

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS  
**WEST BASIN MUNICIPAL WATER DISTRICT**

September 28, 2009

A regular meeting of the Board of Directors of West Basin Municipal Water District was held on Monday, September 28, 2009 at 1:00 p.m. at 17140 S. Avalon Blvd., Suite 210, Carson, CA 90746.

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

**1. DETERMINATION OF QUORUM.** The following Directors were present: Dear, Kwan, Little, and Smith. Director Gray was excused. Also present was General Manager Nagel and District Counsel Steve O'Neill.

**PLEDGE OF ALLEGIANCE.** Bill Wright 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.)

**4. METROPOLITAN WATER DISTRICT ACTIVITIES UPDATE**

Fernando gave a PowerPoint presentation on Fiscal Year 2009-10 Assessed Valuation, Cost of Service Review Update, Potential Member Agency Cost-Shift and Water Shortage Allocation Plan Update. Fernando stated that there will be a Labor Agreement Board Workshop scheduled for September 29. Directors Dear and Smith requested a monthly attendance record for MWD representatives.

**5. UNITED WATER SERVICES UPDATE** –Pat Sheilds gave an update commenting that Mark Ervin will be relocating here in the next couple of months. He also stated that there are 47 full-time positions, with 46 filled and an operator position that is currently being recruited for. He stated that on the safety side there have been 1,500 days without an accident, the decommissioning of the Desalination Pilot Plant was accomplished in September, and there were a total of 15 tours at the Edward C. Little Water Recycling Facility for the month of September. He also stated communication with the refineries has been steady and with credit going to Mark Ervin and his team, and the overall picture is everything is going very well at the plant.

**6. HYPERION WATER QUALITY – ORAL REPORT** – Wyatt gave an update stating that regular meetings are being held with Hyperion staff. He also commented on the "Request for Proposals" that was issued in late August for consulting services for designing a temporary chemical injection system, a pre-proposal meeting was held in early September with eight firms attending, and the following week a site walk-through was conducted at Hyperion with six of the eight firms in attendance. He stated that the proposals are due on

October 7, 2009. Wyatt also reported that a Memorandum of Understanding (MOU) was drafted with the City of Los Angeles regarding ferric acid testing and that the City is currently reviewing the MOU.

**7. AB1234 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 Smith stated he attended the California Contract Cities Association in Carlsbad, He stated it was a good conference. He also stated he attended the WaterReuse Conference in Seattle and that some of our staff made presentations. Director Dear stated he attended the WaterReuse Conference in Seattle and that he found the education session very interesting. He also commented that he was proud of staff's presentations. Director Kwan stated she attended the WaterReuse Conference and commended Phil on his presentation.

### **CONSENT CALENDAR**

#### **8. APPROVAL OF MINUTES – AUGUST 24, 2009 (REGULAR)**

#### **9. FINANCIAL REPORT**

**A. Demands** Demand Numbers 1049, 1050, and 1052, and 51444 through 51701, (excluding 51450 and 51552) for a total in the amount of \$10,386,040.30 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**

#### **10. ANNUAL EXPENSE DISCLOSURE**

#### **11. RECYCLED WATER CUSTOMER DEVELOPMENT PROJECT UPDATE**

**ACTION:** Upon a motion duly made by President Little and seconded by Director Dear the Board approved Consent Calendar Item 8.

**ACTION:** Upon a motion duly made by Director Dear and seconded by Director Smith, the Board approved Consent Calendar Items 9 A, B, C, D and 10, and 11.

## **ACTION CALENDAR**

**President Little requested a motion to approve Action Items 12, 18, 19, 21, and 23.**

**ACTION:** Upon a motion duly made by Director Kwan and seconded by Director Dear, the Board approved Items 12, 18, 19, 21, and 23.

### **12. CODE OF CONDUCT CASH ADVANCES, CREDIT CARD USAGE, DIRECTOR ALLOWANCES**

**RECOMMENDATION:** That the Board considers revising the Code of Conduct eliminating issuing District credit cards and travel advances to Directors.

### **13. FISCAL YEAR 2009-10 EVENT SPONSORSHIP**

**RECOMMENDATION:** That the Board considers approval of a \$1,000 sponsorship for the South Bay Chinese Women's Association's first Leadership and Legacy Awards Banquet from Director Kwan's Division Budget.

**ACTION:** Upon a motion duly made by Director Smith and seconded by Director Dear, the Board approved staff recommendation.

### **14. 2009 PUBLIC OFFICIALS CONFERENCE**

**RECOMMENDATION:** That the Board considers ratifying the Committee approval of Director attendance at the 2009 Public Officials Conference from September 24-26, 2009 in Indian Wells.

**ACTION:** Upon a motion duly made by Director Smith and seconded by Director Dear, the Board ratified the recommended motion. President Little voted no.

Committee's approval of attendance at the September 24-26 Conference and added the Cucamonga Valley Water District's Public Officials Conference to the list of approved meetings.

### **15. STANDBY CHARGE TECHNICAL CORRECTION**

**RECOMMENDATION:** That the Board considers a rebate to the property owner of \$1,920 that covers Fiscal Years 2006-07 and 2007-08, on the condition that the owner executes a waiver and release. Under the waiver and release the property owner will acknowledge she is waiving all rights to any future requests for reimbursements and releasing West Basin from any claims she may have for the same period.

**ACTION:** Upon a motion duly made by Director Dear and seconded by Director Smith, the Board approved staff recommendation.

## **16. COMMUNITY BANK PROGRAM**

**RECOMMENDATION:** That the Board of Directors revises the Community Bank Investment Program to include the following criteria:

1. Annual certification that the participating bank must have at least one branch within West Basin Municipal Water District's (West Basin) service area;
2. Supporting information that indicates at least 25% or \$50,000,000 in loans is invested within West Basin's service area;
3. Participating banks make an annual presentation about their community involvement one month prior to the Certificate of Deposit maturity. For those banks with multiple maturities, this review only needs to occur one time during that year.
4. Upon Board determination of the bank's community involvement, the Deputy Treasurer can negotiate a competitive rate to invest/reinvest the funds as adopted by the Board and stated in the current Investment Policy.

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

## **17. FRIENDS OF THE DELTA PROGRAM**

**RECOMMENDATION:** That the Board considers approving a co-hosted Water Reliability 2020 & Friends of the Delta lunch in November or December, proclamation, \$2,000 donation, and integrate Friends of the Delta information with our Water Reliability 2020 outreach program.

**ACTION:** Director Kwan made a motion to increase the amount to \$5,000, the motion failed for lack of a second.

**RECOMMENDATION:** That this item be held over to the October Board meeting.

**ACTION:** Upon a motion duly made by Director Dear and seconded by Director Little, the Board approved holding this item over to the October Board meeting.

## **18. HARBOR/SOUTH BAY WATER RECYCLING PROJECT CEQA PROCESS**

**RECOMMENDATION:** That the Board considers the following actions:

1. Approve the Subsequent Mitigated Negative Declaration;
2. Adopt the Mitigation Monitoring Plan; and

3. Direct the General Manager to file a Notice of Determination for the approved Subsequent Mitigated Negative Declaration with the County Clerk and the State Clearinghouse.

**19. EDWARD C. LITTLE WATER RECYCLING FACILITY**

**RECOMMENDATION:** That the Board authorizes the General Manager to enter into an agreement with HDR Engineering, Inc. to perform Project Engineering Services for the Phase V Project for an amount of \$1,607,228 plus a 10% contingency for a total not-to-exceed amount of \$1,770,000.

**20. OPERATIONAL PLAN TO RECOVER 75% TO THE BARRIER**

**RECOMMENDATION:** That the Board authorizes the General Manager to purchase 2,530 membranes in an amount not-to-exceed \$1,900,000.

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

**21. EXTENSION OF CURRENT SUPPLY AND DELIVERY OF ANTISCALANT CONTRACT**

**RECOMMENDATION:** That the Board authorizes the General Manager to extend the current contract with King Lee for six months at the existing price of \$0.71 per pound for a total amount of \$59,640 and a total not-to-exceed contract amount of \$65,604.

**22. PHASE II MICROFILTRATION ELEMENTS REPLACEMENT**

**RECOMMENDATION:** That the Board authorizes the General Manager to amend Siemens contract for the shipment of 470 MF elements in an amount not-to-exceed \$9,000 for a total contract amount not-to-exceed \$412,010.

**ACTION:** Upon a motion duly made by Director Smith and seconded by Director Dear, the Board approved staff recommendation.

**23. OCEAN-WATER DESALINATION DEMONSTRATION PROJECT CONSTRUCTION**

**RECOMMENDATION:** That the Board authorizes the General Manager to enter into an agreement for construction services of the Ocean-Water Desalination Demonstration Project at the SEA Lab Facility in Redondo Beach with Brutoco Engineering and Construction for an amount of \$8,933,569, plus a 10% contingency, for a total not-to-exceed amount of \$9,826,926.