

**MINUTES OF THE GATEWAY WATER MANAGEMENT AUTHORITY  
LOS ANGELES GATEWAY REGION  
INTEGRATED REGIONAL WATER MANAGEMENT JOINT POWERS AUTHORITY  
BOARD  
AT PARAMOUNT, CALIFORNIA  
THURSDAY, MAY 9, 2019**

A regular meeting of the Board of Directors of the Gateway Water Management Authority was held on Thursday, May 9, 2019 at 12:00 p.m. at the at the Progress Park Plaza, 15500 Downey Avenue, Paramount, CA.

Vice Chair Adriana Figueroa called the meeting to order at 12:08 p.m. Roll was called by Ms. Grace Kast and a quorum of the Board was declared.

**BOARD MEMBERS PRESENT:**

Okina Dor	Artesia
Jordan Monroe	Avalon
Robert Linton (alternate)	Bell
Chau Vu	Bell Gardens
Joseph Legaspi (alternate)	Central Basin MWD
Mike O'Grady (alternate)	Cerritos
Mark Stowell	La Mirada
Melissa You	Long Beach
B. Anatole Falagan (alternate)	Long Beach Water District
James Vernon	Port of Long Beach
Cecilia Amaya (alternate)	Montebello
Adriana Figueroa	Paramount
Kelli Tunnicliff	Signal Hill
Claudia Arellano (alternate)	Vernon
Esther Rojas (alternate)	Water Replenishment District

**STAFF AND GUESTS ON SIGN-IN SHEET:**

Grace Kast	Executive Officer
Traci Gleason	Program Administrative Manager
Nicholas Ghirelli	Legal Counsel
Kekoa Anderson	Funding/Grants Program

**ITEM 3- ADDITIONS TO THE AGENDA**

None.

**ITEM 4 - ORAL COMMUNICATIONS TO THE BOARD**

None.

**ITEM 5 - CONSENT CALENDAR**

Director Vu motioned to approve the consent calendar. The motion was seconded by Director Rojas and was approved by the following voice vote:

**AYES: Dor, Monroe, Linton, Vu, Legaspi, O’Grady, Stowell, You, Vernon, Figueroa, Tunncliff, Arellano, Rojas.**

**NOES: None.**

**ABSTAIN: Minutes Only – Falagan, Amaya.**

**ITEM 6 – WORKSHOP – FISCAL YEAR 2019-2020 GWMA ADMINISTRATIVE BUDGET**

Executive Officer Grace Kast provided the Board with an overview of the proposed operating budget for FY 2019-2020, reviewing the budget, basis of the budget, the reserve policy, direct and indirect administrative fee collection, and highlights. Operating budget highlights were: Approximately 72% of the operating budget revenues come from membership fees; approximately 28% of the operating budget revenues come from direct and indirect administrative fees from watersheds and grants; and staff’s recommendation of a minimum reserve balance of \$10k per watershed.

The GWMA administrative budget for FY 2019-2020 will be brought to the June board meeting for approval. A super majority will be needed for the approval of the budget.

**ITEM 7 – DIRECT AND INDIRECT ADMINISTRATIVE FEES FOR FISCAL YEAR 2019-2020**

In May of 2018, the GWMA Board adopted an Administrative Fee Policy to ensure that the GWMA’s Administrative Fees are established at a rate that recovers its expenses. Per GWMA’s Proposed Policy and Procedure – Collection and Use of Direct and Indirect Administrative Fees, an annual percentage must be set for all GWMA members and non-members to cover GWMA’s direct and indirect administrative costs. GWMA members are not assessed for Indirect Costs, as GWMA members are required to pay annual membership dues and thus are contributing to general costs in support of GWMA.

Staff recommended maintaining the same direct and indirect administrative fees as the current fiscal year: 3% to members for cost share allocation for watershed, grant programs and

other activities; 5% to non-members for cost share allocation for watershed, grant programs and other activities. Additionally, staff recommended maintaining the same percentage of 3.76% for indirect costs to non-members.

Director O'Grady motioned to approve the following recommendations:

- a. Fiscal Year 2019-2020 GWMA Member Direct Cost Administrative Fees at a rate of 3% of the Member's cost share allocation for the particular watershed, grant, program or other activities.
- b. Fiscal Year 2019-2020 GWMA Non-Member Direct Cost Administrative Fees at a rate of 5% of the Non-Member's cost share allocation for the particular watershed, grant, program or other activities.
- c. Fiscal Year 2019-2020 GWMA Non-Member Indirect Cost Administrative Fees at a rate of 3.76% of the Non-member's cost share allocation for the particular watershed, grant, program or other activities.

The motion was seconded by Director Rojas, and the items were approved by the following voice vote:

**AYES: Dor, Monroe, Linton, Vu, Legaspi, O'Grady, Stowell, You, Falagan, Vernon, Figueroa, Tunnicliff, Amaya, Arellano, Rojas**

**NOES: None.**

**ABSTAIN: None.**

#### **ITEM 8 – GWMA AUDIT FOR FISCAL YEAR 2017-2018**

Christopher Brown, from Fedak & Brown, presented to the Board the 2018 GWMA Audit results. Mr. Brown noted that the audit was performed in accordance with auditing standards generally accepted in the United States. There were no deficiencies in internal controls that could cause the financial statement to be materially misstated. Additionally, the auditor's tests did not disclose any instance of non-compliance or other matters that were required to be reported under Government Auditing Standards.

#### **ITEM 9 - STATUS REPORT UPDATE ON GWMA FUNDING STRATEGY AND GRANT FUNDING PROGRAM**

Mr. Kekoa Anderson provided the Board with a status update on GWMA Funding Strategy and Grants Program.

The San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (RMC) released the draft guidelines for Proposition 68 Grant Funding Program. There are various eligible project categories: Implementation Projects; Planning Projects; Disadvantaged Community Investment; and Community Access Projects. Similar to RMC's Proposition 1 Grant Funding Program, there are two funding areas: Lower Los Angeles Rivers watershed and its tributaries; and RMC Territory. The Lower Los Angeles Rivers watershed and its tributaries have \$37.5M available for projects while the RMC Territory has \$30M for projects.

GWMA staff are coordinating with Gateway Cities Council of Governments (GCCOG) and Water Conservation Authority (WCA) to discuss potential partnering to pursue funding to develop a regional plan to identify potential multi-beneficial projects that would improve livability, and meet best management practices associated with urban greening and open space, watershed management, transportation, economy, public health and environment. At the June Board meeting, staff will be requesting for authorization to continue to collaboration with GCCOG and WCA for the preparation and submittal of a planning grant application to RMC, and to authorize the execution of a resolution for the grant.

The Proposition 1 2018 IRWM Final Proposition Solicitation Package has not been released. There will be a three-step selection process. The Lower San Gabriel and LA Rivers steering committee selected Central Basin Customer Conversions for DAC, and Catalina Desalination Storage & Distribution Enhancements to move forward. Additionally, State Street Corridor Project was identified as an alternate project. These projects will be evaluated by an ad-hoc committee to be move forward to the next steps.

**ITEM 10 – UPDATE ON MS4 PERMIT LITIGATION AND IMPACT ON GWMA**

The cities of Gardena and Duarte have filed a lawsuit challenging the 2012 MS4 Permit and seeking to void the Permit, including Enhanced Watershed Management Plans (EWMPs). Legal counsel Mr. Nick Ghirelli provided a status update on the MS4 Permit Litigation. A status conference is expected on May 17<sup>th</sup>. At this time, Mr. Ghirelli suggested for agencies to not make significant budget adjustments yet. The Regional Board is working on a new iteration of the permit and is scheduled to be completed in 2020.

**ITEM 11 - GATEWAY REGION WATERSHED MANAGEMENT GROUPS ORAL REPORT**

Lower Los Angeles River Upper Reach 2 Watershed Group

The CEQA document is moving forward and the draft environmental document is expected to be completed before the end of the month.

Lower Los Angeles River Watershed Group

None.

Los Cerritos Channel Watershed Group

Measure W identified two groups as one; therefore, the watershed group is leaning to slowly merging into one group.

Lower San Gabriel River Watershed Group

None.

---

**ITEM 12 – EXECUTIVE OFFICER’S ORAL REPORT**

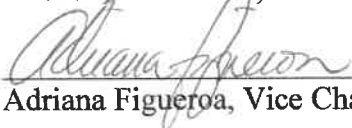
Executive Officer Grace Kast noted that she is coordinating with Nancy Pfeffer regarding the GCCOG Annual Retreat regarding presenting on stormwater activities and issues in LA County.

**ITEM 13 – DIRECTORS’ ORAL COMMENTS/REPORT**

None.

The meeting was adjourned at 1:22 p.m.

The next Board Meeting of the Directors of the Gateway Water Management Authority will be on Thursday, July 11, 2019 at 12:00 p.m. at the Progress Park Plaza, 15500 Downey Avenue, Paramount, CA.

  
\_\_\_\_\_  
Adriana Figueroa, Vice Chair

\_\_\_\_\_  
Date