

**A REGULAR MEETING
OF THE
SAN GABRIEL BASIN WATER QUALITY AUTHORITY
AUGUST 19, 2020 AT 12:00 P.M.**

To the extent authorized by the Governor's Executive Order N-25-20 dated March 12, 2020 ("Executive Order") issued in response to the Covid-19 outbreak, the WQA Board Reserved the Right to Suspend Application of Certain Public Meeting Requirements Under the Brown Act during the term of the Executive Order, Including Restrictions and Noticing Requirements Relating to the Conduct of Teleconferenced Board Meetings.

Due to the essential nature of the WQA Board Meetings in conducting Authority business, the WQA Board meeting took place on Wednesday, August 19, 2020 at 12:00pm online and teleconference.

CALL TO ORDER

The Chairman 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, Mark Paulson, Lynda Noriega, Valerie Munoz, Mike Whitehead, and Ed Chavez.

BOARD MEMBERS ABSENT

None.

STAFF MEMBERS PRESENT

Randy Schoellerman, Executive Director; Mary Saenz, Director of Finance; Stephanie Moreno, Executive Assistant/Outreach Coordinator; Dan Colby, Project Resource Manager; Michelle Sanchez, Admin/Accounting Assistant; Richard Padilla, Legal Counsel

MEMBERS OF THE PUBLIC PRESENT

None.

MEMBERS OF THE PUBLIC THAT PARTICIPATED VIA ONLINE/TELECONFERENCE

Lenet Pacheco, Valley County Water District; Al Contreras, Upper District; Gabriel Monares, The Monares Group; Brian Bowcock, Three Valleys MWD; Patty Cortez, Upper District; Ralph Galvan, City of Baldwin Park; Ben Lewis, Golden State Water Company; Tom Love, Upper District; Ken Manning, WQA Consultant; Charles Trevino, Upper District

PUBLIC COMMENT

None.

ITEMS TOO LATE TO BE AGENDIZED

None.

PUBLIC HEARING

To Receive Comments on the Proposed 2020/2021 Fiscal Year \$12.00/Acre-Foot Assessment on those Holding Prescriptive Water Pumping Rights in the San Gabriel Basin

Mr. Marquez moved to open the public hearing to receive comments on the proposed assessment for fiscal year 2020/2021.

Ms. Moreno reported that written comments received prior to the agenda being posted were included in the agenda packet and that written comments received after the posting of the agenda were made available as handouts during this meeting.

She noted that all of the comments came from residents in the City of Monterey Park.

Mr. Schoellerman explained that the City's recent water bills contained information that seemed to indicate WQA would be raising the assessment, which was not accurate, and that residents could send comment letters for consideration at today's public hearing prior to adoption of the assessment. In addition, he noted that staff received several phone calls and were able to clear up the misinformation about WQA's assessment being raised.

Ms. Noriega asked if Mr. Schoellerman if he had spoken with City management about the unusual situation.

Mr. Schoellerman indicated that staff had contacted the City and were told that the information had been provided by their finance department.

There being no other public comments the chairman closed the public hearing.

CONSENT CALENDAR

Mr. Padilla reported that the three sets of minutes were included in the agenda packet when posted but were mistakenly not listed on the agenda. He noted that an amended agenda was sent out to reflect the correct listing.

Mr. Paulson moved to approve the consent calendar. Ms. Munoz seconded the motion and it was approved. Mr. Whitehead abstained from Project Demand Nos: E90900 (Revised), E90915, and E90917.

COMMITTEE REPORTS

Administrative/Finance Committee Report

Discussion/Action Regarding Disposal of Surplus Property

Mr. Schoellerman reported that the minutes for the committee meeting were enclosed for review.

Ms. Saenz reported that under WQA Administrative Procedure No. 35, the Executive Director has the authority and responsibility for the disposal of surplus personal property that has been maintained as fixed assets of the WQA. If it is determined that the items are either broken, obsolete or of no further use for the purposes of the WQA, the Executive Director shall submit the items to the Board of Directors to be declared surplus. She indicated that staff wishes to dispose of surplus equipment as listed on the attached schedule that is either broken, worn out or has been replaced with updated technology, and is of no further use. These items have been fully depreciated and have a net book value of \$0. She noted that under Guideline #1 of Administrative Procedure 35, the value of the property shall be determined by the Executive Director after contacting appraisers or dealers, vendors, or other businesses which buy used equipment or take such items

as trade-in. After review of the list of surplus items and further examination of the actual equipment, it was determined that the iPads currently have a trade-in value of about \$40 each. All other items proposed for disposal do not have any resale value. Lastly, Guideline #3 states that if the property has no reasonable resale value, the Executive Director may determine to donate the property to another governmental agency or a charitable institution.

She lastly reported that the Administrative/Finance Committee recommended that the surplus property be disposed in accordance with WQA Administrative Procedure No. 35.

Mr. Chavez asked about the computer equipment that was to be disposed.

Mr. Schoellerman commented that WQA's IT consultant disposes the obsolete computer equipment in an approved and safe manner.

Discussion/Action Regarding Re-Affirming WQA Investment Policy Guidelines

Ms. Saenz reported that the WQA Investment Policy was discussed briefly at the March 18, 2020 Board meeting. The discussion arose during the presentation of the audited financial statements for the fiscal year 18/19 and was not a separate discussion item for that meeting. At that time, the Board agreed that the policy was acceptable as is and did not need to be modified. At the June 17, 2020 Board meeting, WQA staff submitted the Investment Policy for affirmation. At that time, the Board requested staff submit the policy at the next Administrative/Finance committee meeting for further review and discussion. She indicated that the Administrative/ Finance Committee did review it and recommends that the Board of Directors affirm Administrative Procedure No. 26, Investment Policy and Guidelines.

After brief discussion, Mr. Kuhn moved to re-affirm Administrative Procedure No. 26, Investment Policy and Guidelines. Ms. Noriega seconded the motion and it was unanimously approved.

Discussion/Action Regarding SAS 114 Planning Letter for the Audit of Fiscal Year Ended June 30, 2020

Ms. Saenz reported that included with the agenda for review is the Statement on Auditing Standards (SAS) 114 Planning Letter for the audit of fiscal year ended June 30, 2020. SAS 114 is an auditing standard that requires certain information be communicated between auditors and those charged with oversight of the organization being audited. She noted that WQA's auditors, Vasquez & Company LLP are communicating the information via this Planning Letter which they have addressed to the Board of Directors. She indicated that Mr. Roger Martinez, CPA, the audit partner, has requested that he be contacted directly if the Board had questions or needed additional information. He also asked that he be contacted if any board member has knowledge of any fraud,

internal control weaknesses, improper accounting practices, or any other matters that may be relevant. He noted that if board members have no knowledge of any of these items, no communication is required. He can be reached via telephone at (213) 873-1703 or email at ram@vasquezcpa.com.

The Chairman thanked Ms. Saenz for her report and the SAS 114 Planning Letter was received and filed.

*Discussion/Action Regarding
Assistant Executive Director/Senior
Project Manager Job Description
Modification*

Mr. Schoellerman reported that staff is recommending approval to update WQA's Assistant Executive Director/Senior Engineer position by expanding the minimum qualifications and changing the title to Assistant Executive Director/Senior Project Manager. He indicated the modification to the qualifications include allowing for bachelor's degrees in hydrogeology, chemistry, or other related environmental fields in addition to engineering. Additionally, the requirement to be registered as a professional engineer is now preferred, but not required. These changes and the new title reflect the current needs of the WQA and allow for additional flexibility when considering candidates for the position. The salary range remains unchanged. Lastly, he noted that the Administrative/Finance committee discussed the modifications and recommended approval of this item.

Mr. Whitehead asked if the WQA would be going outside to recruit for this position or would it be filled within. He also asked if the staffing level was ok now that staff has one less employee.

Mr. Schoellerman commented that the position would be filled internally and indicated that additional staffing would be necessary.

Mr. Kuhn commented that the WQA should consider hiring someone to help the two WQA city representative directors communicate with city councils. He noted that it would be beneficial to get letters of support from city councils on WQA issues. This would help WQA when calling on legislators.

Mr. Marquez commented that he appreciated Mr. Kuhn's comments and that he was currently working with staff to schedule a webinar presentation to the cities and might be done every few months to keep them updated.

*Legislative/Public Information
Committee Report*

Mr. Schoellerman reported that the minutes for the committee meeting were enclosed for review.

**OTHER
ACTION/INFORMATION
ITEMS**

Adopt Resolution No. 20-005, A

Ms. Noriega moved to adopt Resolution No. 20-005, A

Resolution of the San Gabriel Basin Water Quality Authority Imposing an Annual Prescriptive Pumping Right Assessment To Pay For The Authority Budget For Fiscal Year 2020/2021

Resolution of the of the San Gabriel Basin Water Quality Authority Imposing an Annual Prescriptive Pumping Right Assessment to Pay for the Authority Budget for Fiscal Year 2020/2021. Mr. Kuhn seconded the motion and it was adopted by the following roll call vote:

AYES: MARQUEZ, KUHN, PAULSON, MUNOZ, NORIEGA, WHITEHEAD, CHAVEZ

NO: NONE

PROJECT REPORTS

Mr. Colby reported that staff is working closely with the L.A. Regional Water Quality Control Board staff to carryout site investigations in the South El Monte Operable Unit under WQA's Proposition 1 grant. The effort includes weekly conference calls to coordinate efforts. How noted that Avocet Environmental would be conducting a file search of the 12 sites at the LARWQCB office within the next two weeks.

Mr. Colby also updated the board on WQA's Proposition 1 Whitmore Expanded Site Investigation project noting that the property owner has not been cooperative in granting site access. Therefore, the LARWQCB has agreed to assist in the matter.

ATTORNEY'S REPORT

None.

EXECUTIVE DIRECTOR'S REPORT

Mr. Schoellerman reported that State Water Resources Control Board (SWRCB) voted to waive the \$20M limitation on individual Prop 68 awards. This vote came only after the item was unexpectedly removed from the Consent Calendar for discussion. Mr. Schoellerman commended Bob Gore from The Gualco Group for monitoring the situation closely and providing testimony on behalf of the WQA. He noted that since the item had been approved the Division of Financial Assistance staff may issue award letters. He also noted that a support letter from Assemblywoman Rubio and Senator Rubio was sent to the SWRCB prior to the meeting and were also made available as a handout for today's meeting.

Mr. Schoellerman reported that he and Mr. Monares had brief meetings with Assemblywoman, Rubio, Assemblyman Chau, Assemblyman Holden and Assemblyman Archuleta for an introduction as the new Executive Director and to provide an update on the status of WQA's Prop 68 funding. Each of the legislators had provided a letter of support for the application last January.

Mr. Schoellerman reported that he and Mr. Kuhn met with Bill Manis and Brad Jensen of the San Gabriel Valley Economic Partnership for an introduction and a discussion of WQA's participation at a future Partnership event.

He reported that he attended his first California Groundwater Coalition meeting as a board member replacing Ken Manning.

Mr. Schoellerman indicated that he was working with Ms. Munoz, Mr. Marquez and staff to put together a webinar presentation to the cities and it was set for October 1, 2020. He also reported that he continued to monitor the status of Senate Appropriations bills and would provide updates as he gets them.

He noted that he was working with the ad hoc committee on a new agreement for the Monares Group and he expected it to be ready for the September Board meeting. Lastly, he reported that the WQA office was open by appointment only and that staff continues to work remotely as well as in the office.

Mr. Kuhn commented about the Monares Group agreement and explained that he believes that ad hoc committee should work out the terms of the agreement and that Mr. Schoellerman should negotiate the amount and make a recommendation to the Board.

FUTURE AGENDA ITEMS

None.

FUTURE BOARD AND COMMITTEE MEETINGS

The Admin/Finance Committee Meeting was scheduled for Tuesday, September 8, 2020 at 10 am.

The Engineering Committee Meeting scheduled for Tuesday, September 8, 2020 at 11am was cancelled.

A Legislative/Public Information Committee was scheduled for Tuesday, September 8, 2020 at 11:00 am.

The next WQA Board meeting will be held on Wednesday, September 16, 2020 at 12pm.

BOARD MEMBERS' COMMENTS/ REPORTS

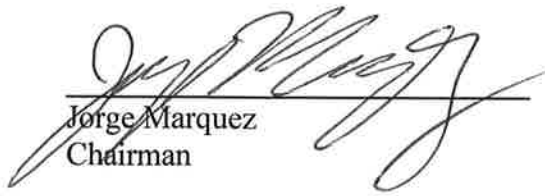
Ms. Munoz referred to Mr. Kuhn's comment earlier in the meeting about hiring someone to help with outreach to the cities and indicated that she would like to review staff's job descriptions to understand the issue better. In addition, Ms. Munoz thanked everyone for their hard work and commended Ms. Moreno for her work on conducting these meetings online.

Mr. Whitehead expressed his gratitude to Mr. Schoellerman and staff, Jack Gualco, and Mr. Monares for working hard on the Prop 68 funding over the years to get us to this point.

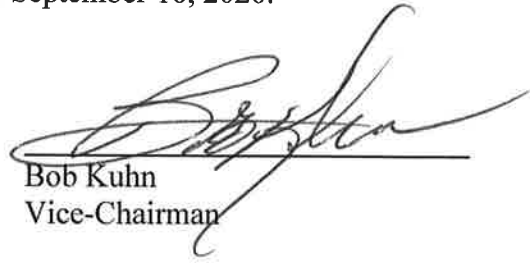
Mr. Marquez commented that he looked forward to working with staff on outreach to the cities. Also, he believes it is up to the city representatives on this board to also reach out to colleagues in other cities and educate them about WQA. Finally, he noted that he is looking forward to having in-person tours of treatment facilities once again after COVID is over.

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 September 16, 2020.



Jorge Marquez
Chairman



Bob Kuhn
Vice-Chairman