

**A REGULAR MEETING
OF THE
SAN GABRIEL BASIN WATER QUALITY AUTHORITY
JUNE 21, 2023 AT 12:00 P.M.**

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.
REMOTE PARTICIPATION DECLARATION – Ab 2449	None.
ROLL CALL OF BOARD MEMBERS	Mark Paulson, Lynda Noriega, Valerie Munoz, Robert Gonzales, Bob Kuhn, Ed Chavez, and Robert DiPrimio
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; Jackie Montgomery, Admin/Accounting Assistant; Michelle Sanchez, Admin/Accounting Assistant; Richard Padilla, Legal Counsel
MEMBERS OF THE PUBLIC PRESENT	Gabriel Monares, The Monares Group
MEMBERS OF THE PUBLIC THAT PARTICIPATED VIA ONLINE/TELECONFERENCE	Chris Lancaster, Civic Publications; Jody Roberto, Three Valleys MWD; Garry Hofer, California American Water; Jeff Maloney, City of Alhambra; Tara Robinson, Valley County Water District
PUBLIC COMMENT	None.
ITEMS TOO LATE TO BE AGENDIZED	None.
CONSENT CALENDAR	Ms. Munoz moved to approve the consent calendar with the noted changes. Mr. Gonzales seconded the motion, and it was approved with the following abstentions: Mr. DiPrimio abstained from Project Demand Nos. E91901 and E91880. Ms. Noriega abstained from Project Demand No. E91900.
COMMITTEE REPORTS	
<i>Legislative/Public Information Committee</i>	Mr. Schoellerman reported that the minutes for the committee meeting were enclosed for review.

*Discussion/Action Regarding
Proposed Services Provided by
Civic Publications, Inc.*

Mr. Schoellerman reported that Civic Publications has submitted two proposals for both the Public Outreach and the Annual Report.

- a. *Approve Public Outreach Proposal*
- b. *Approve Proposal for FY 22/23 Annual Report*

Ms. Moreno reported that the public outreach proposal was for the special advertorials that are published in the Los Angeles Times and the San Gabriel Valley Newspaper Group. She reported that the second proposal was for the WQA's annual report that is published after the fiscal year. She noted that the cost of each proposal remains the same as in previous years, with the public outreach proposal amount of \$115,174 and the annual report proposal amount of \$13,275.

After brief discussion, Mr. Kuhn moved to approve both the public outreach and annual report proposals as submitted. Ms. Munoz seconded the motion, and it was unanimously approved.

***Administrative/Finance
Committee***

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

*Discussion/Action Regarding Task
Order for Stetson Engineering*

Mr. Colby reported that on June 16, 2021, the Board approved a Task Order with Stetson Engineers for engineering services to process grant submittals to Division of Financial Assistance (DFA). He indicated that the Task Order has a not-to-exceed amount of \$189,000 and is a cost covered under the grant. He reported that recently, DFA notified WQA that it was increasing the grant funding by \$17,330,966 for an additional three years of Treatment and Remediation. Therefore, staff is recommending extending the Stetson Task Order by three years and an additional \$139,000 for a total not to exceed amount of \$328,000 for continuation of their grant submittal services. He noted that the revised amount would remain a reimbursable cost under the grant.

After brief discussion, Ms. Noriega moved to approve modification #1 to Task Order 01-2021 for Stetson Engineers. Mr. DiPrimio seconded the motion, and it was approved.

*Discussion/Action Regarding Task
Order for CA Consulting Services*

Ms. Saenz reported that On April 21, 2021, the Board approved a Task Order with CA Consulting Services, LLC (CAC) for accounting services to process the reimbursements and submittals to DFA. She indicated that the Task Order has a completion date of April 30, 2023 and a not-to-exceed amount of \$250,000. She reported that recently, DFA notified WQA that it was extending the time frame for performance to February 28, 2026, and increasing the agreements by \$17,330,966. She indicated that as the Proposition 68 grant deadlines are being extended by DFA, staff is requesting the Task Order with CAC be extended to increase the time frame of performance through June 30, 2026. She noted that this Task Order Modification 1 does not currently include an

increase in the Task Order dollar amount.

Ms. Noriega asked Ms. Saenz to share with the Board how much of the current task order has been spent so far.

Ms. Saenz commented that \$14,000 has been spent thus far. She indicated that initially the reimbursement process from DFA has been very slow.

After some discussion, Mr. Gonzales moved to approve Task Order Modification 1 for CAC. Ms. Noriega seconded the motion, and it was approved.

Discussion/Action Regarding Continued Participation in the Coalition for Environmental Protection Restoration and Development (CEPRD)

a. Approve Demand No. E91902

Mr. Schoellerman reported that staff is recommending continued participation with the CEPRD. He indicated that work with the CEPRD has included the development of the 97-005 User Guide for the permitting of highly impacted water supply wells and the additional development of training materials and training webinars on the 97-005 process. He noted that the group continues to work on the development of policies and regulations regarding contaminants of emerging concern such as PFAS and PFOA.

After brief discussion, Mr. Gonzales moved to continue participation with CEPRD and to approve Demand No. E91902 for \$25,000. Ms. Munoz seconded the motion, and it was approved.

Discussion/Action Regarding Cost of Living Adjustment (COLA)

Ms. Saenz reported that WQA Procedure 40 establishes the Cost-of-Living Adjustment (COLA) procedures for WQA Employees. She indicated that the COLA increase is based on the April Consumer Price Index for All Urban Consumers ("CPI-U"). The CPI-U percentage increase from April 2022 to April 2023 is 3.8%. She noted that the increase would be to both the salary ranges and the salaries.

Mr. Kuhn commented that he did not think that 3.8% was a true inflation rate number because it did not include the price of gasoline, rent, etc. He noted that at Three Valleys MWD the Board was considering a 7.5% COLA and felt that number was closer to reality.

Mr. Chavez asked what was approved last year for COLA.

Ms. Saenz commented that last year the Board approved a 7.9% COLA.

Mr. Chavez commented that since 7.9% was approved last year it would be fair to consider a number that was not as high as last year.

Ms. Noriega asked if the 3.8% was cumulative of the entire year.

Ms. Saenz commented that 3.8% was a cumulative number from April 2022 to April 2023.

Mr. Paulson asked what number budgeted for.

Ms. Saenz reported that 10% was used for budgeting purposes.

After detailed discussion, Mr. Kuhn moved to approve a 5% increase to the salary ranges and salaries. Mr. DiPrimio seconded the motion, and it was approved by the following roll call vote:

AYES: PAULSON, NORIEGA, MUNOZ, GONZALES, KUHN, CHAVEZ, AND DIPRIMIO

NO: NONE

ABSTAIN: NONE

ABSENT: NONE

Ms. Noriega noted that the Board took action that differed from Procedure 40 and requested that Procedure 40 go to the Administrative/Finance Committee for review in the future.

*Discussion/Action Regarding
Procedure No. 30, Employee
Health Benefits Update*

Ms. Saenz reported that Procedure No. 30 defines the Employee Benefits for WQA staff as it relates to health, dental and optical. It was last updated on August 18, 1997. She noted that WQA's health insurance is obtained through its membership in ACWA/JPIA and the dental and optical is self-insured by WQA. She indicated that staff is requesting the following changes:

- Update the available health plans WQA offers to conform to the current plans being offered by ACWA which are Anthem Blue Cross – PPO and Kaiser Permanente Traditional HMO. She noted that these are the two plans currently offered by WQA.
- Increase the medical allowance per covered member from \$2,250 to \$3,000.
- Increase the maximum limit of the dental and optical allowance from \$4,500 to \$6,000.
- Update the dental and optical allowance to be a family benefit rather than assigning an individual limit per covered member.
- Update the definition of “Dependent” to conform to the current definition as established by the Affordable Care Act.

Mr. Paulson asked if these benefits are offered to retirees.

Ms. Saenz commented that these benefits are not offered to retirees.

After brief discussion, Mr. Kuhn moved the revisions to Procedure 30 as presented. Ms. Munoz seconded the motion, and it was approved.

**OTHER
ACTION/INFORMATION
ITEMS**

***Discussion/Action SAS 114
Planning Letter for the Audit of
Fiscal Year Ended June 30, 2023***

Ms. Saenz reported that enclosed in the agenda packet was the Statement on Auditing Standards (SAS) 114 Planning Letter for the audit of fiscal year ended June 30, 2023. She indicated that the SAS 114 is an auditing standard that requires certain information be communicated between auditors and those charged with oversight of the organization being audited. She noted that WQA's auditors, Vasquez & Company LLP are communicating the information via this Planning Letter which they have addressed to the Board of Directors. She reported that Vasquez & Company is also asking that they be contacted if any Board Member has knowledge of any fraud, internal control weaknesses, improper accounting practices, or any other matters that may be relevant. She noted that if Board Members have no knowledge of any of these items, no communication is required. She lastly noted that this item was for information purposes only.

***Discussion/Action Regarding
Resolution 23-008 for
Authorization to Contract for
Service and Establish Accounts
with Bank of the West***

Ms. Saenz reported 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 check signing authorization. She indicated that at the January 18, 2023, board meeting Resolution 23-002 was adopted, authorizing the newly elected Board Officers to contract for service with the Bank. She also indicated that on April 18, 2023, Michael Whitehead, the Board Treasurer, resigned his position and Robert Gonzales was elected as Board Treasurer at the May 24, 2023 board meeting. She reported that the Bank has now requested an updated resolution without Michael Whitehead therefore, the WQA Board would need to rescind Resolution 23-002 and adopt Resolution 23-008 which authorizes the WQA Board Officers, including the newly elected Treasurer, to contract for service with the Bank.

Ms. Noriega moved to adopt Resolution No. 23-008 for Authorization to Contract for Service and Establish Accounts with Bank of the West. Ms. Munoz seconded the motion, and it was approved by the following roll call vote:

**AYES: PAULSON, NORIEGA, MUNOZ, GONZALES,
KUHN, CHAVEZ, AND DIPRIMIO**

NO: NONE

ABSTAIN: NONE

ABSENT: NONE

PROJECT REPORTS

Mr. Colby reported that WQA received the executed grant extension for the SEMOU site investigation. He noted that staff has received 11 of 12 executed access agreements and work continues as scheduled. He reported that WQA was notified of additional funding for existing Prop. 68 grants. He indicated that staff was working with DFA on updated budgets for the additional funding.

ATTORNEY'S REPORT

Mr. Padilla reported that there will be a closed session to receive an update on the PFAS lawsuit.

LEGISLATIVE REPORT

Mr. Monares reported that AB 279 (Rubio) was on the Senate floor waiting for a vote after passing through the Senate Environmental Quality Committee. It does not appear to have any opposition. He also noted that the State budget was passed.

EXECUTIVE DIRECTOR'S REPORT

Mr. Schoellerman reported that with everyone traveling again post-COVID he wanted to remind the Board about WQA's travel reimbursement policy for board members. He noted that each board member has a \$4,000 travel expense budget for per fiscal year beginning July 1st. He reported that staff continues to work on recommended language for one of the proposed water bonds. He indicated that the House Appropriations Committee has included \$5.5M for the San Gabriel Basin Restoration Fund and noted that the recent federal debt ceiling discussions were influential in the appropriations process. The Senate has not taken up their appropriations bills yet. He reported that Mr. Colby would be providing an update to the City of Temple City with Director Munoz on July 5th. He reported that staff will be participating in a San Gabriel Valley Water Supply Tour on June 22nd with the Southern California Water Utilities Association. He also indicated that staff continues to work on Restoration Fund language amendments. He lastly reported that staff was planning a trip to D.C. for various meetings including tentative plans to meet with Congresswoman Napolitano on July 19th. Board Members were invited to attend.

FUTURE AGENDA ITEMS

None.

FUTURE BOARD AND COMMITTEE MEETINGS

The next Legislative/Public Information Committee meeting was scheduled for Tuesday, August 8, 2023, at 9:00 a.m.

The next Administrative/Finance Committee meeting was scheduled for Tuesday, August 8, 2023, at 10 a.m.

The next WQA Board meeting was scheduled for Wednesday, August 16, 2023, at 12:00 p.m.

The Board decided to cancel all WQA Committee meetings and the Board meeting in the month of July.

Mr. Schoellerman noted that the WQA office would be closed July 3rd & July 4th for holiday.

CLOSED SESSION

A closed session was held Pursuant to Government Code Section 54956.9(d)(1)
– Conference with Legal Counsel re: Existing Litigation - San Gabriel Basin Water Quality Authority v. 3M Company et al, USDC Case No. 2:23-av-55555-CIV

RECONVENE OPEN SESSION

Mr. Padilla reported that a closed session was held and there was no reportable action.

BOARD MEMBERS' COMMENTS/ REPORTS

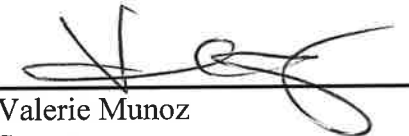
The Chairman announced that he was appointing an ad hoc committee for the Executive Director's annual review to include himself, Mr. Kuhn and Ms. Noriega.

ADJOURNMENT

The Chairman asked if there were any other items of business to come before the Board. There being none the meeting was adjourned in the memory of Gabriel Monares' mother to August 16, 2023.



Mark Paulson
Chairman



Valerie Munoz
Secretary