

AGENDA ITEM NO. 6A

**MINUTES OF THE GATEWAY WATER MANAGEMENT AUTHORITY
LOS ANGELES GATEWAY REGION
INTEGRATED REGIONAL WATER MANAGEMENT JOINT POWERS AUTHORITY
BOARD
AT PARAMOUNT, CALIFORNIA
THURSDAY, JANUARY 11, 2018**

A regular meeting of the Board of Directors of the Gateway Water Management Authority was held on Thursday, January 11, 2018 at 12:00 p.m. at the Progress Park Plaza, 15500 Downey Avenue, Paramount, CA 90723.

Chair Chris Cash called the meeting to order at 12:04 p.m. Roll was called by Ms. Weiss and a quorum of the Board was declared.

BOARD MEMBERS PRESENT:

Okina Dor	Artesia
Bill Pagett	Bell
Chau Vu	Bell Gardens
Len Gorecki	Bellflower
Mohammad Mostahkami	Downey
Christina Dixon (alternate)	Huntington Park
Mark Stowell	La Mirada
Lisa Rapp	Lakewood
Melissa You	Long Beach
Christopher Garner	Long Beach Water Dept.
Danilo Batson	Montebello
Julian Lee (alternate)	Norwalk
Christopher Cash	Paramount
Frank Beach	Santa Fe Springs
Hannah Shin-Heydorn (alternate)	Signal Hill
Gladis Deras (alternate)	South Gate
Claudia Arellano (alternate)	Vernon
Dave Schickling	Whittier
Esther Rojas (alternate)	Water Replenishment District

STAFF AND GUESTS ON SIGN-IN SHEET:

Grace Kast	Executive Officer
Toni Penn	Admin/Accounting Manager
Bibi Weiss	Office Assistant
Bill Minasian	Downey Resident
Desi Alvarez	MCM Management Co.
Dawn McIntosh	City of Long Beach
James Vernon	Port of Long Beach
Charlie Honeycutt	City of Signal Hill
Gerry Greene	CWE

Greg Jaquez
Phuong Nguyen
Nina Turner

MNS Engineers
City of Whittier
Port of Long Beach

ITEM 3 - ADDITIONS TO THE AGENDA

None.

ITEM 4 – ORAL COMMUNICATIONS TO THE BOARD

None.

**ITEM 5 – PRESENTATION: GATEWAY CITIES COUNCIL OF GOVERNMENT
CLIMATE ACTION PLANNING FRAMEWORK**

The presentation was deferred to a future GWMA meeting.

ITEM 6 – CONSENT CALENDAR

Director Pagett motioned to approve the consent calendar as presented. The motion was seconded by Director Batson and was approved by the following voice vote:

**AYES: DOR, PAGETT, GORECKI, MOSTAHKAMI, DIXON, STOWELL,
RAPP, YOU, GARNER, BATSON, LEE, ARELLANO,
SCHICKLING, ROJAS**

NOES: NONE

ABSTAIN: CASH, BEACH, SHIN-HEYDORN, DERAS

Director Vu entered the meeting at 12:08 p.m.

**ITEM 7 – POTENTIAL PRIVATE NPDES PERMIT HOLDERS' FINANCIAL COST
SHARING PARTICIPATION IN HARBOR TOXICS TMDL MONITORING
ACTIVITIES**

Ms. Kast reported that in August 2016, the Lower Harbor Toxic Group Chair notified GWMA that they had voted to approve another individual NPDES permit holder to share and utilize the Harbor Toxic Pollutants TMDL monitoring data, which was collected and funded pursuant to an MOU between the Lower Harbor Toxics Group Members and GWMA. She indicated that in November 2016, the Board decided not to move forward with creating a similar data sharing program with other watershed groups that were not subject to an MOU term like the

one in the Lower Harbor Toxics Group's MOU. Ms. Kast indicated that it was unclear whether the intent of the Board also applied to the already existing program with the Lower Harbor Toxics Group. She stated that staff was now requesting clarification on whether to fulfill this request from the Lower Harbor Toxics Group to continue the monitoring cost sharing program under the existing MOU with the Lower Harbor Toxic Group or seek a mutually agreeable revised MOU amendment.

Mr. Nick Ghirelli outlined the terms of the existing MOU between GWMA and the Lower Harbor Toxics Group and the various options being recommended to the Board.

Ms. Kast introduced Mr. James Vernon, Chair of the Lower Harbor Toxics Group. Mr. Vernon went over the data compliance cost issues they were facing. He stated if individual participants were to conduct monitoring on their own, it would be very expensive and also poses the risk of conflicting monitoring data. Mr. Vernon asked the Board to consider continuing accepting requests from the Lower Harbor Toxics Group and entering into agreements with private companies.

After general discussion, Director Rapp motioned to authorize staff to continue to accept requests from the Lower Harbor Toxics Group to enter into an agreement and collect payment from NPDES permit holders and directed staff to bring the item of allowing other watershed groups to implement a similar monitoring data sharing program to the Board in February for further discussion. This motion was seconded by Director You and was approved by the following voice vote:

AYES: DOR, PAGETT, VU, GORECKI, MOSTAHKAMI, DIXON, STOWELL, RAPP, YOU, GARNER, BATSON, LEE, CASH, BEACH, SHIN-HEYDORN, DERAS, ARELLANO, SCHICKLING, ROJAS

NOES: NONE

ABSTAIN: NONE

ITEM 8 – PROPOSAL TO PROVIDE CIMP IMPLEMENTATION AND WMP/WATERSHED MANAGEMENT ASSISTANCE ON-CALL PROFESSIONAL SERVICES TO THE LOWER LOS ANGELES RIVER “LLAR”

Ms. Kast reported that on October 10, 2013, GWMA had retained John L. Hunter & Associates on behalf of the LLAR Watershed Group through a standard PSA. Thereafter, a first amendment was approved by the Board on May 14, 2015 with an expiration date of December 31, 2017.

Ms. Kast stated that in the past few months, the LLAR Watershed Group had been working with John L. Hunter & Associates to develop a proposal to continue work. The proposal outlines 4 tasks to be performed during the period of July 1, 2017 through June 30, 2018, in an amount not to exceed \$590,925. This was collected and authorized by the Chair of the LLAR under the existing PSA. After general discussion by the Board, it was recommended to keep the Watershed Group contracts separate from the On-Call Consultant contracts.

Director Mostahkami moved that GWMA's legal counsel prepare a retroactive amendment to John L. Hunter & Associates' existing contract for the LLAR Watershed Group. The motion was seconded by Director Rapp and was approved by the following voice vote:

AYES: DOR, PAGETT, VU, GORECKI, MOSTAHKAMI, DIXON, STOWELL, RAPP, YOU, GARNER, BATSON, LEE, CASH, BEACH, SHIN-HEYDORN, DERAS, ARELLANO, SCHICKLING, ROJAS

NOES: NONE

ABSTAIN: NONE

ITEM 9 –PROPOSAL TO PROVIDE CIMP IMPLEMENTATION AND WMP/WATERSHED MANAGEMENT ASSISTANCE ON-CALL PROFESSIONAL SERVICES TO THE LOWER SAN GABRIEL RIVER “LSGR”

Ms. Kast reported that on October 10, 2013, GWMA had retained John L. Hunter & Associates on behalf of the LSGR Watershed Group through a standard PSA. Thereafter, a first amendment was approved by the Board on May 14, 2015 with an expiration date of December 31, 2017.

Ms. Kast reported that during the past few months, the LSGR Watershed Group had been working with John L. Hunter & Associates to develop a proposal to continue work. The proposal outlines 4 tasks to be performed during the period of July 1, 2017 through June 30, 2018, in an amount not to exceed \$785,003. Ms. Kast stated that this was collected and authorized by the Chair of the LSGR under the existing PSA. After general discussion by Board members, it was recommended to keep the Watershed Group contracts separate from the On-Call Consultant contracts.

Director Mostahkami moved that GWMA's legal counsel prepare a retroactive amendment to John L. Hunter & Associates existing contract for the LSGR Watershed Group. The motion was seconded by Director Rapp and was approved by the following voice vote:

AYES: DOR, PAGETT, VU, GORECKI, MOSTAHKAMI, DIXON, STOWELL, RAPP, YOU, GARNER, BATSON, LEE, CASH, BEACH, SHIN-HEYDORN, DERAS, ARELLANO,

SCHICKLING, ROJAS

NOES: NONE

ABSTAIN: NONE

Director Deras left the meeting at 1:00 p.m.

ITEM 10 – DISCUSSION/ACTION REGARDING AMENDING THE BYLAWS TO PROHIBIT CONSULTANTS FROM SERVING ON THE BOARD

Ms. Kast reported that in the fall of 2015, the GWMA Board of Directors discussed the composition of the Board, in particular, whether consultants should be permitted to serve on the GWMA Board.

Mr. Steve Dorsey, GWMA's Legal Counsel gave a report on the conflict of interest concerns of having Consultants serve on GWMA's Board. He stated that the most significant conflict of interest issue was that any contract GWMA approves that results in additional compensation to an independent contractor Board member, or his or her firm, might be void under Government Code Section 1090, even if the Board member were to abstain from the decision on the contract. Mr. Dorsey further explained that participation in any decision that would result in such additional compensation would result in a violation of the Political Reform Act by the Board member and, if a contract is involved, Government Code Section 1090.

Mr. Dorsey expressed concern of the possibility of inadvertently violating a conflict of interest statute. Therefore, he was recommending that the Board reverse the decision to allow the appointment of independent contractors to the GWMA Board and amending GWMA's Bylaws, which were last amended in 2015.

After general discussion, it was recommended that GWMA amend the Bylaws to require each Board member to be an officer or employee of the member agency, and strongly urged that a consultant be removed by the appointing agency as soon as possible. Current Board Members not meeting this criterion would continue to serve until they resign, they were removed by the appointing authority as provided in Section 6(b) of the Joint Powers Agreement or their current term expires and their replacement is appointed.

Director Rapp motioned to approve the amended Bylaws to require each Board Member be an officer or employee of a member agency and to direct the Executive Officer to request and strongly urge the appointing agency of any current consultant board members to change their appointments to an officer or employee. The motion was seconded by Director Gorecki and was approved by the following voice vote:

AYES: DOR, GORECKI, MOSTAHKAMI, STOWELL, RAPP, YOU, GARNER, LEE, CASH, BEACH, SHIN-HEYDORN, ARELLANO, SCHICKLING, ROJAS

NOES: BATSON

ABSTAIN: DIXON, PAGETT, VU

ITEM 11 – DISCUSSION/ACTION REGARDING PROP 1 – JOHN ANSON FORD PARK INFILTRATION CISTERN – JOHN ANSON FORD PARK INFILTRATION CISTERN – PHASE 1 GRANT AND ASSOCIATED DOCUMENTS

Ms. Kast reported that on behalf of the Los Angeles Upper Reach 2 (LLAR UR2) Watershed Group, GWMA applied for a grant under Prop 1 – The John Anson Ford Park Infiltration Cistern – Phase 1 Project. She stated that in December 2016, GWMA was notified by the State Water Resources Control Board (SWRCB) that GWMA had been awarded \$9,904,842, under Prop 1. Ms. Kast explained that in order to move forward with the grant and project, several actions are now required by the GWMA Board.

Ms. Kast stated that the participants in this grant are the cities of Bell, Bell Gardens, Commerce, Cudahy, Huntington Park, Maywood and Vernon. She stated that because the project is located on Bell Gardens property, the city of Bell Gardens will be the lead agency for this grant. She also reported that the LAR UR2 Watershed Group requested that GWMA serve as the administrator and point of contact for the grant and handle communication and documents requested from the SWRCB. To that end, last year, GWMA adopted two Resolutions provided by the State. The first Resolution was to designate a representative to sign the Agreement and the second Resolution was to authorize GWMA's Executive Officer to serve as the Project Director for this grant. Ms. Kast stated that both Resolutions were approved by the GWMA Board on January 12, 2017, shortly after the grant was announced. However, recently the SWRCB requested that a revised Resolution be adopted to incorporate the language in both previous versions.

Ms. Kast informed the Board that over the past year, GWMA staff and legal counsel have been working with all parties and their legal counsels, to identify roles and responsibilities, draft sub-recipient agreements, negotiate the grant agreement with the State and simultaneously coordinate various activities. She stated that on November 14, 2017, GWMA received the final grant agreement from the SWRCB for the Prop 1 – John Anson Ford Park Infiltration Cistern – Phase 1 Project.

Further, a final draft version of the sub-recipient's agreement, prepared by GWMA and Bell Gardens' legal counsels, was reviewed and accepted by the LAR UR2 Watershed Group and their respective legal counsels on December 29, 2017.

Mr. Steve Dorsey then reported that during the drafting of the sub-recipient agreement for this project, he learned that Infrastructure Engineers was proposed in the Grant application to provide services under the Grant. He stated that this raised the potential conflict of interest questions, since different employees of Infrastructure Engineers have served on the GWMA Board at various times. Mr. Dorsey stated the he submitted a request for Formal Legal Advice to the Fair Political Practices Commission (FPPC) to advise whether Infrastructure Engineers may participate on the project as a sub-contractor to Bell Gardens under the sub-recipient agreement. The FPPC declined to offer advice since it was considered past conduct.

After discussion, Director Vu moved to:

- a) Adopt Resolution 18-1, designating a representative to sign the Agreement and authorizing GWMA's Executive Officer to serve as the Project Director, for the Prop 1 – John Anson Ford Park Infiltration Cistern – Phase 1, as presented;
- b) Authorize the Chair to sign Resolution 18-1, designating a representative to sing the Agreement and authorizing GWMA's Executive Officer to serve as the Project Director, for the Prop 1 – John Anson Ford Park Infiltration Cistern – Phase 1, as presented;
- c) Approve Prop 1 – John Anson Ford Park – Infiltration Cistern – Phase 1 Grant Agreement between Gateway Water Management Authority and the State Water Resources Control Board, as presented;
- d) Authorize the Chair to execute the Prop 1 – John Anson Ford Park – Infiltration Cistern – Phase 1 Grant Agreement between Gateway Water Management Authority and the State Water Resources Control Board, as presented;
- e) Approve the Subrecipient Agreements between Gateway Water Management Authority and the participants of the Prop 1 – John Anson Ford Park Infiltration Cistern – Phase 1, as presented;
- f) Authorize the Chair to execute the Subrecipient Agreements between Gateway Water Management Authority and the participants of the Prop 1 – John Anson Ford Park Infiltration Cistern – Phase 1, as presented.

The motion was seconded by Director Garner and was approved by the following voice vote:

**AYES: DOR, VU, GORECKI, MOSTAHKAMI, DIXON,
STOWELL, RAPP, YOU, GARNER, BATSON, LEE, CASH,
BEACH, SHIN-HEYDORN, ARELLANO,
SCHICKLING, ROJAS**

NOES: NONE

ABSTAIN: PAGETT

Director Garner left the meeting at 1:30 pm.

ITEM 12 – FY 2017/18 BUDGET INCREASE FOR GENERAL LEGAL COUNSEL SERVICES

Ms. Kast reported that Richards, Watson and Gershon (“RWG”) was retained by GWMA while the JPA was in its beginning stages in 2007/2008. She stated that RWG has been providing legal counsel services to GWMA as it has grown in size, complexity and independence since that time. Ms. Kast stated that over the course of those years, the budget for RWG’s services had been adequately calculated based on known and projected needs for the coming fiscal year. Ms. Kast stated that during the current fiscal year, there have been several unforeseen and unexpected legal issues, which have significantly impacted the budget for Legal Counsel services. She stated that these issues were very significant to GWMA, not only in general, but also affected a grant agreement between the State Water Resources Control Board and GWMA, as well as sub-recipient agreements between the Lower LA Upper Reach 2 Watershed Group and GWMA. Ms. Kast stressed that with all future grants at stake as well, these issues needed to be resolved and addressed. Unfortunately, the budget for Legal Services was now exhausted.

Ms. Kast reported that at the request of staff, on December 19, 2017, Legal Counsel submitted a projected amount of \$38,000 to cover the remainder of FY 2017/18, assuming that there were no further extraordinary demands for legal services required. Ms. Kast reported that there were funds available in the General Reserves to cover this budget increase and was recommending that the Board approve FY 2017/18 Administrative Budget Increase to \$88,000 from \$50,000 for Legal Services provided by Richards, Watson & Gershon.

After discussion Director Mostahkami motioned to increase the budget by \$10,000 at this time and bring it back for further review. This motion was seconded by Director Schickling. Staff advised the Board that this line item budget had already been exhausted with the most recent billing. No vote was taken.

After further discussion, Director Rapp made a new motion to approve the FY 2017/18 Administrative Budget Increase to \$88,000 for Legal Services provided by Richards Watson & Gershon, and request that staff provide a monthly report of total legal expenditures. This motion was seconded by Director Vu and approved by the following voice vote:

AYES: DOR, PAGETT, VU, GORECKI, DIXON, STOWELL, RAPP, YOU, BATSON, LEE, CASH, BEACH, SHIN-HEYDORN, ARELLANO, ROJAS

NOES: MOSTAHKAMI, SCHICKLING

ABSTAIN: NONE

ITEM 13 – FY 2017/18 BUDGET INCREASE FOR EXECUTIVE OFFICER SERVICES AND AMENDMENT TO GK CONSULTING AGREEMENT

Chair Cash reported that on September 1, 2015, the Board entered into a contract with GK Consulting for management, administrative and accounting services. This contract expires on February 28, 2019. He stated that compensation under this contract was based on hourly rates, which varied depending on the person providing the services with a maximum cap of \$260,000 per year.

Chair Cash reported that since this agreement was entered into in 2015, GK Consulting's time has increased significantly due to an expansion in new activities in which GWMA is now involved in. He stated that some of these activities include COG/GWMA Coordination, Negotiation and Coordination of multiple agreements with multiple parties and Grants, participation in GLAC IRWM Leadership Committee meetings and related sub-meetings, development and implementation of multiple, formal GWMA procedures and policies.

Chair Cash stated that the Executive Officer was able to keep costs down by having much of the additional services provided by persons with lower billing rates. He stated that some of the expanded services can only be provided by the Executive Officer and indicated that the persons with lower billing rates are already working full time on GWMA matters.

After general discussion, Director Dor motioned to approve and authorize the Board Chair to sign Amendment 4 to the GK Consulting Professional Services Agreement to increase the maximum fiscal yearly compensation to \$305,000 and to increase the hourly rate charged to GWMA for the Accounting/Administrative Assistant and Administration/Grants Coordinator positions from \$55.00 to \$57.75. This motion was seconded by Director Rojas and approved by the following voice vote:

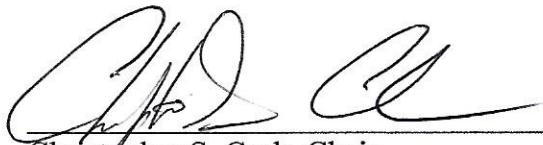
AYES: DOR, PAGETT, VU, GORECKI, DIXON, STOWELL, RAPP, YOU, BATSON, LEE, CASH, BEACH, SHIN-HEYDORN, ARELLANO, ROJAS

NOES: NONE

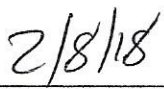
ABSTAIN: MOSTAHKAMI, SCHICKLING

Director Rapp left the meeting at 1:57 p.m.

The meeting was adjourned at 1:57 PM. due to lack of a quorum.



Christopher S. Cash, Chair



Date