

**SAN GABRIEL BASIN WATER QUALITY AUTHORITY
ADMINISTRATIVE/FINANCE COMMITTEE AND
SPECIAL MEETING OF THE BOARD OF DIRECTORS
JANUARY 8, 2019 AT 10:00 A.M.**

CALL TO ORDER	Mr. Kuhn 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.
COMMITTEE MEMBERS PRESENT	Bob Kuhn, Mark Paulson and Jorge Marquez
WATERMASTER LIASON	Dave Michalko
COMMITTEE MEMBERS ABSENT	Mike Whitehead
OTHER BOARD MEMBERS PRESENT	None
STAFF MEMBERS PRESENT	Ken Manning, Executive Director; Stephanie Moreno, Executive Assistant/Public Outreach Coordinator; Mary Saenz, Director of Finance; Michelle Sanchez, Accounting Assistant; Randy Schoellerman, Assistant Executive/Senior Engineer
MEMBERS OF THE PUBLIC PRESENT	Brian Bowcock - Three Valleys MWD.
PUBLIC COMMENT	None.
<i>Discussion Regarding Authorization to Contract Services with Bank of the West</i>	<p>Ms. Saenz reported that since the WQA Board elects officers annually, Bank of the West requires that the WQA Board adopt a resolution annually to contract for service and establish accounts.</p> <p>After brief discussion, the committee recommended that Resolution 19-001 go to the full Board for adoption.</p>
<i>Report on Cash and Investments for 4th Quarter 2018</i>	Mr. Manning reported that the cash report for 4 th Quarter was enclosed for review.
<i>Discussion Regarding Budget/Assessment Schedule for Fiscal Year 2019/2020</i>	Mr. Manning reported that as discussed during last year's budget process and throughout the current fiscal year, the WQA may propose increasing the budgeted assessment from \$10 per acre foot to \$13 per acre foot. This will increase assessment collections by \$592,830 (from \$1,976,100 to \$2,568,930). He indicated that this may be necessary to ensure that we have the matching funds available when needed. He noted that since this may generate a lot of discussion, WQA

Mr. Kuhn suggested that it might be a good idea to highlight Congresswoman Napolitano and her continued support with the groundwater issues in the valley.

Discussion Regarding Proposed Amendments to the WQA Act

Mr. Padilla summarized the comments and changes that were discussed at the Ad-hoc committee. He noted that along with the changes to the election procedures he added some language that would combine the 406 Plan and the 404 Report together into one document that would be updated annually.

Ms. Munoz commented that it would be beneficial to change the terms so they fall a year later than the city council elections to avoid having to a second election if the city representative should not win the city council seat.

Mr. Manning noted that the term dates would be changed so that each of the existing terms for the city representatives would have an extra year added on for this current term only to avoid the conflict with the city council election cycles.

Mr. Manning indicated that once the language was finalized it would be sent up to WQA's state lobbyist for action. He noted that Mr. Gualco didn't anticipate any problems getting this language through the process.

Mr. Schoellerman noted that Section 711 needed to be rescinded, since it is the section that refers to the 404 Report.

After detailed discussion, the committee recommended that the Board cancel the regular meeting on January 16th and conduct all business at the Special Meeting that was scheduled for 9am on January 22, 2019. The committee also recommended that the proposed amendments go to the full Board for approval.

Discussion Regarding Contract with Blue Water Strategies, LLC

Mr. Manning reported that it had come to his attention that some of the key staff at the Blue Water Strategies, LLC had left the firm. He expressed his concern with proposing a new contract for representation and suggested that the committee consider approving a six month contract at a reduced rate of \$10,000 and re-evaluate the contract at the end of the six months.

staff is presenting the proposed Budget and Assessment Schedule for the FY 19/20 a few months earlier than in the prior years so that all participants have an opportunity to participate in the budget process. The first version of the draft budget for FY 19/20 is planned to be submitted to the Administrative/Finance Committee on March 12, 2019 and proposing to adopt the Budget at the May WQA Board meeting.

Mr. Kuhn asked what the status was on the Blue Water Strategies contract.

Mr. Manning reported that some of the key staff members have left the Blue Water Strategies Group which raises some concerns regarding representation. He noted that he would be discussing this in further detail at the Legislative/Public Information Committee.

Update Regarding Ongoing 25-Day Comment Period for Draft 2019 §406 Plan

Mr. Schoellerman reported that a 25-day public comment period was opened up on December 19, 2018. He noted that no comments have been received thus far and that the public comment period is scheduled to close on January 14, 2019 at 5pm.

EXECUTIVE DIRECTOR'S REPORT

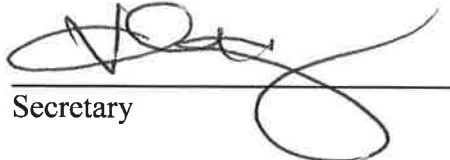
Mr. Manning reported that the new California Governor was sworn in and that he was still waiting to see what his plans are for the ongoing water issues within the State. He reported that he would be giving a presentation on the history of the San Gabriel Basin at the Upper District Board meeting on January 17, 2019 at 10 a.m. He lastly noted that the WQA has scheduled a special Board meeting to hold a public hearing on the proposed amendments to the WQA Act for January 22, 2019 at 9 a.m.

Ms. Saenz reported that the auditors were in the process of conducting the annual audit and were in the WQA office this week.

ADJOURNMENT

Mr. Kuhn asked if there were any other items of business to come before the Board. There being none, the Board meeting was adjourned.


Chairman


Secretary