



SAN GABRIEL BASIN WATER QUALITY AUTHORITY

1720 W. Cameron Ave., Suite 100, West Covina, CA 91790 • 626-338-5555 • info@wqa.com • wqa.com

**WQA ADMINISTRATIVE/FINANCE COMMITTEE
TO BE HELD ON TUESDAY, FEBRUARY 11, 2025 AT 10:00 A.M.
AT
1720 W. CAMERON AVE., SUITE 100 IN WEST COVINA, CA**

Zoom Registration Link:

<https://us06web.zoom.us/meeting/register/sMO9JIO7TAOzUaBofXdtUA>

AGENDA

Committee Members: Robert DiPrimio, Lynda Noriega and Mark Paulson

Liaison Member: Dave Michalko

- I. Call to Order
- II. Remote Participation Declaration - AB 2449
[Government Code Section 54953(f)]
 - a. Notification of Just Cause
 - b. Emergency Circumstances Requests
- III. Public Comment
- IV. Discussion Regarding Public Comments on the Draft 2025 §406 Plan
- V. Discussion Regarding Administrative Procedure No. 42, Fees for the Pursuit of, and the Obtaining and Securing of Funding [enc]
- VI. Executive Director's Report
- VII. Adjournment



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AGENDA SUBMITTAL

To: Administrative/Finance Committee
From: Randy Schoellerman, Executive Director
Date: February 11, 2025
Subject: **Administrative Procedure No. 42**
Fees for the Pursuit of, and the Obtaining and Securing of Funding

Overview

WQA's Administrative Procedure No. 42, which was approved by the Board on April 21, 2021, establishes a fee for services to support WQA's efforts in pursuing, obtaining, and securing all varieties of funding on behalf of producers as the term "producer" is defined under Section 312 of Chapter 134 of the Water Code – Appendix. The WQA wishes to ensure that costs incurred by the WQA to secure such funds are offset by those who receive the most direct benefit (i.e., funding recipients). The fee shall be a sum of not more than 5% on the total amount of funding received by each producer.

Discussion of Proposition 68 Funding

According to the policy, WQA shall annually consider the fee for the prior calendar year of funding. Attached is a schedule of funds that were paid to Proposition 68 award recipients during the calendar year 2024. Example fee percentages are shown at 3.0%, 4.0% and 5.0%.

These costs are for reimbursement of Treatment and Remediation for the period of July 1, 2018 through June 30, 2021 and were submitted by WQA to DFA on May 22, 2022.

In June 2024, DFA approved \$355K in reimbursements on Grant #D2012540, and in August 2024, DFA approved \$4.9M in reimbursements to water producers on Grant #D2012538.

Staff is presenting this information to the Administrative Finance Committee for discussion.

Attachment:

Administrative Procedure 42

Schedule of Prop 68 Reimbursements and Fee Calculations

ADMINISTRATIVE PROCEDURE

No. 42

Date: April 21, 2021

Revised:

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Policy for Establishing a Fee for the Pursuit of, and the Obtaining and Securing of Funding

1. Purpose

This policy of the San Gabriel Water Quality Authority (WQA) establishes a fee for service to support the WQA's efforts in pursuing, obtaining, and securing all varieties of funding on behalf of producers as the term "producer" is defined under Section 312 of Chapter 134 of the Water Code – Appendix. The WQA wishes to ensure that costs incurred by the WQA to secure such funds are offset by those who receive the most direct benefit (i.e., funding recipients). The fee established under this policy is *de minimis* and is voluntary to the extent that the obligation to pay the fee only arises in the event a producer voluntarily chooses to receive funding secured by the WQA.

2. Amount of Fees

The fee for WQA's costs in pursuing, obtaining, and securing funding on behalf of the producers shall be a sum not more than five percent (5%) of the total amount of funding received by each producer.

3. Costs Incurred by WQA

Producers who seek funding from the WQA acknowledge that WQA has incurred past costs and expenses in performing the service of pursuing, obtaining, and securing funding on behalf of the producers. Such costs and expenses commonly include, but are not limited to, professional advocacy services, engineering services and WQA operating costs.

4. Payment of Fees

A producer for whom WQA has pursued, obtained, and secured funding shall pay a fee no greater than an amount equal to five percent (5%) of funds received in the prior calendar year within thirty (30) days of WQA's annual billing statement.

San Gabriel Basin Water Quality Authority
 Schedule of Prop 68 Reimbursements through 12/31/24
 Calculation of Fee Percentage per Procedure 42

	Total Prop 68 Grant Funding through 12/31/24	Allowable Fee Percentage		
		3.0%	4.0%	5.0%
Grant #D2012538 - Producers Basinwide	<u>4,919,208.06</u>	<u>147,576.24</u>	<u>196,768.32</u>	<u>245,960.40</u>
Grant #D2012540 - DAC	<u>355,287.12</u>	<u>10,658.61</u>	<u>14,211.48</u>	<u>17,764.36</u>