

AGREEMENT NO. W2139

FOR

CONSTRUCTION OF PUMP STATION SERVING THE RECYCLED WATER ANZA LATERAL

This Agreement for construction of a pump station to serve the Anza Lateral of West Basin Municipal Water District's ("WBMWD") recycled water distribution system ("Agreement") is entered into by and between WBMWD and Torrance Unified School District (TUSD) as of (Date) (the "Effective Date").

I. RECITALS

- 1) WHEREAS, WBMWD is a municipal water district formed pursuant to the Municipal Water District Law of 1911, California Water Code Section 71000 et. seq. Among other things, WBMWD is authorized to sell or otherwise put to beneficial use recycled water that it produces;
- 2) WHEREAS, the State of California has declared that the use of potable domestic water for non-potable uses is a waste or an unreasonable use of water;
- 3) WHEREAS, WBMWD owns and operates the West Basin Water Recycling Facility ("Recycling Facility"). WBMWD operates this facility pursuant to a permit ("Regional Board Permit") issued by the Los Angeles Regional Water Quality Control Board ("Regional Board");
- 4) WHEREAS, WBMWD has constructed a recycled water pipeline (the Anza Lateral) in the City of Torrance in furtherance of its goal of replacing imported potable water with recycled water for non-potable uses;
- 5) WHEREAS, TUSD is a school district serving grades K – 12 within the City of Torrance, CA, with a number of schools that could be served recycled water for irrigation purposes by the WBMWD Anza Lateral;
- 6) WHEREAS, without increased pressure in the recycled water distribution system, pressure in the Anza Lateral is anticipated to be insufficient to adequately serve several sites located along this pipeline which use older irrigation systems; and
- 7) WHEREAS WBMWD and TUSD desire to make recycled water available and useful to all potential TUSD sites along this pipeline by constructing a booster pump station (pump station) to increase overall system pressure.

Now, therefore, TUSD and WBMWD enter into the following agreement:

II. TERMS OF THE AGREEMENT

For good and valuable consideration, including the promises and covenants contained herein,

the Parties agree as follows:

- 1) Pump Station Construction - WBMWD will design and construct a booster pump station at a location on the premises of West Torrance High School parking lot, a school within TUSD, as specified in the initial site design (Exhibit A).
- 2) Disruption of Property - As part of the construction of the pump station and pipelines within the property of West Torrance High School, disruption to the grounds and landscape will take place. WBMWD will return the property to its pre -project condition or as otherwise agreed by both parties.
- 3) Funding - WBMWD will pay the entire cost for design and construction of the booster pump station.
- 4) Easement
 - A) TUSD will grant WBMWD a nonexclusive easement for location of the pump station and subterranean pipelines / power supply conduit (Exhibit A) to connect with WBMWD's Anza Lateral located in Del Amo Boulevard, north of West Torrance High School.
 - B) TUSD will further provide 24 hour access to the pump station facilities located at West Torrance High School for operation, maintenance, and emergency response by WBMWD or its agent.
 - C) In exchange for this easement, WBMWD will:
 - i) Provide \$75,000 to West High School to be used for repair of the existing electronic marquee and repairs to instructional technology, and
 - D) In payment for the lease of the property, WBMWD will:
 - i) Provide engineering design services in an amount not to exceed \$100,000 for new irrigation systems at school sites along WBMWD's Anza Lateral, determined by TUSD, to facilitate the conversion to recycled water use for irrigation. This will be provided in lieu of annual lease payments for the first five years of operation.
 - ii) Starting in year six, pay TUSD \$17,500 per year plus 3% annual escalation (Exhibit B).
 - E) WBMWD will construct recycled water pipelines to the following TUSD sites:
 - i) West High School
 - ii) Victor Elementary School
 - iii) Anza Elementary School
 - iv) Jefferson Middle School
 - v) Seaside Elementary School
 - vi) South High School
 - vii) Calle Mayor Middle School

WBMWD will also assist each site with conversion to recycled water including - retrofit engineering design, inspection and consultation during retrofit process to assure regulatory compliance,

coordination of LA County Department of Public Health (LA DPH) inspection, and payment of LA DPH inspection and plan check fees.

TUSD will be responsible for actual retrofit construction, and recycled water meters / connection fees with local purveyors (California Water Services Company or City of Torrance) at the above mentioned sites.

5) Operation and Maintenance

- A) WBWMD, or its agent, will access the site periodically for maintenance and operation of the facility.
- B) Should repair or maintenance require further disruption of the West Torrance High School grounds, it will be returned to its pre-project condition by WBWMD upon completion of the facility repair.

6) Term

- A) The term of this agreement is fifteen (15) years from the date the pump station is put into service. This agreement will be automatically renewed, for up to an additional seven five-year periods (potentially 35 years). Should either party choose not to renew this agreement at the end of the then existing term, written notification shall be presented to the other party six months in advance of end of term.
- B) At end of term, WBWMD will return property to original condition

7) Additional Provisions

A) Indemnification

(1) TUSD shall hold harmless, defend at its own expense, and indemnify WBWMD, its officers, employees, and agents against any and all liability, claims, losses, damages, or expenses, including reasonable attorneys' fees, arising from all acts or omissions to act of TUSD or its officers, agents, or employees in rendering services under this agreement; excluding, however, such liability, claims, losses, damages, or expenses arising solely from WBWMD's negligence or willful acts.

(2) WBWMD shall hold harmless, defend at its own expense, and indemnify TUSD, its officers, employees, and agents against any and all liability, claims, losses, damages, or expenses, including reasonable attorneys' fees, arising from all acts or omissions to act of WBWMD or its officers, agents, or employees in rendering services under this agreement; excluding, however, such liability, claims, losses, damages, or expenses arising solely from TUSD's negligence or willful acts.

B) Attorney's Fees

If any action is instituted to enforce this Agreement, the prevailing party shall be reimbursed all reasonable attorneys' fees, costs of collection, as well as any other costs and expenses incurred in connection with the enforcement effort.

C) Assignment

TUSD shall not assign, sell, or otherwise transfer any obligation or interest in this Agreement without the specific written consent of the WBWMD.

D) Applicable Law

This Agreement shall be construed in accordance with and governed by the laws of the State of California.

E) Integration

This Agreement represents the entire understanding of the parties. No prior oral or written understanding shall be of any force or effect with respect to those matters covered by this Agreement.

F) Notices

Notices shall be in writing and personally delivered or deposited in the U.S. Postal Service, first class,

postage prepaid, addressed as follows:

If to WBMWD:

West Basin Municipal Water District
Attn: General Manager
17140 S. Avalon Blvd., Suite 210
Carson, CA 90746
Tel.: (310)-217-2411
Fax: (310)-217-2414

With a Copy to:

Steven P. O'Neill
Lemieux & O'Neill
2393 Townsgate Road, Suite 201
Westlake Village, CA 91361
Tel: (805) 495-4770
Fax: (805) 495-2787

If to TUSD:

Torrance Unified School District
Attn: Dr. Don Stabler, Deputy Superintendent
2632 W. 237th St.
Torrance, CA 90505

Torrance Unified School District

By: _____
Superintendent

By: _____

Approved As to Form:

Attorney for School District

By: _____
Attorney

WEST BASIN MUNICIPAL WATER
DISTRICT

By: _____
Rich Nagel, General Manager

By: _____
Secretary, Board of Directors

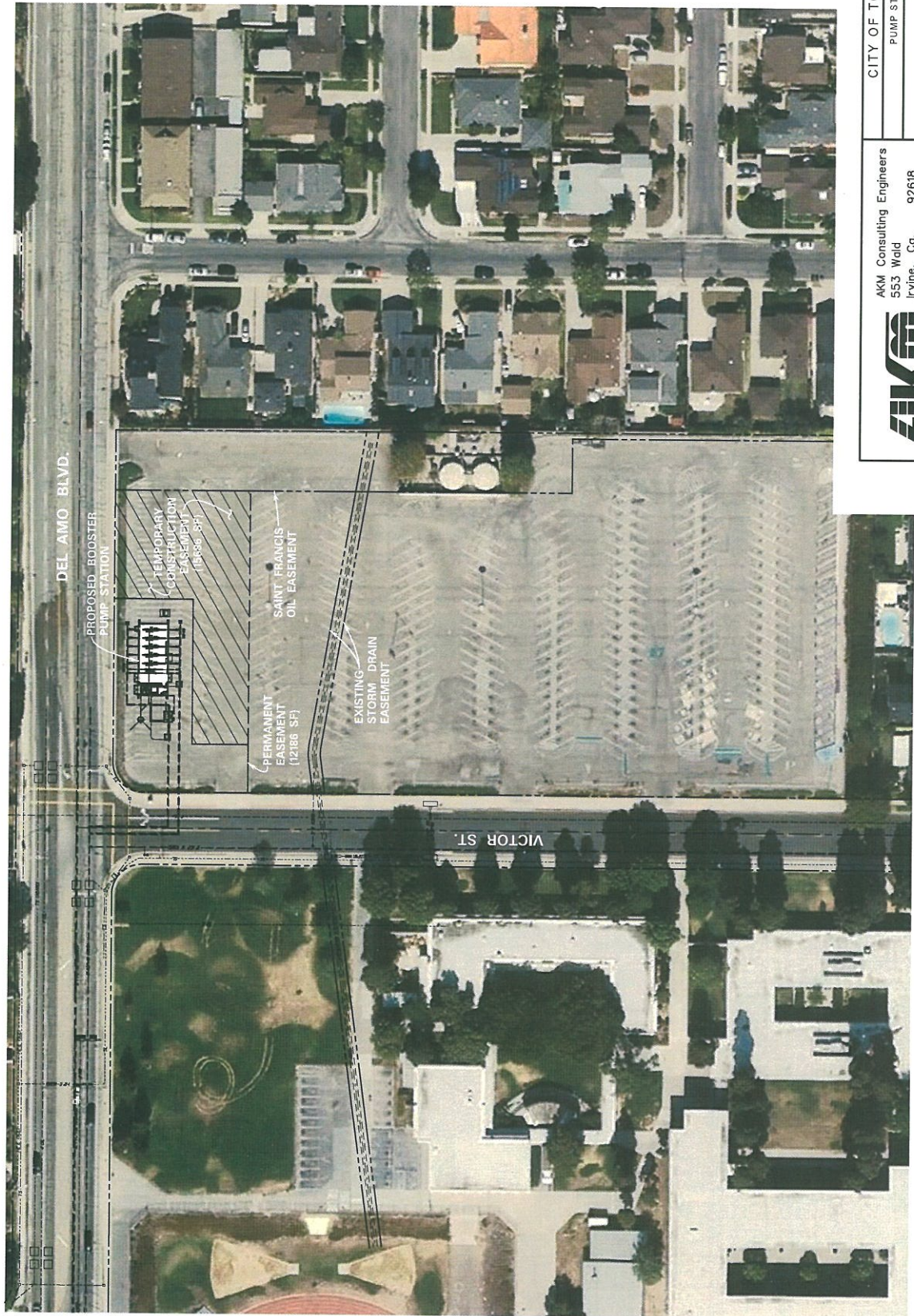
Approved As to Form:

LEMIEUX & O'NEILL

By: _____
Steven P. O'Neill

Exhibit A

Pump Station Location



CITY OF TORRANCE
PUMP STATION
EASEMENT EXHIBIT

AKM Consulting Engineers
553 Wald
Irvine, Ca. 92618
(949) 753-7333



Exhibit B

Lease Payment Schedule

<u>Year</u>	<u>Amount</u>
2011	\$ 0
2012	\$ 0
2013	\$ 0
2014	\$ 0
2015	\$ 0
2016	\$17,500
2017	\$18,025
2018	\$18,566
2019	\$19,123
2020	\$19,696
2021	\$20,287
2022	\$20,896
2023	\$21,523
2024	\$22,168
2025	\$22,834
2026	\$23,519