

**A REGULAR MEETING  
OF THE  
SAN GABRIEL BASIN WATER QUALITY AUTHORITY  
APRIL 22, 2026, AT 12:00 P.M.**

---

<b>CALL TO ORDER</b>	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.
<b>REMOTE PARTICIPATION DECLARATION – SB 707</b>	None.
<b>ROLL CALL OF BOARD MEMBERS</b>	Lynda Noriega, Robert Gonzales, Valerie Munoz, Bob Kuhn, Mark Paulson, Ed Chavez and Robert DiPrimio.
<b>BOARD MEMBERS ABSENT</b>	None.
<b>STAFF MEMBERS PRESENT</b>	Randy, Schoellerman, Executive Director; Stephanie Moreno, Director of Communications; Dan Colby, Assistant Executive Director/Senior Project Manager; Mary Saenz, Director of Finance (Retiring); Maritza Cardenas, Director of Finance; Jackie Montgomery, Accounting Specialist; Pearl Escobar, Project Resource Specialist; Michelle Sanchez, Senior Administrative Assistant/Office Coordinator
<b>MEMBERS OF THE PUBLIC PRESENT</b>	Jeff Palmer, CJ Brown & Company CPAs; Gabriel Monares, The Monares Group; Lenet Pacheco, Valley County Water Company; Josh Swift, San Gabriel Valley Water Company
<b>MEMBERS OF THE PUBLIC THAT PARTICIPATED VIA ONLINE/TELECONFERENCE</b>	Bruce Knoles, San Gabriel Valley Municipal Water District; Chris Lancaster, Civic Publications; Jody Roberto, Three Valleys Municipal Water District; Mike Phillips, California American Water
<b>PUBLIC COMMENT</b>	None.
<b>ITEMS TOO LATE TO BE AGENDIZED</b>	None.
<b>PRESENTATION (a) Presentation on Audited Financial Statements for Fiscal Year Ending June 30, 2025</b>	Mr. Palmer presented the annual audit for fiscal year ended June 30, 2025. He reviewed the financial statement audit of basic financial statements and the audit summary report. He reported that they are providing an unmodified clean opinion. He noted that the financial statements present fairly in all material respects, and no material weaknesses, significant deficiencies, or material noncompliance were noted.

**(b) Discussion/Action Regarding Audited Financial Statements for Fiscal Year Ending June 30, 2025**

Ms. Munoz moved to approve the audited financial statements for fiscal year ending June 30, 2025. Mr. Gonzales seconded the motion and was unanimously approved.

**WORKSHOP**

**Budget Workshop for Fiscal Year 2026/2027**

Ms. Cardenas reviewed the draft budget for FY 26/27. She also reviewed the five-year projections for the assessment reserves. She noted that the assessment has been \$12/acre-foot since FY 19/20. She also noted that the FY 26/27 budget anticipates continuing the assessment of \$12/acre-foot. She stated that WQA's reserve policy requires an annual review as part of the budget process. She indicated that the policy establishes a minimum assessment reserve of 12 months or 100 percent of budgeted expenses. She reviewed the projects' capital and operating expenses as well as the revenues. She also reviewed the project cost allocations.

Ms. Cardenas reported that the draft budget would come back to the Administrative/Finance Committee in May, if necessary, and that she anticipated the board holding a public hearing and adopting the draft budget at the May 20, 2026 Board meeting. She reported that the public hearing and adoption of the assessment was scheduled for August 19, 2025. She lastly reported that the two billing dates for the assessment were set for August 20 and October 15, 2026.

Mr. Paulson requested clarification regarding the assessment projections shown in Table A. He noted that, beginning in fiscal year 2027–28 (Year 2), projected assessment expenditures exceed assessment revenues, resulting in deficit spending through Year 5. Staff confirmed that this interpretation was correct.

He then asked whether increasing the assessment to \$12.50 in Years 2 through 5 would balance revenues and expenditures by Year 5. Staff responded that this adjustment would approximately bring the budget back to even in Year 5.

Mr. DiPrimio expressed appreciation for the prior comments regarding assessment adjustments and noted that the current reserve policy target is 100% of budgeted expenses. He stated that if the Board wished to consider reducing reserves or adjusting assessments to simply break even, the reserve policy should first be reviewed and revised accordingly.

Ms. Noriega expressed her agreement with the previous comments regarding reserve levels and assessment planning. She noted that even by Year 5 with the noted deficit spending, projected reserves remain approximately 30% above the Board's 100% reserve target, providing a sufficient buffer. She explained that the need to revisit assessment levels would become more pressing only if external funding is no longer available and assessments must be used to finance additional

projects. She stated at that point, reserve balances would begin to be drawn down to cover higher WQA-specific expenses rather than projects funded through grants or responsible party contributions.

Mr. Schoellerman emphasized that the current figures are only projections and that the Board reviews assessment levels annually. He stated if in a future year, WQA is unsuccessful in securing outside funding for projects, the Board would then need to have a more in-depth discussion regarding potential assessment adjustments.

## **CONSENT CALENDAR**

Ms. Munoz moved to approve the consent calendar as presented. Mr. Paulson seconded the motion, and it was approved unanimously with the following abstentions:

Ms. Noriega abstained from Project Demand No. E92961 and Mr. DiPrimio abstained from Project Demand Nos. E92933, E92953 and E92962.

## **COMMITTEE REPORTS**

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

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

Ms. Moreno presented the Earth Day Publication which was emailed to 50,000 email subscribers on April 21st. She highlighted the article on the golden mussel.

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

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

### ***Discussion Regarding 1st Quarter 2026 Cash Report***

Ms. Cardenas reported that WQA holds its investment funds at the Local Agency Investment Fund (LAIF). The LAIF quarterly rate for January, February and March 2026 is 3.98%. She stated that at the end of March the interest rate was 3.98% with interest earned totaling \$102,490.61 for the quarter and LAIF balance at \$10.4 million.

She reported that WQA holds its cash funds at BMO Bank. Funds held at BMO exceed the FDIC insured limit of \$250,000. She indicated that all funds in excess of the FDIC limits are collateralized by BMO in accordance with California Government Code Title 5, Division 2, Part 1, Chapter 4, Article 2 – Deposit of Funds. She reported that BMO interest on the Money Market (MM) account for January 1 through March 31 was 3.063%. She noted the drop in interest correlates to the drops in the Federal Reserve rates over the past 3 months. She stated that interest earned for the 3 months of January, February and March totaled \$63,770.

***Adopt Resolution No. 26-003, A  
Resolution of the Board of  
Directors of the San Gabriel Basin  
Water Quality Authority  
Commending Valley County Water  
District on the Occasion of its  
100th Anniversary***

Mr. Gonzales moved to approve Resolution No. 26-003, A Resolution of the Board of Directors of the San Gabriel Basin Water Quality Authority Commending Valley County Water District on the Occasion of its 100th Anniversary. Ms. Munoz seconded the motion, and it was approved unanimously.

**PROJECT REPORTS**

Mr. Colby reported that staff conducted the bi-annual inventory audit of the Baldwin Park Operable Unit (BPOU) spare parts at the RC Foster warehouse on April 2nd. He noted that inventory included visual inspection of the spare parts, as well as reviewing procedures of requesting spare parts, delivery, installation and reordering inventory. He stated that staff is required to provide a written report to the BPOU project committee documenting the inventory audit.

He noted that WQA hosted the Puente Valley Operable Unit (PVOU) Quarterly Stakeholder meeting on March 25th. He reported that status updates to the three-remedy projects were provided by stakeholders. He noted that Carrier Corp. who is responsible for the shallow zone north of Puente Creek remedy (SZN) is in the process of implementing the re-injection well installation and test plan which is intended to provide instrumental data for SZN remedy implementation.

Mr. Colby provided an update on the construction of the monitoring and extraction wells associated with the South El Monte Operable Unit (SEMOU) Whitmore Street Groundwater Remediation Facility Expansion Grant. He reminded the Board that a previously installed monitoring well had been improperly constructed and was being replaced at the driller's expense. He further reported that repairs are also needed on Well 66 due to a melted PVC casing. Mr. Colby presented a video showing the damaged casing and explained that the condition prevented access to the bottom of the well. He stated that a meeting was held with Weaver Consultants Group and ABC Liovin Drilling, Inc. to develop a path forward.

**ATTORNEY'S REPORT**

None.

**LEGISLATIVE REPORT**

Mr. Monares reported that in Washington, D.C., the markup schedule has been tentatively set, with the House Energy and Water markup scheduled for May 15<sup>th</sup>. He noted that WQA's appropriations are expected to be included as part of that process.

**EXECUTIVE DIRECTOR'S  
REPORT**

Mr. Schoellerman reported that Congressman Gil Cisneros' office confirmed Board member availability for a photo opportunity on May 5, 2026, at 11:00 a.m. at WQA's office to present a ceremonial check for \$3.237 million. He noted that

two Board members will attend.

He noted that the BPOU Project Agreement negotiations are progressing well and noted that Main San Gabriel Basin Watermaster staff have played a central role in providing organizational support for the negotiations.

He acknowledged Jackie Montgomery and Michelle Sanchez in recognition of Administrative Professional's Day.

**FUTURE AGENDA ITEMS**

None.

**INFORMATION ITEMS**

Ms. Moreno reported on the upcoming events as follows:

- April 30<sup>th</sup> – Suburban Water Systems Ribbon Cutting Ceremony
- May 2<sup>nd</sup> – Upper Water's Annual Water Fest
- May 5<sup>th</sup>-7<sup>th</sup> - ACWA Spring Conference
- May 16<sup>th</sup> – Valley County Water District's 100th Anniversary Event
- May 21<sup>st</sup> – San Gabriel Valley Water Association Quarterly Breakfast Meeting
- June 12<sup>th</sup> – San Gabriel Valley Economic Partnership Legislative Networking Reception

**FUTURE BOARD AND COMMITTEE MEETINGS**

The next Legislative/Public Information Committee meeting was scheduled for Wednesday, May 13, 2026, at 9:00 a.m.

The next Administrative/Finance Committee meeting was scheduled for Wednesday, May 13, 2026, at 10 a.m.

The next WQA Board meeting was scheduled for Wednesday, May 20, 2026, at 12:00 p.m.

**CLOSED SESSION**

None.

**RECONVENE OPEN SESSION**

None.

**BOARD MEMBERS' COMMENTS/REPORTS**

Ms. Munoz congratulated Ms. Saenz on her final audit and that she looked forward to working with Ms. Cardenas.

Mr. Paulson noted recent national attention regarding microplastics in drinking water and referenced the State's delay in issuing a related report. He asked whether the issue is currently being monitored by WQA and whether it is a matter the Board should be considering moving forward.

Mr. Schoellerman responded that microplastics have been under consideration for some time and noted that the U.S. Environmental Protection Agency (EPA) has recently announced plans to begin evaluating potential regulation of

microplastics and pharmaceuticals, similar to the regulatory process previously undertaken for PFAS.

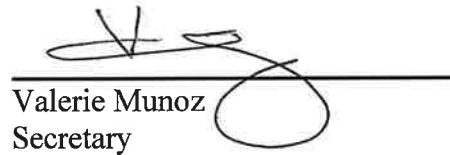
Ms. Noriega added that the State of California has already been examining microplastics for several years and that both state and federal efforts will take time to develop. She stated that as part of the federal process, EPA is expected to gather occurrence data through its periodic Unregulated Contaminant Monitoring Rule sampling program. This data will be used to determine whether federal regulation is warranted.

Ms. Noriega congratulated Ms. Saenz on her final audit.

## ADJOURNMENT

The Chairwoman asked if there were any other items of business to come before the Board, there being none, the meeting was adjourned until the next meeting on April 22, 2026.

  
Lynda Noriega  
Chairwoman

  
Valerie Munoz  
Secretary