

**A REGULAR MEETING  
OF THE  
SAN GABRIEL BASIN WATER QUALITY AUTHORITY  
FEBRUARY 6, 2007 at 11:30 A.M.**

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**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.

**ROLL CALL OF BOARD MEMBERS** Bob Kuhn, Greg Nordbak, Jim Byerrum, Mike Whitehead, Margaret Clark, Carol Montano, and Frank Forbes

**BOARD MEMBERS ABSENT** None.

**STAFF MEMBERS PRESENT** Grace Burgess, Executive Director; Randy Schoellerman, Assistant Executive Director/Senior Engineer; Stephanie Moreno, Admin/IS Assistant; Dan Colby, Project Resource Manager; Gabriel Monares, Director of Resource Development; Mary Saenz, Director of Finance

**MEMBERS OF THE PUBLIC PRESENT** Tom Lindros, Knollwood Associates; Dan Horan, Three Valleys Municipal Water District; Joe Ruzicka, Three Valleys Municipal Water District, James Cowan, City of Alhambra; Mariana Lake, Valley County Water District; Mike Touhey, City of West Covina

**ITEMS TOO LATE TO BE AGENDIZED** None.

**WORKSHOP**

*Clean Renewable Water Supply Tax Credit Bonds* Mr. Schoellerman gave a presentation on clean renewable water supply tax credit bonds. He presented that most of the San Gabriel Valley cleanup projects have been built and the focus was shifting toward funding long-term operation and maintenance. He indicated that a \$400M funding gap remains and that state and federal funding may not be enough. He stated that historically WQA has been proactive in its approach to seeking new sources of funding and that bonding capacity could produce more funding than other revenue sources. The New Water Supply Coalition was seeking to enact into law, legislation that provides financing for certain innovative new water projects specifically the enactment of clean renewable water supply tax credit bonds, the proceeds of which would be dedicated to the financing of such water projects. The benefits to the WQA to participate in this effort would be the ability to issue bonds without having to make interest payments. He concluded the presentation by stating that although there are several obstacles to overcome and

more research and potential legislative remedies are needed, the WQA can issue bonds which could provide a much needed revenue source to close the funding gap.

**PUBLIC COMMENT**

Mr. Horan introduced Joe Ruzicka, a director from the Three Valleys Municipal Water District.

**ACTION ITEMS**

*Appointment of Representative and Alternate to the New Water Supply Coalition*

Mr. Kuhn reported that he and Ms. Burgess were listed as board member and alternate for the coalition board meeting that was held on January 26, 2007. He indicated that these were temporary appointments until the WQA Board had an opportunity to discuss appointments.

After general discussion, Ms. Montano moved to appoint Mr. Kuhn as representative and Ms. Burgess as the alternate to the New Water Supply Coalition. Mr. Whitehead seconded the motion and it was unanimously approved.

**EXECUTIVE DIRECTOR'S REPORT**

Ms. Burgess reported that the IRWMP process was up and running again after the holidays and that the plan was approved in December. She reported some concerns regarding the second round of funds coming from Proposition 50. She reported that the Department of Water Resources and the State Regional Water Quality Control Board indicated that only two agencies would receive funds in the second round and that the second round was not open to any other applications. She also thanked staff for putting together the bond workshop for today's meeting.

**BOARD MEMBERS' COMMENTS**

Mr. Forbes reported that the Upper San Gabriel Valley Municipal Water District approved their membership to the San Gabriel Valley Economic Partnership at their board meeting earlier this morning. He urged Ms. Montano to discuss the membership with her district so that all of the local agencies can be involved.

Mr. Whitehead thanked staff for the two briefings that were conducted for Walter Hughes, Assemblyman Hernandez's Chief of Staff, and for Diane Grunick, PUC Commissioner.

Mr. Kuhn reported that Three Valleys MWD was in Sacramento last week and spoke to Walter Hughes who was very impressed with the presentation provided by the WQA staff. He also indicated that Three Valleys along with the WQA was invited to Sacramento on February 22, 2007 to discuss the reliability issues on the East/West water line with the San Gabriel Valley legislators.

Ms. Burgess requested board clarification regarding WQA board

members that are not appointed as WQA representatives attending the New Water Supply Coalition board meetings. She asked if they would be reimbursed for any travel that may be necessary.

Mr. Nordbak moved to add an urgency item to this agenda to discuss the attendance to the next board meeting of the New Water supply Coalition on March 5 & 6, 2007. Ms. Clark seconded the motion and it was unanimously added to the agenda.

***Discussion/Action  
Regarding an ADHOC  
members to attend the  
New Water Supply  
Coalition Board Meeting  
to be held on March 5  
and 6, 2007***

Mr. Nordbak moved to approve the attendance of all board members that would like to attend the New Water Supply Coalition Board Meeting on March 5 and 6, 2007, and that the WQA approved meeting list be brought back to the next Board meeting for discussion and approval of adding this meeting to the approved meeting list. Mr. Kuhn seconded the motion and it was unanimously approved.

**FUTURE  
COMMITTEE  
MEETINGS**

The Administrative/Finance Committee meeting was scheduled for Tuesday, February 13, 2007 at 12:00 P.M.

The Engineering Committee meeting was scheduled for Tuesday, February 13, 2007 at 1:00 P.M.

A Legislative Public Information Committee meeting was not scheduled at this time.

After some discussion, the board decided to cancel the board workshop scheduled for March 6, 2007 and to cancel the Administrative/Finance Committee meeting scheduled for March 13, 2007.

**CLOSED SESSION**

A meeting with legal counsel was held regarding anticipated litigation pursuant to subdivision (c) of government code section 54656.9.


**RECONVENE OPEN  
SESSION**

Mr. Kuhn reported that the board authorized an amicus letter to be filed in response to the request made by the city of Whittier.

**ADJOURNMENT**

The Chairman asked if there were any other items of business to come before the Board. There being none, this regular Board meeting was adjourned to February 20, 2007 at 9:30 A.M.

  
Bob Kuhn, Chairman

  
Margaret Clark, Secretary