

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

August 23, 2010

A regular meeting of the Board of Directors of West Basin Municipal Water District was held on Monday, August 23, 2010 at 1:00 p.m. at 17140 S. Avalon Blvd., Suite 210, Carson, CA 90746.

President Gray called the meeting to order at 1:16 p.m. and presided thereover.

1. DETERMINATION OF QUORUM. The following Directors were present: Dear, Gray, Kwan, Little, and Smith. Also present was Assistant General Manager Deshmukh and District Counsel O'Neill.

PLEDGE OF ALLEGIANCE. Rob Katherman, Board member of the Water Replenishment District 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. Inglewood HET Program – Presentation to "One for All" Organization - Director Gray recognized Mari Morales for their participation in the HET Program on May 1, 2010 and presented her with a check for \$500.

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.) Assistant General Manager Deshmukh reported that an Item regarding a request from the Palos Verdes Peninsula Chamber to sponsor their Legislative Forum on was received subsequent to the posting of the agenda and requested that this item be added to Agenda Item No. 31.

ACTION: Upon a motion duly made by Director Little and seconded by Director Smith, the Board approved adding this Item to agenda Item No. 31.

4. WATER RECYCLING PLANT OPERATIONS UPDATE – ORAL REPORT – Operations Project Manager Daisy presented an update on United Water activities.

5. METROPOLITAN WATER DISTRICT ACTIVITIES UPDATE – Water Policy Manager Paludi gave a brief update on MWD activities.

6. LEGISLATIVE UPDATE – ORAL REPORT – Legislative Analyst Caldwell provided an update to the Board.

7. 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). There was no report.

CONSENT CALENDAR

8. APPROVAL OF MINUTES – JUNE 1, 2010 (REGULAR), AND JUNE 28, 2010 (REGULAR)

9. FINANCIAL REPORT

A. Demands Demand Numbers 1098, 1099, 1100, 1101, 1102 and 1105; 53765 through 53957 (excluding None); for a total amount of \$10,139,026.53 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. RECYCLED WATER CUSTOMER DEVELOPMENT PROJECT UPDATE

11. WATER EDUCATION CENTER UPDATE

12. SOLAR CUP UPDATE

13. NU-EARTH "GO-GREEN" AWARD

14. WATER RELIABILITY 2020 CHAMBERS OF COMMERCE SUPPORT

15. REVIEW OF DISCAL YEAR 2010-11 MEMBERSHIPS

16. SMALL AND COMMUNITY BANK PROGRAM

17. BOND COUNSEL SERVICES

18. OUTSIDE LABORATORY SERVICES

19. ULTRA-VIOLET REPLACEMENT LAMPS

20. FERRICE DEMONSTRATION TEST AT THE SECONDARY CLARIFIERS AT THE HYPERION WASTEWATER TREATMENT PLANT

21. GRANT FUNDING PROGRAM UPDATE

22. BARRIER PUMPS VARIABLE FREQUENCY DRIVES CONSTRUCTION AND INSTALLATION SERVICES AT EDWARD C. LITTLE WATER RECYCLING FACILITY

ACTION: Upon a motion duly made by Director Dear and seconded by Director Kwan, the Board approved Consent Calendar Items 8-22.

ACTION CALENDAR

President Gray requested a motion to approve Action Items 24, 25, 26, 28, and 29.

ACTION: Upon a motion duly made by Director Dear and seconded by Director Smith, the Board unanimously approved Action Items 24, 25, 26, 28 and 29.

President Gray ordered Item No. 27 moved up on the agenda without objection.

27. SLUDGE HAULING AND BENEFICIAL REUSE AT THE EDWARD C. LITTLE WATER RECYCLING FACILITY

Bob Scott of Enviroserv provided brief comments on his businesses ability to provide the services required for sludge hauling.

RECOMMENDATION: That the Board authorizes the General Manager to enter into a two-year agreement with Terra Renewal Services for Sludge Hauling and Beneficial Reuse in the amount of \$1,676,000, plus a 10% contingency, for a total contract amount not-to-exceed \$1,843,600.

ACTION: Upon a motion duly made by Director Kwan and seconded by Director Little the Board approved a month-to-month contract with Terra Renewal and directed staff to rebid the contract for Sludge Hauling and Beneficial Reuse.

23. EXCESS INVENTORY

RECOMMENDATION: That the Board authorizes the General Manager to arrange for the sale or donation of the excess inventory and report back to the Board in 60 days.

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

24. FINANCIAL ADVISORY SERVICES

RECOMMENDATION: That the Board authorizes the General Manager to enter into an agreement for three years with Public Resources Advisory Group to be West Basin's financial advisor for a total not-to-exceed contract amount of \$270,000.

25. G3 LOS ANGELES AGREEMENT AMENDMENT

RECOMMENDATION: That the Board authorizes the General Manager to amend the current Agreement No. W2010 with G3 Los Angeles to allow for additional Ocean-Friendly Garden classes and Hands-on-Workshops, and increase the current \$40,000 contract by an additional \$14,250 (\$6,750 + \$7,500) for a total not-to-exceed contract amount of \$54,250.

26. OCEAN-WATER DESALINATION DEMONSTRATION PROJECT CONTRACT OPERATIONS

RECOMMENDATION: That the Board authorizes the General Manager to execute an agreement with Untied Water Services for the operations of West Basin's Ocean Water Desalination Demonstration Project for amount of \$2,427,200

27. SLUDGE HAULING AND BENEFICIAL REUSE AT THE EDWARD C. LITTLE WATER RECYCLING FACILITY

The Board approved this item earlier on the agenda.

28. JANITORIAL SERVICE CONTRACT FOR EDWARD C. LITTLE WATER RECYCLING FACILITY

RECOMMENDATION: That the Board authorizes the General Manager to enter into a two-year agreement with Star Brite Building Maintenance, Inc. for \$33,480, plus a 10% contingency, for a total not-to-exceed contract amount of \$36,828 to provide janitorial services at ECLWRF, Chevron Nitrification Facility and Carson Regional Water Recycling Facility.

29. NRG ENERGY, INC. AGREEMENT

RECOMMENDATION: That the Board authorizes the General Manager to enter into an MOU with NRG for West Basin to develop an RFP for engineering design and construction services for facilities to service El Segundo Energy Center at a cost for staff time of up to \$50,000.

30. LETTER OF SUPPORT FOR METROPOLITAN WATER DISTRICT'S 2010 INTEGRATED RESOURCES PLAN UPDATE

RECOMMENDATION: That the Board authorizes the President to sign a letter supporting MWD's 2010 Integrated Resources Plan Update

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

31. FISCAL YEAR 2010-11 EVENT SPONSORSHIP 6th BINATIONAL MAYORS SUMMIT

RECOMMENDATION: That the Board considers a \$2,000 individual sponsorship for the 6th Binational Mayors Summit on October 28-29, 2010 from Director Kwan's individual sponsorship budget.

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

RECOMMENDATION: That the Board considers a sponsorship for the Palos Verdes Peninsula Legislative Forum on September 11, 2010 in the amount of \$750.

ACTION: Upon a motion duly made by Director Dear and seconded by Director Kwan, the Board approved a \$750 sponsorship from Director Dear's individual sponsorship budget for the Palos Verdes Peninsula Legislative Forum.

31.1 SOCIAL MEDIA POLICY

RECOMMENDATION: That the Board approves the Social Media Policy.

ACTION: This item was deferred to the September Communications Committee.

31.2. SUPPORT SUSTAINABLE COMMUNITY GRANT APPLICATION FOR THE CITY OF HERMOSA BEACH

RECOMMENDATION: That the Board authorizes the President to sign a letter of support for the City of Hermosa Beach's Sustainable Community Grant Application.

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

32. GENERAL MANAGER'S REPORT ON DISTRICT ACTIVITIES: Assistant General Manager Deshmukh reported West Basin received a \$600,000 grant from the Bureau of Reclamation for the desalination education program. He also reported that the Annual Picnic would be on August 26 in El Segundo, that Assemblywoman Bass would tour the Treatment Plant on September 2, and that the Desalination Dedication would take place on November 12.

33. GENERAL COUNSEL'S REPORT: General Counsel O'Neill stated there was no Closed Session.

34. DIRECTOR'S COMMENTS: There were no comments.

President Gray recessed the meeting to Closed Session at 3:40 p.m. without objection.

President Gray reconvened at 4:35 p.m.

35. CLOSED SESSION

A. PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (a) EXISTING LITIGATION – 1 ITEM

1. LOS ANGELES UNIFIED SCHOOL DISTRICT vs. COUNTY OF LOS ANGELES – CASE NO. BS108180.

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

C. PURSUANT TO GOVERNMENT CODE SECTION 54956.8 PROPERTY NEGOTIATIONS – 2 ITEMS

1. AES, 1100 North Harbor Dr., Redondo Beach, CA 90277-2017

2. NRG, El Segundo Operations, 301 Vista del Mar, El Segundo, CA 90245

D. PURSUANT TO GOVERNMENT CODE SECTION 54957 – 1 ITEM

1. GENERAL MANAGER PERFORMANCE EVALUATION

No Closed Session.

ADJOURNMENT. There being no further business to come before the Board, President Gray adjourned the meeting at 3:45 p.m.

President

ATTEST:

Secretary