

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

November 22, 2010

A regular meeting of the Board of Directors of West Basin Municipal Water District was held on Monday, November 22, 2010 at 1:00 p.m. at 17140 S. Avalon Blvd., Suite 210, Carson, CA 90746.

President Gray called the meeting to order at 1:06 p.m. and presided thereover.

1. DETERMINATION OF QUORUM. The following Directors were present: Dear, Gray, Little, Smith, and Kwan arrived at 1:46 p.m.. Also present was General Manager Nagel and District Counsel O'Neill.

PLEDGE OF ALLEGIANCE. Donna Varner 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.)

Go Green Award – Andrea Harbin from Nu-Earth will present West Basin with the Go-Green Award for our work in educating the community on water conservation.

WRD Director Willard Murray stated he was pleased to attend the Desalination Demonstration Dedication.

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. WATER RECYCLING PLANT OPERATIONS UPDATE – ORAL REPORT – Operations Manager Won presented an update on water quality and in-pipe technology pilot test at the Edward C. Little Water Recycling Water Facility. He stated the leak repair at the Carson Water Recycling Facility was complete. Engineering Manager Serna presented an update on the Phase V Expansion – Ozone Pilot Testing. Director Little requested staff look into patenting the ozone technology.

5. METROPOLITAN WATER DISTRICT ACTIVITIES UPDATE – Fernando gave an update on water rationing and water supply.

Director Kwan arrived at 1:46 p.m.

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

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). Director Dear stated that he attended the Water Education Foundation Conference in Ontario on November 2 - 4, 2010.

CONSENT CALENDAR

8. APPROVAL OF MINUTES – OCTOBER 7, 2010 (MWD CAUCUS), OCTOBER 13, 2010 (SPECIAL),

OCTOBER 15, 2010 (SPECIAL), OCTOBER 25, 2010 (REGULAR), AND NOVEMBER 4, 2010 (MWD CAUCUS)

9. FINANCIAL REPORT

A. Demands Demand Numbers 1215, 1216, 1219 and 1220; 55513 through 55719 (excluding 55584); for a total amount of \$13,567,143.07 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. FISCAL YEAR 2010-11 BUDGET TO ACTUALS

12. BUILDING ENGINEER SERVICES

President Gray requested Item 11 to be pulled for a report without objection.

ACTION: Upon a motion duly made by Director Dear and seconded by Director Kwan, the Board approved Consent Calendar Items 8-10 and Item 12.

Director Little requested information regarding unexpected expenditures for Fiscal Year 2010-11 Budget to Actuals. President Gray referred this item to the Finance Committee agenda in January.

ACTION: Upon a motion duly made by Director Dear and seconded by Director Smith, the Board approved Consent Calendar Item 11.

ACTION CALENDAR

President Gray requested a motion to approve Action Items 14, 15, 16, 18, and 19.

ACTION: Upon a motion duly made by Director Dear and seconded by Director Smith, the Board unanimously approved Action Items 14, 15, 16, 18, and 19.

13. DEBT MANAGEMENT POLICY AMENDMENT

RECOMMENDATION: That the Board approves amending the West Basin Municipal Water District Debt Management Policy and approves, adopts and authorizes the President to sign Resolution No. 11-10-936 "A RESOLUTION OF THE BOARD OF THE DIRECTORS OF WEST BASIN MUNICIPAL WATER DISTRICT AMENDING RESOLUTION NO. 06-07-859 (ADMINISTRATIVE CODE) AS IT RELATES TO THE DISTRICT'S DEBT MANAGEMENT POLICY".

The Board had additional questions on the Policy revisions, and this Item referred to the December Finance Committee agenda.

14. WEST BASIN BOILER REPLACEMENT PROJECT

RECOMMENDATION: That the Board authorizes the General Manager to enter into an agreement with A.J. Stevens Construction, Inc., to perform construction services on the West Basin Boiler Replacement Project, for a contract amount of \$52,657 plus a 10% contingency for a total not-to-exceed contract amount of \$57,923.

15. TOUR GUIDE SERVICES CONTRACT AMENDMENT FOR POST PLANT OCEAN EDUCATION

RECOMMENDATION: That the Board authorizes the General Manager to amend contract #W2195 SEA Lab in the amount of \$6,000, for a total contract amount not-to-exceed \$29,000.

16. INTEGRATING THE NEW WATER EDUCATION CENTER INTO SEA LAB'S SCHOOL TOUR PROGRAM

RECOMMENDATION: That the Board authorizes the General Manager to award a contract to SEA Lab in the amount of \$6,500 to conduct school tours of the Water Education Center.

17. HIGH EFFICIENCY TOILET DISTRIBUTION PROGRAM VENDOR AND PRODUCT RECOMMENDATION

RECOMMENDATION: That the Board authorizes the General Manager to enter into an agreement with the highest scoring vendor, ConserVision Consulting, to provide toilet distribution services to West Basin using the Ferguson ProFlo toilet for a total not-to-exceed contract amount of \$301,500 for the period of December 1, 2010 through June 30, 2011.

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

18. JUANITA MILLENDER-MCDONALD CARSON REGIONAL WATER RECYCLING PLANT - MICROFILTRATION SUBMODULE REPLACEMENT

RECOMMENDATION: That the Board authorizes the General Manager to enter into an agreement with Siemens for the purchase of 850 microfiltration replacement membrane elements in an amount not-to-exceed \$723,634 including shipping, handling and sales tax.

19. EXXONMOBIL VALVE/ACTUATOR - CRITICAL REPLACEMENT

RECOMMENDATION: That the Board ratifies the General Manager's authority to purchase four replacement actuators, one new valve, and repair three valves in an amount not-to-exceed \$63,125,05.

20. GOVERNOR'S AWARD – ORAL REPORT

An update was provided and additional information will be agendized to the December Communications Committee. No action was taken.

21. CAL DESAL BOARD REPRESENTATION – ORAL REPORT

RECOMMENDATION: That the Board approved appointing Director Kwan as the member of the Cal Desal Board of Directors and General Manager Nagel as the alternate member, and nominates Director Kwan for the Cal Desal Executive Committee.

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

22. MWD CHAIRMAN ELECT – ORAL REPORT

The Board requested staff bring additional information to the Communications Committee in December on options to hold an event at either Carson or at the Desalination Demonstration Plant.

22.1 ASSOCIATION OF CALIFORNIA WATER AGENCIES HEALTH BENEFITS AUTHORITY (HBA) – BOARD OF DIRECTORS BALLOT

RECOMMENDATION: That the Board considers voting for two (2) candidates, (Randall Reed and Merle Aleshire) for the HBA Board of Directors for the Southern Region.

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

31. GENERAL MANAGER'S REPORT ON DISTRICT ACTIVITIES: General Manager Nagel reported on the upcoming ACWA Fall Conference from November 29 through December 3 at Indian Wells. He also stated that on December 4, 2010, a Community Event at the Desalination Demonstration Plant would be held from 10:00 a.m. to 2:00 p.m.

32. GENERAL COUNSEL'S REPORT: General Counsel O'Neill stated there will not be a Closed Session. He also stated that he would be informing the Board on the details of dinner being hosted during the ACWA Conference.

33. DIRECTOR'S COMMENTS: Director Dear stated that with three newly re-elected Directors that a joint installation event should be considered at a neutral location such as the Hawthorne Cultural Center. Director Dear wished everyone a Happy Thanksgiving. Director Kwan thanked the Board for her nomination to the Cal

Desal Board and Executive Committee. She also stated that there was a miscommunication regarding the Northrop Grumman event. Director Little stated that he was not informed about the Northrop Grumman event. Director Little suggested that the Board review the Administrative Code regarding coordination of outside events.

34. 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

ADJOURNMENT. There being no further business to come before the Board, President Gray adjourned the meeting at 3:30 p.m.

President

ATTEST:

Secretary

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