

WEST BASIN MUNICIPAL WATER DISTRICT**FEBRUARY 14, 2008 – Water Resources**
Smith (Chair), Little**FEBRUARY 25, 2008 – Board Meeting**

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ACTION CALENDAR

UNITED WATER SERVICES AGREEMENTSUMMARY:

West Basin contracts with United Water Services (UWS) to operate and maintain the Edward C. Little Water Recycling Facility (ECLWRF) in El Segundo and the satellite facilities in Carson, Torrance, and El Segundo. UWS has operated and maintained West Basin's recycled water facilities since they started up in 1995. The current agreement is structured such that West Basin pays UWS for labor, including salaries, fringe benefits, profit, and overhead and expires on January 31, 2009. West Basin also pays UWS for other non-labor expenses at a 12% mark-up.

UWS hires the staff to manage, operate, and maintain the facilities. Of the 44 UWS employees at the ECLWRF, eight have been there since the program began in 1995, providing invaluable history and experience about West Basin's facilities. In addition to its operations and maintenance duties, UWS acts as an extension of staff, assisting West Basin staff with events, facility tours, major expansions, minor capital improvements, and research and development projects, including ocean-water desalination. West Basin's recycled water program continues to expand and the ability to attract new customers is largely dependent upon our reputation for supplying reliable, consistent water quality and responding to customers' needs. Over the years, UWS has provided the operational expertise that has greatly contributed to West Basin's positive reputation.

Under the terms of the agreement, West Basin has the option to renew the agreement for an additional five years. West Basin could also decide to solicit proposals from qualified firms to operate and maintain the facilities. Staff brought an information item to the Board last month to provide sufficient lead-time to proceed through the "Request for Proposal" (RFP) process should the Board select that option.

Recently, West Basin implemented a process to assess the condition of our microfiltration and reverse osmosis membranes. Although not all measures are directly within UWS' control, it does give an indication of the overall "health" of our membranes compared to design values. The third and fourth quarter results are attached as Exhibit "A".

West Basin also monitored the performance of routine maintenance on the various filtration units accountable to produce the required water quality. The third and fourth quarter results are attached as Exhibit "B".

Finally, West Basin implemented a program to monitor the satisfaction of the refinery customers. Feedback is provided by way of a quarterly survey of the key refinery personnel and their chemical supply representatives at each refinery to gauge the satisfaction with West Basin/UWS service. The results of the latest survey are attached as Exhibit "C" (Detailed in Exhibit "D").