

**A REGULAR MEETING
OF THE
SAN GABRIEL BASIN WATER QUALITY AUTHORITY
JUNE 19, 2007 at 9:30 A.M.**

CALL TO ORDER	The Chairman called the regular meeting of the San Gabriel Basin Water Quality Authority to order and asked Ms. Clark to lead in the Pledge of Allegiance.
ROLL CALL OF BOARD MEMBERS	Greg Nordbak, Bob Kuhn, Jim Byerrum, Mike Whitehead, Margaret Clark, Carol Montano, Al Contreras
BOARD MEMBERS ABSENT	None.
STAFF MEMBERS PRESENT	Randy Schoellerman, Assistant Executive Director/Senior Engineer; Michelle Sanchez, Admin/Accounting Assistant; Dan Colby, Project Resource Manager; Gabriel Monares, Director of Resource Development; Mary Saenz, Director of Finance; Art Kidman, General Counsel.
MEMBERS OF THE PUBLIC PRESENT	Dan Horan, Three Valleys Municipal Water District, Frank Forbes, Upper San Gabriel Valley Municipal Water District and Tom Lindros, BPOU CR's.
ITEMS TOO LATE TO BE AGENDIZED	None.
PUBLIC COMMENT	None.
CONSENT CALENDAR	Mr. Kuhn moved to approve the consent calendar. Mr. Contreras seconded the motion and it was approved, with Mr. Byerrum abstaining from project demand No. 2601 and Mr. Whitehead abstaining from project demand No. 2602.
ACTION ITEMS	
<i>Discussion/Action Regarding Request for General Counsel for Rate Increase</i>	Mr. Schoellerman summarized the request by general counsel for a rate increase. He reported that staff was recommending the approval of the request and that general counsel was also amenable to fixing the increase for three years as the Admin/Finance Committee requested. Mr. Contreras asked if the WQA would send out RFP's and receive bids from other firms. He indicated that his question was not meant as a negative reflection of current general counsel's work. Mr. Nordbak responded to Mr. Contreras' question and stated

that due to the issue of specialty, it was not in WQA's best interest to bring another general counsel firm up-to-date on the existing litigation issues. Ms. Clark agreed with Mr. Nordbak's response. Mr. Nordbak moved to approve the fixed rate increase for three years for general counsel. Mr. Whitehead seconded the motion and it was unanimously approved.

*Discussion/Action
Regarding Request for
Special Counsel for Rate
Increase*

Mr. Schoellerman reported that Mr. Bloomgarden submitted a proposal for a three-year rate with the first year being at the original proposed rate with a \$15 per hour escalation in year two and year three of a three-year fixed agreement. Mr. Kidman responded to Mr. Kuhn's request for his opinion on special counsel rates and stated that he works very closely with Mr. Bloomgarden. He further stated that Mr. Bloomgarden and Mr. Cheney have extensive knowledge of other important areas as well as the law that is very valuable to the WQA. Mr. Kuhn indicated that he was also fine with the original rate increase request without the three-year clause. Mr. Nordbak moved to approve the fixed rate increase for three years with the \$15 per hour escalation for special counsel. Mr. Contreras seconded the motion and it was unanimously approved.

*Discussion/Action
Regarding Advertorials*

Mr. Monares reported on the costs for an advertorial in the L.A. Times, as well as the costs for the Sacramento Bee. After detailed discussion, Mr. Nordbak moved to approve authorization for an advertorial in either the L.A. Times or the Sacramento Bee, not to exceed the cost of \$50,000. Mr. Contreras indicated that he wouldn't support the motion. Ms. Montano seconded the motion and it was approved 6 - 1.

*Discussion/Action
Regarding Procedure No.
40*

Mr. Schoellerman reported that the revised Procedure No. 40 modified the way that Cost of Living adjustments are given to staff. Mr. Nordbak gave a brief review on the background of the procedure on behalf of the adhoc committee. Mr. Jim Byerrum moved to approve Procedure No. 40. Mr. Kuhn seconded the motion and it was unanimously approved.

*Discussion/Action
Regarding Board
Meeting Scheduled July
3, 2007*

The Board, after general discussion, stated that the WQA Workshop/Board Meeting on Tuesday, July 3, 2007 would remain as scheduled.

**LEGISLATIVE
REPORT**

Mr. Monares announced that AB1114 was killed. He also reported that Assembly Member Ed Hernandez would re-introduce AB1114 next year. Mr. Monares reported that AB1010 was approved by the Senate with a vote of 18/0. He also stated that he would be attending a hearing regarding AB1010 on July 2nd in Sacramento with the Senate Environmental Quality Committee. He reported that he and Mr. Kuhn would be in Washington, D.C. June 20th and 21st

regarding HR 123. Mr. Monares also reported that the WQA is working on a potential allocation for groundwater cleanup at the state level.

Mr. Schoellerman reported that our State Board Request was in the draft stages and should be submitted within the next two weeks.

ENGINEER'S REPORT

Mr. Schoellerman gave an update on the Bozung project and stated that the application for the NPDES permit was submitted. He stated that the equipment was scheduled for delivery in August. He also stated that the new owner, a clothing manufacturer, had been very cooperative.

Mr. Schoellerman reported that the WQA offered assistance to the City of La Verne regarding the leased carbon vessels that they are no longer using, but they hadn't asked for anything yet. He also noted that WQA was reimbursing the City of La Verne for the Big Dalton carbon removal, which was being paid in the project demands.

ATTORNEY'S COMMENTS

Mr. Kidman reported on the amicus brief outcome of U.S. Superior Court case *Atlantic Research Corp. vs. the United States*. He stated that the U.S. lost this case unanimously, which was good news for WQA's general strategy.

Mr. Kidman reported that based on a recent California Superior Court decision in the *Big Horn Desert Water District vs. Virgil*, Proposition 218 may have an impact on the ability for WQA to raise its assessment. Mr. Kuhn asked Mr. Kidman if the WQA would be unaffected unless we try to increase the assessment over the \$10 per acre foot. Mr. Kidman stated he will research that issue and report back to the Board.

EXECUTIVE DIRECTOR'S REPORT

None.

BOARD MEMBERS' COMMENTS

Ms. Montano commended staff on the public relations campaign in the San Gabriel Valley Tribune.

FUTURE COMMITTEE MEETINGS

The Administrative/Finance Committee meeting was scheduled for Tuesday, July 10, 2007 at 3:00 P.M.

The Engineering Committee meeting was scheduled for Tuesday, July 10, 2007 at 2:00 P.M. The time was changed from 1:00 p.m. to 2:00 p.m.

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

CLOSED SESSION


A closed session was held pursuant to subdivision (a) of section 54956.9. There was no reportable action.

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 July 3, 2007 at 11:30 A.M



J. Greg Nordbak, Chairman



Margaret Clark, Secretary