

**A REGULAR MEETING  
OF THE  
SAN GABRIEL BASIN WATER QUALITY AUTHORITY  
APRIL 21, 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 Chairwoman 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**

Valerie Munoz, Mark Paulson, Jorge Marquez, Lynda Noriega, Michael Whitehead, Ed Chavez

**BOARD MEMBERS ABSENT**

Bob Kuhn

**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; Tara Robinson, Valley County Water District; Lenet Pacheco, Valley County Water District; Garry Hoffer, California American Water Company; Javier Vargas, Valley County Water District; Richard Gonzales, City of Monterey Park; David Muse, Valley County Water District.

**PUBLIC COMMENT**

None.

**ITEMS TOO LATE TO BE AGENDIZED**

None.

**CONSENT CALENDAR**

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

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

**NO: NONE**

**ABSENT: KUHN**

ABSTENTIONS: Mr. Whitehead abstained from Project Demand No: E91146. Ms. Noriega abstained from Project Demand No. E91147.

## **BUDGET WORKSHOP**

### ***“Draft Budget for Fiscal Year 2021/2022”***

Ms. Saenz reviewed the draft budget for fiscal year 2021/2022. She highlighted areas such as the assessment, assessment reserves, and Prop 68. She reported that the assessment was held at \$10 for 5 years and was increased to \$12 for fiscal year 2019/2020. She indicated that the fiscal year 2021/2022 budget anticipates an assessment of \$12/acre-foot. She indicated that the projected reserve balance for fiscal year 2020/2021 is \$2,432,280 and the projected reserve balance for fiscal year 2021/2022 is \$2,557,207. She indicated that these balances would meet the 6 months of budgeted expenses at a reserve minimum and 9 months of budgeted expenses at the reserve goal according to the reserve policy that the WQA Board approved in February 2021. She provided a brief overview of the Project capital and operating expenses along with the revenues. She noted that any changes or comments received after this Budget Workshop would be reviewed at the May 11, 2021 Administrative/Finance Committee meeting, with any further updates incorporated into the budget and presented to the Board at the regular WQA Board Meeting on May 19, 2021. She indicated that staff anticipates that the budget would be adopted on May 19, 2021.

## **COMMITTEE REPORTS**

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

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

### ***Discussion/Action Regarding Draft Administrative Procedure – Policy for Establishing a Fee for the Pursuit of, and Obtaining and Securing of Funding***

Mr. Schoellerman reported that staff was recommending the Board consider establishing a policy that will provide for the collection of fees from producers that have received funding from WQA. He indicated the purpose of the fee is to reimburse WQA for costs incurred by WQA to pursue, obtain, and secure a variety of funding. He noted that a key component of this policy is that only producers that receive funding from WQA will be subject to the fee. Therefore, other producers and/or prescriptive pumping rights holders that pay our assessment and receive no direct funding benefits will not pay the fee. He indicated that this allows WQA to align its incremental costs related to the acquisition of funding with those producers that receive the direct funding benefit. Furthermore, establishing such a fee policy could enable WQA to stabilize the assessment for all producers and/or prescriptive pumping rights holders in the basin. Mr. Schoellerman indicated that in numerous conversations he had with producers the only comments he received about the policy were positive.

Finally, he noted that the Administrative/Finance Committee recommended the policy for approval.

After brief discussion, Mr. Marquez moved to approve the Administrative Procedure establishing a fee policy. Ms. Munoz seconded the motion, and it was approved by the following roll call vote:

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

NO: NONE

ABSENT: KUHN

*Discussion/Actin Regarding  
Second Amendment to the 2017  
Baldwin Park Operable Unit  
Agreement*

Mr. Schoellerman reported that the 2017 Baldwin Park Operable Unit (BPOU) Agreement provides that the statute of limitations for each party's claims be tolled while the agreement is ongoing. He indicated that state law is such that the tolling period must be extended every four years. Thus, the ten-year BPOU agreement essentially requires the parties to extend the tolling period every four years. He noted that the Second Amendment to the 2017 BPOU Agreement provides for the tolling extension and that the Administrative/Finance Committee recommended it for approval.

After brief discussion Ms. Noriega moved to approve the second amendment to the 2017 Baldwin Park Operable Unit Agreement. Ms. Munoz seconded the motion, and it was approved by the following roll call vote:

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

NO: NONE

ABSENT: KUHN

*Report on Cash and Investments  
for 1<sup>st</sup> Quarter 2021*

Ms. Saenz reported that the report on Cash and Investments for 1<sup>st</sup> Quarter 2021 was enclosed for review. She indicated that the average monthly effective yields for the Pooled Money Investment Account (PMIA) for January, February and March are 0.458%, 0.407%, and 0.357%, respectively. She noted that the Local Agency Investment Fund (LAIF) quarterly rate for January through March 2021 is .44%, for quarterly interest earned of \$7,093.12.

*Legislative/Public Information  
Committee Report*

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

*Discussion/Action Regarding  
Proposals from Civic Publications*

- *Proposal for Outreach Services*

Mr. Schoellerman reported that Civic Publications, Inc. provides the public outreach advertorials that are published in special inserts within the Los Angeles Time and the San Gabriel Valley Newspaper Group for the WQA. He noted that these advertorials are useful tools for the WQA to educate the

- *Proposal for Production of the WQA Annual Report*

public on the progress that is being made with the groundwater cleanup with the San Gabriel Basin. He indicated that the proposal from Civic Publications for the fiscal year 2021/2022 is \$115,174. He noted that this proposed cost is consistent with previous years. He also reported that Civic Publications has also submitted a proposal to produce the WQA's annual report. He noted that Civic Publications works with staff all year long to produce the advertorials where much of that content would be included in the annual report. He indicated that the amount of the proposal is \$13,275 which includes the cost of printing and is consistent with the prior year. He lastly noted that the Legislative/Public Information Committee reviewed these proposals and recommended them for approval.

After some discussion, Ms. Munoz moved to approve both proposals from Civic Publications for outreach services and the production of the annual report. Mr. Whitehead seconded the motion, and it was approved by the following roll call vote:

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

NO: NONE

ABSENT: KUHN

**OTHER  
ACTION/INFORMATION  
ITEMS**

***Discussion/Action Regarding  
Accounting Services for  
Proposition 68 Grant***

Mr. Schoellerman noted that the WQA has received a State Water Resources Control Board Division of Financial Assistance (DFA) Proposition 68 grant to fund Treatment & Remediation costs for 21 water treatment facilities for a period of 4 to 5 years. He indicated that due to the extensive nature of the accounting services required for processing the reimbursements and submittals to DFA, the WQA requires the services of a professional accounting firm to perform the tasks necessary for the financial administration of the grant.

Ms. Saenz reported that a request for proposals was issued and the WQA received three responses. She indicated that although all three firms are qualified to perform the services, staff is recommending that CA Consulting Services, LLC (CAC) be selected as the accounting firm to provide the Proposition 68 accounting services. She noted that the proposal specifies that most of the work will be performed by Angel Castellanos, a principal of CAC, who has worked on previous accounting projects for WQA over the past 10 years. She noted that he is familiar with the water producers and the invoice processes and is qualified to perform the services as needed. She also indicated that the cost is fully reimbursable

under the Proposition 68 grant.

After brief discussion, Mr. Marquez moved to approve the proposal from CAC for the Prop 68 Accounting Services. Ms. Munoz seconded the motion, and it was approved by the following roll call vote:

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

NO: NONE

ABSENT: KUHN

## **PROJECT REPORTS**

Mr. Colby reported that Avocet Environmental has drafted 5 of the 12 site summary work plans for WQA's Proposition 1 SEMOU Site Investigation Planning Grant and that they are under review of the L.A. Regional Water Quality Control Board and the Division of Financial Assistance (DFA). He added once the site summary workplans are finalized the investigation work can proceed. He reported that at the recent SEMOU Technical meeting the city of Monterey Park informed stakeholders that city wells nos. 12 and 15 will be taken out of service to complete construction of the required PFAS treatment system. It is estimated that the wells will remain offline for several weeks. He also reported that DFA reached out to WQA to see if staff knew of any potential Proposition 1 projects for the upcoming Round 3 funding opportunity which will begin solicitations in July. He asked for anyone to contact WQA if they had any questions about a project that could qualify.

## **ATTORNEY'S REPORT**

None.

## **LEGISLATIVE REPORT**

Mr. Monares reported that appropriations requests for Community Project Funding have been submitted to our Congressional delegation.

## **EXECUTIVE DIRECTOR'S REPORT**

Mr. Schoellerman thanked Mr. Monares for assisting with the letters from cities and agencies in support of WQA's Community Project Funding requests. He also thanked those that provided the letters of support. He indicated that the Senate had not decided yet to pursue earmarks similar to the House. He reported that a meeting with the interim Commissioner with the U.S. Bureau of Reclamation has been set for the following week to discuss funding from the current budget. He noted that he had meetings with four State Water Resources Control Board members over the past couple of weeks and, as a follow up, was scheduling a meeting with new Los Angeles Regional Water Quality Control Board members and their Executive Officer. He reported that staff has received a performance bond for the Edison monitoring well agreement and now is working to address some insurance issues to complete the agreement. He noted that he would be giving a

presentation about WQA to Upper District Board Members at their next meeting. He lastly reported that in response to Mr. Marquez's previous inquiry about the appropriateness of meetings that WQA Board Members could attend and receive a stipend, he has asked legal counsel to provide a workshop to review the existing WQA policy that addresses this item and relevant items pertaining to AB1234.

**FUTURE AGENDA ITEMS**

None.

**FUTURE BOARD AND COMMITTEE MEETINGS**

The Admin/Finance Committee Meeting was scheduled for Tuesday, May 11, 2021 at 10:00 am.

A Legislative/Public Information Committee was scheduled for Wednesday, May 12, 2021 at 11:00 am.

The next WQA Board meeting will be held on Wednesday, May 19, 2021 at 12 pm.

**BOARD MEMBERS' COMMENTS/ REPORTS**

Mr. Marquez commented that his previous comments regarding meetings attended by Board Members were regarding ceremonial meetings or city council meetings that have nothing to do with WQA. He also congratulated the Valley County Water District on getting funding to upgrade their water meters to smart meters.

Ms. Noriega thanked the staff for their work on the budget workshop and the fee policy, she indicated it was a step in the right direction for sustainability.


Mr. Whitehead concurred with Ms. Noriega's comments. He noted that we need to continue to develop funding sources for sustainability and commended staff for their efforts.

Mr. Chavez wished the WQA staff a Happy Administrative Professionals Day and thanked Mr. Schoellerman for accepting the invite to provide an update to the Upper District Board of Directors.

**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 May 19, 2021.

  
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Valerie Munoz  
Chairwoman

  
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Bob Kuhn  
Secretary