

*In light of the Governor's Executive Orders N-25-20 dated March 12, 2020 and N-29-20 dated March 17, 2020 (collectively, the "Executive Order") issued in response to the Covid-19 outbreak, the WQA Board Has Suspended Application of Certain Public Meeting Requirements otherwise required under 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 will take place via online and teleconference.*

*Copies of Executive Order will be made available to members of the public upon request.*

Register in advance for this webinar:

[https://zoom.us/webinar/register/WN\\_b-NXliOeSXSAoz-U82BRCA](https://zoom.us/webinar/register/WN_b-NXliOeSXSAoz-U82BRCA)

After registering, you will receive a confirmation email containing information about joining the webinar.

Public comments can be emailed prior to the meeting to [stephanie@wqa.com](mailto:stephanie@wqa.com)

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**A REGULAR MEETING  
OF THE  
SAN GABRIEL BASIN WATER QUALITY AUTHORITY  
AT  
1720 W. CAMERON AVENUE, SUITE 100  
WEST COVINA, CALIFORNIA  
  
WEDNESDAY, FEBRUARY 17, 2021 AT 12:00 P.M.**

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**AGENDA**

- |             |  |               |
|-------------|--|---------------|
| <b>I.</b>   | <b>CALL TO ORDER</b>   | <b>MUNOZ</b>  |
| <b>II.</b>  | <b>PLEDGE OF ALLEGIANCE</b>  |               |
| <b>III.</b> | <b>ROLL CALL OF BOARD MEMBERS</b>  | <b>MORENO</b> |
|             | Valerie Munoz, Chairwoman _____ (alt)  |               |
|             | Mark Paulson, Vice-Chairman _____ (alt)  |               |
|             | Jorge Marquez, Treasurer _____ (alt)   |               |
|             | Bob Kuhn, Secretary _____ (alt)  |               |
|             | Lynda Noriega _____ (alt)  |               |
|             | Mike Whitehead _____ (alt)   |               |
|             | Ed Chavez _____ (alt)  |               |
| <b>IV.</b>  | <b>PUBLIC COMMENTS (Agendized Matters Only):</b><br>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. | <b>MUNOZ</b>  |
| <b>V.</b>   | <b>ITEMS TOO LATE TO BE AGENDIZED - Recommended Action:</b><br>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)  | <b>MUNOZ</b>  |

## **VI. APPOINTMENT OF COMMITTEE MEMBERS**

**MUNOZ**

- (a) Administrative/Finance Committee
- (b) Engineering Committee
- (c) Legislative/Public Information Committee

## **VII. CONSENT CALENDAR**

**MUNOZ**

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

- (a) Ratification of Project Demand No. E91075
- (b) Minutes for 1/20/21 Regular Board Meeting
- (c) Minutes for 2/9/21 Administrative/Finance Committee – Special Joint Meeting
- (d) Minutes for 2/10/21 Legislative/Public Information Committee – Special Joint Meeting
- (d) Demands on Administrative Fund
- (e) Demands on Project Fund

## **VIII. COMMITTEE REPORTS**

(These items may require action)

- (a) Administrative/Finance Committee Report [enc]
  - 1. Discussion/Action Regarding Draft Reserve Fund Policy [enc]
    - a. Approve Administrative Procedure No. 41
  - 2. Discussion/Action Regarding Operation and Maintenance Task Order for Avocet Environmental, Inc. [enc]
- (b) Legislative/Public Information Committee Report [enc]

## **IX. OTHER ACTION/INFORMATION ITEMS**

**MUNOZ**

(These items may require action)

- (a) Draft San Gabriel Basin Groundwater Quality Management and Remediation Plan “§406 Plan” for 2021 [enc]
  - 1. Review Comments Received
  - 2. Adopt “§406 plan” for 2021

## **X. PROJECT REPORTS**

**COLBY**

- (a) Treatment Plants:

- |  |               |
|--|---------------|
| 1. Baldwin Park Operable Unit            | <u>Status</u> |
| • 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  | Construction |
| 5. | Area 3 Operable Unit   |              |
|    | • City of Alhambra Phase 1                                     | Operational  |
|    | • City of Alhambra Phase 2                                     | Operational  |

**XI. ATTORNEY'S REPORT** **PADILLA**

**XII. LEGISLATIVE REPORT** **MONARES**

**XIII. EXECUTIVE DIRECTOR'S REPORT** **SCHOELLERMAN**

**XIV. FUTURE AGENDA ITEMS** **MUNOZ**

**XV. INFORMATION ITEMS [enc]** **MUNOZ**

- (a) San Gabriel Basin Water Calendar

**XVI. FUTURE BOARD/COMMITTEE MEETINGS** **MUNOZ**

- (a) The next Administrative/Finance Committee Meeting is scheduled for Tuesday, March 9, 2021 at 10:00am
- (b) The next Engineering Committee Meeting was scheduled for Tuesday, March 9, 2021 at 11:00am
- (c) The next Legislative/Public Information Committee meeting was scheduled for Wednesday, March 10, 2021 at 11:00am
- (d) The next WQA Board meeting is scheduled for Wednesday, March 17, 2020 at 12:00 P.M. at WQA

## **XVII. BOARD MEMBERS' COMMENTS/REPORTS**

**MUNOZ**

## **XVIII. ADJOURNMENT**

**MUNOZ**

*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](http://www.wqa.com).*



The following demands on the Administrative Fund Account at Bank of the West are hereby submitted for ratification. ACH payments were issued on January 27, 2021.

m/2-10-21

# **DRAFT**

## **A REGULAR MEETING OF THE SAN GABRIEL BASIN WATER QUALITY AUTHORITY JANUARY 20, 2021 AT 12:00 P.M.**

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*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 online and teleconference.*

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### **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 (entered late), Mark Paulson, Lynda Noriega, Mike Whitehead, and Ed Chavez (entered late).

### **BOARD MEMBERS ABSENT**

None.

### **STAFF MEMBERS PRESENT**

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

### **MEMBERS OF THE PUBLIC PRESENT**

None.

### **MEMBERS OF THE PUBLIC THAT PARTICIPATED VIA ONLINE/TELECONFERENCE**

Gabriel Monares, The Monares Group; Garry Hoffer, Cal American Water Company; Ralph Galvan, Valley County Water District; Lenet Pacheco, Valley County Water District; Brian Bowcock, Three Valleys MWD; Javier Vargas, Valley County Water District; Katrina Garcia, Upper District; Jennifer Santana, Upper District; Jose Martinez, Valley County Water District; Jack Gulaco, The Gualco Group; Mark Kadesh, Kadesh and Associates; Chris Kierig, Kadesh and Associates

### **PUBLIC COMMENT**

None.

### **ITEMS TOO LATE TO BE AGENDIZED**

None.

Mr. Kuhn enters the meeting.

Mr. Chavez enters the meeting.

### **LEGISLATIVE WORKSHOP**

#### ***The Monares Group***

Mr. Schoellerman indicated that this legislative workshop

would provide an opportunity for the board members to hear directly from WQA's legislative consultants and to receive updates and analysis on what can be expected for 2021.

Mr. Gualco provided a 2020 Legislative and Regulatory overview. He also provided a 2021 forecast and indicated that there was a possible Gubernatorial recall. He noted that the Senate gained two democratic seats and the Assembly gained one republican seat. He indicated that his staff would continue to monitor the legislative activities and provide updates to the WQA as they come.

Mr. Keurig gave an update on the activities in Washington, D.C. He reported that they are working to meet with the new delegates to discuss the fiscal year 2021 and WQA's funding requests with the Bureau of Reclamation.

Mr. Kadesh reported that the WQA has a strong delegation in D.C. and he is cautiously optimistic for 2021.

Mr. Monares reported that many of the legislative seats that have been discussed may change again in two years which may provide good opportunities at the federal level.

Mr. Kuhn asked Mr. Gualco about the proposed water bond and was there a chance that another bond would pass in California.

Mr. Gualco commented that the if another bond would be passed it would come out of the General Fund and would be up to the voters.

Mr. Kuhn asked if the WQA could get some support from the local legislators, would that help their efforts in Washington, D.C.

Mr. Keurig commented that any support would be helpful.

Mr. Schoellerman recognized Mr. Gualco and the efforts of his staff in helping with WQA's Proposition 68 award. He also noted that there could be legislation to reorganize the Department of Toxic Substances Control and that WQA may want to provide input in that process.

The Chairman thanked all for their updates and their continued work for the WQA.

## **ELECTION OF OFFICERS**

### ***Chairman***

Mr. Marquez asked if there were any nominations for Chairman.

Mr. Chavez nominated Ms. Munoz for Chairwoman.

No other nominations were made.

Mr. Chavez moved to elect Ms. Munoz for Chairwoman. Mr. Whitehead seconded the motion was approved by the following roll call vote:

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

NO: NONE

***Vice-Chairman***

Mr. Marquez asked if there were any nominations for Vice-Chairman.

Mr. Kuhn nominated Mr. Paulson for Vice- Chairman.

No other nominations were made.

Mr. Kuhn moved to elect Mr. Paulson for Vice-Chairman. Mr. Chavez seconded the motion and it was approved by the following roll call vote:

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

NO: NONE

***Treasurer***

Mr. Marquez asked if there were any nominations for Treasurer.

Ms. Munoz nominated Mr. Marquez as Treasurer.

No other nominations were made.

Ms. Munoz moved to elect Mr. Marquez as Treasurer. Mr. Whitehead seconded the motion and it was approved by the following roll call vote:

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

NO: NONE

***Secretary***

Mr. Marquez asked if there were any nominations for Secretary.

Mr. Kuhn nominated himself for Secretary.

No other nominations were made.

Mr. Kuhn moved to elect himself as Secretary. Mr. Paulson seconded the motion and it was approved by the following roll

call vote:

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

NO: NONE

Ms. Munoz took over the meeting as Chairwoman.

## **APPOINTMENT OF COMMITTEE MEMBERS**

The Chairwoman requested that the selection of committee members come back to the board at the next meeting.

## **CONSENT CALENDAR**

Mr. Marquez moved to approve the consent calendar. Mr. Kuhn seconded the motion, and it was approved by a roll call vote.

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

NO: NONE

ABSTENTIONS: Mr. Whitehead abstained from Project Demand Nos: E91067. Ms. Noriega abstained from Project Demand No. E91066

## **COMMITTEE REPORTS**

### ***Administrative/Finance Committee Report***

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

### ***Discussion Regarding Report on Cash and Investments for 4<sup>th</sup> Quarter 2020***

Ms. Saenz reported that the average monthly effective yields for the Pooled Money Investment Account (PMIA) for October, November and December 2020 are 0.620%, 0.576%, and 0.540%, respectively. She indicated that the Local Agency Investment Fund (LAIF) quarterly rate for October through December 2020 been not yet issued. The PMIA Quarter to Date rate is .58%, as shown on the PMIA Daily Rates schedule. She also reported that the WQA holds its cash funds at Bank of the West (BOTW). Funds held at BOTW exceed the FDIC insured limit of \$250,000; all funds in excess of the FDIC limits are collateralized by BOTW in accordance with California Government Code Title 5, Division 2, Part 1, Chapter 4, Article 2 – Deposit of Funds. She noted that included with the agenda packet are copies of the initial Contract for Deposit for Public Funds agreement with BOTW effective October 1, 2013, as well as an amendment to the agreement effective August 4, 2020. She indicated that Section 8 of the agreements describes the eligible securities that serve as collateral for the WQA deposits, in accordance with Government Code Section 53632.5 which refers to Section 53651. She also noted that included with the agenda is the text

of the relevant California Government Code – page 3 (Section 53632.5) and pages 11 to 15 (Section 53651) describe the securities eligible to be used as collateral for the BOTW deposits.

*Discussion/Action Regarding  
License Agreement with L.A.  
County Department of Parks and  
Recreation for MW5-19*

Mr. Schoellerman reported the BPOU monitoring well MW5-19 was constructed on the County of Los Angeles Department of Parks and Recreation's East County Community Services Agency and Regional Facility Agency Yard located at 265 Cloverleaf Drive, Baldwin Park, CA 91706. He indicated that the license agreement allows WQA access to the site for the purposes of sampling and maintaining the well. He indicated that this is effectively the same agreement we received last year for a one-year term. However, this year staff was able to secure a 10-year agreement after L.A. County staff received approval from the Board of Supervisors in November. He noted that the application fee was \$500 with no annual fee required and the cost is reimbursable under the BPOU Project Agreement. He lastly noted that the Admin/Finance Committee had reviewed this item and was recommending its approval.

After brief discussion, Mr. Paulson moved to approve the license agreement with L.A. County Department of Parks and Recreation for MW5-19. Mr. Marquez seconded the motion and it was approved by the following roll call vote:

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

NO: NONE

Ms. Noriega left the meeting.

*Discussion/Action Regarding  
License Agreement with Alderson  
F, LLC for MW5-01*

Mr. Schoellerman reported that BPOU monitoring well MW5-01 was constructed on property located at 14910 Los Angeles Street in the city of Irwindale. The site was previous occupied by an AMVETS facility and was acquired by Alderson F, LLC, a developer that owns several adjacent properties. He noted that the developer had initially refused to honor WQA's access agreement with the AMVETS. However, staff and legal counsel worked with the city of Irwindale to require the developer to provide WQA access to the well. He indicated the agreement provides for a one-time payment of \$5,000 to the developer to cover design and construction of an access road to the well. He noted that the license renews annually and provides for a fee of \$2,400/yr. with a 3% escalator and the cost is reimbursable under the BPOU Project Agreement. He lastly noted that the Admin/Finance Committee reviewed this item and is recommending its approval.

After some discussion, Mr. Kuhn moved to approve the license agreement with Alderson F, LLC. For MW5-01. Ms. Munoz

seconded the motion and it was approved by the following roll call vote:

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

NO: NONE

ABSENT: NORIEGA

***Legislative/Public Information  
Committee Report***

Mr. Schoellerman reported that the minutes for the committee meeting were enclosed for review. He reported that staff was working on holding another webinar for city officials in March.

**OTHER  
ACTION/INFORMATION  
ITEMS**

***Discussion/Action Regarding  
Authorization to Contract Services  
with the Bank of the West***

Ms. Saenz reported that the WQA currently has its banking relationship with Bank of the West ("Bank"). She indicated that the Bank requires that WQA adopt a resolution each time Board Officers are elected, authorizing the Board Officers to contract for service and establish accounts with the Bank, including checking signing authorization. She noted that last year at the January 15, 2020 board meeting Resolution 20-001 was passed and adopted, authorizing the newly elected Board Officers to contract for service with the Bank. She reported that the election of new Board Officers typically takes place at the January regular board meeting. She indicated that since new officers have been elected for 2021, the WQA will need to rescind Resolution 20-001 and pass and adopt Resolution 21-001 authorizing the newly elected Board Officers to contract for service with the Bank.

***Adopt Resolution No. 21-001***

Mr. Marquez moved to adopt Resolution No. 21-001, A Resolution of the San Gabriel Basin Water Quality Authority Authorizing Board Officers To Contract For Service And Establish Accounts With Bank Of The West. Mr. Kuhn seconded the motion and it was adopted by the following roll call vote:

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

NO: NONE

ABSENT: NORIEGA

***Draft San Gabriel Basin  
Groundwater Quality  
Management and Remediation  
Plan "§406 Plan" for 2021***

Mr. Schoellerman reported that the Section 406 of WQA's enabling act requires the WQA to develop and adopt a basinwide groundwater quality management and remediation plan. He indicated that the plan includes a characterization of

the contamination, a comprehensive cleanup plan, a summary of financing available, a description of public outreach efforts and a discussion about the authorities of other agencies the WQA interacts with to facilitate the basin cleanup effort. He noted that each year staff updates the §406 Plan and releases it for public comment prior to the Board adopting it. He noted that staff was recommending the opening of a 25-day public comment period for the draft plan for 2021.

*Open of 25-day Public Comment Period*

After brief discussion, Mr. Kuhn moved to open the 25-day public comment period for the draft 406 Plan for 2021. Mr. Marquez seconded the motion and it was approved by the following roll call vote:

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

NO: NONE

ABSENT: NORIEGA

**PROJECT REPORTS**

Mr. Colby reported that a South El Monte Operable Unit tech meeting was held the previous day. He indicated that the focus was on remedy enhancements and containment. He noted that the city of Monterey Park was moving forward with a PFAS treatment system.

He also reported that staff has received owner site access approval from 9 out of the 12 locations so far as part of WQA's Proposition 1 site investigation project. He indicated that the Regional Water Board would send letters to the remaining three property owners. He also provided an update on Hydropunch work ongoing at the Arbor Courtyard property adjacent to WQA's Whitmore Street treatment facility as part of WQA's other Proposition 1 grant.

Mr. Chavez left the meeting.

**ATTORNEY'S REPORT**

None.

**LEGISLATIVE REPORT**

None.

**EXECUTIVE DIRECTOR'S REPORT**

Mr. Schoellerman reported staff continues to work with the Division of Financial Assistance to wrap up the Prop. 68 agreements. He noted once that is done staff would begin to work with the water purveyors on their agreements for the funds. He reported that Aerojet has been purchased by Lockheed Martin and that the BPOU Project Agreement does contain an assignment clause. He lastly reported that he was working with Mr. Monares to send out the WQA's earmark resolution and letter requesting support to the local and federal legislators.



**FUTURE AGENDA ITEMS**

None.

**FUTURE BOARD AND  
COMMITTEE MEETINGS**

The Admin/Finance Committee Meeting was scheduled for Tuesday, February 9, 2021 at 10:00 am.

The Engineering Committee Meeting scheduled for Tuesday, February 9, 2020 at 11am.

A Legislative/Public Information Committee was scheduled for Wednesday, February 10, 2021 at 11:00 am.

The next WQA Board meeting will be held on Wednesday, February 17, 2021 at 12 pm.

**BOARD MEMBERS'  
COMMENTS/  
REPORTS**

Mr. Kuhn congratulated Ms. Munoz on her election as the WQA Chairwoman. He also gave his condolences to Ms. Saenz on the passing of her husband, Henry Saenz.

Ms. Munoz thanked everyone for electing her as Chairwoman and gave her condolences to Ms. Saenz.

Mr. Marquez congratulated Ms. Munoz and Mr. Paulson on their election of Chairwoman and Vice-Chairman. He also addressed some rumors that were going around targeting his character and noted that the rumors were false. He asked that if anyone has any questions, they can contact him directly and hopefully this can be put to rest.

Mr. Paulson thanked Mr. Marquez for his service as WQA Chairman.

Mr. Whitehead congratulated the new Chairwoman and vice-Chairman. He noted that in regard to Mr. Marquez's comments, that he would hope that everyone can focus on their job protecting our water resources.

**ADJOURNMENT**

The Chairwoman asked if there were any other items of business to come before the Board. There being none, the meeting was adjourned to February 17, 2021 in memory of Henry Saenz.

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Valerie Munoz  
Chairwoman

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Bob Kuhn  
Secretary

# DRAFT

## SAN GABRIEL BASIN WATER QUALITY AUTHORITY ADMINISTRATIVE/FINANCE COMMITTEE AND SPECIAL MEETING OF THE BOARD OF DIRECTORS FEBRUARY 9, 2021 AT 10:00 A.M.

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*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 Administrative/Finance Committee and Special meeting of the Board took place online and teleconference.*

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### **CALL TO ORDER**

Mr. Whitehead called the regular meeting of the San Gabriel Basin Water Quality Authority to order and reviewed the actions anticipated on the agenda for the meeting.

### **COMMITTEE MEMBERS PRESENT**

Mike Whitehead, Bob Kuhn and Mark Paulson

### **WATERMASTER LIASON**

Absent.

### **COMMITTEE MEMBERS ABSENT**

None.

### **OTHER BOARD MEMBERS PRESENT**

None

### **STAFF MEMBERS PRESENT**

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

### **MEMBERS OF THE PUBLIC PRESENT**

Brian Bowcock, Three Valleys Municipal Water District, Lenet Pacheco, Valley County Water District

### **PUBLIC COMMENT**

None.

### ***Discussion Regarding Reserve Fund Policy***

Ms. Saenz reviewed a draft reserve fund policy that had been requested by the committee. She indicated that the reserve fund policy would establish a designated assessment reserve with a recommended minimum level as well as a policy for restricted reserves. She noted that the policy would be used in conjunction with the annual WQA budget process to assist in the determination of the annual assessment. She presented charts to demonstrate the impact that assessment reserves of 50% and 75% of WQA's annual budget, representing six and nine months of operations, respectively, would have on current and future assessments. She indicated the 50% level could be achieved without raising the assessment for FY21/22.

However, the assessment would need to be increased in FY22/23 to maintain the 50% level. In addition, to achieve the 75% level the assessment would need to be increased to \$14/AF for FY21/22.

Mr. Schoellerman indicated that the projections do not include the impact of any federal funding WQA may receive to offset assessments currently budgeted as matching funds required for WQA's Proposition 1 grants.

Mr. Paulson commented that WQA should be mindful of the difficulty purveyors may have adjusting to increased assessments. He suggested considering achieving a recommended reserve goal over two years to lessen the near-term impact on the assessment.

Mr. Kuhn commented that reserve closer to 75% would be preferred. He would like to give the water purveyors as much notice as possible if an increase is needed.

Mr. Whitehead commented that he believes WQA is operating efficiently and prefers to maximize reserves to be conservative. He also recognizes that going forward inflation pressures will cause administrative expenses to increase.

After some discussion, the committee recommended that the reserve fund policy go to the full Board for approval. The committee also requested that the policy come back to the committee for review on a regular basis.

***Discussion Regarding  
Administrative Procedure No. 40  
COLA Policy***

Ms. Saenz reported that last year the Board requested that this policy come back to the committee for review. She indicated that the COLA increase for the WQA is based on the Consumer Price Index for All Urban Consumers ("CPI-U"), selected areas, all items index. The selected area is Los Angeles, Long Beach and Anaheim. All Urban Consumers represent about 93% of the total US population, based on expenditures of almost all residents of urban or metropolitan areas. She noted that Administrative Procedure No. 40 establishes the COLA procedures for WQA Employees, with increases based on the April CPI-U. For April 2020, the CPI-U was 0.7%. She also noted that Administrative Procedure No. 23 establishes the COLA for the WQA Board of Directors whereas increases are based on the lesser of the January CPI-U or 5%. For January 2020, the COLA was 3.1%. She reported that in preparation for this discussion, she prepared an analysis of the CPI-U rates for the past 14 years (2007 to 2020) with a comparison of the April CPI-U to January CPI-U and to December CPI-U for each of those years. As per the analysis, the annual averages for the overall CPI-U totals for the 14 years are as follows:

- 2.0% for the April CPI-U.

- 2.1% for the January CPI-U.
- 2.0% for the December CPI-U.

She noted that over the long term there is no real impact on the selection of the month of the CPI-U.

Mr. Whitehead asked if the same month should be used for board and staff.

Ms. Saenz commented that the month of January was used for board members due to public hearing and noticing requirements if the amount was to be increased.

After some discussion, the committee recommended no changes to Procedure No. 40.

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

Mr. Schoellerman reported that Avocet Environmental, Inc. (Avocet) has been operating and maintaining WQA's Whitmore Street Groundwater Remediation Facility (WSGRF) for the past 13 years and the current Task Order authorization concludes February 28, 2021. He indicated that staff is now recommending issuing a Task Order to Avocet to extend operation of the system for an additional two years.

After brief discussion, the committee recommended that the task order for Avocet Environmental, Inc. go to the full Board for approval.

***Discussion Regarding Draft §406 Plan for 2021 – Receive Comments***

Mr. Schoellerman reported that this agenda item would provide an opportunity for the committee to receive comments on the 2021 draft plan and raise awareness that it was out for public review. He noted that staff placed announcements in La Opinion and the Los Angeles Times according to the public review schedule. He indicated that no written or verbal comments have been received and that the comment period would close February 16<sup>th</sup>.

**EXECUTIVE DIRECTOR'S REPORT**

Mr. Schoellerman reported that staff has working with legal counsel to draft Prop 68 agreements with purveyors. He indicated that the agreements would be similar to the SEMOU cooperative agreements. He also reported that staff was working on a new policy that would provide a process for WQA to offset some of its separate costs related to grant funding.

**ADJOURNMENT**

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

# DRAFT

## SAN GABRIEL BASIN WATER QUALITY AUTHORITY LEGISLATIVE/PUBLIC INFORMATION COMMITTEE AND SPECIAL MEETING OF THE BOARD OF DIRECTORS FEBRUARY 10, 2021 AT 11:00 A.M.

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*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 Legislative/Public Information Committee and Special meeting of the Board took place online and teleconference.*

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### **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.

### **COMMITTEE MEMBERS PRESENT**

Valerie Munoz, Bob Kuhn and Jorge Marquez

### **WATERMASTER LIASON**

Marty Zvirbulis

### **COMMITTEE MEMBERS ABSENT**

None

### **OTHER BOARD MEMBERS PRESENT**

None

### **STAFF MEMBERS PRESENT**

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

### **MEMBERS OF THE PUBLIC PRESENT**

Chris Lancaster, Civic Publications; Brian Bowcock, Three Valleys Municipal Water District; Gabriel Monares, The Monares Group

### ***Discussion Regarding Next Advertorial***

Ms. Moreno reviewed a draft of the next advertorial with the committee. She indicated that this ad would be published in the Civic Leadership publication that would come out March 1<sup>st</sup>. She noted that the focus of the ad was the goals of the WQA for 2021. She also noted that there would be a quote from the new WQA Chairwoman, Valerie Munoz.

### ***Discussion Regarding Webinar Update for City Officials***

Mr. Schoellerman reported that staff has tentatively scheduled the next city update for March 4, 2021 at 12pm. He indicated that the topics would include earmark funding, update on the contamination in the Basin and an update on Prop 68 funding.

Ms. Munoz thanked staff for their work on setting these webinars up and will assist with getting the word out to the other city councils.

Mr. Schoellerman also reported that staff sent letters to city council members and city managers requesting that their cities pass resolutions in support of limited earmarks similar to WQA's own resolution. The request also included a resolution template. In addition, he noted that letters were sent to each of the SGV federal representatives requesting their support for earmarks as it would improve WQA's opportunities to funding from the San Gabriel Basin Restoration Fund.

### ***Legislative Activities/Reports***

#### **State**

Mr. Schoellerman reported that staff was watching SB 230 (Portantino) which would create a science panel that would make recommendations to the State Water Board on various issues regarding emerging contaminants. He also noted SB45 (Portantino), the \$5.5B Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022.

#### **Federal**

Mr. Monares reported that he was looking into a congressional PFAS task force that might lead to some possible appropriations for water utilities to deal with PFAS-contaminated water supplies.

Mr. Schoellerman reported that staff was monitoring the appointment of the new Bureau of Reclamation Commissioner. He indicated that Camille Calimlim-Touton was appointed as Deputy Commissioner and is the Acting-Commissioner during this time of transition. He noted that Kadesh & Associates (Kadesh) has worked with her in the past and has been in contact with her. He reported that Kadesh was scheduling virtual meetings with Congressional members to discuss WQA's current budget request in lieu of the normal travel to D.C. for the meetings.

Mr. Kuhn asked if any of the Biden Administration holds and reviews of Trump Administration environmental regulations would have an impact on WQA issues.

Mr. Schoellerman noted that a July 2020 decision for the federal government not to regulate perchlorate was under review.

### **EXECUTIVE DIRECTOR'S REPORT**

Mr. Schoellerman reported that the EPA named Michael Regan as their new Administrator. He noted that Mr. Regan

is experienced with PFAS issues.

## **ADJOURNMENT**

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

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Valerie Munoz  
Chairwoman

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Bob Kuhn  
Secretary

**DRAFT**

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

Check No.	Payable to	Description	Amount
D01805	Bob Kuhn	Board Member Compensation for January 2021	
		6 Days WQA Business	896.58
		Meeting/Travel Expenses/Other	0.00
		Less Deferred Compensation	0.00
		Less Taxes Withheld	(68.59)
			827.99
E01806	Michael Whitehead	Board Member Compensation for January 2021	
		2 Days WQA Business	298.86
		Meeting/Travel Expenses/Other	0.00
		Less Deferred Compensation	0.00
		Less Taxes Withheld	(22.86)
			276.00
E01807	Ed Chavez	Board Member Compensation for January 2021	
		6 Days WQA Business	896.58
		Meeting/Travel Expenses/Other	0.00
		Less Deferred Compensation	0.00
		Less Taxes Withheld	(68.59)
			827.99
E01808	Jorge Marquez	Board Member Compensation for January 2021	
		6 Days WQA Business	896.58
		Meeting/Travel Expenses/Other	0.00
		Less Deferred Compensation	0.00
		Less Taxes Withheld	(457.07)
			439.51
E01809	Valerie Munoz	Board Member Compensation for January 2021	
		5 Days WQA Business	747.15
		Meeting/Travel Expenses/Other	0.00
		Less Deferred Compensation	0.00
		Less Taxes Withheld	(57.15)
			690.00
E01810	Mark Paulson	Board Member Compensation for January 2021	
		2 Days WQA Business	298.86
		Meeting/Travel Expenses/Other	0.00
		Less Deferred Compensation	0.00
		Less Taxes Withheld	(22.86)
			276.00
E01811	Lynda Noriega	Board Member Compensation for January 2021	
		1 Day WQA Business	149.43
		Meeting/Travel Expenses/Other	0.00
		Less Deferred Compensation	0.00
		Less Taxes Withheld	(11.34)
			138.09
EFT/ACH	SGBWQA - Payroll Fund	Replenish payroll fund for January 2021	
		Staff Payroll	64,432.02
		Board Payroll Taxes - Federal & State	1,028.62
			65,460.64
		<b>Total replenishment to payroll fund</b>	<b>68,936.22</b>
EFT/ACH	SGBWQA - Revolving Fund	Replenish revolving fund for 1/01/21 to 1/31/21 disbursements	
		Group Insurance	2,460.24
		Dues and Subscriptions	100.00
		Office Supplies	25.59
		Telephone Service	123.13
		Plant & Water Service	213.51
		Equipment Lease	180.61
		Security System	306.00
		Copier Machine	523.57
		Computer Systems O&M	450.97
		Copier Machine O&M	473.04
		Project Costs	1,372.20
			6,228.86

7/16  
2-10-21



**DRAFT**

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

Check No.	Payable to	Description	Amount
E91076	ACWA/JPIA	Invoice No. 662003, Medical and life insurance premiums for March 1, 2021 to April 1, 2021	6,600.49
E91077	Accent Computer Solutions, Inc.	Invoice No. 141012, Professional IT services for February 2021	1,364.76
E91078	ACI Consulting	Invoice No. '290', Accounting software subscription renewal - silver plan	3,641.44
E91079	Bank of America	Invoice No. '21-1Jan-DC', Credit Card Expenses incurred for 1/01/21 to 1/31/21 Miscellaneous Office Expense 28.05 Meetings & Conferences <u>365.00</u>	393.05
E91080	Bank of America	Invoice No. '21-1Jan-RS', Credit Card Expenses incurred for 1/01/21 to 1/31/21 Internet Service 29.95 Meetings & Conferences <u>280.00</u>	309.95
E91081	Bank of America	Invoice No. '21-1Jan-SM', Credit card expenses incurred for 1/01/21 to 1/31/21 Dues & Subscriptions 26.00 Public Relations 451.25 Meetings & Conferences <u>774.90</u>	1,252.15
E91082	CEPRD	Invoice No. '2021', Sponsorship and Support of the Coalition for Environmental Protection, Restoration and Development (CEPRD)	25,000.00
E91083	The Gualco Group	Invoice No. '21-01Jan', Professional consulting services for January 2021	6,037.50
E91084	Kadesh & Associates, LLC	Invoice No. 02-21, Professional consulting services for January 2021	15,000.00
E91085	The Monares Group, LLC	Invoice No. '21-02Feb', Professional consulting services for February 2021	16,000.00
E91086	Olivarez Madruga Lemieux O'Neill, LLP	Invoice No. 13702, Professional legal services for January 2021	3,617.50
E91087	Ruffle Properties, LLC	Office lease, CAM, and Storage for March 2021 Invoice No. '21-03Mar', Office lease 6,845.79 Invoice No. '21-03Mar-CAM', Electricity charges 643.20 Invoice No. '21-03Mar-Storage', Storage Room <u>150.00</u>	7,638.99
<b>TOTAL</b>			<u><u><b>162,020.91</b></u></u>

*mb*  
2-10-21



**Board Member Per Diem**  
 \$149.43 per meeting, 6 meeting maximum per month  
 Mileage Rate: \$0.56 per mile (updated January 2021)

# EXPENSE SHEET

NAME: Bob Kuhn MONTH/YEAR: Jan 2021

DATE	MEETING DESCRIPTION	Roundtrip Mileage	# of Days (not to exceed 6)	\$149.43 PER DIEM
1/8/21	Meeting with SGVEP Brad Jensen about the Legislative committee for 2021	0	1	\$149.43
1/11/21	Meeting with SGVEP Legislative Chairs and Brad Jensen 2021 agenda	0	1	\$149.43
1/12/21	Finance committee meeting	0	1	\$149.43
1/13/21	Legislative Committee Meeting	0	1	\$149.43
1/20/21	WQA Board Meeting	0	1	\$149.43
1/29/21	SGVEOP Meeting with Senator Josh Newman	0	1	\$149.43
				\$0.00
				\$0.00
				\$0.00
				\$0.00
<b>Total Meetings</b>			<b>6</b>	<b>\$896.58</b>
<b>Total Mileage (at \$0.56 per mile)</b>		<b>0</b>		<b>\$0.00</b>

DATE	Expense Reimbursement Description (receipts required)	Amount
<b>TOTAL Expenses</b>		<b>\$0.00</b>
<b>TOTAL MEETINGS, MILEAGE, EXPENSES</b>		<b>\$896.58</b>
457	Deferred Compensation Amount (enter a positive number)	896.58
<b>TOTAL</b>		<b>\$0.00</b>

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.



# LEGISLATIVE MEETING

*An exclusive chance for SGV Partnership members to meet*  
**CALIFORNIA STATE SENATOR**



## JOSH NEWMAN

**Friday, January 29, 2021**

**8:50 am - 10:00 am, Online**

**Register:**

**[sgvpartnership.org/events](https://sgvpartnership.org/events)**

**Co-Sponsored By**



[info@sgvpartnership.org](mailto:info@sgvpartnership.org) (626) 856-3400  
4900 Rivergrade Road, Suite B130, Irwindale, CA 91706

**Register Here**





# 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: Jan-21

DATE	MEETING DESCRIPTION	Roundtrip Mileage	# of Days (not to exceed 5)	\$149.43 PER DIEM
1/12/21	WQA Admin/Finance Committee		1	\$149.43
1/20/21	WQA Board Meeting		1	\$149.43
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
Total Meetings			2	\$298.86
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		\$298.86	
457	Deferred Compensation Amount (enter a positive number)		
TOTAL		\$298.86	

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





### Board Member Per Diem

\$149.43 per meeting, 6 meeting maximum per month

Mileage Rate: \$0.56 per mile (updated January 2021)

## EXPENSE SHEET

NAME: Jorge A Marquez

MONTH/YEAR: Jan. 21

DATE	MEETING DESCRIPTION	Roundtrip Mileage	# of Days (not to exceed 6)	\$149.43 PER DIEM
1/5/21	SGV Regional Chamber of Commerce - Executive Director Meeting		1	\$149.43
1/18/21	SGV Regional Chamber of Commerce - Government Committee - Zoom		1	\$149.43
1/20/21	WQA Boardmeeting - Zoom		1	\$149.43
1/26/21	Administrative Work - WQA Office		1	\$149.43
1/27/21	USGVMWD - General Meeting - Zoom		1	\$149.43
1/29/21	SGV Economic Partnership - Senator Newman Meeting Update - Zoom		1	\$149.43
				\$0.00
				\$0.00
				\$0.00
				\$0.00
<b>Total Meetings</b>			<b>6</b>	<b>\$896.58</b>
<b>Total Mileage (at \$0.56 per mile)</b>		<b>0</b>		<b>\$0.00</b>

DATE	Expense Reimbursement Description (receipts required)	Amount
<b>TOTAL Expenses</b>		<b>\$0.00</b>

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

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.**





## 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: Jan-21

DATE	MEETING DESCRIPTION	Roundtrip Mileage	# of Days (not to exceed 6)	\$149.43 PER DIEM
1/13/21	WQA Ledge and Pub Meeting	0	1	\$149.43
1/20/21	WQA Board Meeting	0	1	\$149.43
1/26/21	Staff reviw and documentation signing	0	1	\$149.43
1/28/21	Council and City Manager discussion regarding congressional supprt/WQA update Mayor Klinaks	0	1	\$149.43
1/29/21	San Gabriel Economic Partnership Senator Josh Newman	0	1	\$149.43
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
<b>Total Meetings</b>			<b>5</b>	<b>\$747.15</b>
<b>Total Mileage (at \$0.58 per mile)</b>		<b>0</b>		<b>\$0.00</b>

DATE	Expense Reimbursement Description (receipts required)	Amount
<b>TOTAL Expenses</b>		<b>\$0.00</b>

<b>TOTAL MEETINGS, MILEAGE, EXPENSES</b>		<b>\$747.15</b>
457	Deferred Compensation Amount (enter a positive number)	
<b>TOTAL</b>		<b>\$747.15</b>

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.**





**Board Member Per Diem**

\$149.43 per meeting, 6 meeting maximum per month

Mileage Rate: \$0.56 per mile (updated January 2021)

**EXPENSE SHEET**

NAME: \_\_\_\_\_ Lynda Noriega

MONTH/YEAR: \_\_\_\_\_ Jan-21

DATE	MEETING DESCRIPTION	Roundtrip Mileage	# of Days (not to exceed 6)	<b>\$149.43 PER DIEM</b>
1/12/21	WQA Administrative/Finance Committee		1	\$149.43
1/20/21	WQA Board of Directors Meeting (Left Early - No Charge)		0	\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
<b>Total Meetings</b>			<b>1</b>	<b>\$149.43</b>
<b>Total Mileage (at \$0.56 per mile)</b>		<b>0</b>		<b>\$0.00</b>

DATE	Expense Reimbursement Description (receipts required)	Amount
	<b>TOTAL Expenses</b>	<b>\$0.00</b>
	<b>TOTAL MEETINGS, MILEAGE, EXPENSES</b>	<b>\$149.43</b>
457	Deferred Compensation Amount (enter a positive number)	
<b>TOTAL</b>		<b>\$149.43</b>

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

DocuSigned by:

DDB92C1F4A024B6...

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

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

Check No.	Payable to	Description	Amount	Funding Sources
<b><u>BALDWIN PARK OPERABLE UNIT</u></b>				
E91088	RC Foster Corporation	Invoice No. 02-21-007, Project costs for Spare parts costs for February 2021	740.22	CR's
<b><u>SOUTH EL MONTE OPERABLE UNIT</u></b>				
E91089	Avocet Environmental Inc.	Project costs for Whitmore Street Groundwater Remediation Facility for January 2021		
		Invoice No. 6422 - Whitmore GW Treatment System	6,675.78	
		Invoice No. 6423 - Round 1 Prop 1-Whitmore Hydropunch	66,353.65	
		Invoice No. 6424 - Prop 1 SGV Priority Sites	<u>31,002.27</u>	104,031.70 WQA/Prop 1
Total Project Costs			<u><u>104,771.92</u></u>	

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2-10-21

**DRAFT**

The following demands on the Project Fund Account at Bank of the West are hereby submitted for payment. Pursuant to the BPOU Project Agreement Section 4.7 Payment of Invoices, the following invoices were approved by the BPOU Project Committee on February 4, 2021.

Check No.	Payable to	Description	Amount	Funding Sources
<b><u>BALDWIN PARK OPERABLE UNIT</u></b>				
E91090	La Puente Valley County WD	Invoice No. 4-2020-12, Project T&R costs for December 2020	90,221.62	CR's
E91091	Main San Gabriel Basin Watermaster	Invoice No. 02-227, Administrative Project Costs for December 2020		
		Administrative costs	26,803.61	
		T&R costs	<u>20,851.74</u>	47,655.35 CR's
E91092	Suburban Water Systems	Invoice No. 59881220, for project T&R costs for December 2020	29,186.52	CR's
E91093	Valley County Water District	Project costs for December 2020		
		Invoice No. 431, T&R costs	491,987.80	
		Invoice No. 432, T&R costs	<u>73,021.45</u>	565,009.25 CR's
E91094	California Domestic Water Co.	Project costs for December 2020		
		Invoice No. 3437, T&R costs for Perchlorate	24,419.06	
		Invoice No. 3438, T&R costs for NDMA & VOC's	<u>101,137.61</u>	125,556.67 CR's
E91095	San Gabriel Valley Water Co.	Project costs for November 2020		
		Invoice No. 21-01002, B5 T&R costs	177,773.76	
		Invoice No. 20-12298, B6 T&R costs	99,618.88	
		Invoice No. 21-01001, B6 T&R Capital costs-UV Flex Treatment Plant	8,936.44	
		Invoice No. 21-01005, B6 T&R costs - install pipe and fittings	<u>15,355.47</u>	301,684.55 CRs
<b>Total BPOU Project Costs</b>			<u><u>1,159,313.96</u></u>	



# 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:** Randy Schoellerman, Executive Director  
**Date:** February 17, 2021  
**Subject:** **Reserve Fund Policy - First Draft**

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### **Discussion**

At the February Administrative / Finance Committee meeting, staff presented a first draft of a Reserve Fund Policy for discussion by the Committee. Staff recommended that a reserve policy be adopted to enable the WQA to establish a prudent level of reserve funds to provide financial resources for daily operations as well as planned projects and scheduled and unscheduled expenses. The Reserve Fund Policy would establish a designated assessment reserve with a recommended minimum level as well as a policy for restricted reserves.

The Reserve Fund Policy would be used in conjunction with the annual WQA budget process to assist in the determination of the annual assessment level necessary to fund WQA's operations.

### **Recommendation**

The Administrative / Finance Committee recommended presenting the first draft of the Reserve Policy to the Board for further discussion.

### **Enclosure**

*Draft Administrative Procedure No. 41 for Reserve Fund Policy  
Schedules A, B, C and D Showing Assessment Reserve Minimums at 9 months (75%) and 6 months (50%)*

# San Gabriel Basin WQA

Projected Assessment Activity for the next 5 years

## Assessments at \$12 for FY 20/21 to FY 25/26

Includes Whitmore T&R for 5 years; with 3 yrs paid by Prop 68 (\$135k ANNUAL)

Prop 1 Matching Funding of \$50K to \$100K for Site Investigations for 4 years

Prop 1 Matching Funding for Whitmore Site Expansion \$250K for 2 years (FY 21/22 & FY 22/23)

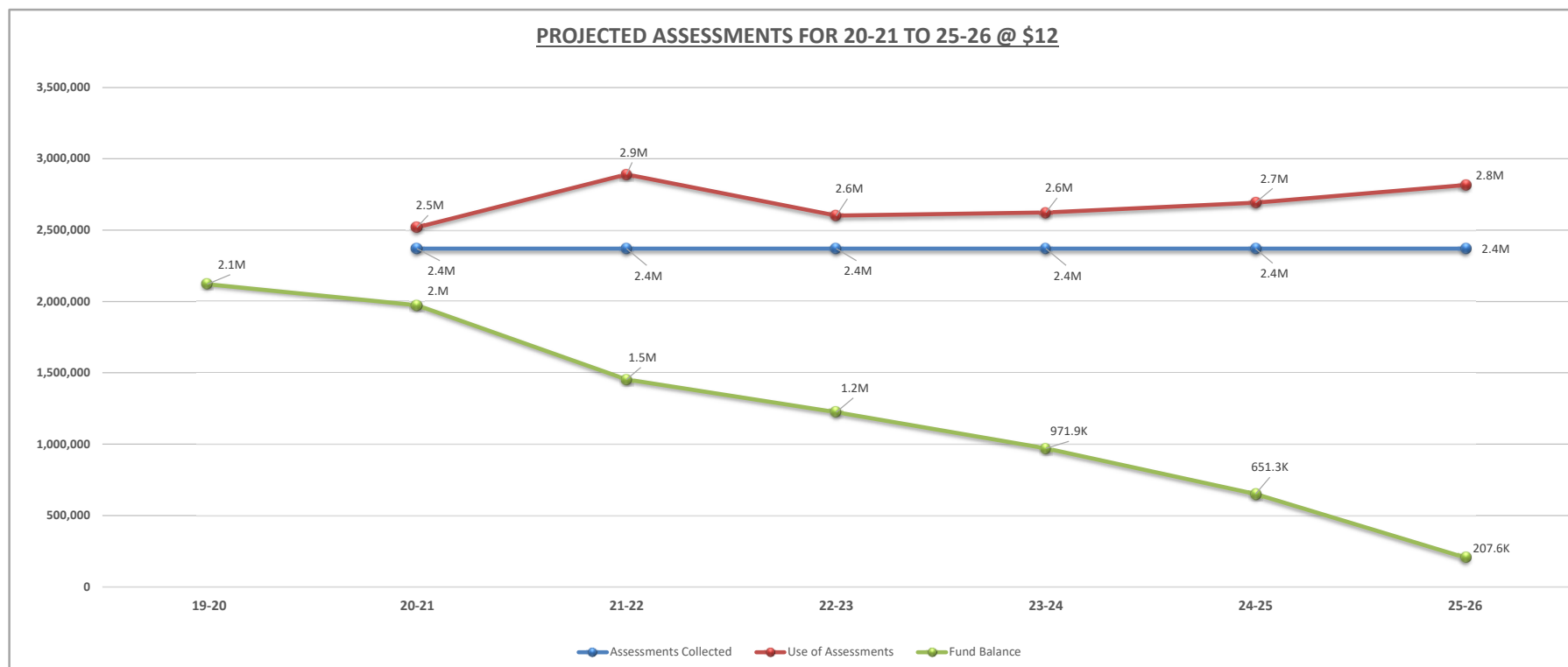
Prop 1 Implementation Project for 2 years for \$500K (FY 23/24 & 24/25)

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## RESERVE MINIMUM Use of Assessments

Fiscal Year		Assessments	Use of	Fund Balance	RESERVE MINIMUM	
		Collected	Assessments		75%	50%
	19-20			2,121,807		
\$12	20-21	2,371,320	2,519,861	1,973,266	1,889,896	1,259,931
\$12	21-22	2,371,320	2,890,149	1,454,437	2,167,612	1,445,075
\$12	22-23	2,371,320	2,601,446	1,224,311	1,951,085	1,300,723
\$12	23-24	2,371,320	2,623,704	971,927	1,967,778	1,311,852
\$12	24-25	2,371,320	2,691,908	651,339	2,018,931	1,345,954
\$12	25-26	2,371,320	2,815,066	207,593	2,111,300	1,407,533

## PROJECTED ASSESSMENTS FOR 20-21 TO 25-26 @ \$12



## Projected Assessment Activity for the next 5 years

**Assessments at \$12 for FY 20/21 to FY 21/22 and then increase to \$13 for FY 22/23**

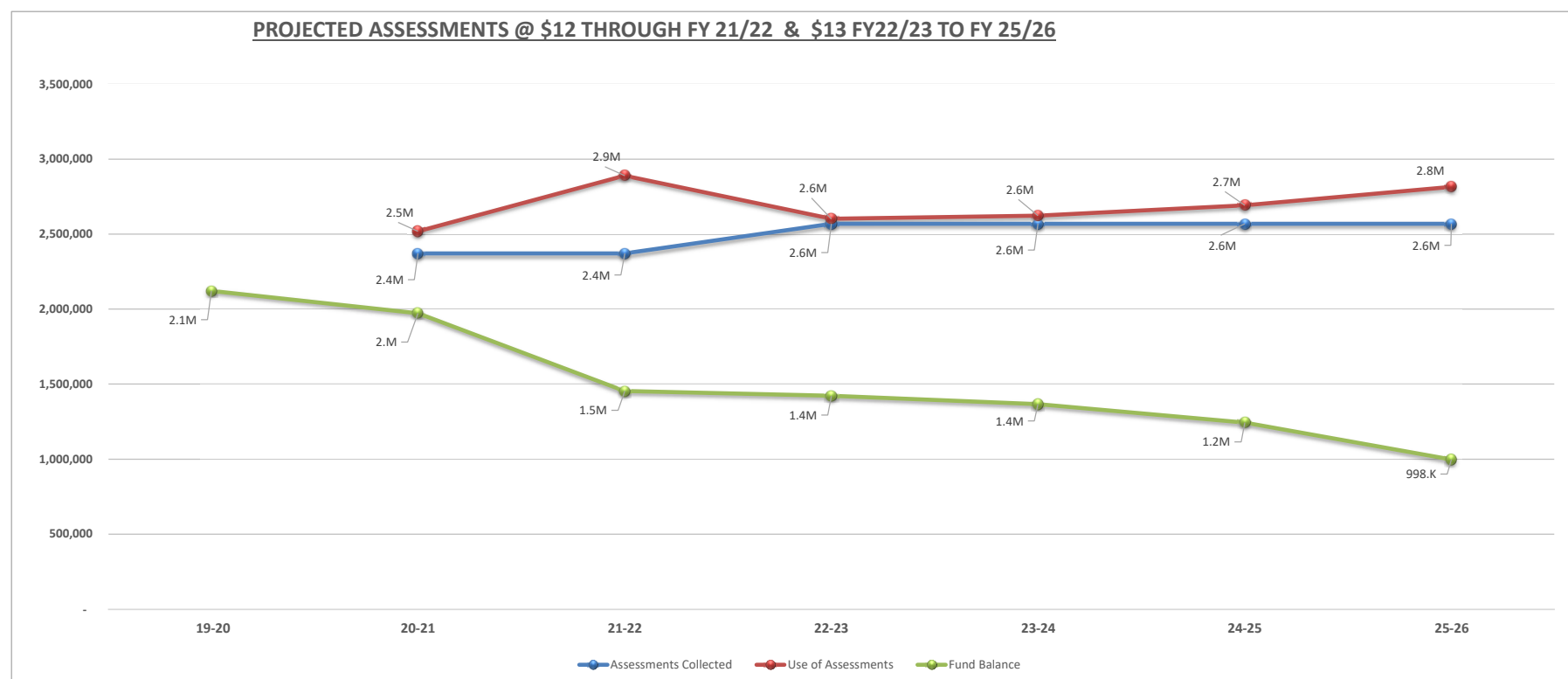
Includes Whitmore T&amp;R for 5 years; with 3 yrs paid by Prop 68 (\$135k ANNUAL)

Prop 1 Matching Funding of \$50K to \$100K for Site Investigations for 4 years

Prop 1 Matching Funds for Whitmore Site Expansion \$250K for 2 years (FY 21/22 &amp; FY 22/23)

Prop 1 Implementation Project for 2 years for \$500K (FY 23/24 &amp; 24/25)

Fiscal Year	Assessments Collected	Use of Assessments	Fund Balance	RESERVE MINIMUM Use of Assessments	
				75%	50%
19-20			2,121,807		
\$12 20-21	2,371,320	2,519,861	1,973,266	1,889,896	1,259,931
\$12 21-22	2,371,320	2,890,149	1,454,437	2,167,612	1,445,075
\$13 22-23	2,568,930	2,601,446	1,421,921	1,951,085	1,300,723
\$13 23-24	2,568,930	2,623,704	1,367,147	1,967,778	1,311,852
\$13 24-25	2,568,930	2,691,908	1,244,169	2,018,931	1,345,954
\$13 25-26	2,568,930	2,815,066	998,033	2,111,300	1,407,533



San Gabriel Basin WQA

Projected Assessment Activity for the next 5 years

**Assessments at \$12 for FY 20/21 to FY 21/22; \$13 for FY 22-23 to 23-24; \$14 for FY 24-25**

Includes Whitmore T&R for 5 years; with 3 yrs paid by Prop 68 (\$135k ANNUAL)

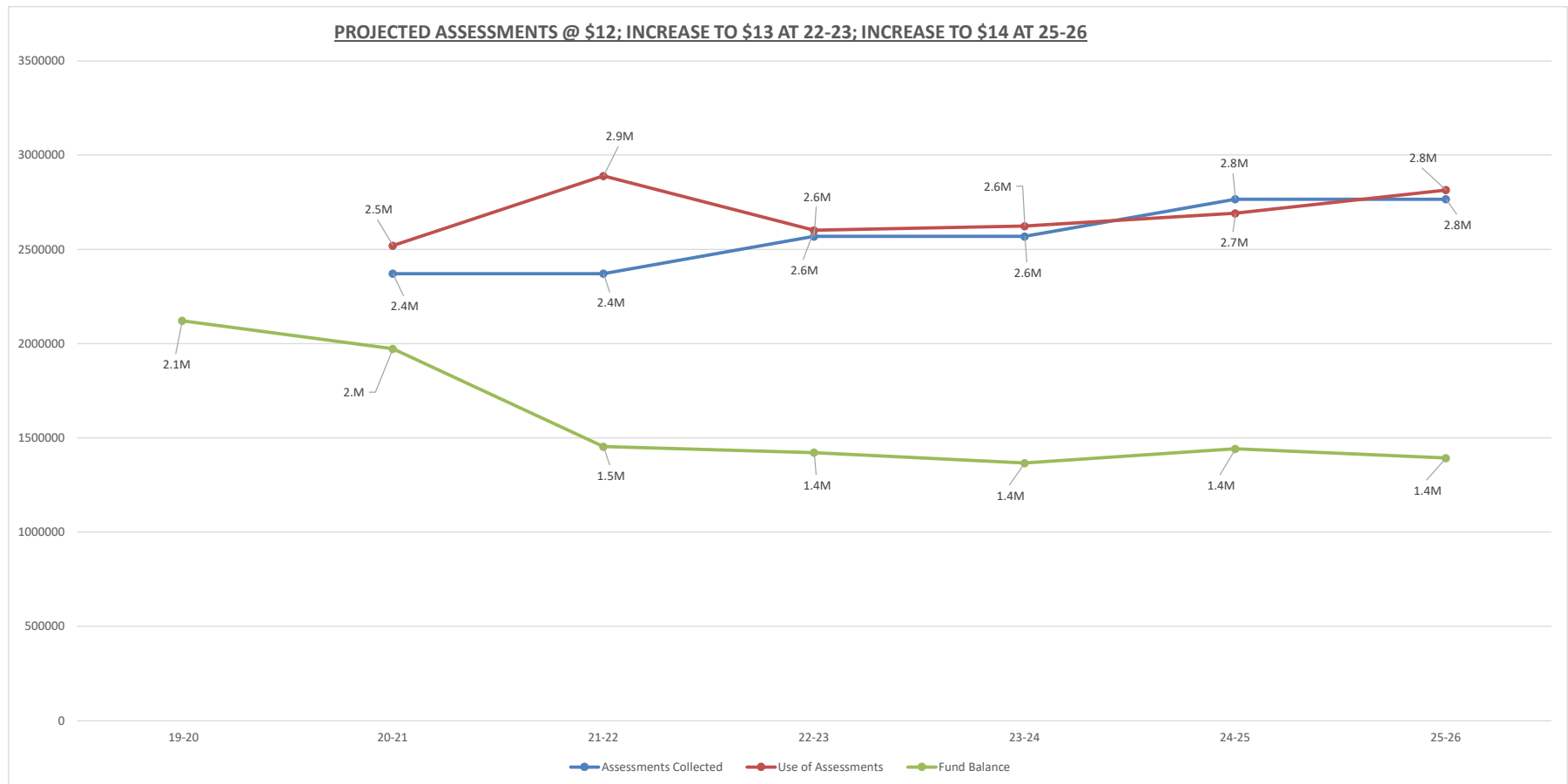
Prop 1 Matching Funding of \$50K to \$100K for Site Investigations for 4 years

Prop 1 Matching Funds for Whitmore Site Expansion \$250K for 2 years (FY 21/22 & FY 22/23)

Prop 1 Implementation Project for 2 years for \$500K (FY 23/24 & 24/25)

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		Assessments	Use of	Fund Balance	RESERVE MINIMUM	
Fiscal Year		Collected	Assessments		Use of Assessments	
					75%	50%
	<b>19-20</b>			2,121,807		
\$12	<b>20-21</b>	2,371,320	2,519,861	1,973,266	1,889,896	1,259,931
\$12	<b>21-22</b>	2,371,320	2,890,149	1,454,437	2,167,612	1,445,075
\$13	<b>22-23</b>	2,568,930	2,601,446	1,421,921	1,951,085	1,300,723
\$13	<b>23-24</b>	2,568,930	2,623,704	1,367,147	1,967,778	1,311,852
\$14	<b>24-25</b>	2,766,540	2,691,908	1,441,779	2,018,931	1,345,954
\$14	<b>25-26</b>	2,766,540	2,815,066	<b>1,393,253</b>	2,111,300	1,407,533



San Gabriel Basin WQA

D v2

Projected Assessment Activity for the next 5 years

**Assessments at \$12 for FY 20/21 to FY 21/22 and then increase to \$14 for FY 22/23**

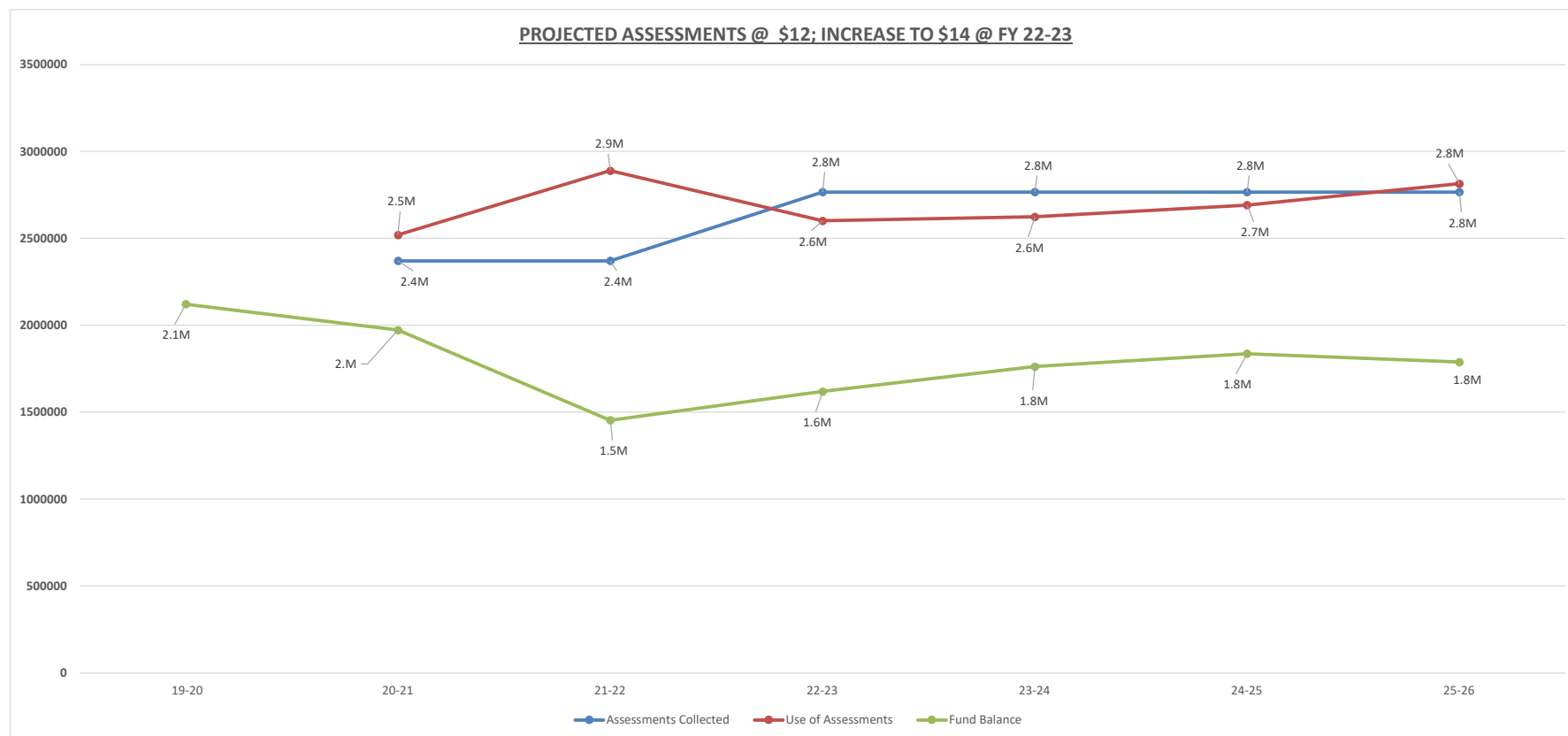
Includes Whitmore T&R for 5 years; with 3 yrs paid by Prop 68 (\$135k ANNUAL)

Prop 1 Matching Funding of \$50K to \$100K for Site Investigations for 4 years

Prop 1 Matching Funds for Whitmore Site Expansion \$250K for 2 years (FY 21/22 & FY 22/23)

Prop 1 Implementation Project for 2 years for \$500K (FY 23/24 & 24/25)

Fiscal Year	Assessments Collected	Use of Assessments	Fund Balance	RESERVE MINIMUM Use of Assessments	
				75%	50%
<b>19-20</b>			2,121,807		
\$12 <b>20-21</b>	2,371,320	2,519,861	1,973,266	1,889,896	1,259,931
\$12 <b>21-22</b>	2,371,320	2,890,149	1,454,437	2,167,612	1,445,075
\$14 <b>22-23</b>	2,766,540	2,601,446	1,619,531	1,951,085	1,300,723
\$14 <b>23-24</b>	2,766,540	2,623,704	1,762,367	1,967,778	1,311,852
\$14 <b>24-25</b>	2,766,540	2,691,908	1,836,999	2,018,931	1,345,954
\$14 <b>25-26</b>	2,766,540	2,815,066	<b>1,788,473</b>	2,111,300	1,407,533





**DRAFT**

**ADMINISTRATIVE PROCEDURES**

No. 41

Date: 2/17/2021

Revised:

Page 1 of 3

**Reserve Fund Policy**

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**1. Purpose**

The purpose of maintaining adequate reserves is to ensure that there are appropriate levels of working capital in the Authority's funds to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenses) and to ensure stable assessment rates.

Properly designed policies send a positive signal to the community of water producers, ratepayers, responsible parties and regulatory agencies that the Board is committed to the Authority's long-term financial health and viability. Prudent financial management and best practices dictate that the Authority maintain appropriate reserves to fund daily operations and those reserves required as a result of legal or external requirements.

**2. Objectives**

- To establish sound formal fiscal reserve policies to ensure strong fiscal management to guide future Authority decisions.
- To build adequate reserves over time. This action will provide the Authority with resources to help stabilize the Authority's finances and position it more easily to absorb economic downturns or large-scale emergencies.
- To help smooth assessment rates from year-to-year for prescriptive pumping right holders.
- To provide funding for current and future replacement of existing assets as they reach the end of their useful lives.
- To assist the Authority in meeting its short-term and long-term obligations and to ensure that the Authority maintains the highest possible credit rating.

**3. Definitions**

**Reserves** are defined as the amount of Cash and Investments in that fund, plus the Accounts Receivable, less the Accounts Payable and less Amounts due to Others in the fund. This methodology indicates the relatively liquid portion of total enterprise fund capital, which constitutes a margin or buffer for meeting obligations.

**3.1 Designated Reserves:** Designated reserves are reserves that are established and set aside to be used only for a specific, designated purpose (classified as unrestricted on the audited financial statements).

**3.2 Restricted Reserves:** Restricted reserves are reserves that are restricted by the Board of Directors, or an outside source, such as by statute, court, or contract (classified as restricted on the audited financial statements).

**3.3 Undesignated Reserves:** It is assumed that all reserves will be Designated or Restricted, and therefore, there will be no undesignated funds per policy. (These are classified as unrestricted on the audited financial statements).

*NOTE: The Authority's audited financial statements segregate Net Position, which includes the effects of all assets and liabilities, some of which are not liquid, or have not been included in the current year budget. Therefore, the definition of Reserves is different than the Net Position, and the two terms should not be used synonymously.*

#### **4. Designated Reserves**

**4.1 Assessment Reserves (operating reserves)** cover operating costs for an established period of time. This reserve will ensure continuity of service regardless of cash flow and is considered working capital to be used to fund current expenses as needed. The funding for assessment reserves (operating reserves) is generated by annual assessments on prescriptive pumping rights in the San Gabriel Basin.

**Recommendation:** Maintain a minimum assessment reserve at 9 months or 75% of current year budgeted operating expenses (less depreciation and capital outlay). This balance will fluctuate from month to month as assessment revenues are utilized to fund operations. However, the year-end objective is to achieve this ending balance.

#### **5. Restricted Reserves**

**Reserves for Future Commitments:** These reserves are established by the Board and/or by contract to ensure that specific funds are set aside to provide for future payments. The following are currently in place.

**5.1** Federal Funding Program Administration (FFPA) projects awarded but not yet reimbursed to the award recipient.

**5.2** South El Monte Operable Unit Trustee Funds – These are funds recovered from responsible parties to be utilized for funding specific projects as defined by contract.

**Recommendation:**

Interest earned in this reserve shall be credited to this reserve. There should be a positive balance in each of these funds at all times.

***Other Special Purpose Reserves:*** The Board may, at its discretion, set aside reserves for a special project or purchase.

## **6. Reserve Procedures**

- The Director of Finance will perform an annual reserve review to be submitted to the Board of Directors as a component of the annual budget process.
- In addition, a reserve review will be required when a major change in conditions threatens the reserve levels established by this policy.
- The annual review determines if the funding levels are still appropriate and aligned with Board goals and objectives.



# 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:** Randy Schoellerman, Executive Director  
**Date:** February 17, 2021  
**Subject:** **Operation and Maintenance Task Order for Avocet Environmental, Inc.**

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### **Summary**

Avocet Environmental, Inc. (Avocet) has been operating and maintaining WQA's Whitmore Street Groundwater Remediation Facility (WSGRF) for the past 13 years and the current Task Order authorization concludes February 28, 2021. The Admin/Finance Committee is recommending issuing a Task Order to Avocet to extend operation of the system for an additional two years.

### **Background**

The WQA's WSGRF project is an orphan site located within the South El Monte Operable Unit with no responsible party to cleanup it up. The site is contaminated with 1,4-Dioxane, PCE and other volatile organic compounds. The cleanup project was constructed by Avocet with a \$1.42M grant from the SWRCB. A subsequent grant of \$995,646 was awarded in 2012 to continue its operation through September 2018. Since that time WQA has been funding the operation directly from its assessments. However, the recent Proposition 68 award will reimburse WQA for those costs and provide additional funding for operations through February 2023.

### **Discussion**

Avocet's operation and maintenance duties include monthly well sampling, groundwater level measurements, laboratory analyses, quarterly National Pollution Discharge Elimination System permit reports and compliance monitoring, and general repair and system maintenance. The work is billed on a time and materials basis per Avocet's standard rates. Over the last five years Avocet's portion of the WSGRF costs, that include laboratory expenses, has averaged approximately \$89,000 per year. The remainder of the operating costs, including utilities, peroxide, NDPES permit fees, site access fees and UV lamp replacement, averaged approximately \$40,000 per year and are paid directly by WQA and not included in Avocet's task order.

### **Recommendation**

Approve a Task Order with Avocet Environmental, Inc. for two years of operation and maintenance of the Whitmore Street Groundwater Remediation Facility.



# San Gabriel Basin Water Quality Authority

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## AGENDA SUBMITTAL

**To:** WQA Board of Directors  
**From:** Randy Schoellerman, Executive Director  
**Date:** February 17, 2021  
**Subject:** Draft 2021 §406 Plan

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### **Summary**

On January 20, 2021 the Board authorized staff to post the Draft §406 Plan for 2021 for a 25-day public comment period ending February 16, 2021. Staff posted notices of the public comment period in La Opinion and the Los Angeles Times as well as WQA's website. Additionally, the item was reviewed at February's Admin/Finance Committee meeting. No comments were received during that meeting and none have been submitted otherwise. Therefore, staff is recommending adoption of the §406 San Gabriel Basin Groundwater Quality Management and Remediation Plan for 2021.

### **Recommendation / Proposed Action**

Adopt the §406 San Gabriel Basin Groundwater Quality Management and Remediation Plan for 2021.

## Calendars

- [SGVMWD](#)
- [TVMWD](#)
- [USGVMWD](#)
- [WM](#)
- [WQA](#)

Feb 11 - May 10, 2021

### Wednesday Feb 17, 2021

- 8:00am - 10:30am [TVMWD Board Meeting](#)
- 12:00pm - 1:00pm [WQA Board Meeting](#)
- 1:30pm - 2:30pm [WM Administrative Committee Mtg](#)

### Monday Feb 22, 2021

- 10:00am - 11:30am [SGVWA Leg. Committee Meeting](#)
- 11:30am - 1:00pm [SGVWA Board Meeting](#)

### Tuesday Feb 23, 2021

- 4:00pm - 5:00pm [USGVMWD Water Resources & Facility Management Committee](#)

### Wednesday Feb 24, 2021

- 8:00am - 9:00am [USGVMWD Board Meeting](#)
- 9:00am - 12:00pm [ACWA DC Conference](#)

### Thursday Feb 25, 2021

- 10:15am - 11:15am [SCWUA Meeting](#)
- 4:00pm - 5:00pm [USGVMWD Admin & Finance Committee meeting](#)

### Wednesday Mar 3, 2021

- 8:00am - 10:30am [TVMWD Board Meeting](#)
- 2:30pm - 3:30pm [Watermaster Board Meeting](#)

### Tuesday Mar 9, 2021

- 10:00am - 11:00am [WQA Admin/Finance Committee](#)
- 11:00am - 12:00pm [WQA Engineering Committee](#)
- 4:00pm - 5:00pm [USGVMWD Gov Affairs Committee Meeting](#)

### Wednesday Mar 10, 2021

- 8:00am - 9:00am [USGVMWD Board Meeting](#)
- 11:00am - 12:00pm [WQA Leg/Pub Committee](#)

1:30pm - 3:00pm

[WM Basin Watermaster Committee Mtg ↗](#)

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## Wednesday Mar 17, 2021

8:00am - 10:30am

[TVMWD Board Meeting ↗](#)

10:00am - 11:00am

[ACWA DC Conf. Session 1](#)

12:00pm - 1:00pm

[WQA Board Meeting ↗](#)

1:30pm - 2:30pm

[WM Administrative Committee Mtg ↗](#)

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## Monday Mar 22, 2021

10:00am - 11:30am

[SGVWA Leg. Committee Meeting ↗](#)

11:30am - 1:00pm

[SGVWA Board Meeting ↗](#)

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## Tuesday Mar 23, 2021

4:00pm - 5:00pm

[USGVMWD Water Resources & Facility Management Committee ↗](#)

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## Wednesday Mar 24, 2021

8:00am - 9:00am

[USGVMWD Board Meeting ↗](#)

10:00am - 11:00am

[ACWA DC Conf. Session 2](#)

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## Thursday Mar 25, 2021

4:00pm - 5:00pm

[USGVMWD Admin & Finance Committee meeting ↗](#)

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## Wednesday Mar 31, 2021

10:00am - 11:00am

[ACWA DC Conf. Session 3](#)

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## Wednesday Apr 7, 2021

8:00am - 10:30am

[TVMWD Board Meeting ↗](#)

2:30pm - 3:30pm

[Watermaster Board Meeting ↗](#)

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## Tuesday Apr 13, 2021

10:00am - 11:00am

[WQA Admin/Finance Committee ↗](#)

11:00am - 12:00pm

[WQA Engineering Committee ↗](#)

4:00pm - 5:00pm

[USGVMWD Gov Affairs Committee Meeting](#)

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## Wednesday Apr 14, 2021

8:00am - 9:00am

[USGVMWD Board Meeting ↗](#)

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

1:30pm - 3:00pm [WM Basin Watermaster Committee Mtg](#) ↻

### Wednesday Apr 21, 2021

8:00am - 10:30am [TVMWD Board Meeting](#) ↻

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

1:30pm - 2:30pm [WM Administrative Committee Mtg](#) ↻

### Thursday Apr 22, 2021

4:00pm - 5:00pm [USGVMWD Admin & Finance Committee meeting](#) ↻

### Monday Apr 26, 2021

10:00am - 11:30am [SGVWA Leg. Committee Meeting](#) ↻

11:30am - 1:00pm [SGVWA Board Meeting](#) ↻

### Tuesday Apr 27, 2021

4:00pm - 5:00pm [USGVMWD Water Resources & Facility Management Committee](#) ↻

### Wednesday Apr 28, 2021

8:00am - 9:00am [USGVMWD Board Meeting](#) ↻

### Wednesday May 5, 2021

8:00am - 10:30am [TVMWD Board Meeting](#) ↻

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