

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
WEST BASIN MUNICIPAL WATER DISTRICT
AUGUST 25, 2008

A regular meeting of the Board of Directors of West Basin Municipal Water District was held on Monday, August 25, 2008 at 1:00 p.m. at 17140 S. Avalon Blvd., Suite 210, Carson, CA 90746.

President Dear called the meeting to order at 1:15 p.m. and presided thereover.

1. DETERMINATION OF QUORUM. The following Directors were present: Dear, Little, Smith, Gray, and Kwan. Also present was Assistant General Manager Shoenberger and District Counsel O'Neill.

PLEDGE OF ALLEGIANCE. Pat Shields, United Water Services Consultant, led the pledge.

2. PUBLIC COMMENT AND PRESENTATIONS. (Members of the public are invited to present comments to the board on matters within the District's jurisdiction but not on the agenda. The public may present comments on agenda items when the matter is called.)

TERRY SPRAGG

Mr. Spragg gave a brief update on his Water Bag project.

STAFF RECOGNITION

President Dear acknowledged Leighanne Reeser, Gus Meza, Elise Goldman, and Darryl Ramos-Young for all their efforts on obtaining grants from the United States Bureau of Reclamation and the Department of Water Resources.

3. ITEMS TOO LATE TO BE AGENDIZED (Determine the need to discuss and/or take action on item(s) introduced that came to the attention of the District subsequent to the posting of the agenda.) None.

4. METROPOLITAN WATER DISTRICT ACTIVITIES UPDATE

Director Little provided information regarding 60% allocation and the probability of water rationing by next year.

Director Murray gave a report on the August 19, 2008 MWD Board meeting.

Director Wright and staff spoke about the Arrowhead West Tunnel project and a slideshow of pictures from the big media event were shown.

4.A. FIVE-YEAR SUPPLY ACTIONS PROCESS

Staff gave a report on the Water Supply and showed slides in reference to State Water Project Allocation 2009 Scenarios.

5. UNITED WATER SERVICES UPDATE

Pat Shields provided the monthly update. He reported on staffing levels and morale, operator levels, training, improved communication with refineries, and improved communication between United Water Services staff and West Basin staff. He stated that overall there has been improvement in plant

operations, and that morale was high. Director Gray asked what his assessment was and whether he thought United Water's plan was working. Pat stated that the improvement process was being implemented as scheduled. Mr. Shields thanked the Directors for attending the Safety BBQ. He also commented that CEO Tony Harding will be out here the first week of September to meet with General Manager Nagel and Assistant General Manager Shoenberger at the Treatment Plant.

6. **AB 1234 REPORTING COMPLIANCE.** Members of the legislative body shall provide brief reports (written or oral) on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

Director Dear reported that he attended the Urban Water Conference and "Future Plans on Water" event in Gardena last month. Director Smith stated he also attended the Urban Water Conference and attended a presentation session that was given by Lt. Governor John Garamendi. Director Kwan stated she attended the Urban Water Conference session regarding the Peripheral Tunnel. Director Gray stated she attended a seminar conducted by the Special Districts on Government Leadership and has completed a Finance Seminar in June and attended other workshops on Strategic Planning, Making Your Board Meetings more Effective, Size of the Agenda, Principles for a Successful Agency, Information Board members receive is accurate, good information, Customer service, and Develop a strong management team.

She also stated that another topic discussed was the possibility of a major earthquake within the next three (3) years. She asked if West Basin had policies in place and cash on hand for catastrophic events.

CONSENT CALENDAR

7. **FINANCIAL REPORT**
- A. **Demands** Demand Numbers 1239, 1240, and 33025 through 33233 for a total in the amount of \$23,948,521.07 including wire transfers to MWD, Union Bank of California, and Citibank New York.
 - B. **Cash & Investment**
 - C. **Water Sales Statements**
 - D. **Recycled Water Revenue & Expense Summary**
8. **FISCAL YEAR 2007-08 BUDGET TO ACTUALS**
9. **ANNUAL EXPENSE DISCLOSURE**

10. RECYCLED WATER CUSTOMER DEVELOPMENT PROJECT UPDATE

ACTION: Upon a motion duly made by Director Little and seconded by Director Smith, the Board unanimously approved Consent Calendar Items 7, 9, and 10.

ACTION: Upon a motion duly made by Director Little and seconded by Director Smith, the Board unanimously approved Consent Calendar Item 8.

ACTION CALENDAR

11. APPROVAL OF SUPPORT LETTER FOR THE CITY OF MALIBU'S GRANT APPLICATION

RECOMMENDATION: That the Board authorizes the President to sign a letter of support for the City of Malibu's SWRCB grant application.

12. CONSULTING SERVICES CONTRACT REINSTATEMENT

RECOMMENDATION: That the Board authorizes the General Manager to reinstate and extend Brown and Caldwell's Phase I contract term through December 2008 in order for the consultants to complete the remaining two (2) tasks in the scope of work.

13. SURPLUS TREATMENT PLANT EQUIPMENT

RECOMMENDATION: That the Board authorizes the General Manager to sell used reverse osmosis membranes to Turlock Irrigation District priced to recover handling and bagging costs. Shipping costs would be paid by Turlock.

15. AMERICAN HONDA RECYCLED WATER FILTRATION SYSTEM

RECOMMENDATION: That the Board authorizes the General Manager to enter into an agreement with the lowest responsive bidder, GCI Construction, in the amount of \$195,500, plus a 10% contingency for unforeseen conditions, for a total contract amount not-to-exceed \$215,050.

17. BUS TRANSPORTATION CONTRACT AWARD

RECOMMENDATION: That the Board authorizes the General Manager to award a contract to Pacific Coachways Charter Services for transportation service from September 17, 2008 through June 26, 2009 for a total contract amount not-to-exceed \$48,000.

18. SPLASH SCIENCE CONTRACT RENEWAL

RECOMMENDATION: That the Board authorizes the General Manager to enter into a contract not-to-exceed \$29,000 with SEA Lab to conduct the *Splash Science* education program.

President Dear requested a motion to approve Action Items 11, 12, 13, 15, 17 and 18.

ACTION: Upon a motion duly made by Director Gray and seconded by Director Little, the Board unanimously approved Action Items 11, 12, 13, 15, 17, and 18 as recommended.

14. SLUDGE HAULING AND BENEFICIAL REUSE:

RECOMMENDATION: That the Board:

1. Authorizes the General Manager to enter into an agreement with Fleet Transportation Services for sludge hauling and beneficial reuse for two years for \$1,730,670, plus a 10% contingency, for a total contract amount not-to-exceed \$1,903,740; and
2. Amend the Fiscal Year 2008-09 Operations and Maintenance Budget by \$290,000 for projected increased sludge hauling costs.

ACTION: Upon a motion duly made by Director Little and seconded by Director Smith, the Board unanimously approved recommendations No.s 1 and 2.

16. WATER REPLENISHMENT DISTRICT DEAL POINTS

RECOMMENDATION: That the Board approves these policy principles into an agreement with WRD to provide 100% recycled water to the West Coast and Dominguez Gap Barriers.

ACTION: Upon a motion duly made by Director Gray and seconded by Director Little, the Board unanimously approved staff recommendation.

19. GROWINGGREAT GARDEN PROGRAM

RECOMMENDATION: That the Board authorizes:

1. The General Manager to enter into a contract agreement not-to-exceed \$4,000.00 with GrowingGreat to enhance their current nutrition and garden program to include water conservation content and to explore possible funding opportunities to expand the program within the West Basin service area; and
2. The President to sign a letter of support for GrowingGreat's \$10,000 grant application through MWD's Community Partnering Program.

ACTION: Upon a motion duly made by Director Kwan and seconded by Director Gray, the Board unanimously approved staff recommendation No.s 1 and 2.

INFORMATION ITEMS FOR DISCUSSION

President Dear ordered Information Items 20, 21, 22, 23, 24, and 25 received and filed without objection.

20. UPDATE ON FINANCIAL ADVISORY SERVICES

21. MICROBIOLOGICAL LAB WORK

22. PRESSURE REDUCING VALVE INSTALLATIONS IN THE CITY OF TORRANCE

23. FEASIBILITY STUDY TO SUPPLY RECYCLED WATER

24. OCEAN-FRIENDLY GARDEN PROGRAM

25. SCHOLARSHIP PROGRAM

Staff provided brief updates on Information Items 26 through 31; these Items were received and filed.

- 26. LEGISLATIVE UPDATE - ORAL REPORT**
- 27. WEBSITE UPDATE – ORAL REPORT**
- 28. LOCAL CONSULTANT UPDATE – ORAL REPORT**
- 29. HOSTING CHAMBER MIXERS – ORAL REPORT**
- 30. OCEAN-WATER DESALINATION UPDATE – ORAL REPORT**
- 31. RECYCLED WATER AGREEMENTS – ORAL REPORT**

COMMENTS

32. GENERAL MANAGER’S REPORT ON DISTRICT ACTIVITIES. Assistant General Manager Shoenberger provided dates for following upcoming events:

<u>Date</u>	<u>Time</u>	<u>Event</u>
9/3 – 9/5		WaterReuse – Dallas, TX
9/3 – 9/5		CALAFCO Annual Conference – Sheraton Universal City
9/25	10:00 a.m.	MWD IRP Forum at MWD
9/30 – 10/1		ACWA Region – Marriott Irvine, CA

He also reported that the General Manager will be on vacation until August 29 and that LADWP is going to service the Hyperion Pump Station at the Plant on August 26.

Director Kwan was excused at 4:05 p.m.

33. GENERAL COUNSEL’S REPORT. There was no report.

34. DIRECTOR’S COMMENTS.

Director Gray stated she attended a U.S. Vets meeting and a certificate was presented to West Basin. She also stated that the Finance Committee meeting will need to be rescheduled because she will be out of town. Director Smith stated that the Palos Verdes Football & Cheerleader Association Family Day was successful and the cold water provided by West Basin was enjoyed by all on such a hot day. Director Little stated that he attended the Fiesta La Ballona and that it was very successful. Director Dear stated he will be attending the CALAFCO Conference on September 3 – 5 and asked Director Little to chair the MWD Caucus Meeting in his absence.

President Dear recessed to Closed Session at 4:20 p.m.

CLOSED SESSION

30. PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (a) PENDING LITIGATION – 1ITEM – RAYMOND BOWEN and RICHARD STERLING vs. COUNTY OF LOS ANGELES – CASE NO. 08C01829; 54956.9 (b) and (c) POTENTIAL LITIGATION – 3 ITEMS; 54956.8 – REAL PROPERTY NEGOTIATIONS – 2 ITEMS - NRG EL SEGUNDO OPERATIONS, INC., 301 VISTA DEL MAR, EL SEGUNDO, CA 90245 AND 21029 E. WILMINGTON AVE., CARSON, CA 90745 – DISTRICT NEGOTIATOR RICH NAGEL; AND 54957 1 ITEM – GENERAL MANAGER’S PERFORMANCE EVALUATION.

President Dear reconvened the meeting at 4:48 p.m.

District Counsel reported that the Board met in Closed Session regarding a claim filed by Bowen & Sterling against the District and that no formal action was taken; staff was given instruction. He further reported the Board met regarding the General Manager evaluation and that no formal action was taken.

ADJOURNMENT. There being no further business to come before the Board, President Dear adjourned the meeting at 4:50 p.m.

President

ATTEST:

Secretary

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