

**MINUTES OF THE GATEWAY WATER MANAGEMENT AUTHORITY
LOS ANGELES GATEWAY REGION
INTEGRATED REGIONAL WATER MANAGEMENT JOINT POWERS AUTHORITY BOARD
AT PARAMOUNT, CALIFORNIA
THURSDAY, JULY 9, 2015**

A regular meeting of the Board of Directors of the Gateway Water Management Authority was held on Thursday, July 9, 2015 11:30 a.m. at the Progress Park Plaza, 15500 Downey Avenue, Paramount, CA 90723.

Chair Chris Cash called the meeting to order at 11:42 a.m. Roll was called by Ms. Penn and a quorum of the Board was declared.

BOARD MEMBERS PRESENT:

Okina Dor	Artesia
Jordan Monroe	Avalon
Al Cablay (alternate)	Bell
Young Park (proxy)	Bell Gardens
Len Gorecki	Bellflower
Tammy Hierlihy	Central Basin MWD
Mike O'Grady (alternate)	Cerritos
Aaron Hernandez-Torres	Cudahy
Mohammad Mostahkami	Downey
Christina Dixon (alternate)	Huntington Park
Mark Stowell	La Mirada
Lisa Rapp	Lakewood
Derek Wieske (alternate)	Long Beach
Kevin Wattier	Long Beach MWD
William Stracker	Lynwood
Danilo Batson	Montebello
Adriana Figueroa	Norwalk
Chris Cash	Paramount
Gladis Deras (alternate)	Pico Rivera
Noe Negrete (alternate)	Santa Fe Springs
Charlie Honeycutt	Signal Hill
Chris Castillo (proxy)	South Gate
Bill DeWitt	South Gate
Claudia Arellano (proxy)	Vernon
Esther Rojas (Alternate)	Water Replenishment District

STAFF AND GUESTS ON SIGN-IN SHEET:

Grace Kast	Executive Officer
Toni Penn	Administrative/Accounting Assistant
Shad Rezai	Southern California Edison
Bill Minasain	Downey Resident
Anthony Arevelo	Long Beach
John Oropeza	Bell Gardens

ITEM 3 - ADDITIONS TO THE AGENDA

None.

ITEM 4 – ORAL COMMUNICATIONS TO THE BOARD

None.

ITEM 5 – CONSENT CALENDAR

Director Mostahkami moved to approve the consent calendar. The motion was seconded by Director Figueroa and was approved by the following voice votes:

AYES: DOR, PARK, GORECKI, HIERLIHY, O’GRADY, HERNANDEZ-TORRES, MOSTAHKAMI, DIXON, STOWELL, RAPP, WIESKE, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, NEGRETE, HONEYCUTT, CASTILLO, ARELLANO

NOES: NONE

ABSTAIN: MONROE

ITEM 6 – APPROVE NEW JPA MEMBERSHIP

Ms. Kast reported that the Water Replenishment District of Southern California (WRD) had expressed its desire to join GWMA by approving the JPA Agreement on June 18th. She stated that WRD would participate as a full-paying member, which would result in additional appropriations paid to GWMA annually.

Director Figueroa moved to approve WRD membership to the GWMA. The motion was seconded by Director Mostahkami and was approved by the following voice votes:

AYES: DOR, MONROE, PARK, GORECKI, HIERLIHY, O’GRADY, HERNANDEZ-TORRES, MOSTAHKAMI, DIXON, STOWELL, RAPP, WIESKE, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, NEGRETE, HONEYCUTT, CASTILLO, ARELLANO

NOES: NONE

ABSTAIN: NONE

Director Cablay entered at 11:45 a.m.

ITEM 7 – FY 2015/16 BUDGET

Ms. Kast provided a detailed overview of the proposed budget for FY 2015/16. She stated that the proposed budget included available funds of \$750,500 and expenditures of up to \$509,670. She indicated that the projected FY 2015/16 ending fund balance was estimated at \$240,830.

After detailed discussions, Director Mostahkami moved to adopt the 2015/16 Budget as presented. The motion was seconded by Director Negrete and was approved by the following voice votes:

AYES: DOR, MONROE, PARK, GORECKI, HIERLIHY, O’GRADY, HERNANDEZ-TORRES, MOSTAHKAMI, DIXON, STOWELL, RAPP, WIESKE, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, NEGRETE, HONEYCUTT, CASTILLO, ARELLANO

NOES: NONE

ABSTAIN: CABLAY

Director Rapp moved to adopt member and non-member administrative fees for MOUs at 3% and 5% respectively. The motion was seconded by Director Figueroa and was approved by the following voice votes:

AYES: DOR, CABLAY, MONROE, PARK, GORECKI, HIERLIHY, O’GRADY, HERNANDEZ-TORRES, MOSTAHKAMI, DIXON, STOWELL, RAPP, WIESKE, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, NEGRETE, HONEYCUTT, CASTILLO, ARELLANO

NOES: NONE

ABSTAIN: NONE

Director Wattier moved to approve the annual membership appropriation of \$15,000, except for Board approved reduced dues. The motion was seconded by Director Honeycutt and approved by the following voice votes:

AYES: DOR, CABLAY, MONROE, PARK, GORECKI, HIERLIHY, O’GRADY, HERNANDEZ-TORRES, MOSTAHKAMI, DIXON, STOWELL, RAPP, WIESKE, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, NEGRETE, HONEYCUTT, CASTILLO, ARELLANO

NOES: NONE

ABSTAIN: NONE

ITEM 8 – APPROVAL OF JPA MEMBERSHIP REDUCED DUES APPLICATIONS FOR FY 2015/16

Ms. Kast reported that currently, GWMA had 5 memberships with reduced dues. She indicated that at the last board meeting, the Board approved annual reduced dues applications for Artesia, Bell, Cudahy, and Maywood and recommended that the Board approve Hawaiian Gardens' annual reduced dues application.

After general discussion the Chair recommended reviewing and possibly changing the policy for reduced membership dues in the future and that it be brought before the Board prior to next year's budget approval.

Director Negrete moved to approve Hawaiian Gardens' annual reduced dues application. The motion was seconded by Director Figueroa and was approved by the following voice votes:

AYES: DOR, CABLAY, MONROE, PARK, GORECKI, HIERLIHY, O'GRADY, HERNANDEZ-TORRES, MOSTAHKAMI, DIXON, STOWELL, RAPP, WIESKE, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, NEGRETE, HONEYCUTT, CASTILLO, ARELLANO

NOES: NONE

ABSTAIN: NONE

ITEM 9 – DISCUSSION/ACTION REGARDING AB1217 – GOVERNANCE STRUCTURE OF JPAs

Ms. Kast reported on AB 1217 that was introduced by Assembly Member Daly. She stated that AB 1217 would alter the form and make-up of the Orange County Fire Authority (OCFA), a JPA and would impair the terms of the existing JPA. She indicated that, although this bill is specifically for the OCFA, it could set a precedent.

After general discussions, the board directed staff to contact the Council of Governments to see if they have or would be addressing this legislation.

Director Rapp moved to direct staff to send a letter opposing AB1217 if the Council of Government was also opposing of this legislation. The motion was seconded by Director Figueroa and was approved by the following voice votes:

AYES: MONROE, PARK, GORECKI, HIERLIHY, O'GRADY, MOSTAHKAMI, STOWELL, RAPP, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, NEGRETE, DEWITT, ARELLANO

NOES: NONE

ABSTAIN: HONEYCUTT, CABLAY, DOR, WIESKE, DIXON, HERNANDEZ-TORRES

Director DeWitt entered and replaced Director Castillo as voting member for the remainder of the Board meeting.

ITEM 10 – APPROVE MOU WITH LA COUNTY FLOOD CONTROL DISTRICT TO PAY FOR IRWM GRANT APPLICATION COSTS

Ms. Kast reported that in May, the Leadership Committee voted to support all of the sub-region’s selected projects including the four (4) GWMA’s projects included in the Lower SG and Lower LA subregion. She stated that to ensure all projects were solidly competitive; a final detailed analysis was being performed by the consultant retained by the Leadership Committee for each project from very sub-region.

Ms. Kast reported that the total cost of the Leadership Committee’s consultant services was estimated to be \$323,315. She stated, that based on the cost allocation formula contained in Exhibit A of the MOU that was included in the agenda packet, the total cost per project, when divided equally among the 20 projects in the application was estimated at \$16,165.75. In closing, Ms. Kast recommended that the Board approve the MOU with the LA County Flood Control District to pay for the Integrated Regional Water Management “IRWM” grant application costs as presented.

Director Rapp moved to approve the MOU with the LA County Flood Control District to pay for the Integrated Regional Water Management “IRWM” grant application costs (4 GWMA projects) and authorized the Chair to sign and execute the agreement. The motion was seconded by Director DeWitt and was approved by the following voice votes:

AYES: DOR, CABLAY, MONROE, PARK, GORECKI, HIERLIHY, O’GRADY, HERNANDEZ-TORRES, MOSTAHKAMI, DIXON, STOWELL, RAPP, WIESKE, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, NEGRETE, HONEYCUTT, DEWITT, ARELLANO

NOES: NONE

ABSTAIN: NONE

ITEM 11 – PROFESSIONAL SERVICES AGREEMENT “PSA” WITH PLATINUM CONSULTING GROUP (“CONSULTANT”) FOR ACCOUNTING TRANSITION SERVICES AND ONGOING FINANCIAL SERVICES

Ms. Kast reported that in March, GWMA released a Request for Qualifications (RFQ) to establish a contract with a qualified individual or firm to provide GWMA with assistance with accounting services. She stated that in May, GWMA appointed an Ad Hoc Committee to review the SOQs received and recommend the selection of an accounting transition firm from those received.

Ms. Kast reported that, after reviewing the SOQ's received, the Ad Hoc Committee recommended that the Board retain Platinum Group Consulting to assist GWMA in transitioning accounting services from the City of Signal Hill to GWMA and also provide GWMA with ongoing accounting consulting services on an as-needed basis and recommend that the Board approve the PSA with Platinum Consulting Group as presented and authorize the Chair to execute this Agreement.

After general discussion, the Board directed staff to revise the PSA under Section 5 to reflect the total compensation shall not exceed \$39,000.

Director Rapp moved to approve the PSA with Platinum Consulting Group as amended and authorized the Chair to execute this Agreement. The motion was seconded by Director Negrete and was approved by the following voice votes:

AYES: DOR, CABLAY, MONROE, PARK, GORECKI, HIERLIHY, O'GRADY, HERNANDEZ-TORRES, MOSTAHKAMI, DIXON, STOWELL, RAPP, WIESKE, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, NEGRETE, HONEYCUTT, DEWITT, ARELLANO

NOES: NONE

ABSTAIN: NONE

Ms. Kast and Ms. Penn exited the meeting during the discussions regarding the agreement with GK Consulting.

ITEM 12 – DISCUSSION/ACTION REGARDING AGREEMENT WITH GK CONSULTING FOR MANAGEMENT AND ADMINISTRATIVE CONSULTING SERVICES

Chair Chris Cash reported that based on the extensive staff needs that GWMA now had, Grace Kast was asked to explore the option of transitioning her services and that of Toni Penn to a consulting contract that would be handled through Ms. Kast's consulting firm, GK Consulting. He stated that the Agency Counsel had also advised that GWMA assumed some potential tax liability from contracting with individuals, which would greatly reduce utilizing a consultant firm for services. He also stated that transitioning from a direct contract service to a consultant contract gave GWMA more staffing flexibility and reduced any potential tax liability from directly employing contract employees.

Chair Chris Cash reported that under the terms of the proposed contract, GK Consulting would provide all management and administrative services that are currently handled through contracts with Grace Kast and Toni Penn. He stated that GK would also assume additional duties relating to the transition of some of the financial duties from our Lead Agency Signal Hill to GWMA. The annual not to exceed amount of the contract is \$260,000, unless the Board approves additional services. In closing, he indicated that currently, GWMA paid \$245,000/year for the existing contract services that would be absorbed by GK Consulting.

Director Rapp moved to approve the contract with GK Consulting for management and administrative services and authorized the Chair to execute the agreement. The motion was seconded by Director Wieske and was approved by the following voice votes:

AYES: DOR, MONROE, PARK, GORECKI, HIERLIHY, O'GRADY, HERNANDEZ-TORRES, STOWELL, RAPP, WIESKE, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, HONEYCUTT, DEWITT, ARELLANO

NOES: MOSTAHKAMI, CABLAY, DIXON, NEGRETE

ABSTAIN: NONE

Ms. Kast and Ms. Penn re-entered the meeting.

ITEM 13 – GATEWAY REGIONAL WATERSHED MANAGEMENT PLANS (WMPS) AND MOU AND/OR AMENDMENTS

Lower Los Angeles River Upper Reach 2 Watershed Group

None.

Lower Los Angeles River Watershed Group

None.

Los Cerritos Channel Watershed Group

None.

Lower San Gabriel River Watershed Group

None.


ITEM 12 – EXECUTIVE OFFICER'S REPORT

None.

ITEM 13 – DIRECTORS' COMMENTS/REPORT

None.

The meeting was adjourned at 12:53 p.m.



Charlie Honeycutt, Secretary/Treasurer

8/13/15

Date