

**MINUTES OF THE GATEWAY WATER MANAGEMENT AUTHORITY
LOS ANGELES GATEWAY REGION
INTEGRATED REGIONAL WATER MANAGEMENT JOINT POWERS AUTHORITY
BOARD
AT PARAMOUNT, CALIFORNIA
THURSDAY, MAY 14, 2020**

A regular meeting of the Board of Directors of the Gateway Water Management Authority was held on Thursday, May 14, 2020 at 12:00 p.m. via WebEx and Phone Conference.

Chair Lisa Rapp called the meeting to order at 12:04 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
Chau Vu	Bell Gardens
Len Gorecki	Bellflower
Tammy Hierlihy	Central Basin MWD
Mike O'Grady	Cerritos
Tana McCoy	Compton
Aaron Hernandez-Torres	Cudahy
Mark Stowell	La Mirada
Lisa Rapp	Lakewood
Melissa You	Long Beach
Christopher Garner	Long Beach Water District
Lorry Hempe (alternate)	Lynwood
Adriana Figueroa	Paramount
Kenner Guerrero (alternate)	Pico Rivera
James Vernon	Port of Long Beach
Noe Negrete	Santa Fe Springs
Kelli Tunnicliff	Signal Hill
Gladis Deras (alternate)	South Gate
Claudia Arellano (alternate)	Vernon
Vicki Smith	Whittier
Esther Rojas (alternate)	WRD

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
Christopher Brown	Fedak & Brown
Brian Dickinson	City of Compton
Nina Turner	Port of Long Beach
Giles Coon	Los Angeles County

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 Tunncliff and was approved by the following voice vote:

AYES: Dor, Monroe, Vu, Gorecki, Hierlihy, O'Grady, McCoy, Hernandez-Torres, Stowell, Rapp, You, Garner, Vernon, Hempe, Figueroa, Guerrero, Negrete, Tunncliff, Deras, Arellano, Smith, Rojas.

NOES: None.

ABSTAIN: None.

ITEM 6 - GWMA AUDIT FOR FISCAL YEAR 2018-2019

Christopher Brown, from Fedak & Brown, LLP, presented the 2018-2019 GWMA Audit results to the Board. Mr. Brown noted that in their opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority, as of June 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. They did not identify material weakness within GWMA's internal control structure. Mr. Brown reviewed the financial highlights.

Director Figueroa requested for clarification regarding the difference in revenue between the 2017-2018 Fiscal Year and the 2018-2019 Fiscal Year. Executive Officer Kast explained the difference is due to less grant revenue and reserve funds being used from watershed groups.

Director Hierlihy noted that the Annual Financial Report had a typographical error on the second page listing Director Rapp from Artesia instead of Lakewood.

Director Figueroa motioned to receive and file the annual audited financial statement for Fiscal Year 2018-2019, with the correction made. The motion was seconded by Director Vernon, and the motion was approved by the following voice vote:

AYES: Dor, Monroe, Vu, Gorecki, Hierlihy, O'Grady, McCoy, Hernandez-Torres, Stowell, Rapp, You, Garner, Vernon, Hempe, Figueroa, Guerrero, Negrete, Tunncliff, Deras, Arellano, Smith, Rojas.

NOES: None.

ABSTAIN: None.

**ITEM 7 – DISCUSSION/ACTION REGARDING GWMA’S AUDIT FOR FISCAL
YEAR 2019-2020**

The Executive Officer reported that Fedak & Brown has conducted audits for GWMA for the past three years. Their audit is performed in accordance with auditing standards generally accepted in the United States. Fedak & Brown submitted a proposal to GWMA to perform the Fiscal Year 2019-2020 audit.

Director Deras motioned to authorize Fedak & Brown LLP to conduct GWMA’s FY 2019-2020 audit in the amount not to exceed \$12,898. The motion was seconded by Director Rojas and was approved by the following voice votes:

AYES: Dor, Monroe, Vu, Gorecki, Hierlihy, O’Grady, McCoy, Hernandez-Torres, Stowell, Rapp, You, Garner, Vernon, Hempe, Figueroa, Guerrero, Negrete, Tunnickliff, Deras, Arellano, Smith, Rojas.

NOES: None.

ABSTAIN: None.

**ITEM 8 – WORKSHOP – FISCAL YEAR 2020-2021 GWMA ADMINISTRATIVE
BUDGET**

Executive Officer Grace Kast provided the Board with a detailed review of the proposed operating budget for Fiscal Year 2020-2021, reviewing the following items: the basis of the budget, the anticipated revenue, operating expenses (including general expenses vs watershed expenses), special project expenses, net income after operating expenses, net income after including special project, and the estimated fund balance at the end of Fiscal Year 2020-2021.

The GWMA administrative budget for FY 2020-2021 will be brought to the June board meeting for approval. A super majority will be needed for the approval of the budget.

**ITEM 9– DIRECT AND INDIRECT ADMINISTRATIVE FEES FOR FISCAL YEAR
2020-2021**

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 Garner motioned to approve the following recommendations:

- a. Fiscal Year 2020-2021 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 2020-2021 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 2020-2021 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 Stowell, and the items were approved by the following voice vote:

AYES: Dor, Monroe, Vu, Gorecki, Hierlihy, O'Grady, McCoy, Hernandez-Torres, Stowell, Rapp, You, Garner, Vernon, Hempe, Figueroa, Guerrero, Negrete, Tunnichliff, Deras, Arellano, Smith, Rojas.

NOES: None.

ABSTAIN: None.

Due to time constraint, Agenda Items 10 and 11 were skipped.

ITEM 12 - EXECUTIVE OFFICER'S ORAL REPORT

Executive Officer Grace Kast reported on the following items:

- Outstanding Accounts Receivables from members and non-members
- Upcoming activities:
 - Notice Inviting Bids for Gateway Region Catch Basin Cleaning (anticipated to be released in June 2020)
 - Request for Qualifications Solicitation to update GWMA's List of On-call Consultants (Fall 2020)
 - MOU Amendments - MOUs are due to expire on September 30, 2020 for the Lower LA, Lower San Gabriel and Los Cerritos Channel watershed groups

ITEM 13 - EXECUTIVE OFFICER'S ORAL REPORT

None.

ITEM 14 - CLOSED SESSION – PUBLIC EMPLOYEE PERFORMANCE EVALUATION: GOVERNMENT CODE SECTION 54957, TITLE: EXECUTIVE OFFICER; AND PUBLIC EMPLOYEE APPOINTMENT /EMPLOYMENT: GOVERNMENT CODE SECTION 54957, TITLE: EXECUTIVE OFFICER

The Board of Directors determined a closed session was not necessary.

ITEM 15 - DISCUSSION/ACTION REGARDING ONE-YEAR EXTENSION OF PROFESSIONAL SERVICES AGREEMENT WITH KOA CONSULTING FOR GWMA PROGRAM MANAGEMENT, GRANT ADMINISTRATION, AND DAC COMMITTEE SERVICES

Chairperson, Lisa Rapp reported that the GWMA Board of Directors approved a professional services agreement with Koa Consulting for program management, grant administration, and disadvantaged communities (DAC) services (the "Agreement") on March 14, 2019. The Agreement's term began on March 1, 2019 and is scheduled to expire on June 30, 2020. She continued by stating that pursuant to Section 2 of the Agreement, GWMA may, at its option, extend the Agreement's term for up to three additional terms of one year each upon providing written notice to Koa Consulting 30 days prior to the Agreement's scheduled expiration. She concluded her report by stating that Koa Consulting had expressed its willingness to continue providing the Agreement's scope of services under the same terms, including the financial terms, for an additional year and that members of the Executive Committee have been pleased with Koa Consulting's services and support the one-year extension of the Agreement.

Director Dor motioned to approve the following recommendations:

- a. Approve a one-year extension of the Professional Services Agreement attached as Attachment A with Koa Consulting, with a new expiration date of June 30, 2021; and
- b. Direct the Chair to provide written notification to Koa Consulting of the Board's approval of the one-year contract extension.

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

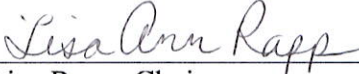
AYES: Dor, Monroe, Vu, Gorecki, Hierlihy, O'Grady, McCoy, Stowell, Rapp, You, Garner, Vernon, Hempe, Figueroa, Guerrero, Negrete, Tunnickliff, Deras, Arellano, Smith, Rojas.

NOES: None.

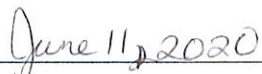
ABSTAIN: None.

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

The next regular Board Meeting of the Directors of the Gateway Water Management Authority will be on Thursday, June 11, 2020 at 12:00 p.m. The meeting will be held via video conference to meet social distancing recommendations or will be held in person at its regular location at Progress Park in Paramount, depending on recommendations from local and State officials. The physical location or video conference information will be posted with each Board Agenda which can be found at www.gatewaywater.org 72 hours in advance of the meeting.



Lisa Rapp, Chair



Date