

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
WEST BASIN MUNICIPAL WATER DISTRICT
SEPTEMBER 22, 2008

A regular meeting of the Board of Directors of West Basin Municipal Water District was held on Monday, September 22, 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 General Manager Nagel and District Counsel O'Neill.

PLEDGE OF ALLEGIANCE. Ron Wildermuth, Communications Manager, 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.) None.

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 updated the Board on the Quagga Mussel situation. He stated that there had been significant progress in their abatement by using chlorine in the aqueduct before it gets to the canal. He stated the Board approved an increase of \$625,000 for the case of Central Basin vs. MWD. Director Murray reported on the San Diego Wheeling Agreement and Jensen Plant Projects. Director Wright gave information on the water allocation and stated that Lake Oroville was at 30% capacity and San Luis was at 13%. He also stated that this is the driest period on record in the past few months. He further stated that a water bank was being set up by the Governor and DWR. Fernando gave a brief update on a vote that will be taken next month on the fate of the agricultural customers.

5. UNITED WATER SERVICES UPDATE

Pat Shields provided the monthly update. He reported that United Water is fully staffed and morale is extremely good. He stated that the August 26 planned outage at the plant was very complicated and there were no interruptions to the refineries. He also stated there was no downtime or accidents at the plant. He reported that the chlorine level is increasing and that consultant Mr. Rick Rydell had a draft report form outlining what it would take to get the water to a good level. Mr. Shields also stated that CEO Tony Harding was out at the plant and met with General Manager Nagel and Assistant General Manager Shoenberger. President Tom Brown will be out in two (2) weeks and that Plant Manager Mark Ervin has made a positive impact with staff.

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 all activities at the CALAFCO Conference on September 3 through 5. Director Smith stated he attended the CALAFCO Conference and received information on what LAFCO's are, and their history and funding.

CONSENT CALENDAR

7. APPROVAL OF MINUTES – JUNE 23, 2008 (REGULAR), JULY 3, 2008 (MET DIRECTORS), JULY 28, 2008 (REGULAR), AUGUST 8, 2008 (SPECIAL), AUGUST 12, 2008 (MET DIRECTORS), AUGUST 13, 2008 (SPECIAL)

8. FINANCIAL REPORT

A. Demands Demand Numbers 1248, 1249, and 33236 through 33414 for a total in the amount of \$8,652,304.46 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

9. RECYCLED WATER CUSTOMER DEVELOPMENT PROJECT UPDATE

ACTION: Upon a motion duly made by Director Smith and seconded by Director Kwan, the Board approved Consent Calendar Item 7, 8A, C, D, and 9.

Director Little expressed concerns about the CDARS Program. Staff will address these concerns.

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

ACTION CALENDAR

President Dear requested a motion to approve Action Items 10, 11, 12, 13, 14, 18 and 19.

ACTION: Upon a motion duly made by Director Smith and seconded by Director Kwan, the Board unanimously approved Action Items 10, 11, 12, 13, 14, 18 and 19, as recommended.

10. PORTFOLIO APPROACH TO WATER SUPPLY PLANNING STUDY

RECOMMENDATION: That the Board authorizes the General Manager to enter into an agreement with the National Water Research Institute and contribute \$25,000 from the Fiscal Year 2008-09 Budget to the University of California Santa Cruz study, bringing the total authorization for this study to \$50,000.

11. AMENDMENT TO EXISTING CONSULTANT CONTRACT FOR THE INTEGRATED REGIONAL WATER MANAGEMENT PROGRAM

RECOMMENDATION: That the Board authorizes the General Manager to amend contract B1692 with Brown & Caldwell to include additional tasks as requested by the Leadership Committee as long as the additional scope does not exceed the budget.

12. ENGINEERING SERVICES FOR RECYCLED WATER FEASIBILITY STUDY TO EXPAND SUPPLY FROM THE JUANITA MILLENDER-MCDONALD CARSON REGIONAL WATER RECYCLING PLANT.

RECOMMENDATION: That the Board authorizes the General Manager to enter into an agreement with Parsons Water & Infrastructure, Inc., to perform the Juanita Millender-McDonald Carson Regional Water Recycling Plant Feasibility Study in the amount of \$324,930 plus a 10% contingency for a total not-to-exceed contract amount of \$357,423.

13. TORRANCE PRESSURE REDUCING STATIONS

RECOMMENDATION: That the Board authorizes the General Manager to enter into an agreement with the lowest responsive bidder, Robert G. Castongia, Inc., in the amount of \$27,379, plus a \$10,000 contingency for unforeseen conditions, for a total contract amount not-to-exceed \$37,379.

14. JANITORIAL SERVICE CONTRACT FOR THE EDWARD C. LITTLE WATER RECYCLING FACILITY

RECOMMENDATION: That the Board authorizes the General Manager to enter into a two-year agreement with Come Land Maintenance Company for \$41,520, plus a 10% contingency for a total contract amount not-to-exceed \$45,670, to provide janitorial services at the Edward C. Little Water Recycling Facility, Chevron Nitrification Plant, and Juanita Millender-McDonald Carson Regional Water Recycling Plant.

18. INVESTMENT STRATEGY

RECOMMENDATION: That the Board authorizes implementation of a "total return" strategy in its management of West Basin's investment portfolio to be incorporated in a new RFP for investment advisory services.

19. FINANCIAL ADVISORY SERVICES

RECOMMENDATION: That the Board authorizes the General Manager to amend Contract W1903 with Public Resources Advisory Group for an additional \$80,000 for a total not-to-exceed amount of \$180,000.

15. PROFESSIONAL SERVICES AGREEMENT WITH WOODWORTH & HAGLUND AMENDMENT NO. 2.

RECOMMENDATION: That the Board approves amending Contract W1879 with Woodworth & Haglund for an additional \$25,000 for a total contract amount not-to-exceed \$75,000 and extend the term of the contract to expire on June 30, 2009.

ACTION: Upon a motion duly made by Director Little and seconded by Director Gray, to amend the contract term only through October 31, was unanimously approved by the Board.

16. FISCAL YEAR 2008-09 MEDIA PLAN

RECOMMENDATION: That the Board review and approve the Fiscal Year 2008-09 Media Plan.

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

17. WEST BASIN LOGO

RECOMMENDATION: That the Board considers:

1. Selecting a new logo; and
2. Amending the Fiscal Year 2008-09 Budget in the amount of \$20,000 for a new logo.

ACTION: Upon a motion duly made by Director Gray to table this item to the October Communications Committee, was seconded by Director Dear and unanimously approved.

President Dear recessed for a brief break and returned for a Closed Session at 3:45 p.m.

CLOSED SESSION

38. PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (a) PENDING LITIGATION – 2 ITEMS – WEST BASIN vs. CENTRAL BASIN, 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 – EVALUATION OF PERFORMANCE - 1 ITEM GENERAL MANAGER

President Dear reconvened the meeting at 4:08 p.m.

District Counsel reported that the Board met in Closed Session regarding two (2) pending litigation matters, Central Basin vs. West Basin and that no formal action was taken and Bowen and Sterling vs. LA County and that ACWA-JPIA had assigned legal defense. He further reported the Board met regarding the General Manager evaluation and that no formal action was taken.

Director Smith was excused at 4:10 p.m.

INFORMATION ITEMS FOR DISCUSSION

President Dear ordered Information Items 22, 23, 24, 25, 26, 28, 29, 30, 31, 32, and 33 received and filed without objection.

- 22. SUPPLY INDEPENDENCE CONCEPTUAL COST STUDY “REQUEST FOR PROPOSALS”
- 23. EL SEGUNDO PARTNERSHIP OPPORTUNITIES
- 24. OCEAN-WATER DESALINATION PROGRAM UPDATE
- 25. ANTISCALANT TESTING
- 26. PHASE 2 MICROFILTRATION UNITS
- 28. GEOGRAPHICAL INFORMATION SYSTEM (GIS) GEODATABASE DEVELOPMENT
- 29. COMMUNICATION OF WEST BASIN COMMITMENT STATEMENTS
- 30. EDWARD C. LITTLE WATER RECYCLING FACILITY EXHIBIT SIGNS
- 31. WATER RELIABILITY AND OCEAN-WATER DESALINATION EXHIBIT CONSULTANT
- 32. WATER & ENERGY MULTI-FAMILY RETROFIT PROGRAM “REQUEST FOR PROPOSALS”
- 33. DISTRIBUTION OF OCEAN-FRIENDLY DEMONSTRATION GARDENS

Staff provided brief updates on Information Items 20, 21, 27 and 34; these Items were received and filed.

- 20. WATER RELIABILITY 2020 OUTREACH PROGRAM
 - A. WATER RELIABILITY 2020 COMMUNICATIONS PLAN
 - B. COMMUNITY LEADERS INTERVIEWS
 - C. TELEPHONE PUBLIC SURVEY RESULTS – ORAL REPORT
- 21. WATER SHORTAGE ALLOCATION PLAN
- 27. CARBON CREDITS FOR COMPRESSED NATURAL GAS FUELING STATION LOCATED AT THE EDWARD C. LITTLE WATER RECYCLING FACILITY
- 34. LEGISLATIVE UPDATE – ORAL REPORT

COMMENTS

- 35. GENERAL MANAGER’S REPORT ON DISTRICT ACTIVITIES. General Manager Nagel reported on the following upcoming events:

<u>Date</u>	<u>Time</u>	<u>Event</u>
9/23	12:00 p.m.	South Bay Environmental Services Center 5 th Anniversary
9/30 – 10/1		ACWA Region 8, 9, and 10 Fall Event at the Marriott in Irvine
10/10	11:00 a.m.	Special Board Meeting
10/10	5:30 – 7:30 p.m.	Gardena Mixer – West Basin Carson office
10/18	10:00 a.m. – 2:00 p.m.	Water Harvest
10/18	9:00 a.m. – 7:00 p.m.	Taste of Soul Event
11/5/08		Legislative Brainstorming Session

The General Manager stated that he received a call from LADWP giving West Basin the approval to supply water to the LA Harbor in the amount of 10 million A/F.

36. GENERAL COUNSEL'S REPORT. There was no report.

37. DIRECTOR'S COMMENTS.

Director Kwan requested that the meeting be adjourned in memory of Gary A. Morse, past Central Basin Director.

ADJOURNMENT. There being no further business to come before the Board, President Dear adjourned the meeting **in memory of Gary A. Morse** at 5:05 p.m.

President

ATTEST:

Secretary

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