

**SPECIAL MEETING OF THE BOARD OF DIRECTORS
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
4040 PARAMOUNT BOULEVARD, LAKEWOOD, CALIFORNIA 90712**

9:00 A.M., FRIDAY, DECEMBER 19, 2008

AGENDA

Each item on the agenda, no matter how described, shall be deemed to include any appropriate motion, whether to adopt a minute motion, resolution, payment of any bill, approval of any matter or action, or any other action. Items listed as "For Information" or "For Discussion" may also be the subject of an "action" taken by the Board or a Committee at the same meeting

- 1. DETERMINATION OF A QUORUM**
- 2. PLEDGE OF ALLEGIANCE**
- 3. PUBLIC COMMENT**
- 4. CONSENT CALENDAR**
 - A. AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH LEGISLATIVE ADVOCACY GROUP, INC.**

External Affairs Committee Recommendation: Approve amendment of the professional services agreement with Legislative Advocacy Group, Inc., subject to approval of form by District Counsel, extending the term of the agreement to April 19, 2009 with a retainer of \$5,000 a month not to exceed \$30,000.
- 5. UPDATE ON THE PHASE 5 EXPANSION OF THE EDWARD C. LITTLE WATER RECYCLING FACILITY PURCHASE AGREEMENT**

Water Resources Committee Recommendation: For information.
- 6. GROUNDWATER RELIABILITY IMPROVEMENT PROGRAM (GRIP) PUBLIC OUTREACH**

Staff Recommendation: For information.
- 7. CLOSED SESSION**
 - A. Conference with Legal Counsel--Anticipated Litigation Significant Exposure to Litigation Pursuant to Subdivision (B) of Section 54956.9: (1)**
- 8. ADJOURNMENT**

Agenda posted by Abigail C. Andom, Deputy Secretary, December 18, 2008.

In compliance with the Americans with Disabilities Act (ADA), if special assistance is needed to participate in the Board meeting, please contact Deputy Secretary Abigail Andom at (562) 921-5521 for assistance to enable the District to make reasonable accommodations.

All public records relating to an agenda item on this agenda are available for public inspection at the time the record is distributed to all, or a majority of all, members of the Board. Such records shall be available at the District office located at 4040 Paramount Boulevard, Lakewood, California 90712.

Agendas and minutes are available at the District's website, www.wrd.org.



MEMORANDUM

ITEM NO. 4.A

Prepared by: Elsa Lopez

Reviewed by: Robb Whitaker

Approved by: Robb Whitaker

DATE: DECEMBER 19, 2008

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH LEGISLATIVE ADVOCACY GROUP, INC.

SUMMARY

On April 18, 2008 the Board approved a six-month amendment to the Legislative Advocacy Group's Inc. (LAG) contract. The contract ended on October 18, 2008. At the External Affairs Committee held on October 20, 2008 the Committee recommended amending the LAG contract for another six months with a retainer of \$5,000 a month not to exceed \$30,000 for six months.

LAG has been coordinating meetings for WRD and providing water storage presentations with officials in the WRD service area and also attended meetings on behalf of WRD. Staff would like to expand the scope of work and amend the existing contract with Legislative Advocacy Group, Inc. to extend the term by six months at \$5,000 per month to continue these efforts.

The new scope of work will include the following:

- Continue the community outreach plan developed to improve working relationships with various public agencies within WRD's jurisdiction.
- Continue the outreach to the District's constituent municipalities and local offices to provide them with accurate information regarding the mission and purpose of WRD and the attendant benefits of working with WRD to address water related issues.
- Attend and monitor relevant agency agenda's for items relevant to WRD and report back to External Affairs Manager on a timely basis. Attend meetings as needed on behalf of WRD.
- Provide monthly reports to the Board of Directors or External Affairs Committee as determined by the External Affairs Manager.
- Attend bi-weekly meetings with General Manager and External Affairs Manager and report all findings.
- Work with External Affairs Manager and Government Affairs Manager as needed.

FISCAL IMPACT

If the amendment is approved, funds will be appropriated from the Outreach FY '08-09 budget.

EXTERNAL AFFAIRS COMMITTEE RECOMMENDATION

Approve amendment of the professional services agreement with Legislative Advocacy Group, Inc., subject to approval of form by District Counsel, extending the term of the agreement to April 19, 2009 with a retainer of \$5,000 a month not to exceed \$30,000.



MEMORANDUM

ITEM NO. 5

Prepared by: Jim McDavid

Reviewed by: Bob Siemak

Approved by: Robb Whitaker

DATE: DECEMBER 19, 2008

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: UPDATE ON THE PHASE 5 EXPANSION OF THE EDWARD C. LITTLE WATER RECYCLING FACILITY PURCHASE AGREEMENT

SUMMARY

WRD continues to pursue and evaluate projects and practices that will further the goals of the Water Independence Network (WIN) program. One such opportunity is to provide additional recycled water to the West Coast Barrier (WCB) system to alleviate the need for imported (MWD Tier 1) water currently used to meet a portion of the barrier needs by using 100% recycled water for the WCB. Currently, WCB is operated using a 75% recycled water and 25% imported water blend. California Department of Health and the Los Angeles Regional Water Quality Control Board have already approved the use of 100% recycled water at the WCB.

WRD and West Basin Municipal Water District (WBMWD) entered into the current Agreement for Supply of Recycled Water dated January 27, 2003. Based on the Agreement, the parties set forth terms and conditions under which WBMWD would sell and WRD would purchase up to 12,500 AFY of recycled water from the Edward C. Little Water Recycling Facility (ECLRF) for injection at the WCB, which is 75% of the barrier demand.

WBMWD has recently completed a preliminary design report for the expansion of the ECLRF. This expansion will make available an additional 4,480 acre-feet per year (AFY) of recycled water. Staff from WRD and WBMWD is working together to structure a new agreement under which WRD would purchase this additional recycled water. This will allow for up to 16,980 AFY of recycled water to be delivered to the WCB from the ECLRF, thereby meeting the total anticipated replenishment demands at the barrier. The use of locally produced recycled water to meet the total replenishment requirements of the barrier will secure a reliable and locally sustainable source for the future.

The proposed agreement is being developed based on direction provided by the Joint Ad Hoc Committees from both agencies' Boards. Some of the major points to be included are:

- The agreement is for twenty-five years.
- WBMWD will design, finance, and construct the facilities to meet the expected demand for 100% recycled water to the barrier (16,980 acre-feet per year).
- An increase in recycled water used for barrier injection is consistent with the goals set forth in the WRD's Water Independence Network (WIN) program.

- An increase in recycled water used for barrier injection and a corresponding decrease in imported water is consistent with the WBMWD's Water Reliability 2020 Program.
- WRD will secure a 16,980 acre-feet per year capacity interest in the facility.
- WBMWD will own, operate, and maintain the facilities to produce and distribute recycled water to the barrier.
- Rate structure will allow WBMWD to cover costs.
- WRD may, at its own discretion, provide funding for up to 50% of the capital costs for this project up front, with a corresponding reduction to the monthly capital recovery fee.
- WRD will enjoy the benefit of purchasing barrier injection water for an additional twenty-five years at the commodity rate (less the monthly capital recovery fee).

FISCAL IMPACT

The supply water for the WCB currently consists of approximately 12,500 AFY of recycled water and approximately 4,000 AFY of imported water. The current rate structure for the recycled water portion of the WCB needs is expected to increase over time in a more stable manner than imported water rates in the future. Last year, imported water costs increased by over 14% and a similar, if not higher increase, is anticipated for next year. By meeting the entire replenishment needs of the WCB using recycled water, future budgetary allocations for the WCB replenishment supply will be more stable and can be better anticipated. The initial costs for WCB supply water under this new agreement will not result in an increase to the Replenishment Assessment as compared to the existing arrangement. Future costs are expected to be less than those under the existing agreement as costs for recycled water will be less than those for imported water.

STAFF RECOMMENDATION

For information.



MEMORANDUM

ITEM NO. 6

Prepared by: Bob Siemak

Reviewed by: Robb Whitaker

Approved by: Robb Whitaker

DATE: DECEMBER 19, 2008

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: GROUNDWATER RELIABILITY IMPROVEMENT PROGRAM (GRIP)
PUBLIC OUTREACH

SUMMARY

Historically WRD has purchased both imported water and recycled water for groundwater replenishment in the Montebello Forebay spreading grounds. On average, WRD uses 50,000 acre-feet per year (afy) of recycled water (our current regulatory limit) and 21,000 afy of untreated imported water for groundwater replenishment in the Montebello Forebay. However, the availability of imported water for replenishment has become less and less reliable, and so replenishment alternatives are needed in order to sustain the current pumping demands of the groundwater users. Last year, imported replenishment supplies were interrupted and remain unavailable. This was the first time in WRD's nearly 50 years history that no imported water was available for groundwater recharge at any price for an entire year. We are now in our second year of interruption imported replenishment water with no end in sight. Therefore, consistent with our Water Independence Network (WIN) Program, WRD is moving to create a locally sustainable groundwater supply that eliminates our dependence on imported water for groundwater replenishment.

At the September 5, 2008, the Board approved a Memorandum of Understanding (MOU) to jointly fund a Preliminary Development Plan for the Groundwater Reliability Improvement Program (GRIP). GRIP is a partnership of WRD, Upper San Gabriel Valley Municipal Water District (USGVMWD) and Los Angeles County Sanitation Districts (LACSD) to develop a project that would replace unreliable imported replenishment water with a locally sustainable supply (i.e. advanced treated reclaimed water). The MOU was approved by the other two agencies and fully executed in last September 2008.

The primary goals of the GRIP are to:

- Protect groundwater quality and quality of life
- Provide a sustainable and reliable supply for replenishing the basins
- Minimize the environmental/energy footprint of any option or options selected
- Minimize cost to agencies using groundwater
- Engage stakeholders in the decision making process

The Partnership has been working on the Preliminary Development Plan including an implementation schedule and determined the need to move forward with a public outreach program. It is critical, beginning in the early stages of development, to engage stakeholders, including groundwater agencies, the public, regulatory agencies, and other basin stakeholders to determine a course of action to identify and implement sustainable water replenishment supplies for the groundwater basins. To this end, staff from the three agencies have met on a regular basis, including monthly coordination meetings and determine to solicit supplemental public outreach expertise to aid the Partnership in this effort. The scope of the public outreach includes:

- Develop an overall communication strategy
- Assist in identifying primary and secondary target audiences
- Identify, schedule and coordinate outreach activities
- Assist in all phases of project development and implementation as it relates to the public

The selection of the public outreach consultant will be a two part process which includes a qualification phase followed by a proposal/interview phase of the most qualified team. The partnership is in the process of preparing a Request for Qualification (RFQ) which will be distributed to selected firms and industry publications. The RFQ will also be posted on the WRD web site. An evaluation panel of staff and outside experts will shortlist the most qualified firms. A Request for Proposals (RFP) will be distributed to these firms. The evaluation panel will interview these firms and make a recommendation to the Partnership. The RFQ/RFP process will be administered by USGVMWD with close coordination and input by the other partners. The management of the public outreach consultant will be determined at a later date.

The preliminary schedule is to issue the RFQ in early January, have qualification due in early February and shortlisting and distribution of RFP in mid February. Proposals will be due in mid March with interview and selection by early April.

FISCAL IMPACT

Budgets for the Public Outreach Consultant will be based on the Partnerships determination of the exact scope and level of effort required by the Partnership and will be presented to Board for approval.

STAFF RECOMMENDATION

For information.