & Associates* will work closely with the San Gabriel WQA to identify federal opportunities to address its needs as well as craft a legislative and regulatory strategy to advance policy initiatives. Some of the policy initiatives will require interaction with the Administration and regulatory officials. *Kadesh & Associates* will work closely with the San Gabriel WQA to give thoughtful consideration to the best methods of moving policy initiatives in the legislative and regulatory arenas

(e.g., as amendments or stand-alone measures). We anticipate using the annual appropriations process to address the San Gabriel WQA's funding issues. Importantly, *Kadesh & Associates* has excellent working relationships with Senator Feinstein who currently serves as Ranking Member of the Senate Energy & Water Appropriations Subcommittee as well as Congressman Calvert and several of the California Democrats who serve on the House Appropriations committee.

Besides the House and Senate Appropriations Committees, the firm has excellent connections with other key Committees, including the Energy and Water Appropriations subcommittees. These subcommittees could also be useful in advancing the San Gabriel WQA's legislative priorities.

Raising Congressional/Regulatory Awareness and Maintaining Strategic Partnerships. Raising the San Gabriel WQA's profile with key Congressional offices and Administration/Regulatory officials will be a priority. The WQA's work on groundwater cleanup and its ability to leverage non-federal funding, as well as its previous record of success, will be important in advancing our efforts to secure additional federal funding. Our team has also proven effective in helping our clients build productive, strategic relationships with organizations that share mutual policy objectives when that is useful. As a bipartisan firm, we're exceptionally well positioned to build successful bipartisan coalitions.

Developing Effective and Compelling Communications. Our team excels in messaging. We are skilled in crafting the optimal way to make policy and political arguments that result in positive outcomes. It will be important for *Kadesh & Associates* to work closely with the San Gabriel WQA in developing supporting communications and documents relating to key priorities. These communications include Congressional briefings, messaging, hearing testimony, and legislative correspondence as needed by our Congressional and regulatory contacts. Because every member of *Kadesh & Associates'* team has extensive Hill experience, we know first-hand how these communications can be most effectively framed.

QUALIFICATIONS AND RELATED EXPERIENCE

Kadesh & Associates has a consistent and impressive record of accomplishment in representing our current clients, working effectively with the Legislative and Executive branches to advance their federal priorities. Our public clients include the Metropolitan Water District of Southern California, the Santa Clara Valley Water District, the Mammoth Community Water District, the South Coast Air Quality Management District, the California High Speed Rail Authority, Riverside County, the Port of Los Angeles, Metrolink and the Los Angeles Metropolitan Transportation Authority. Our private clients include Northrop Grumman, Edison International and Alaska Airlines.

Importantly, *Kadesh & Associates* has extensive, first-hand experience securing federal funding for our clients and advocating for needs through legislative or regulatory actions, maximizing opportunities offered by appropriations and authorization processes, and through federal regulatory and grant processes. Despite the current era of budget austerity, our team has an excellent record of success in securing federal funding for our clients' critical projects.

Specific examples of *Kadesh & Associates'* federal advocacy accomplishments achieved by its team of seasoned policy and federal advocacy professionals are outlined below. Importantly, this includes a consistent record of success in advocating for other California water districts.

- **Metropolitan Water District of Southern California (MET)** continues to play a pivotal role in water distribution and conservation in Southern California. *Kadesh & Associates* works closely with

MET to obtain federal funding for water-related issues relating to Title XVI, CALFED, and, most recently, funding and regulatory issues relating to WaterFix. In addition to a full slate of regular meetings with Members of the House and Senate and relevant committees, *Kadesh & Associates* obtained high-level Administration meetings, including meeting with the Secretary of the Interior Ryan Zinke to discuss WaterFix, the Colorado River, WIFIA, ESA reform and implementation and Department of Interior reorganization. We work closely with MET's federal team and regularly arrange meeting for Board members and staff. Our primary point of contact is: Jeff Kightlinger/Executive Director/(213) 217-6211.

- **Santa Clara Valley Water District.** Pursuant to two major client visits annually and ongoing follow up with Congressional offices, a major funding victory of \$177 million from the Army Corps of Engineers was announced in July 2018 from the Disaster Supplemental Funding to protect the southern end of the San Francisco Bay from sea-level rise and coastal flooding. *Kadesh & Associates* worked with Senator Feinstein and the House delegation over several years to obtain this funding. This project is a partnership with the California State Coastal Conservancy, the U.S. Army Corps of Engineers (USACE), and regional stakeholders to provide coastal flood protection, restore and enhance tidal marsh and related habitats, and provide recreational and public access opportunities. Initial construction for flood protection is planned for the urban area of North San José and the community of Alviso. The federal portion of construction is expected to cost \$177 million. In addition to federal funding and the potential for state funding, this project relies on federal participation from USACE to plan, design and construct the project. Our primary point of contact is: Rachael Gibson/Deputy Administrative Officer, of Government Relations/408-630-2884.
- **The Los Angeles Metropolitan Transportation Authority (MTA).** *Kadesh & Associates* has represented MTA before Congress and the Administration since 2010. This includes working on appropriations, re-authorization, and the federal budget. Through these efforts, funding has been included in the FY15-FY19 Presidential budget requests for the Westside subway and the Downtown Regional Connector. In FY18, this culminated in Congressional appropriations of \$300 million for these projects. *Kadesh & Associates* also played a key role in obtaining a letter of no prejudice from the FTA allowing tunneling work to begin early on the final segment of the Westside Subway. Our primary point of contact is: Raffi Haig Hamparian/Government Relations Manager/(213) 922-3769.
- **The Port of Los Angeles.** *Kadesh & Associates* has represented the Port of Los Angeles since 2011. Our funding efforts include working to increase the rate of return to California ports from the Harbor Maintenance Trust Fund and to expand the permitted uses of those monies. This has included working on Energy-Water appropriations and the Water Resources Development Act. We also obtained DOE funding to support the Port's zero emissions goods movement program. Our primary point of contact is: David Libatique/Senior Director of Government Affairs/(310) 732-3905.

We consider our work on behalf of our clients to be of the highest caliber and believe our current clientele reflects this in their long-standing relationships with our firm. In the event a conflict arises, we would immediately contact the clients impacted and attempt to develop a suitable resolution. We believe an open dialogue can address and prevent many of the concerns raised by potential conflicts.

COST/PRICING INFORMATION

We propose a monthly fixed fee retainer of \$15,000 including travel costs for our team to travel to San Gabriel. This will facilitate the strategic planning, communications, advocacy and lobbying services of Mr. Kadesh, Mr. Ramey and Mr. Kierig to be available to the San Gabriel Basin Water Quality Authority as needed to advance the federal advocacy initiatives outlined in this proposal.

ATTACHMENT A

KADESH & ASSOCIATES RESUMES

Mark Kadesh

230 2nd Street, SE, Washington, DC 20003
Mark@KadeshDC.com 202-547-8800

EDUCATION

- 1988 **Harvard University**
Kennedy School of Government
Master of Public Policy. Public management, economics, statistics, finance, decision analysis, negotiations and political analysis coursework.
- 1985 **Brandeis University**
Bachelor of Arts Degree in Politics. Summa cum laude, high honors, Phi Beta Kappa.

EMPLOYMENT

- 2007-
Current **Kadesh & Associates**
President
Federal advocacy and government consulting firm that focuses on California-based interests.
- 2006-2007 **Bartlett, Bendall and Kadesh**
Partner
Washington D.C.-based consulting and lobbying organization.
- 1999-2006 **Senator Dianne Feinstein (D-CA)**
Chief of Staff
Managed five offices, 75 employees and a \$4 million annual budget. Directed political, legislative, administrative and media operations of the office.
- 1998 **Senator Dianne Feinstein (D-CA)**
Legislative Director
Provided and oversaw legislative development and analysis.
- 1998 **Jane Harman for Governor Campaign**
Research Director
Managed the research and policy positions of candidate.
- 1994-1998 **Representative Jane Harman (D-CA)**
Chief of Staff
Managed three offices, fifteen employees and a \$900,000 annual budget. Directed political, legislative, administrative and media operations of the office.
- 1992-1994 **Senator Dianne Feinstein (D-CA)**
Senior Legislative Assistant
Legislative responsibilities included tax, trade, banking, budget and economic issues.
- 1989-1992 **Senator Daniel Patrick Moynihan (D-NY)**
Legislative Assistant
Legislative responsibilities included banking, public works, budget and commerce issues.
- 1989 **The Urban Institute**
Research Associate II
Evaluated the impact and efficacy of court mediation.

Dave Ramey

230 Second Street, SE
Washington, DC 20003
Dave@KadeshDC.com 202-547-8800

EDUCATION

- 1984 **College of William and Mary**
Bachelor of Arts in International Relations, Minor in Government.
- 2010 **US Naval War College**
Master of Arts with Highest Distinction, National Security and Strategic Studies.

EMPLOYMENT

- Nov 2016 to **Kadesh & Associates**
Current *Principal*
Federal advocacy and government consulting firm specializing in California-based interests.
Co-Chairman of the bipartisan California State Society.
- May 1997 to **Congressman Ken Calvert (CA-42), Chair, Interior Appropriations Committee**
Oct 2016 *Chief of Staff to Chairman of the House Republican Delegation*
Administered all political, legislative, communication and personnel functions for twelve-term Member with a 15-person staff and \$1.2 million budget. Chaired the California Republican Administrative Personnel group.
- Jan 1993 to **Congressman Ken Calvert (CA-43)**
April 1997 *Legislative Director*
Oversaw legislative, communication, personnel and budget functions; designed and executed legislative program; hired and trained staff.
- Dec 1988 to **House Republican Conference, Hon. Jerry Lewis, Chairman**
Dec 1992 *Senior Advisor and Foreign Policy/Defense Analyst*
Wrote position papers, speeches and reports; designed and staffed retreats for House Republican Members.
- July 1987 to **House Republican Policy Committee, Hon. Jerry Lewis, Chairman**
Nov 1988 *Foreign Policy and Defense Analyst*
Wrote position papers, speeches and reports; designed and staffed retreats for House Republican Members; and convened Member and staff discussions on legislative and political issues.
- Feb 1985 to **House Republican Research Committee, Hon. Jerry Lewis, Chairman**
June 1988 *Foreign Policy and Defense Analyst*
Wrote position papers, speeches and reports; designed and staffed retreats for House Republican Members; conducted briefings and directed task forces.

CHRISTIAN N. KIERIG

4619 Greene Place NW • Washington, D.C. 20007 • (202) 236-7497

EXPERIENCE

Principal Consultant, Kadesh & Associates

Washington, D.C. January 2008 – Present

- Helped establish very successful start-up government relations firm, including client development and service.

Senior Associate, CJ Strategies

Washington, D.C. July 2006 – December 2007

- Involved with almost every aspect of a small, start-up government relations business, including client retention and generating new business.

Senior Associate, Copeland Lowery & Jacquez

Washington, D.C. February 2001 – June 2006

- Represented over 30 clients, ranging from cities and counties to small businesses.
- Developed tailored legislative strategies to match clients' needs with opportunities at the federal level and saw those projects through to completion.
- Interacted with Members of Congress and Administration officials to advance client legislative agendas and obtain federal funding for client priorities.
- Generated new business, including proposal writing and long-term client development.

Legislative Assistant, United States Senator Dianne Feinstein (D-CA)

Washington, D.C. January 1999 – February 2001

- Primary staff for a member of the U.S. Senate's Committee on Appropriations, which controls all discretionary federal spending.
- Developed first-hand knowledge of the Congressional budget process and how to maneuver within that environment.
- Advised local officials, public entities, and private groups seeking federal appropriations and Congressional spending for transportation needs, community and economic development programs, water projects, health initiatives, military programs, and other projects.
- Evaluated thousands of annual appropriations requests for federal funding and worked with the Committee to develop the Senator's priorities and secure funding.

Director of Special Projects, United States Senator Dianne Feinstein (D-CA)

Washington, D.C. January 1994 – June 1998

- Primary point of contact for elected officials and others seeking federal assistance including appropriations and grant funding.
- Coordinated federal response to the 1994 Northridge earthquake and floods in California.
- Drafted legislation for consideration in Senate committees and on the Senate floor, including the establishment of the Presidio Trust.

Assistant to the Legislative Director, United States Senator Dianne Feinstein (D-CA)

Washington, D.C. November 1992 – January 1994

- Reported on day-to-day Senate floor activities including pending legislation and relevant amendments.
- Supervised twelve legislative correspondents responding to constituent mail and inquiries.

EDUCATION

Pepperdine University, Malibu, California, August, 2006

Masters of Business Administration – Graziadio School of Business

Occidental College, Los Angeles, California, June, 1992

Bachelors of Arts in Political Science

Calendars

- SGVMWD
- TVMWD
- USGVMWD
- WM
- WQA

Mar 7 - Jun 6, 2019

Tuesday Mar 12, 2019

- 10:00am - 11:30am [WQA Special Board Meeting](#)
- 5:30pm - 6:30pm [USGVMWD Gov Affairs Committee Meeting](#)

Wednesday Mar 20, 2019

- 8:00am - 10:30am [TVMWD Board Mtg.](#)
- 10:00am - 11:00am [Upper District Board Meeting](#)

Thursday Mar 21, 2019

- 11:30am - 1:00pm [SCWUA Meeting](#)

Monday Mar 25, 2019

- All day [CA-NV AWWA Conference](#)

Tuesday Mar 26, 2019

- » All day [CA-NV AWWA Conference](#)

Wednesday Mar 27, 2019

- » All day [CA-NV AWWA Conference](#)
- 4:30pm - 5:30pm [USGVMWD Water Policy Committee Meeting](#)

Thursday Mar 28, 2019

- » All day [CA-NV AWWA Conference](#)
- All day [WELL Conference](#)
- 4:30pm - 5:30pm [Admin and Finance Committee meeting](#)

Friday Mar 29, 2019

- » All day [WELL Conference](#)

Wednesday Apr 3, 2019

- 8:00am - 10:30am [TVMWD Board Mtg.](#)
- 10:00am - 11:00am [Upper District Board Meeting](#)
- 2:30pm - 3:30pm [Watermaster Board Meeting](#)

2:30pm - 3:30pm [Watermaster Board Meeting](#) ↗

Tuesday Apr 9, 2019

10:00am - 11:00am [WQA Admin/Finance Committee](#) ↗

11:00am - 12:00pm [WQA Engineering Committee](#) ↗

5:30pm - 6:30pm [USGVMWD Gov Affairs Committee Meeting](#) ↗

Wednesday Apr 10, 2019

11:00am - 12:00pm [WQA Leg/Pub Committee](#) ↗

Wednesday Apr 17, 2019

8:00am - 10:30am [TVMWD Board Mtg.](#) ↗

10:00am - 11:00am [Upper District Board Meeting](#) ↗

12:00pm - 1:00pm [WQA Board Meeting](#) ↗

Thursday Apr 18, 2019

11:30am - 1:00pm [SCWUA Meeting](#)

Wednesday Apr 24, 2019

4:30pm - 5:30pm [USGVMWD Water Policy Committee Meeting](#) ↗

Thursday Apr 25, 2019

4:30pm - 5:30pm [Admin and Finance Committee meeting](#) ↗

Wednesday May 1, 2019

8:00am - 10:30am [TVMWD Board Mtg.](#) ↗

10:00am - 11:00am [Upper District Board Meeting](#) ↗

2:30pm - 3:30pm [Watermaster Board Meeting](#) ↗

Thursday May 2, 2019

All day [SCWUA Golf Tournament](#)

Monday May 6, 2019

All day » [ACWA Spring Confernece](#)

Tuesday May 7, 2019

» All day » [ACWA Spring Confernece](#)

5:30pm - 6:30pm

[USGVMWD Gov Affairs Committee Meeting](#)

Wednesday May 8, 2019

» All day »

[ACWA Spring Confernece](#)

11:00am - 12:00pm

[WQA Leg/Pub Committee](#)

Thursday May 9, 2019

» All day »

[ACWA Spring Confernece](#)

Friday May 10, 2019

» All day

[ACWA Spring Confernece](#)

Tuesday May 14, 2019

10:00am - 11:00am

[WQA Admin/Finance Committee](#)

11:00am - 12:00pm

[WQA Engineering Committee](#)

Wednesday May 15, 2019

8:00am - 10:30am

[TVMWD Board Mtg.](#)

10:00am - 11:00am

[Upper District Board Meeting](#)

12:00pm - 1:00pm

[WQA Board Meeting](#)

Wednesday May 22, 2019

4:30pm - 5:30pm

[USGVMWD Water Policy Committee Meeting](#)

Thursday May 23, 2019

11:30am - 1:00pm

[SCWUA Meeting](#)

4:30pm - 5:30pm

[Admin and Finance Committee meeting](#)

Tuesday Jun 4, 2019

5:30pm - 6:30pm

[USGVMWD Gov Affairs Committee Meeting](#)

Wednesday Jun 5, 2019

8:00am - 10:30am

[TVMWD Board Mtg.](#)

10:00am - 11:00am

[Upper District Board Meeting](#)

2:30pm - 3:30pm

[Watermaster Board Meeting](#)
