

**A REGULAR MEETING  
OF THE  
SAN GABRIEL BASIN WATER QUALITY AUTHORITY  
SEPTEMBER 21, 2010 at 9:30 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, Ed Chavez, Carol Montano, Margaret Clark, Mike Whitehead and Jim Byerrum

**BOARD MEMBERS ABSENT**                      Greg Nordbak

**STAFF MEMBERS PRESENT**                      Grace Kast, Executive Director; Randy Schoellerman, Assistant Executive Director/Senior Engineer; Stephanie Moreno, Admin/IS Assistant; Mary Saenz, Director of Finance; Michelle Sanchez, Admin/Accounting Assistant; Dan Colby, Project Resource Manager; Art Kidman, Legal Counsel.

**MEMBERS OF THE PUBLIC PRESENT**                      Tom Lindros, Knollwood Associates; Jonathan Contreras, Valley County Water District; Dan Horan, Three Valleys MWD; Claudine Meeker, City of Alhambra; Dan Arrighi, San Gabriel Valley Water Company; Norm Dupont, BPOU CR Group; Bob Diprimio, San Gabriel Valley Water Company; Sharon Wallin, CDM; Cary Parton, CDM; Mariana Lake, Valley County Water District, Tom Schmidt, Hermetic Seal.

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

**PUBLIC COMMENT**                              None.

**CONSENT CALENDAR**                      Mr. Chavez moved to approve the consent calendar as presented. Ms. Clark seconded the motion and it was unanimously approved. Mr. Whitehead abstained from project demand Nos. 3188 and 3197.

**ACTION ITEMS**

*Legislative Committee Report*      Mr. Kuhn reported that the minutes for the meeting held on September 1, 2010 were enclosed for review.

Ms. Kast briefly reviewed the discussions that took place at the committee meeting. She noted that the committee discussed the status of the New Water Supply Coalition. She indicated that the coalition had scheduled a conference call for sometime after the

November election to discuss future activities. She also noted that Mr. Furman updated the committee on the appropriations process and the Restoration Fund. He indicated that nothing would happen until after the November elections. Ms. Kast also reported that AB 153, a bill to amend the 2012 water bond language, was on the Governor's desk for signature. She commended Assemblymembers Ed Hernandez and Mike Eng as well as Senator Bob Huff for their efforts and leadership to ensure the amendment was passed.

Mr. Byerrum entered the meeting.

***Public  
Information/Education  
Committee Report***

Mr. Kuhn reported that the minutes for the meeting held on September 7, 2010 were enclosed for review.

Ms. Kast reported that the committee reviewed a draft of the advertorial that would be published in the "Think Environment" section of the San Gabriel Valley Tribune. She noted that the ad would be published on September 30, 2010.

***Administrative/Finance  
Committee Report***

Mr. Kuhn reported that the minutes for the meeting held on September 14, 2010 were enclosed for review.

Ms. Montano entered the meeting.

***Discussion/Action Regarding  
Proposition 84 Applications***

Ms. Kast reminded the Board that last month the Board approved the criteria to be used for ranking the projects submitted to WQA for potential Proposition 84 funding applications. She indicated that staff used the criteria to rank the projects and then discussed them at the Administrative/Finance committee meeting. She briefly reviewed the committee's recommendation to move 7 of the projects forward for the Board's consideration. She indicated that even though there was only \$10M to be allocated it was suggested by our state lobbyist that we submit projects totaling more than that amount. She also noted that the Baldwin Park Operable Unit Cooperating Respondents (CRs) provided comments and suggestions at the committee meeting and also expressed some concerns with the rankings. She noted that he also submitted these comments in writing.

Ms. Kast also reviewed a letter that staff received from the California Department of Public Health (CDPH) in response to WQA's request regarding the Proposition 84 first round project priority list. She reported that the letter made it very clear that California Environmental Quality Act (CEQA) requirements must be completed at the time of application. She also reported that although CDPH could not grant the WQA's request to re-allocate the \$10M, CDPH indicated that there would be another \$10M available in the next round.

Mr. Dupont expressed concerns on behalf of the CRs that there might have been some misconception on one of the questions in the ranking process in regards to the movement of the

contamination plume. He also commented that the ranking of the project that transfers water from San Gabriel Valley Water Company (SGVWC) B6 plant to a SGVWC B24 plant in the Puente Valley Operable Unit was scored higher than two others that have Nitrate treatment because it had PRP funding. He asked the board to re-consider those two scoring items and referred back to the comments that Mr. Scott Goulart submitted in writing.

Mr. Byerrum commented that he didn't think there was PRP funding for the two projects that Mr. Dupont referred to in his comments and would like to see those projects prioritized. He also expressed concern that a lot of hard work may go to waste on these projects because of a difference of opinion.

Mr. Whitehead commented that it was obvious to him that the CRs are not in agreement with Valley County Water District (VCWD) and the SGVWC on whether the CRs are obligated to bear all of the costs of Nitrate removal at those plants. He also noted that he didn't think this issue of disagreement would be resolved anytime soon.

Mr. Arrighi commented that the SGVWC B6 to SGVWC B24 pipeline project was not required to be funded by PRPs and that the PRPs are just contributing towards it. He asked that the Board consider this project for the application.

Mr. Contreras requested that the VCWD Nitrate project be moved up on the priority list.

Ms. Kast thanked everyone for their comments and assured the Board that staff would do everything possible to maximize the funding. She also noted that the ultimate decision lies upon the CDPH.

After detailed discussion, Mr. Chavez moved to approve all of the projects as group. Ms. Montano seconded the motion and it was approved by the following vote:

AYES: KUHN, CHAVEZ, MONTANO, CLARK

NO: NONE

ABSTAIN: BYERRUM, WHITEHEAD

*Discussion/Action Regarding  
Draft 404 Report*

Ms. Kast reviewed the draft 404 report and highlighted two of the changes to the report. She noted that on page 14 the report was updated to show that the funding gap had increased from \$650M to \$700M. She also noted that on page 19 the report was updated to reflect the current activities with the Prop. 84 funding applications.

After general discussion, Mr. Whitehead moved to adopt the draft 404 report that was presented. Ms. Montano seconded the motion and it was unanimously approved.

***Discussion/Action Regarding  
EMOU Eastern Shallow and  
Southern Deep Remedy Co-  
Lead Agency Agreements***

Ms. Kast indicated that at a prior meeting the Board approved acting as co-lead agency with the City of El Monte for the El Monte Operable Unit (EMOU) Eastern Shallow and Southern Deep Groundwater Remedy. She recommended that the two agreements presented be approved by the Board to move the CEQA review process forward.

*Approve Payment of Fees and  
Indemnification for  
Environmental Compliance  
for East Side El Monte  
Operable Unit Eastern  
Shallow and Southern Deep  
Groundwater Remedy*

After general discussion, Ms. Montano moved to approve the Payment of Fees and Indemnification for Environmental Compliance for the East Side El Monte Operable Unit Eastern Shallow and Southern Deep Groundwater Remedy and the Co-Lead Agency Agreement with the City of El Monte for the EMOU Eastern Shallow and Southern Deep Groundwater Remedy. Mr. Chavez seconded the motion and it was unanimously approved.

*And*

*Approve Co-Lead Agency  
Agreement with the City of El  
Monte for the EMOU Eastern  
Shallow and Southern Deep  
Groundwater Remedy*

***Discussion/Action Regarding  
EMOU Westside Mitigated  
Negative Declaration***

Mr. Schoellerman reported that the WQA was the lead agency for this project. He indicated that the mitigated negative declaration was thoroughly reviewed and submitted for public comment. He indicated that staff received four comments and he described the response to each one. He recommended that Board approve the two resolutions as presented.

Mr. Kuhn asked if anyone from the public wanted to make comments.

Mr. Schmidt thanked staff and the Board for their help on this project.

*Adopt Resolution No. 10-006,  
A Resolution of the San  
Gabriel Basin Water Quality  
Authority Adopting a  
Mitigated Negative  
Declaration and Mitigation  
Monitoring and Reporting  
Plan for the El Monte  
Operable Unit West Side  
Shallow Zone Remedy*

After general discussion, Mr. Whitehead moved to adopt resolutions No. 10-006 and 10-007. Mr. Whitehead seconded the motion and they were adopted by the following roll call vote:

AYES: KUHN, CHAVEZ, MONTANO, CLARK,  
WHITEHEAD, BYERRUM

NO: NONE

ABSENT: NORDBAK

*And*

*Adopt Resolution No. 10-007,  
A Resolution of the San  
Gabriel Basin Water Quality*

*Authority Approving the El Monte Operable Unit West Side Shallow Zone Remedy*

***Discussion/Action Regarding Amendment #1 to Temporary Treatment System License Agreement by and Between the Town Investment, LLC. And the San Gabriel Basin Water Quality Authority***

Mr. Byerrum moved to approve Amendment #1 to Temporary Treatment System License Agreement by and Between the Town Investment, LLC. and the San Gabriel Basin Water Quality Authority. Mr. Chavez seconded the motion and it was unanimously approved.

**ENGINEER'S REPORT**

None.

**ATTORNEY'S COMMENTS**

None.

**EXECUTIVE DIRECTOR'S REPORT**

Ms. Kast reported that she was working on the WQA's reorganizational plan with the consultants and would have it ready to present to the Board in October.

**FUTURE AGENDA ITEMS**

None.

**FUTURE BOARD AND COMMITTEE MEETINGS**

The next Public Information/Education Committee was scheduled for Tuesday, October 5, 2010 at 11:30 A.M.

The next Legislative/Public Information Committee meeting was scheduled for Wednesday, October 6, 2010 at 1:00 P.M.

The next Administrative/Finance Committee meeting was scheduled for Tuesday, October 12, 2010 at 12:00 P.M.

The next Engineering Committee meeting was scheduled for Tuesday, October 12, 2010 at 1:00 P.M.

The next WQA Board meeting was scheduled for Tuesday October 19, 2010 at 9:30 A.M.

**BOARD MEMBERS' COMMENTS/ REPORTS**

Ms. Clark requested that the Board meet briefly in closed session to be updated on any recent activities.

Mr. Whitehead commented that he felt there was not a need to meet in closed session today and to wait and discuss things at the meeting scheduled for the following week.

Mr. Chavez concurred with Ms. Clark's request to meet in closed session for an update since he was not able to attend the last meeting.

**CLOSED SESSION**

A closed session was held.

- (a) Conference with Legal Counsel –  
Existing Litigation

Existing Litigation Pursuant to Subdivision (a) of  
Section 54956.9

- CV 02-4565 ABC (RCX) – [South El Monte]

- (b) Conference with Legal Counsel –  
Anticipated Litigation

Significant Exposure to Litigation Pursuant to  
Subdivision (b) of Section 54956.9: One (1)  
Potential Case

**RECONVENE OPEN  
SESSION**

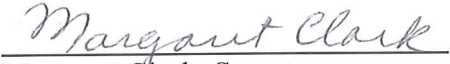
Mr. Kuhn reported that there was no reportable action.

**ADJOURNMENT**

The Chairman asked if there were any other items of business to  
come before the Board. There being none, the Board meeting  
was adjourned to September 27, 2010 at 8:00 A.M.



Bob Kuhn, Chairman



Margaret Clark, Secretary