

**A REGULAR MEETING
OF THE
SAN GABRIEL BASIN WATER QUALITY AUTHORITY
JANUARY 19, 2022 AT 12:00 P.M.**

With passage and signing of AB 361 and in light of the ongoing Statewide State of Emergency originally declared by Governor Newsom on March 4, 2020, WQA Board Meetings will continue to be conducted via remote teleconferencing, subject to the requirements of Government Code Section 54953(e). Due to the essential nature of the WQA Board Meetings in conducting Authority business, this WQA Board meeting took place online and teleconference.

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, Bob Kuhn, Lynda Noriega, Michael Whitehead, Ed Chavez, and Robert Gonzales
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	Brian Bowcock, Three Valleys MWD; David Muse, Valley County Water District; Gabriel Monares, The Monares Group; Garry Hofer; Cal American Water Company; Lenet Pacheco; Valley County Water District; Tony Herda, MKN and Associates
PUBLIC COMMENT	Ms. Moreno read to the Board a written comment that was submitted by Anthony Herda from MKN Associates who is working with the City of El Monte on their master plan. He indicated that part of the update to the master plan includes a review of the continuing viability of groundwater production associated with the El Monte Operable Unit.
ITEMS TOO LATE TO BE AGENDIZED	None.
ELECTION OF OFFICERS	Mr. Paulson moved to elect Ms. Munoz as Chairperson. Mr. Kuhn seconded the motion and it was approved by the following roll call vote: AYES: MUNOZ, PAULSON, KUHN, NORIEGA,

WHITEHEAD, CHAVEZ, GONZALES

NO: NONE

ABSTAIN: NONE

Mr. Kuhn moved to approve the following slate of officers:

Vice – Chairperson – Mark Paulson

Treasurer – Lynda Noriega

Secretary – Bob Kuhn

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

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

NO: NONE

ABSTAIN: NONE

APPOINTMENT OF COMMITTEE MEMBERS

The Chairwoman made the following committee appointments:

Administrative/Finance Committee:

Michael Whitehead, Lynda Noriega, Mark Paulson

Legislative/Public Information Committee:

Bob Kuhn, Valerie Munoz, Robert Gonzales

Special Legislative Ad Hoc Committee:

Valerie Munoz, Michael Whitehead, Lynda Noriega

CONSENT CALENDAR

Ms. Noriega moved to approve the consent calendar. Ms. Munoz seconded the motion, and it was approved by the following roll call vote.

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

NO: NONE

ABSENT: NONE

ABSTENTIONS:

Ms. Noriega abstained from Project Demand No. E91412 and Mr. Whitehead abstained from Project Demand No. E91413. Mr. Gonzales abstained from VIII.(a), 12/15/21 Board Minutes.

COMMITTEE REPORTS

Administrative/Finance

Mr. Schoellerman reported the minutes for the committee

Committee Report

Discussion Regarding Report on Cash and Investments for 4th quarter 2021

meeting were enclosed for review.

Ms. Saenz reported that enclosed for review was the quarterly report on cash and investments as of December 31, 2021. She indicated that the average monthly effective yield for the Pooled Money Investment Account (PMIA) for each of the months October, November, and December is 0.203%, 0.203% and 0.212%, respectively. The PMIA Quarterly Performance for the quarter ended 12/31/2021 is .21%, as shown on the PMIA/LAIF Performance Report as of 1/13/2022. She noted that this was for information only.

Discussion/Action Regarding Disposal of Fixed Assets

Ms. Saenz reported that staff wishes to dispose of surplus equipment as listed on the enclosed schedule that is either obsolete or has been replaced with updated technology and is of no further use. She indicated that 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. She indicated that after review of the list of surplus items and further examination of the actual equipment, it was determined that the items proposed for disposal do not have any resale value. She noted that 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.

After brief discussion, Mr. Paulson moved to approve the equipment items listed on the attached schedule be declared surplus allowing the Executive Director to dispose of the property in accordance with Administrative Procedure 35. Mr. Gonzales seconded the motion and it was approved by the following roll call vote:

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

NO: NONE

ABSENT: NONE

ABSTENTIONS: NONE

Discussion Regarding Update to Procedure 28 – Risk Transfer

Mr. Schoellerman reminded the Board that at the October 20, 2021 Board meeting, staff presented updates to Procedure 28 – Risk Transfer Procedure as recommended by the Administrative / Finance Committee. He indicated that after review and discussion, the Board recommended that staff develop criteria to determine when it is appropriate to lower insurance limits or modify insurance requirements and to include those criteria for a waiver in limitation. He reported

that staff worked with legal counsel to develop the criteria now included as Section 7. He noted that staff presented the updated Procedure 28 to the Administrative / Finance Committee on January 11, 2022 at which time the Committee recommended the updated procedure go to the full Board for approval.

After brief discussion, Ms. Noriega moved to approve the updates to Procedure 28 as presented. Mr. Gonzales seconded the motion and it was approved by the following roll call vote:

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

NO: NONE

ABSENT: NONE

ABSTENTIONS: NONE

*Discussion Regarding Proposal for
Audit Services for Fiscal Years
Ending 6/30/22 and 6/30/2023*

Ms. Saenz reported that in February 2019, the Board approved a three-year extension of the audit contract with Vasquez and Co. LLC (Vasquez) for fiscal years 2019, 2020, and 2021 at fixed fees of \$25,758, \$26,531, and \$27,326, respectively. She noted that the firm switched audit partners and management level staff for the fiscal year 2021 audit. She reported that given the current situation with COVID-19 in which all audit procedures are performed remotely, it would be very difficult and time-consuming for the WQA Finance staff to change audit firms at this time. She noted that it appears that the need for remote-access auditing will continue indefinitely. She explained that because of Vasquez's established knowledge of WQA's operations, the Finance staff would like to engage the firm for an additional two years. This would allow for greater continuity and will help to minimize the potential for disruption in connection with the independent audit.

She indicated that Vasquez has submitted an audit proposal for the two fiscal years ending June 30 with the following proposed fixed fees:

- 2022 – \$27,326 (no increase from 2021)
- 2023 – \$28,146 (3% increase over 2022)

She noted that these fees include both a financial statement audit and a single audit of the WQA's federal awards. If a single audit is not required, the fees will be reduced accordingly.

Ms. Noriega commented that she felt it was important to note that the auditing team has changed over the last couple of years and would support the two year proposal with Vasquez.

After some discussion, Mr. Paulson moved to approve the Vasquez and Co. LLC proposal for audit services for the fiscal years 2022 and 2023. Ms. Noriega seconded the motion and it was approved by the following roll call vote:

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

NO: NONE

ABSENT: NONE

ABSTENTIONS: NONE

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

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

**OTHER
ACTION/INFORMATION
ITEMS**

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

Ms. Saenz reported that the if officers were elected at today's regular Board meeting, WQA will need to pass and adopt Resolution No. 22-002 authorizing the newly elected Board Officers to contract for service with the bank and rescinding Resolution No. 21-001 from the previous year.

Adopt Resolution No. 22-002

After brief discussion, Mr. Whitehead moved to adopt Resolution No. 22-002. Ms. Noriega seconded the motion and the resolution was adopted by the following roll call vote:

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

NO: NONE

ABSENT: NONE

ABSTENTIONS: NONE

Ms. Munoz commented that there was a comment made regarding the possibility of making the terms for the WQA Officers a 2-year term. She reported that this would be a topic for a future discussion.

***Draft San Gabriel Groundwater
Quality Management and
Remediation Plan "§406 Plan" for
2022***

Mr. Colby reported that on December 15, 2021, the Board authorized staff to post the Draft §406 Plan for 2022 for a 30-day public comment period ending January 14, 2022. He noted that staff posted notices of the public comment period in La Opinion and the San Gabriel Valley Tribune as well as WQA's website. Additionally, the item was reviewed at January's Admin/Finance Committee meeting to allow in person

comments. He reported that no comments were received during the comment period. However, staff did receive a comment after the close of the comment period from Suburban Water Systems (SWS) requesting that updated language to the description of their Bartolo Wellfield treatment project be included in the adopted §406 Plan for 2022. He lastly reported that staff updated Table 3 which shows the funding gap. He noted that the table was updated with the numbers that were available as of December 31, 2021.

He indicated that no other comments have been received other than SWS. Therefore, staff is recommending adoption of the §406 San Gabriel Basin Groundwater Quality Management and Remediation Plan for 2022.

Mr. Whitehead asked regarding the SWS comment if that is an issue anywhere else in the plan.

Mr. Colby responded that yes, the plan was updated in the areas that are dealing with a PFAS issue such as the City of Monterey Park and in the Puente Valley Operable Unit.

Adopt Plan for 2022

After brief discussion, Ms. Noriega moved to adopt the §406 San Gabriel Basin Groundwater Quality Management and Remediation Plan for 2022. Ms. Munoz seconded the motion and it was approved by the following roll call vote:

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

NO: NONE

ABSENT: NONE

ABSTENTIONS: NONE

PROJECT REPORTS

Mr. Colby reported that the projects listed on the Board agenda have been updated to incorporate the projects that are receiving Prop 68 funding. He reported that WQA submitted two applications in the Round 3 of the Prop 1 funds. He noted one was for the Whitmore Street project and the other was for the South El Monte Site Investigation. He indicated that concept proposals have been submitted to the State Water Board Division of Financial Assistance for both and are waiting to hear back on the status. He reported that a South El Monte Operable Unit Technical meeting was held the previous day which included the water purveyors, Environmental Protection Agency, Department of Toxic Substances Control (DTSC) and the Los Angeles Regional Water Quality Control Board. He noted that an update was provided on the Whittier Narrows Operable Unit (WNOU) by DTSC regarding their Prop 1 grant for the enhancements of the intermediate zone treatment facility to incorporate additional raw and treated water

pipelines in order to restore treatment capacity. DTSC reported that the project is 100% complete and it has gone out to bid. He lastly reported that staff had received all of the Prop 68 subrecipient agreements from water producers and the first payment request was expected to be submitted to the state in mid-February.

ATTORNEY'S REPORT

None.

LEGISLATIVE REPORT

Mr. Monares reported that the WQA extension language had been sent to the legislative counsel. He also reported that he was working on policy issues with staff regarding the allocation of future Prop 68 funding.

EXECUTIVE DIRECTOR'S REPORT

Mr. Schoellerman reported that staff continues to monitor the activities in Washington, D.C. and the spending bills that are coming out. He reported that he will be meeting with the San Gabriel Valley Water Association Legislative Committee the following week to discuss the WQA extension. He also reported that he is participating in a Division of Drinking Water Policy 97-005 training for regulatory agencies on January 27th. This is related to WQA's involvement in the development of the 97-005 User Guide with the Coalition for California Environmental Protection Restoration and Development. This was the first training session and he indicated that they would also like to make future training available to water purveyors as well. He reported that all of the Prop 68 funding subrecipient grant agreements have been received and the first payment request will be submitted to the state in February. He reported that the next webinar for city officials will be held on February 2nd at noon and noted that the topics were selected from the feedback that was received from previous webinars. He reported that a legislative ad hoc committee meeting was scheduled for the following week. Finally, he welcomed Mr. Gonzales to the WQA Board.

FUTURE AGENDA ITEMS

None.

FUTURE BOARD AND COMMITTEE MEETINGS

The next Administrative/Finance Committee meeting was scheduled for Tuesday, February 8, 2022, at 10am.

The next Legislative/Public Information Committee meeting was scheduled for Wednesday, February 9, 2022, at 11:00am.

The next WQA Board meeting is scheduled for Wednesday, February 16, 2022, at 12:00pm.

BOARD MEMBERS' COMMENTS/REPORTS

Many members welcomed Mr. Gonzales to the WQA Board.

Mr. Whitehead welcomed Mr. Gonzales and congratulated the WQA Officers for 2022.

Mr. Gonzales thanked everyone for welcoming him. He

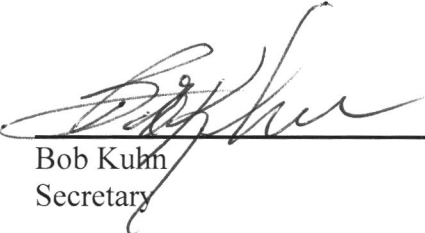
commented that he was looking forward to learning more about WQA and working with everyone.

Ms. Munoz welcomed Mr. Gonzales. She commented that she was excited for a new year and thanked the WQA Board for their support as the Chairwoman for another year.

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 16, 2022.



Valerie Munoz
Chairwoman

Bob Kuhn
Secretary