

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
WEST BASIN MUNICIPAL WATER DISTRICT
and
ANNUAL MEETING OF THE BOARD OF DIRECTORS OF
WEST BASIN FINANCING CORPORATION

December 28, 2009

A regular meeting of the Board of Directors of West Basin Municipal Water District was held on Monday, December 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, Gray, Kwan, Little, and Smith. Also present was General Manager Nagel and District Counsel Steve O'Neill.

PLEDGE OF ALLEGIANCE. Mayor Jim Dear 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. GREEN GARDEN CHECK PRESENTATIONS

1. PLAQUE PRESENTATION Mayor Jim Dear from the City of Carson presented Director Smith with a plaque for his service and dedication on the Public Works Commission on behalf of himself, the City Council and citizens of Carson.

2. HERMOSA BEACH KIWANIS Director Kwan presented a check to Mr. McRae from the Hermosa Beach Kiwanis Club for \$810.

3. DANCE PENINSULA BALLET Director Smith presented a check to Marilyn Katherman for \$810. She introduced Mr. Steve Miclowski, as the new Board President.

4. FRIENDS OF GARDENA WILLOWS WETLANDS Director Dear stated that the person from this organization was not available and that he would make sure their check was delivered to them.

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 Fernando presented slides showing the Water Supply update and tracking critical water supply indicators including precipitation and reservoir storage. He also spoke about MWDs Budget and Rate Development Schedule.

5. UNITED WATER SERVICES UPDATE – ORAL REPORT – Mark Ervin gave an update stating that they are fully staffed at 47 and two operators have received Grade 3 certification. He also reported there have been no

reportable incidents in the past 1,500 days, and nine tours were conducted for the month of December. General Manager Nagel presented the National Council for Public-Private Partnerships (NCPPT) Service Award that was presented last month in Phoenix, Arizona.

6. HYPERION WATER QUALITY UPDATE – Christiana gave a brief update stating that there had been a meeting on December 9, 2009 with Steve Fan, United Water Services, West Basin, and Hyperion staff in attendance. The next meeting will be held on January 14, 2010.

7. LEGISLATIVE UPDATE – E.J. stated that Ron Wildermuth will be on the Southern California Water Committee panel promoting and shaping the education message.

8. 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 Kwan stated that she attended the Colorado River Water Users Association in Las Vegas. Director Gray stated she attended the same conference on behalf of MWD. Director Dear stated he attended the ACWA Conference in San Diego and the Colorado River Water Users Association in Las Vegas. Directors Smith and Little stated they attended the ACWA Conference in San Diego.

CONSENT CALENDAR

9. APPROVAL OF MINUTES – NOVEMBER 16, 2009 (SPECIAL), NOVEMBER 19, 2009 (SPECIAL), AND NOVEMBER 23, 2009 (REGULAR)

10. FINANCIAL REPORT

A. Demands Demand Numbers 1063, 1065, and 1066, and 52181 through 52376, (excluding 52220, 52232, 52318 and 52375) for a total in the amount of \$10,919,234.30 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

11. INFORMATION TECHNOLOGY MASTER PLAN REPORT

12. FISCAL YEAR 2009-10 BUDGET TO ACTUALS

13. 2010 WATER IS LIFE ART CONTEST

14. **2010 SCHOLARSHIP PROGRAM**
15. **WATER HARVEST 2010 PLANNING**
16. **WATER RELIABILITY 2020 DVD MARKETING AND DISTRIBUTION PLAN**
17. **UPCOMING HIGH-EFFICIENCY TOILET EVENTS**
18. **SIGNAGE AT WEST BASIN'S MUNICIPAL WATER DISTRICT'S TREATMENT FACILITIES**
19. **LOCAL AGENCY FORMATION COMMISSION TERM EXPIRATIONS**
20. **BANKING SERVICES REQUEST FOR PROPOSAL UPDATE**
21. **RECYCLED WATER CUSTOMER DEVELOPMENT PROJECT UPDATE**
22. **WATER DEMAND ASSESSMENT FORECASTING AND CONSERVATION MODELING CONSULTANT SERVICES**
23. **HARBOR/SOUTH BAY PROJECT – STIMULUS PACKAGE UPDATE**
24. **WATER REUSE CALIFORNIA INITIATIVE TOWARDS POTABLE REUSE**

ACTION: Upon a motion duly made by Director Dear and seconded by Director Gray the Board approved Consent Calendar Items 9 through 24.

ACTION CALENDAR

President Little requested a motion to approve Action Items 25, 26, and 27.

ACTION: Upon a motion duly made by Director Kwan and seconded by Director Gray, the Board unanimously approved Action Items 25, 26, and 27.

25. TECHNOLOGY SERVICE CONTRACTS EXTENSION

RECOMMENDATION: That the Board authorizes the General Manager to amend the following contracts for IT services:

1. Prosum Technologies, Inc. for an additional \$80,000 for help desk and network support for a total not-to-exceed amount of \$399,000 and extend the term through August 2010; and
2. Schafer Consulting for an additional \$50,000 for application support (i.e. Lawson, document and maintenance management, and business intelligence) for a total not-to-exceed amount of \$125,000 and extend the term through August 2010.

26. ADMINISTRATIVE CODE REVISIONS

RECOMMENDATION: That the Board approve, adopted and authorize the President to sign Resolution No. 12-09-912, "A RESOLUTION OF THE BOARD OF DIRECTORS OF WEST BASIN MUNICIPAL WATER DISTRICT AMENDING RESOLUTION NO. 6-07-859 (THE ADMINISTRATION CODE) AS IT RELATES TO THE PROCUREMENT POLICY."

27. GROUNDWATER MODELING CONTRACT AWARD FOR THE WEST COAST BASIN BARRIER

RECOMMENDATION: That the Board authorizes the General Manager to execute a two-year agreement with GeoScience for groundwater modeling services for the West Coast Basin Barrier in the amount of \$79,330, plus a 10% contingency, for a total not-to-exceed contract amount of \$87,263.

28. AMENDMENT OF PHASE V PROJECT ENGINEERING SERVICES CONTRACT

RECOMMENDATION: That the Board authorizes the General Manager to amend the agreement with HDR Engineering, Inc. to include a "Scope of Work" to perform ozone pretreatment piloting as part of the Phase V Project for an additional amount of \$139,604 for a total not-to-exceed contract amount of \$1,909,604.

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

29. C. MARVIN BREWER DESALTER PUMP REFURBISHMENT

RECOMMENDATION: That the Board ratifies the Water Resources Committee action that directed the General Manager to have Cal Water make the repair to the Desalter pump for an amount not-to-exceed \$90,000.

ACTION: Upon a motion duly made by Director Gray and seconded by Director Dear, the Board unanimously ratified the Water Resources Committee's action to have the Desalter pump repaired.

30. COMMUNITY PARTNERING PROGRAM LETTER OF SUPPORT – TOPANGA EARTH DAY

RECOMMENDATION: That the Board authorizes the President to sign a letter of support for the Rock and Stone International Humanities Center's MWD Community Partnering Program grant application.

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

RECESS TO

WEST BASIN FINANCING CORPORATION ANNUAL BOARD MEETING

President Little recessed the West Basin Municipal Water District Board meeting to the West Basin Financing Corporation Annual Board meeting at 2:10 p.m. without objection.

FINANCING CORPORATION AGENDA

A. DETERMINATION OF QUORUM – WEST BASIN FINANCING CORPORATION

The following Directors were present: Dear, Gray, Little, Smith, and Kwan. Also present was General Manager Nagel and District Counsel O'Neill.

B. PUBLIC COMMENT. None.

ACTION CALENDAR

C. WEST BASIN FINANCING CORPORATION ANNUAL MEETING

RECOMMENDATION: That the Board confirms the Financing Corporation Officers as follows:

President	Edward C. Little
Vice President	Gloria D. Gray
Treasurer	Ronald C. Smith
Secretary	Donald L. Dear
Board Member	Carol W. Kwan

ACTION: Upon a motion duly made by Director Dear and seconded by Director Smith, the Board confirmed the Financing Corporation officers.

ADJOURNMENT TO

WEST BASIN MUNICIPAL WATER DISTRICT REGULAR BOARD MEETING

There being no further business to come before the West Basin Financing Corporation, President Little adjourned the meeting at 2:15 p.m. without objection.

**WEST BASIN MUNICIPAL WATER DISTRICT
AGENDA CONTINUED**

President Little reconvened the West Basin Municipal Water District regular Board meeting at 2:15 p.m.

COMMENTS

31. GENERAL MANAGER'S REPORT ON DISTRICT ACTIVITIES General Manager Nagel announced that Assembly Member Furatani will be at the Treatment Plant for a tour on January 22, 2009 at 9:30 a.m. He also

stated that at Noon on January 22 the West Basin Employee Recognition Luncheon will be held at the Carson Headquarters Building. General Manager Nagel wished everyone Happy Holidays. He also announced that the President of the Latino Chamber of Commerce, Candy Saenz passed away that morning. President Little stated he would like to adjourn the meeting in his memory.

32. GENERAL COUNSEL'S REPORT General Counsel O'Neill stated that there would be a closed session.

30. DIRECTOR'S COMMENTS

Directors Kwan, Gray, Little, and Dear thanked all staff. Director Smith thanked everyone for an incredible and productive year.

President Little recessed to closed session at 2:21 p.m. without objection.

President Little reconvened the meeting at 3:50 p.m.

37. CLOSED SESSION

A. PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (a) EXISTING LITIGATION – 2 ITEMS

1. WEST BASIN vs. CENTRAL BASIN
2. CALIFORNIA WATER SERVICE COMPANY vs. CITY OF COMPTON – CASE NO. C506806.

B. PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (a) and (b) POTENTIAL LITIGATION – 4 ITEMS

C. PURSUANT TO GOVERNMENT CODE SECTION 54957 – 1 ITEM

1. GENERAL MANAGER PERFORMANCE EVALUATION

General Counsel reported that the Board met in closed session to discuss one item of potential litigation, and that no action was taken; staff was given direction. He also reported that the Board discussed the general manager's performance; no formal action was taken.

ADJOURNMENT. There being no further business to come before the Board, President Little adjourned the meeting at 3:55 p.m.

President

ATTEST:

Secretary