

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

**APRIL 27, 2009**

A regular meeting of the Board of Directors of West Basin Municipal Water District was held on Monday, April 27, 2009 at 1:00 p.m. at 17140 S. Avalon Blvd., Suite 210, Carson, CA 90746.

President Little called the meeting to order at 1:10 p.m. and presided thereover.

**1. DETERMINATION OF QUORUM.** The following Directors were present: Little, Gray, Smith, Dear, and Kwan. Also present was General Manager Nagel and District Counsel Keith Lemieux.

**PLEDGE OF ALLEGIANCE.** Margaret Estrada, Councilwoman for the City of Lomita 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.)

A. Water is Life Art Contest Winners – Darryl thanked sponsors Keith Lemieux, Law Offices of Lemieux & O'Neill and Pat Sheilds of United Water Service. Artwork will be reproduced as bookmarks and distributed to the local libraries in our service area displayed at the Barnes & Nobles bookstores in our service area. Students were recognized, prizes were awarded and photos were taken with the Directors.

**President Little requested the meeting be recessed at 1:40 p.m. for five minutes and reconvened at 1:45 p.m.**

B. Lomita Sister City Check Presentation – Director Kwan presented a check for \$8,235 to Lomita Councilwoman Margaret Estrada. Councilwoman Estrada thanked West Basin and stated she was thrilled to be a partner with West Basin. Director Kwan thanked Gus and the Public and Governmental Affairs Department.

C. Fran Spivy-Weber – State Water Resources Control Board – Director Gray presented a proclamation to Ms. Spivy-Weber recognizing her for her leadership and dedication in resolving water policy issues and supporting West Basin's goal and mission in developing water reliability, conservation and water recycling .

D. George Cook – California Water Service – Director Little presented a proclamation to Mr. Cook for his hard work and many years of service with California Water Service and West Basin.

E. East West Bank – Gordon DeLang gave a brief presentation. He informed the Board that a \$2 million dollar CD was maturing on April 29 and requested that West Basin consider reinvesting in an FDIC- insured short-term account with East West Bank while West Basin evaluates their small bank program. Upon a motion duly made by Director Dear and seconded by Director Smith, the Board approved to adding this item to the Agenda as Action Item 20.1.

F. Gary Mendez, Partnering Specialist with the Census Bureau – Mr. Mendez gave the Board members a package containing information regarding the upcoming census in 2010. He asked the Board to consider partnering with the Census Bureau to increase population count so that government receive their share of funding. This item was referred to the May Administration Committee for consideration.

G. West Basin Service Awards – Service awards were presented to Director Kwan (12 years) and Director Dear (8 years).

**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 Wright stated the Chairman at MWD established a new committee on desalination and reclaimed water and asked that Director Gray and Director Little consider appointment to that committee.. Director Dear stated he went on the Diamond Valley Lake tour and was very impressed with the project. Fernando gave a presentation on MWD rates and charges for 2010, and that the rates were approved and will go into effect on September 1, 2009. He presented a slide showing the current water supply in California. Director Gray commented that she attended her first meeting serving on the Board at MWD and how helpful Director Little was. She met with MWD Board President Tim Brick and stated she was assigned to the Water Planning and Stewardship Committee and the Communications and Legislation Committee. Director Gray stated she looks forward to representing West Basin. Director Little was also appointed to the Budget and Finance Committee.

**5. UNITED WATER SERVICES UPDATE** – Pat Shields stated he was very happy to participate as a sponsor for the Water is Life Art Contest. He stated that United Water staff had achieved the transfer of the old computer controller system with the new one. He stated this was a combined effort with United Water staff and key customers such as the refineries and that the completion took four weeks to complete. He also stated that the new system has 100,000 data points as opposed to the previous one with 30,000 data points. He further stated that the control room is in the process of being remodeled. He also informed the Board that the Chevron Feed Pumps have been out for rebuild and the first one will be installed on April 28 and the process will continue over the next five weeks until all are repaired and replaced. He stated that the Hyperion Water Quality Workshop is scheduled for May 13 and will address source water quality issues at Hyperion. Pat commented on staffing levels and that 42 out of 46 positions are currently filled, and that all 46 positions will be staffed in the next four or five weeks. Director Kwan thanked Pat for the desalination information he sent her. She stated that she will miss the Hyperion Workshop and asked to have a summary sent to her.

**6. 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. None.

**CONSENT CALENDAR**

**7. APPROVAL OF MINUTES – FEBRUARY 11, 2009 (SPECIAL), FEBRUARY 23, 2009 (REGULAR), MARCH 3, 4, 5, 2009 (SPECIAL), MARCH 16, 17, 2009 (SPECIAL), AND MARCH 23, 2009 (REGULAR)**

**8. FINANCIAL REPORT**

**A. Demands** Demand Numbers 1013, 1014, 1017, 1018, and 50365 through 50540 (Excluding Demand Nos. 50405, and 50527) for a total in the amount of \$8,505,384.35 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 Dear and seconded by Director Smith, the Board approved Consent Calendar Items 7-9.

**ACTION CALENDAR**

**President Little requested a motion to approve Action Items 12, 14, 17, and 18.**

**ACTION:** Upon a motion duly made by Director Dear and seconded by Director Gray, the Board approved Action Items 12, 14, 17, and 18.

**10. WATER SHORTAGE ALLOCATION PLAN IMPLEMENTATION**

**RECOMMENDATION:** That the Board approves, adopts, and authorizes the President to sign Resolution No. 4-09-902 "A RESOLUTION OF THE BOARD OF DIRECTORS OF WEST BASIN MUNICIPAL WATER DISTRICT ESTABLISHING A WATER SHORTAGE ALLOCATION PLAN FOR CONSERVATION PURPOSES".

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

**11. WATER SHORTAGE ALLOCATION PLAN AMENDMENT MAXIMIZE BENEFITS OF RECYCLED WATER**

**RECOMMENDATION:** That the Board approves the policy amendment to the Water Shortage Allocation Plan as described in the memo to maximize the benefit of recycled water developed to offset imported water use at the Barriers.

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

**General Manager Nagel asked Customer Development Manager Joe Walters to introduce the consultants for Item #12. He introduced John Robinson of MWH, Tom Epperson of Tetra Tech, and Chris Alario and Reymundo Trejo, both from AECOM.**

**12. RECYCLED WATER CUSTOMER DEVELOPMENT CONSULTANT**

**RECOMMENDATION:** That the Board authorizes the General Manager to enter into agreements with MWH, Tetra Tech, and AECOM for Customer Development Consulting for Fiscal Years 2009-10 and 2010-11 in the amount of \$75,000 each for a total not-to-exceed two-year program contract amount of \$225,000.

**13. RECYCLED WATER DISTRIBUTION SYSTEM OPERATIONS**

**RECOMMENDATION:** That the Board authorizes the General Manager to extend the agreement with California Water Utilities Company for one-year for a monthly fee of \$3,000 and increase the contract for an additional \$430,000.

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

**14. EXXONMOBIL REVERSE OSMOSIS ELEMENTS**

**RECOMMENDATION:** That the Board authorizes the General Manager to enter into an agreement with Woongjin for the purchase of 426 replacement membrane elements in the total not-to-exceed amount of \$158,898 including shipping, handling, and sales tax.

**15. SERVICE CONNECTION WB-26B MODIFICATIONS**

**RECOMMENDATION:** That the Board authorizes the General Manager to pay MWD for services for modifying service connection WB-26B after funds are received from Los Angeles County. The revised estimate for the cost of service is \$450,000.

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

**16. SERVICE CONNECTION WB-28 METER MODIFICATIONS**

**RECOMMENDATION:** That the Board authorizes the General Manager to continue with Service Connection WB-28 meter modifications and to increase the maximum amount payable to MWD from \$725,000 to \$1,040,000.

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

**17. COMMUNITY PARTNERING PROGRAM LETTER OF SUPPORT – CITY OF EL SEGUNDO**

**RECOMMENDATION:** That the President of the Board signs a letter of support for the City of El Segundo's Community Partnering Program grant application.

**18. AB 1366 – SELF-GENERATING WATER SOFTENERS**

**RECOMMENDATION:** That the Board takes a Support position on AB 1366.

**19. PROCUREMENT OUTREACH EVENT LOCATION**

**RECOMMENDATION:** That the Board approve the selection of Hollywood Park as the location for the Procurement Outreach Event.

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

**20. WATER SUMMIT SPONSORED BY SUPERVISOR KNABE**

**RECOMMENDATION:** The Board requested to agendaize this item to the May 13 Hyperion Water Quality Workshop.

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

**20.1 EAST WEST BANK**

**RECOMMENDATION:** To deposit existing funds (\$2 million) into a CDARS account with East West Bank for a 90 day period at a 1.60% interest rate.

**ACTION:** Upon a motion duly made by Director Dear and seconded by Director Kwan, the Board approved the recommended motion by the following voice vote:

Kwan	Aye
Dear	Aye
Smith	Aye
Gray	Aye
Little	No

**INFORMATION ITEMS FOR DISCUSSION**

President Little ordered Information Items 21, 22, 23, 24, and 26 received and filed without objection.

Staff provided brief updates on Information Items 25, 27, 28, 29, and 30.