A REGULAR MEETING
OF THE
SAN GABRIEL BASIN WATER QUALITY AUTHORITY
AUGUST 19, 2026, AT 12:00 P.M.

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.
REMOTE PARTICIPATION DECLARATION – SB 707	None.
ROLL CALL OF BOARD MEMBERS	Lynda Noriega, Mark Paulson, Robert Gonzales, Valerie Munoz, Bob Kuhn, Ed Chavez and Robert DiPrimio.
BOARD MEMBERS ABSENT	None.
STAFF MEMBERS PRESENT	Randy, Schoellerman, Executive Director; Stephanie Moreno, Director of Communications; Dan Colby, Assistant Executive Director/Senior Project Manager; Maritza Cardenas, Director of Finance; Jackie Montgomery, Accounting Specialist; Pearl Escobar, Project Resource Specialist; Michelle Sanchez, Senior Administrative Assistant/Office Coordinator; Richard Padilla, WQA General Counsel.
MEMBERS OF THE PUBLIC PRESENT	Gabriel Monares, The Monares Group; Lenet Pacheco, Valley County Water District; Rene Chavez, Member of the Public
MEMBERS OF THE PUBLIC THAT PARTICIPATED VIA ONLINE/TELECONFERENCE	Bruce Knoles, San Gabriel Valley Municipal Water District; Jody Roberto, Three Valleys Municipal Water District; Chris Lancaster, Civic Publications; Michael Miller, California American Water Company; Dr. Richard Shope, Member of the Public
PUBLIC COMMENT	Dr. Richard Shope addressed the Board remotely from his biology classroom at Bradshaw Mountain High School in Prescott Valley, Arizona. He thanked the WQA for its support of his Eco Voices program over the past 14 years. He reported that the program grew out of the WQA's educational activities at the Whittier Narrows Nature Center and has reached more than 10,000 students over the years. He noted that he has semi-retired from full-time teaching but continues to seek opportunities to participate in water quality projects in the Prescott Valley area. He stated that he looks forward to involving his biology students in future water quality-related activities and again expressed his appreciation for the WQA's support.
ITEMS TOO LATE TO BE AGENDIZED	None.

CONSENT CALENDAR

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

Ms. Noriega abstained from Project Demand Nos. E93068 and E93105. Mr. DiPrimio abstained from Project Demand Nos. E93047, E93063, E93069 and E93106.

COMMITTEE REPORTS

Legislative/Public Information Committee Report

None.

Administrative/Finance Committee Report

None.

Public Hearing

To Receive Comments on the Proposed 2026/2027 Fiscal Year $12.00/Acre-Foot assessment on Those Holding Prescriptive Water Pumping Rights in the San Gabriel Basin

The Chairwoman opened the public hearing to receive comments. There being none, the public hearing was closed.

Adopt Resolution No. 26-009, a Resolution of the San Gabriel Basin Water Quality Authority Imposing an Annual Prescriptive Right Assessment to Pay for The Authority Budget for Fiscal Year 2026/2027

Ms. Munoz moved to approve Resolution No. 26-009 Imposing an Annual Prescription Right Assessment of $12 per acre foot. Mr. Paulson seconded the motion, and it was approved by the following roll call vote:

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

NO: NONE

ABSTAIN: NONE

ABSENT: NONE

OTHER ACTION ITEMS

Discussion/Action Regarding Disposal of Surplus Personal Property

Ms. Cardenas reported that under WQA Administrative Procedure 35, the Executive Director has the authority and responsibility for the disposal of surplus personal property that has been maintained as fixed assets of the WQA. She noted that if it is determined that the items listed are either broken, obsolete or of no further use for the purposes of the WQA, the Executive Director shall submit the items to the Board of Directors to be declared surplus. She stated that under Guidelines 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. 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 reported that disposal of the fixed assets would be effective June 30, 2026 at the end of the prior fiscal year.

Mr. Chavez asked if the items are of no value, does the WQA dispose or donate the items.

Ms. Cardenas replied that the items are either disposed of, donated or taken to e-waste per the direction of the Executive Director.

Ms. Munoz moved to approve the disposal of surplus personal property as presented. Mr. Gonzales seconded the motion, and it was approved unanimously.

Discussion Regarding 2nd 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 April, May and June is 3.92% with interest earned totaling $103,095.38 for the quarter.

She reported that WQA holds its cash funds at BMO Bank (BMO). 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 account for April through June 30, 2026 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 April through June totals $53,460.

Ms. Cardenas reported that the total combined funds balance in LAIF and BMO cash funds is $18.1 million.

The item was presented for informational purposes only and was received and filed.

PROJECT REPORTS

Mr. Colby provided an update on the Whitmore Street Groundwater Remediation Facility. He reminded the Board that Extraction Well 66 experienced a casing failure and that, in early July, staff sent ABC Liovin a notice requiring the well to be abandoned and replaced pursuant to the contract. ABC Liovin agreed to abandon the existing well and relocate the replacement well slightly west of its current location. He noted that the new location has been identified, and utility clearance and geophysical probing are expected to be completed by the end of August, with the replacement well anticipated to be completed by the end of September.

Mr. Colby also reported that two additional monitoring wells remain to be installed. He stated that the 24 wells required under

the contract, 21 have been completed. He stated that the two remaining monitoring wells had to be relocated because the original locations in the City of El Monte were subject to a street moratorium following recent street paving. Staff worked with Weaver Consulting and the City to identify new locations and obtain the necessary permits. The two wells are also expected to be completed by the end of September.

He reported that the contract with ABC Liovin covers 24 wells, consisting of 11 middle-zone wells and 13 lower-zone wells with a not-to-exceed amount of $581,000. He noted that on the demands being approved there is a payment to ABC Liovin in the amount of $145,111 which brings the total amount paid to the contractor approximately $562,000. He stated that additional costs are anticipated because several wells required greater depths than originally estimated. Staff expects to process a change order to increase the contract amount. He noted that sufficient grant funding remains available to cover the anticipated increase, which is expected to be less than $100,000. Staff is anticipating to bring the change order to the Admin/Finance committee for discussion in September.

Mr. Colby reported that staff continues to work with the Department of Toxic Substances Control (DTSC) to administer reimbursement funding for South El Monte Operable Unit (SEMOU) projects. He reported that the existing agreement is a five-year contract with a not-to-exceed amount of $10 million and based on current projections, the agreement is expected to exceed $10 million. He stated that DTSC is aware of the projected increase and has begun working with WQA to obtain the necessary documentation and cost estimates to amend the agreement. He reported that DTSC has confirmed that additional funding is available and that the increase is not expected to affect project operations or reimbursements.

Mr. Colby further reported that DTSC is considering having WQA assist with additional SEMOU activities, including the repair or replacement of Environmental Protection Agency monitoring wells that are in poor condition. He stated that DTSC has received funding from EPA for this work and has approached WQA regarding potentially administering the related contract. Staff will continue coordinating with DTSC and will provide additional information to the Board as the proposal develops. He reported that DTSC is also considering additional modeling and investigation of the SEMOU due to contamination moving northwest toward the Alhambra Operable Unit and affecting certain San Gabriel Valley Water Company and Amarillo Mutual Water Company well sites. He noted that DTSC has identified Fiscal Year 2026-27 funding for the investigation and has approached WQA regarding potentially leading the work and administering the related contract.

Mr. Colby reported that WQA's existing agreement with the

United States Bureau of Reclamation (USBR) for restoration funds expires at the end of September 2026. He reported that staff has been negotiating with USBR and has reached a draft agreement for Amendment No. 3, which would extend the agreement through September 30, 2033. He noted that USBR initially was reluctant to extend the agreement beyond five years but agreed that WQA's circumstances warranted the longer extension. He stated that the amendment would also allow WQA to receive the $3.25 million awarded in Fiscal Year 2026 by the end of the federal fiscal year. He reported that once the agreement is amended and the funds are received, staff will return to the Board with recommendations regarding the use of the funds, including whether to conduct another round of WQA's Federal Funding Program Administration or potentially combine the Fiscal Year 2026 and Fiscal Year 2027 funds to provide a larger funding allocation.

ATTORNEY'S REPORT

Mr. Padilla reported that there is a need for closed session.

LEGISLATIVE REPORT

Mr. Monares reported that Congress is currently in recess and is expected to return in September. He stated that Congress passed a Continuing Resolution funding the federal government through mid-December, while negotiations on appropriations remain ongoing.

He reported that the Senate is currently voting on bills and is expected to conclude its legislative session by the beginning of September.

EXECUTIVE DIRECTOR'S REPORT

Mr. Schoellerman, added to Mr. Colby's project report, noting that DTSC has recognized the need for additional funding beyond the original $10 million, five-year contract and is providing additional resources for cleanup efforts. He commended Mr. Colby and Ms. Cardenas for their continued coordination with DTSC in demonstrating the actual costs associated with basin cleanup activities. He also reported that DTSC is investigating and modeling the movement of contamination in the SEMOU after WQA raised concerns that the existing remedy is not effectively containing the contaminants during the recent five-year review of the SEMOU remedy.

Mr. Schoellerman reported that the auditors completed fieldwork during the last week of July and are scheduled to return during the last week of September to conduct additional work.

He reported on an issue involving WQA's State Disability Insurance (SDI) filing. He stated that Ms. Cardenas discovered that WQA's designation within the state system had been changed without notice, which prevented the submission of the second-quarter, 2026 documentation. After several attempts to resolve the issue by telephone, Ms. Cardenas took the initiative to contact the state office in-person and worked with a manager to resolve the matter. The state subsequently admitted to their mistake , and WQA's designation was restored. As a precaution, WQA has

requested copies of all documentation and original filings maintained by the state dating back to 1993 to ensure WQA has complete records should a similar issue arise in the future.

He provided an update on the Baldwin Park Operable Unit Project Agreement negotiations, noting that discussions continue to progress positively. He stated that the parties are working to resolve the remaining issues, including the potential term of the agreement, which may be 10 or 15 years.

Finally, Mr. Schoellerman reported that WQA continues to monitor federal appropriations for FY 2027. He stated that the House Appropriations Committee has tentatively approved $5 million, while the Senate has not yet taken action and the $10 million Senate request remains active. He noted that both chambers have approved a continuing resolution extending government funding through mid-December, with further negotiations expected. He also reported that staff continues to work on proposed amendments to the San Gabriel Basin Restoration Fund legislation to eliminate the existing 10-year limitation and increase the authorized funding.

FUTURE AGENDA ITEMS

Ms. Noriega reported that the Executive Director's annual performance review will be presented to the next Board Meeting.

INFORMATION ITEMS

Ms. Moreno reported on the upcoming events as follows:

- September 17, 2026 – San Gabriel Valley Pubic Affairs Network Mayor's Reception
- September 24, 2026 – Southern California Water Utilities Association Luncheon
- September 29, 2026 – Southern California Water Utilities Association USC Lab Tour
- October 24, 2026 – San Gabriel Valley Economic Partnership Awards Gala
- December 1-3, 2026 – ACWA Fall Conference

FUTURE BOARD AND COMMITTEE MEETINGS

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

The next Administrative/Finance Committee meeting was scheduled for Wednesday, September 9, 2026, at 10 a.m.

The next WQA Board meeting was scheduled for Wednesday, September 16, 2026, at 12:00 p.m.

CLOSED SESSION

The Board met in closed session with the exception of Mr. Chavez who left the meeting prior to this item.

RECONVENE OPEN SESSION

Mr. Padilla reported that item (a) regarding potential litigation matters was not considered in closed session and therefore there was no reportable action.

Mr. Padilla reported that, with respect to items (b) and (c) regarding the Executive Director's Performance Evaluation, the Board's Executive Director ad-hoc performance evaluation committee provided updates, and the full Board provided feedback. He further stated that the Board would adjourn the meeting to an Adjourned Regular Board Meeting on August 26, 2026, at 9:00 a.m., to discuss the Executive Director's Contract in open session.

BOARD MEMBERS' COMMENTS/ REPORTS

None.

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 August 26, 2026.

Lynda Noriega
Chairwoman

Valerie Munoz
Secretary