

WEST BASIN MUNICIPAL WATER DISTRICT

JULY 14, 2005 - Water Resources
Little, Kwan

JULY 25, 2005 - Board Meeting

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Approved by: Richard Nagel

ACTION CALENDAR

AMENDMENT NO. 2 TO AGREEMENT WITH
LOS ANGELES COUNTY DEPARTMENT OF PUBLIC WORKS
REGARDING RECYCLED WATER SERVICE TO THE WEST COAST BARRIER

SUMMARY:

West Basin entered into an agreement with the Los Angeles County Department of Public Works (County) in August 1995 regarding recycled water service to the West Coast Barrier. The agreement described how the parties would determine whether the County would be reimbursed for lost revenues from a hydroelectric plant that was generating power prior to the introduction of recycled water. Under Amendment No. 1, implemented in August 1998, West Basin agreed to make the County "whole" with regard to the \$3.6 million loss of revenues from the non-operation of the hydroelectric plant. Amendment No. 1 stated that: "West Basin's payoff to Flood Control shall not exceed five years and shall be in the form of engineering consulting, facility construction, technical support, or contract Well maintenance services. These services include, but are not limited to, installation of Well and facility monitoring telemetry associated with the West Coast Barrier Project. Additional services may consist of contract Well rehabilitation. It is expected that the first \$2.5 million of in-lieu services shall be the installation of Well and facility monitoring telemetry with telemetry feeds to the Flood Control and West Basin."

West Basin spent about \$1.56 million for Barrier related services from 1998 to 2003. In addition, the County received \$0.5 million in hydroelectric revenues. In July 2003, West Basin issued a check to the County for \$2.54 million to pay-off the balance of what was owed to the County. The expectation, according to the agreement, was that the County would spend the bulk of the money on the Barrier telemetry system. Since that time, the costs for the telemetry system have increased greatly. The County issued bid documents for the telemetry project and recently received a low-bid of \$3.43 million. The County does not have sufficient funds to proceed with construction of the telemetry project.

The County and District staff would like to re-allocate approximately \$2.2 million to rehabilitate or repair non-operating or inefficient Wells and complete other Barrier related improvements. There are over ten Wells that need to be repaired or rehabilitated to make the Barrier more efficient and effective. The telemetry project would be delayed. Staff would assist the County in applying for Proposition 50 funding for the telemetry project.

FISCAL IMPACTS:

Not applicable.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Committee on July 14, 2005 and was recommended for approval at the July 25, 2005 Board meeting.

RECOMMENDED MOTION:

That the Board authorizes the Co-General Managers to amend the agreement with the County to provide a greater percentage of the approximately \$2.2 million to fund West Coast Barrier Well rehabilitation and repair, with the remaining funds available for additional barrier related improvement projects as identified.

LIST OF EXHIBITS:

None.

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