

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

9:00 A.M., FRIDAY, NOVEMBER 19, 2010

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. INVOCATION**
- 4. ADDITIONAL ITEMS TO AGENDA**

Determine the need to add items to the agenda. In order for the Board to add an item to the agenda it must make a determination that: (i). The item came to the attention of the Board after the posting of the agenda; (ii). That there is a need for immediate action to be taken by the Board. If these two tests are met, the Board may add the item in question to the agenda for consideration consistent with the provisions of the Brown Act.
- 5. PUBLIC COMMENT**
- 6. CONSENT CALENDAR**

Consent Calendar items are considered routine by the Board of Directors and will be adopted by one motion. There will be no separate discussion of these items unless a Board Member so requests, in which event the item will be removed from the Consent Calendar and considered separately immediately following action on the remaining items.

 - A. MINUTES OF THE MEETING OF OCTOBER 27, 2010**

Staff Recommendation: Approve the minutes as submitted.
 - B. DEMANDS – SEPTEMBER 2010**

Finance Committee Recommendation: Receive and file the Demands for September 30, 2010.
 - C. FINANCIAL STATEMENTS – SEPTEMBER 30, 2010**

Finance Committee Recommendation: Approve the Financial Statements for September 30, 2010.

- D. RESERVES, CASH AND INVESTMENT REPORT FOR THE PERIOD ENDING SEPTEMBER 30, 2010**
Finance Committee Recommendation: Approve the Investment Report for the period ending September 30, 2010.
- E. GASB 45 OPEB IRREVOCABLE TRUST**
Finance Committee Recommendation: Approve issuance of requests for proposals for establishing and managing WRD's GASB 45 OPEB Irrevocable Trust.
- F. CONSIDERATION OF RESOLUTION NO. 10- 891 – A JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES; THE BOARD OF TRUSTEES OF THE GREATER LOS ANGELES COUNTY VECTOR CONTROL DISTRICT; THE THE BOARD OF DIRECTORS OF THE COUNTY SANITATION DISTRICT NO. 8 OF LOS ANGELES COUNTY (COUNTY SANITATION DISTRICT NO. 8); AND THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING FROM ANNEXATION OF L 008-2010 TO COUNTY LIGHTING MAINTENANCE DISTRICT 1687**
Finance Committee Recommendation: Adopt Resolution No. 10-891.
- G. ACWA HEALTH BENEFIT AUTHORITY – HEALTH PLAN COVERAGE**
Administrative Committee Recommendation: Extend dental health coverage to adult dependent children up to age 26 of District employees and directors, effective January 1, 2011.
- H. CONTRACT AMENDMENT FOR RMC WATER AND ENVIRONMENT**
Water Resources Committee Recommendation: Amend the existing contract with RMC Water and Environment to include a term extension to June 30, 2011 and additional funding not to exceed \$50,000.
- I. STRATEGIC SUPPORT SERVICES CONTRACT WITH KINDEL GAGAN, INC.**
Water Resources Committee Recommendation: Extend the professional services agreement with Kindel Gagan, Inc. for strategic support services for a period of six months expiring on June 30, 2011 for a monthly fee of \$10,000 plus \$225 per hour for any planning or analysis associated with legislation.
- 7. AGREEMENT WITH LADWP FOR REIMBURSABLE WELL CONSTRUCTION CONTRACT MANAGEMENT SERVICES**
Water Resources Committee Recommendation: 1. Enter into a Memorandum of Agreement with the City of Los Angeles Department of Water & Power, subject to approval of form by District Counsel, for water well construction contract management services for a cost not to exceed \$8,300,000. All costs incurred by WRD for this project will be fully reimbursed by LADWP in a timely manner so that there is no net cost impact to WRD or the other pumpers in the District.

2. Authorize staff to release Requests for Bids for the construction of production wells and monitoring wells related to the Manhattan Well Field project with LADWP.

8. PROPOSED ADMINISTRATIVE CODE AMENDMENTS TO CHAPTER 7.3.1 – EXPENSES OVER 90 DAYS

Administrative Committee Recommendation: Consensus was not reached by the Committee regarding changes to Section 7.3.1 of the Administrative Code. Director Murray recommended the Board of Directors adopt the proposed changes and Director Kawasaki recommended no change be made to the existing policy.

9. GENERAL COUNSEL SERVICES

Ad Hoc Legal Selection Committee Recommendation: Approve issuance of request for proposals for General Counsel services, immediate cessation of current contract and appointment of interim General Counsel.

10. BOARD REORGANIZATION

President's Recommendation: For discussion.

11. GENERAL MANAGER'S REPORT

12. DISTRICT COUNSEL'S REPORT

13. AB 1234 COMPLIANCE REPORTS AND DIRECTORS' REPORTS

14. WRD BOARD MEETING DATES

- A. December 6, 2010 – 12:00 p.m. – Special Board of Directors Meeting
- B. January 21, 2011 – 9:00 a.m. – Board of Directors Meeting
- C. February 18, 2011 – 9:00 a.m. – Board of Directors Meeting
- D. March 18, 2011 – 9:00 a.m. – Board of Directors Meeting

15. CLOSED SESSION

- A. Conference with Legal Counsel – Existing Litigation, pursuant to Government Code § 54956.9(a), California Water Service Company, et al. v. City of Compton, et al., Case No. 506 806
- B. Conference with Legal Counsel – Existing Litigation, pursuant to Government Code § 54956.9(a) Central and West Basin Water Replenishment District v. Charles Adams; L.A.S.C. Case No. 786,656
- C. Conference with Labor Negotiator: Clifton Albright
Employee Organization: American Federation of State, County and Municipal Employees (AFSCME)
- D. Conference with Legal Counsel – Pending Litigation
Pursuant to Government Code §54956.9
Name of Case: City of Cerritos, City of Downey and City of Signal Hill v. Water Replenishment District of Southern California
Case No.: Los Angeles County Superior Court BS128136

16. ADJOURNMENT

Agenda posted by Abigail C. Andom, Deputy Secretary, November 16, 2010. In compliance with ADA requirements, this document can be made available in alternative formats upon request.

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.

UNAPPROVED
MINUTES

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MINUTES

**MINUTES OF OCTOBER 27, 2010
SPECIAL MEETING OF THE BOARD OF DIRECTORS
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA**

A special meeting of the Board of Directors of the Water Replenishment District of Southern California was held on October 27, 2010, 11:30 a.m., at the District Office, 4040 Paramount Boulevard, Lakewood, California. President Sergio Calderon called the meeting to order. Deputy Secretary Abigail C. Andom recorded the minutes.

1. DETERMINATION OF A QUORUM

President Calderon declared that a quorum of Directors was present, which in addition to himself included Directors Lillian Kawasaki, Willard H. Murray, Jr. and Albert Robles. Director Rob Katherman arrived while the meeting was in progress.

2. PLEDGE OF ALLEGIANCE

President Calderon led the Pledge of Allegiance.

3. INVOCATION

President Calderon gave the Invocation.

4. PUBLIC COMMENT

None.

Director Katherman arrived.

5. CLOSED SESSION

- A. Conference with Legal Counsel – Existing Litigation, pursuant to Government Code §54956.9(a) Central and West Basin Water Replenishment District v. Charles Adams; L.A.S.C. Case No. 786,656
- B. Conference with Legal Counsel – Anticipated Litigation, Pursuant to Government Code §54956.9 (b), One Case

The Board went into closed session. The Board reconvened in open session.

District Counsel Jamie Casso stated that for Agenda Item 5.A, discussion was held, a vote was taken, and the vote was 5-0. He reported that for Agenda Item 5.B, discussion was held, a vote was taken, and the vote was 4-1, with Director Kawasaki the dissenting vote.

6. ADJOURNMENT

President Calderon asked if there was any further business to come before the Board, and there being none the meeting was adjourned at 1:15 p.m.

Sergio Calderon, President

ATTEST:

Willard H. Murray, Jr., Secretary



MEMORANDUM

ITEM NO. 6.B

*Prepared by: Binhyen Bui
Reviewed by: Scott M. Ota
Approved by: Robb Whitaker*

DATE: NOVEMBER 19, 2010
TO: BOARD OF DIRECTORS
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: DEMANDS - SEPTEMBER 2010

SUMMARY

At the request of the Finance Committee, the following items are attached:

1. The demands list for the period September 1st, 2010 –September 30th, 2010.
2. The demands sorted by vendor with an additional column showing fiscal year-to-date payments

Demands Summary – September 2010

Replenishment Fund	\$ 5,376,917.66
Clean Water Fund	<u>346,773.80</u>
Total	<u>\$ 5,723,691.46</u>

FINANCE COMMITTEE RECOMMENDATION

Receive and file the Demands for September 30, 2010.



DIRECTORS

SERGIO CALDERON, PRESIDENT
 LILLIAN KAWASAKI, VICE PRESIDENT
 WILLARD H. MURRAY, JR., SECRETARY
 ROBERT KATHERMAN, TREASURER
 ALBERT ROBLES, DIRECTOR

ROBB WHITAKER, P.E., GENERAL
 MANAGER

November 19, 2010

Board of Directors
 Water Replenishment District of Southern California

Submitted herewith for action by the Board of Directors are the following demands for the period ending September 30, 2010

Check #	Payee	Description	Total	Replenishment Fund	Clean Water Fund
P0040	ALBERT ROBLES	08/10 DIRECTORS COMPENSATION	1,586.58	1,491.38	95.20
P0041	ALBERT ROBLES	09/10 DIRECTORS COMPENSATION	1,014.80	953.91	60.89
P0040	ALBERT ROBLES	08/10 EXPENSE REIMBURSEMENT	233.87	219.83	14.04
P0047	ALBERT ROBLES	EXPENSE REIMBURSEMENT - OVER-90 DAYS	241.91	227.40	14.51
P0044	LILLIAN Y. KAWASAKI	07/10 DIRECTOR'S COMPENSATION	584.11	549.06	35.05
P0042	LILLIAN Y. KAWASAKI	08/10 EXPENSE REIMBURSEMENT	272.57	256.21	16.36
P0045	LILLIAN Y. KAWASAKI	EXPENSE REIMBURSEMENT - OVER-90 DAYS	998.75	938.83	59.92
DD	SERGIO J. CALDERON	08/10 DIRECTORS COMPENSATION	1,081.26	1,016.39	64.87
DD	SERGIO J. CALDERON	09/10 DIRECTORS COMPENSATION	910.45	855.82	54.63
DD	SERGIO J. CALDERON	EXPENSE REIMBURSEMENT - OVER-90 DAYS	479.69	450.91	28.78
DD	ROBERT E. KATHERMAN	08/10 DIRECTORS COMPENSATION	996.73	936.93	59.80
P0043	ROBERT E. KATHERMAN	08/10 EXPENSE REIMBURSEMENT	958.47	900.97	57.50
P0046	ROBERT E. KATHERMAN	EXPENSE REIMBURSEMENT - OVER-90 DAYS	110.72	104.08	6.64
DD	AFSCME LOCAL 1902 UNION	UNION DUES	577.80	481.64	96.16
DD	AFSCME LOCAL 1902 UNION	UNION DUES	577.80	489.48	88.32
DD	EDD	DIR STATE TAX W/H	29.38	27.61	1.77
DD	EDD	STATE TAX DEPOSIT	5,502.40	4,456.09	1,046.31
DD	EDD	STATE TAX DEPOSIT	5,494.68	4,561.73	932.95
DD	EMPLOYEE PAYROLL	SALARY EXPENSE	73,457.14	61,176.34	12,280.80
DD	EMPLOYEE PAYROLL	SALARY EXPENSE	74,401.44	63,177.54	11,223.90
DD	FLEX-PLAN SERVICES, INC	HRA & FSA REIMBURSEMENTS	2,506.65	2,356.26	150.39
DD	FLEX-PLAN SERVICES, INC	HRA & FSA REIMBURSEMENTS	4,348.35	4,099.02	249.33
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	2,600.06	2,444.06	156.00
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	1,843.39	1,544.78	98.61
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	2,337.00	2,196.77	140.23
DD	FLEX-PLAN SERVICES, INC	07/10 MONTHLY SVC CHRGR	966.00	908.04	57.96
DD	INTERNAL REVENUE SERVICE	DIR FEDERAL TAX DEPOSIT	2,630.85	2,473.01	157.84
DD	INTERNAL REVENUE SERVICE	FEDERAL TAX DEPOSIT	29,737.98	24,261.90	5,476.08
DD	INTERNAL REVENUE SERVICE	FEDERAL TAX DEPOSIT	29,371.06	24,451.30	4,919.76
DD	PARS	DIR PARS PAYMENT	2,989.87	2,810.46	179.41
DD	PRUDENTIAL	DIR DEFERRED COMP	9,706.41	9,124.06	582.35
DD	PRUDENTIAL	DEFERRED COMP	19,790.97	16,963.35	2,827.62
DD	PRUDENTIAL	DEFERRED COMP	19,601.54	17,309.29	2,292.25
DD	PERS	DIR PERS PAYMENT	671.23	630.96	40.27
DD	PERS	PERS PAYMENT	26,624.49	25,027.02	1,597.47
DD	PERS	PERS PAYMENT	26,624.49	22,963.92	3,660.57
1825	ACWA HBA	08/10 & 09/10 EAP PREMIUM	261.96	246.26	15.70
1826	ALBRIGHT, YEE & SCHMIT	LEGAL SERVICE THRU 07/31/10	10,769.71	9,553.42	1,216.29
1827	LONG BEACH, CITY OF	001: 07/10 O & M SERVICE	68,461.92	68,461.92	-
1828	WBMWD	07/10 WATER PURCHASE	1,560,597.16	1,560,597.16	-
1829	ADVANCED DOCUMENT SOLUTION	LIBERTYNET MAINT SERVICE	4,973.40	4,675.00	298.40
1830	ALBRIGHT, YEE & SCHMIT	LEGAL SERVICE THRU 07/31/10	9,501.87	9,501.87	-
1831	AT&T MOBILITY	MONTHLY CELL PHONE SERVICE	144.40	135.74	8.66
1832	CDW GOVERNMENT	COMPUTER SUPPLIES	4,059.37	3,815.81	243.56
1833	DELL MARKETING	COMPUTERS & SUPPLIES	55,693.88	52,352.25	3,341.63
1834	MONO LAKE COMMITTEE	2010/11 EDU PARTNERSHIP PROG	20,000.00	18,800.00	1,200.00
1835	VORTEX INDUSTRIES	MAINTENANCE SERVICE	601.12	565.05	36.07
1836	VOID	VOID	-	-	-
1837	ACWA JOINT POWERS	2011 AUTO & GEN LIABILITY PROG	150,431.00	141,405.14	9,025.86
1838	ACWA	AGENCY DIRECTORS LIST - LK	244.00	229.36	14.64
1839	ACWA	NEWSPAPER AD	845.00	845.00	-
1840	AGWA	FY10/11 MEMBERSHIP DUES	1,000.00	940.00	60.00
1841	AMY'S TROPHIES & SPECIALTIES	NAME BADGE - RB	17.21	16.18	1.03
1842	CALIFORNIA SCIENCE CENTER	2010 GRNDWTR EXHIBIT PYMT #3	100,000.00	94,000.00	6,000.00
1843	CENTRAL BASIN WATER ASSOC	FY10/11 MEMBERSHIP DUES	100.00	94.00	6.00
1844	DMJ CONSULTING GROUP	011: PROF SERVICE THRU 08/23/10	748.90	374.45	374.45

Check #	Payee	Description	Total	Replenishment Fund	Clean Water Fund
1845	DMV RENEWAL	2005 FORD REGIS RENEWAL FEE	480.00	451.20	28.80
1846	DOWNEY CHAMBER	09/01/10-09/01/11 MEMBERSHIP DUES	290.00	272.60	17.40
1847	FEDERAL EXPRESS	FEDEX SERVICE	313.23	294.46	18.77
1848	KONE INC	ELEVATOR REPAIR SERVICE	2,129.33	2,001.57	127.76
1849	LA EXPRESS ONE INC	COURIER SERVICE	124.38	120.37	4.01
1850	McMASTER	011: FIELD SUPPLIES	509.50	254.76	254.74
1851	MEYERS & NAVE	07/10 LEGAL SERVICE	39,026.43	36,473.81	2,552.62
1852	SAGE SOFTWARE	PURCHASE ORDER FORMS	187.08	175.86	11.22
1853	MWH LABORATORIES	04/10-05/10 LAB SERVICES	82,211.00	48,285.00	33,926.00
1854	OFFICE TEAM	TEMP SERVIE THRU 08/06/10	6,227.01	5,853.38	373.63
1855	PACIFIC FORD	011: F-350 TRUCK MAINT SERVICE	980.28	490.15	490.13
1856	PACIFIC FORD	011: F-350 TRUCK MAINT SERVICE	42.87	21.44	21.43
1857	PV PENINSULA CHAMBER	2011 MEMBERSHIP DUES	315.00	296.10	18.90
1858	PICO RIVERA CHAMBER	2011 MEMBERSHIP DUES	185.00	173.90	11.10
1859	STAR OFFICE PRODUCTS	OFFICE SUPPLIES	784.90	737.82	47.08
1860	URBAN WATER INSTITUTE	2010 MEMBERSHIP DUES	1,250.00	1,175.00	75.00
1861	WEST BASIN WATER ASSOC	JOINT LUNCHEON MEETING	100.00	94.00	6.00
1862	ALSTON & BIRD LLP	005: 07/10 LEGAL SERVICE	5,759.63	5,759.63	-
1863	WILMINGTON CHAMBER	2010 INSTALLATION DINNER	500.00	470.00	30.00
1864	XEROX CORPORATION	08/10 COPIER SERVICE	1,399.80	1,315.81	83.99
1866	CITY OF CARSON	011: WELL DRILLING INSPECTION FEE	2,500.00	1,250.00	1,250.00
1867	1-800-CONFERENCE(R)	023: CONFERENCE CALLS	300.44	300.44	-
1868	AT&T	002: MONTHLY PHONE SERVICE	229.89	-	229.89
1869	CAL MUNICIPAL UTILITIES ASSOC	FY10/11 MEMBERSHIP DUES	3,050.00	2,867.00	183.00
1870	CONTROLLED KEY SYSTEM	REPAIR MAINT SERVICE	93.00	87.42	5.58
1871	FEDERAL EXPRESS	FEDEX SERVICE	49.41	46.45	2.96
1872	GEIGER WEST MONROVIA	PROMO ITEM SUPPLIES	1,929.58	1,813.81	115.77
1873	HELPMATES STAFFING SERVICES	TEMP SERVICE THRU 08/08/10 - MC	3,979.36	3,740.60	238.76
1874	KINDEL GAGAN	005: 07/10 PROF SERVICE	10,000.00	10,000.00	-
1875	L.A.CHAMBER OF COMMERCE	2011 MEMBERSHIP DUES	1,559.25	1,465.70	93.55
1876	LAW OFFICE PERSONNEL SERVICE	BOARD MEETING TRANSCRIPT	472.50	444.15	28.35
1877	LONG BEACH, CITY OF	001: 08/10 O & M SERVICE	68,461.92	68,461.92	-
1878	LONG BEACH, CITY OF	001: PROF SERVICE THRU 07/30/10	28,715.59	28,715.59	-
1879	LOS ANGELES TIMES	09/13/10-10/11/10 SUBSCRIPTION FEE	48.00	45.12	2.88
1880	NORWALK CHAMBER	09/01/10-08/01/11 - MEMBERSHIP DUES	330.00	310.20	19.80
1882	OCB REPROGRAPHICS	ENGINEERING SURVEY REPORT	5,214.28	2,607.14	2,607.14
1881	VOID	VOID	-	-	-
1883	OFFICE TEAM	TEMP SERVICE THRU 09/03/10	1,597.90	1,502.03	95.87
1884	PARS	07/10 REP FEES	500.00	470.00	30.00
1885	PHILLIPS 66-CONOCO-76	MONTHLY FUEL CHARGES	667.17	333.59	333.58
1886	ROBERT E. BUSH	005: 08/10 PROF SERVICE	3,000.00	3,000.00	-
1887	SOUTHERN CALIFORNIA EDISON	002: ENERGY USAGE THRU 09/08/10	19,834.27	-	19,834.27
1888	STAR OFFICE PRODUCTS	OFFICE SUPPLIES	552.84	519.67	33.17
1889	THE GAS COMPANY	MONTHLY UTILITY CHARGES	81.65	76.75	4.90
1890	ULINE SHIPPING SUPPLIES SPEC	BLUE SHELF BINS	134.59	126.51	8.08
1891	VERIZON CALIFORNIA	MONTHLY PHONE CHARGES	341.99	321.47	20.52
1892	VERIZON WIRELESS	MONTHLY CELL PHONE SVC	740.21	695.79	44.42
1893	WESTERN EXTERMINATOR	08/10 PESTICIDE SERVICE	65.00	61.10	3.90
1894	XEROX CORPORATION	09/10 COPIER SERVICE	4,251.56	3,996.46	255.10
1895	VERIZON BUSINESS	MONTHLY INTERNET SERVICE	622.93	585.55	37.38
1896	NORWALK PRINTING	BUSINESS CARDS	163.76	153.94	9.82
1897	OFFICE TEAM	TEMP SERVICE THRU 08/27/10	3,139.00	2,950.66	188.34
1898	F&M BANK: CC PAYMENT	08/10 CC CHARGES	427.37	401.73	25.64
1899	VOID	VOID	-	-	-
1900	LOS ANGELES, CITY OF DWP	07/21/10-08/19/10 WATER PURCHASE	100,870.11	100,870.11	-
1901	REMY HERNANDEZ FOR WRD	PETTY CASH REIMBURSEMENT	474.42	442.42	32.00
1902	MEXICAN AMERICAN OPPORTUNITY	CASEWORK ASSISTANCE FAIR	100.00	94.00	6.00
1903	API KIRK CONTAINERS	WRD PAIL CONTAINERS	4,132.00	3,884.08	247.92
1904	ARLENE BOATRIGHT	MEDICAL REIMBURSEMENT	216.00	203.04	12.96
1905	CAL CONTRACT CITIES ASSOC	2010 ASSOC MEMBERS PROG	3,000.00	2,820.00	180.00
1906	CLEAN SOURCE	GENERAL SUPPLIES	469.71	441.53	28.18
1907	DMJ CONSULTING GROUP, INC	011: PROF SERVICE ON 06/21/10	2,372.50	1,186.25	1,186.25
1908	VOID	VOID	-	-	-
1909	INTERIOR PLANT DESIGN	001: 09/10 PLANT MAINT SERVICE	2,000.00	1,816.00	184.00
1910	INTER-TEL NETSOLUTIONS	MONTHLY PHONE CHARGES	879.08	826.34	52.74
1911	JAN-PRO CLEANING	09/10 JANITORIAL SERVICE	2,743.00	2,578.42	164.58
1912	KONE INC	QRTLY ELEVATOR MAINT SERVICE	172.29	161.95	10.34
1913	LAKEWOOD SELF STORAGE	10/01/10 - 09/01/11 STORAGE RENTAL	2,570.70	2,416.46	154.24
1914	LUPUS FOUNDATION OF AMERICA	WALK FOR LUPUS NOW' EVENT	526.14	494.57	31.57
1915	SAGE SOFTWARE	2011 MAINT RENEWAL FEE	6,269.00	5,892.86	376.14
1916	NATIONAL GROUND WATER ASSOC	025: REGISTRATION FEE - MK	125.00	62.50	62.50
1917	NELLOR ENVIRONMENTAL	004: 08/10 PROF SERVICE	270.00	270.00	-
1918	NEW RESOURCES GROUP	PROMO ITEM - HOSE NOZZLES	9,961.50	9,363.81	597.69
1919	OFFICE TEAM	TEMP SERVICE THRU 09/10/10 - KH	1,376.00	1,293.44	82.56
1920	STAR OFFICE PRODUCTS	OFFICE SUPPLIES	195.58	183.85	11.73

Check #	Payee	Description	Total	Replenishment Fund	Clean Water Fund
1921	WATER WISE CONSULTING	WATERWELL EDU WORKSHOP	3,200.00	3,008.00	192.00
1922	ACWA-1	10/10 EAP PREMIUM	130.98	123.13	7.85
1923	ACWA - HBA	10/10 MED/DEN/LIFE PREMIUM	50,398.90	47,374.97	3,023.93
1924	MARTIN E WHELAN. JR.	10/10 MEDICAL PREMIUM	736.33	692.15	44.18
1925	STANDARD INSURANCE COMPANY	10/10 STD/LTD PREMIUM	1,363.00	1,281.22	81.78
1926	COUNTY SANITATION DISTRICT 2	001: 1ST QTR WWTS PAYMENT	35,870.00	35,870.00	-
1927	SOUTHERN CALIFORNIA EDISON	08/10 ENERGY USAGE	4,676.60	4,396.00	280.60
1928	WBMWD	08/10 WATER PURCHASE	1,688,389.79	1,688,389.79	-
1929	COUNTY SANITATION DISTRICT 2	002: 1ST QTR WWTS PAYMENT	18,063.00	18,063.00	-
1930	AMERICAN TRANSPORTATION SYSTEMS	WATER TOUR TRANSPORTATION	351.75	330.65	21.10
1931	BOOKMAN-EDMONSTON	023: PROF SERVICE THRU 08/28/10	2,389.50	2,389.50	-
1932	BROWNSTEIN HYATT	07/10 LEGISLATIVE SERVICE	15,000.00	14,100.00	900.00
1933	BUREAU VERITAS	004: PROF SERVICE THRU 08/20/10	2,586.25	2,586.25	-
1934	CENTER GLOBAL ENVIRONMENTAL EDU	SO CA URBAN WATER CYCLE PROG	15,000.00	14,100.00	900.00
1935	CH2M HILL	PROF SERVICE THRU 08/27/10	142,921.17	142,921.17	-
1936	COUNTY SANITATION DISTRICT 2	07/10 WATER PURCHASE - WN	3,273.90	3,273.90	-
1937	COUNTY SANITATION DISTRICT 2	07/10 WATER PURCHASE - SJC	156,871.95	156,871.95	-
1938	DEPT OF INDUSTRIAL RELATIONS	ELEVATOR CONVEYANCE FEE	225.00	211.50	13.50
1939	FEDERAL EXPRESS	FEDEX SERVICE	319.53	248.71	70.82
1940	GEOTRANS	025: PROF SERVICE THRU 08/27/10	6,187.08	3,093.54	3,093.54
1941	HELPMATES STAFFING	TEMP SERVICE THRU 09/05/10 - MC	2,094.40	1,968.73	125.67
1942	IN-SITU INC.	011: FIELD SUPPLIES REPAIR SVC	288.09	144.05	144.04
1943	KINDEL GAGAN	005: 08/10 PROF SERVICE	10,000.00	10,000.00	-
1944	LA OPINION	08/16/10-08/22/10 NEWSPAPER AD	1,000.00	940.00	60.00
1945	LONG BEACH, CITY OF	001: 09/10 O & M SERVICE	68,461.92	68,461.92	-
1946	LONG BEACH, CITY OF	08/10 LOW FLOW WTR CHARGES	353.00	353.00	-
1947	LONG BEACH, CITY OF	001: 09/10 ADJ O & M COSTS	204,171.05	204,171.05	-
1948	MEYERS & NAVE	08/10 LEGAL SERVICE	21,145.30	18,542.68	2,602.62
1949	MWH LABORATORIES	06/10 & 07/10 LAB SERVICES	191,886.00	165,715.00	26,171.00
1950	PACIFIC ATLANTIC	09/10 LEGISLATIVE SERVICE	15,000.00	14,100.00	900.00
1951	RBF CONSULTING	005: 07/10 PROF SERVICE	482.00	482.00	-
1952	SCHLUMBERGER WATER SERVICES	011: 08/10 PROF SERVICE	25,012.00	12,506.00	12,506.00
1953	SEPARATION PROCESSES	002: 08/10 PROF SERVICE	3,595.00	-	3,595.00
1954	T & A SIGNS	FULL COLOR BANNER	202.11	189.98	12.13
1955	TORRANCE, CITY OF	002: 10/10 PLANT SITE RENT	3,373.48	-	3,373.48
1956	TORRANCE, CITY OF	002: 07/10 O & M SERVICE	37,354.56	-	37,354.56
1957	U.S. GEOLOGICAL SURVEY	025: 01/01/10-03/31/10 PROF SERVICE	14,782.00	7,391.00	7,391.00
1958	U.S. GEOLOGICAL SURVEY	011: 2010 WELLS CONS SERVICE	95,550.00	47,775.00	47,775.00
1959	U.S. GEOLOGICAL SURVEY	011: 12/09 2008 WELLS CONS SERVICE	9,162.95	4,581.48	4,581.47
1960	VOID	VOID	-	-	-
1961	LA BROTHERHOOD CRUSADE	2010 ACHIEVEMENT AWARD	2,500.00	2,350.00	150.00
1962	VOID	VOID	-	-	-
1963	LOS ANGELES TIMES	10/12/10-11/08/10 SUBSCRIPTION FEE	48.00	45.12	2.88
1964	VOID	VOID	-	-	-
1965	OFFICE TEAM	TEMP SERVICES THRU 09/10/10	832.04	782.12	49.92
1966	PR NEWSWIRE ASSOC	PRESS CONFERENCE RELEASE	540.00	507.60	32.40
1967	WATER RESEARCH FOUNDATION	10/10-09/11 MEMBERSHIP DUES	51,537.00	-	51,537.00
1968	ALLIANCE RESOURCES CONSULTING	PROFESSIONAL SERVICE	7,000.00	6,580.00	420.00
1969	DEPT OF CONSUMER AFFAIRS	CPA LICENSE RENEWAL - SO	200.00	188.00	12.00
1970	EMPLOYMENT DEVELOPMENT DEPT	UNEMPLOYMENT INSURANCE - BS	6,750.00	6,345.00	405.00
1971	EAST WEST BANK	CC CHARGES THRU 09/03/10	11,063.12	10,399.33	663.79
ACH10	EAST WEST BANK	CC CHARGES THRU 08/04/10	3,830.67	3,600.82	229.85
I0123	PANERA	WATER RESOURCES MEETING	139.86	131.47	8.39
I0124	SUBWAY #24758	RES WATER SURVEY TRAINING	57.96	54.48	3.48
I0125	TGIS CATERING SERVICES	ADMIN COMM MEETING	286.82	269.61	17.21
I0126	ERHART'S CATERING	FINANCE COMM MEETING	248.04	233.16	14.88
I0127	VOID	VOID	-	-	-
I0128	EL POLLO LOCO	033: 09/14/10 GRIP MEETING	148.09	148.09	-
I0129	SPARKLETTS	SUPPLIES	345.51	324.78	20.73
I0130	PEPSI BOTTLING	SUPPLIES	221.52	208.23	13.29
I0131	TGIS CATERING SERVICES	EA & AD HOC MEETING	590.59	555.15	35.44
I0132	PANERA	RFP SOLAR PANEL MEETING	49.33	46.37	2.96

Total Demands from September 1, 2010 to September 30, 2010

5,723,691.46 5,376,917.66 346,773.80

Robb Whitaker, P.E., General Manager

Water Replenishment District of Southern California
Demands List - Current and YTD By Vendor

Payee	Description	Current Demands	YTD Demands
PAYROLL	BENEFIT/DEDUCTION/REIMBURSEMENT	120,600.05	1,112,946.18
PAYROLL	PAYROLL	147,858.58	443,366.83
PAYROLL	TAXES	72,766.35	227,563.97
ALBERT ROBLES	DIRECTORS' COMPENSATION	2,601.38	7,804.15
ALBERT ROBLES	EXPENSE REIMBURSEMENT	475.78	1,274.18
ROBERT E. KATHERMAN	DIRECTORS' COMPENSATION	996.73	2,756.85
ROBERT E. KATHERMAN	EXPENSE REIMBURSEMENT	1,069.19	2,583.17
LILLIAN Y. KAWASAKI	DIRECTORS' COMPENSATION	584.11	1,168.22
LILLIAN Y. KAWASAKI	EXPENSE REIMBURSEMENT	1,271.32	3,657.59
SERGIO J. CALDERON	DIRECTORS' COMPENSATION	1,991.71	7,459.29
SERGIO J. CALDERON	EXPENSE REIMBURSEMENT	479.69	750.75
WILLARD H. MURRAY, JR	DIRECTORS' COMPENSATION	730.60	2,192.23
1-800-CONFERENCE(R)	023: CONFERENCE CALLS	300.44	389.69
ACWA	AGENCY DIRECTORS LIST - LK	244.00	244.00
ACWA	NEWSPAPER AD	845.00	1,089.00
ACWA - SERVICES	10/10 MED/DEN/LIFE PREMIUM	50,398.90	143,211.88
ACWA-1	08/10 & 09/10 EAP PREMIUM	261.96	261.96
ACWA-1	10/10 EAP PREMIUM	130.98	392.94
ACWA JOINT POWERS	2011 AUTO & GEN LIABILITY PROG	150,431.00	158,290.00
ADVANCED DOCUMENT SOLUTION	LIBERTYNET MAINT SERVICE	4,973.40	4,973.40
AGWA	FY10/11 MEMBERSHIP DUES	1,000.00	1,000.00
ALBRIGHT, YEE & SCHMIT	LEGAL SERVICE THRU 07/31/10	10,769.71	40,000.53
ALBRIGHT, YEE & SCHMIT	LEGAL SERVICE THRU 07/31/10	9,501.87	49,502.40
ALLIANCE RESOURCES CONSULTING	PROFESSIONAL SERVICE	7,000.00	7,000.00
ALSTON & BIRD LLP	005: 07/10 LEGAL SERVICE	5,759.63	13,828.48
AMERICAN TRANSPORTATION SYSTEMS	WATER TOUR TRANSPORTATION	351.75	351.75
AMY'S TROPHIES & SPECIALTIES	NAME BADGE - RB	17.21	17.21
API KIRK CONTAINERS	WRD PAIL CONTAINERS	4,132.00	4,132.00
ARLENE BOATRIGT	MEDICAL REIMBURSEMENT	216.00	216.00
AT&T	002: MONTHLY PHONE SERVICE	229.89	692.72
AT&T MOBILITY	MONTHLY CELL PHONE SERVICE	144.40	435.36
BOOKMAN-EDMONSTON	023: PROF SERVICE THRU 08/28/10	2,389.50	9,829.00
BROWNSTEIN HYATT	07/10 LEGISLATIVE SERVICE	15,000.00	60,000.00
BUREAU VERITAS	004: PROF SERVICE THRU 08/20/10	2,586.25	8,031.25
CAL CONTRACT CITIES ASSOC	2010 ASSOC MEMBERS PROG	3,000.00	3,000.00
CAL MUNICIPAL UTILITIES ASSOC	FY10/11 MEMBERSHIP DUES	3,050.00	3,050.00
CALIFORNIA SCIENCE CENTER	2010 GRNDWTR EXHIBIT PYMT #3	100,000.00	100,000.00
CDW GOVERNMENT	COMPUTER SUPPLIES	4,059.37	4,239.60
CENTER GLOBAL ENVIRONMENTAL EDU	SO CA URBAN WATER CYCLE PROG	15,000.00	15,000.00
CENTRAL BASIN WATER ASSOC	FY10/11 MEMBERSHIP DUES	100.00	100.00
CH2M HILL	PROF SERVICE THRU 08/27/10	142,921.17	322,138.28
CITY OF CARSON	011: WELL DRILLING INSPECTION FEE	2,500.00	5,448.00
CLEAN SOURCE	GENERAL SUPPLIES	469.71	971.26
CONTROLLED KEY SYSTEM	REPAIR MAINT SERVICE	93.00	93.00
COUNTY SANITATION DISTRICT 2	001: 1ST QTR WWTS PAYMENT	35,870.00	633,375.85
COUNTY SANITATION DISTRICT 2	002: 1ST QTR WWTS PAYMENT	18,063.00	651,438.85
COUNTY SANITATION DISTRICT 2	07/10 WATER PURCHASE - WN	3,273.90	654,712.75
COUNTY SANITATION DISTRICT 2	07/10 WATER PURCHASE - SJC	156,871.95	811,584.70
DELL MARKETING	COMPUTERS & SUPPLIES	55,693.88	55,693.88
DEPT OF CONSUMER AFFAIRS	CPA LICENSE RENEWAL - SO	200.00	200.00
DEPT OF INDUSTRIAL RELATIONS	ELEVATOR CONVEYANCE FEE	225.00	225.00
DMJ CONSULTING GROUP	011: PROF SERVICE THRU 08/23/10	748.90	34,337.70
DMJ CONSULTING GROUP	011: PROF SERVICE THRU 06/21/10	2,372.50	36,710.20
DMV RENEWAL	2005 FORD REGIS RENEWAL FEE	480.00	480.00
DOWNEY CHAMBER	09/01/10-09/01/11 MEMBERSHIP DUES	290.00	290.00
EAST WEST BANK	CC CHARGES THRU 09/03/10	11,063.12	14,735.21
EAST WEST BANK	CC CHARGES THRU 08/04/10	3,830.67	18,565.88
EL POLLO LOCO	033: 09/14/10 GRIP MEETING	148.09	148.09
EMPLOYMENT DEVELOPMENT DEPT	UNEMPLOYMENT INSURANCE - BS	6,750.00	6,750.00
ERHART'S CATERING	FINANCE COMM MEETING	248.04	2,616.83
F&M BANK: CC PAYMENT	08/10 CC CHARGES	427.37	7,334.63

Water Replenishment District of Southern California
Demands List - Current and YTD By Vendor

Payee	Description	Current Demands	YTD Demands
FEDERAL EXPRESS	FEDEX SERVICE	313.23	1,749.47
FEDERAL EXPRESS	FEDEX SERVICE	49.41	1,798.88
FEDERAL EXPRESS	FEDEX SERVICE	319.53	2,118.41
FLEX-PLAN SERVICES, INC	07/10 MONTHLY SVC CHRG	966.00	2,901.63
GEIGER WEST MONROVIA	PROMO ITEM SUPPLIES	1,929.58	8,814.71
GEOTRANS	025: PROF SERVICE THRU 08/27/10	6,187.08	71,280.80
HELPMATES STAFFING	TEMP SERVICE THRU 09/05/10 - MC	2,094.40	9,260.24
HELPMATES STAFFING	TEMP SERVICE THRU 08/08/10 - MC	3,979.36	13,239.60
IN-SITU INC.	011: FIELD SUPPLIES REPAIR SVC	288.09	37,197.52
INTERIOR PLANT DESIGN	001: 09/10 PLANT MAINT SERVICE	2,000.00	6,000.00
INTER-TEL NETSOLUTIONS	MONTHLY PHONE CHARGES	879.08	2,664.49
JAN-PRO CLEANING	09/10 JANITORIAL SERVICE	2,743.00	8,229.00
KINDEL GAGAN	005: 07/10 PROF SERVICE	10,000.00	22,812.50
KINDEL GAGAN	005: 08/10 PROF SERVICE	10,000.00	32,812.50
KONE INC	ELEVATOR REPAIR SERVICE	2,129.33	3,227.15
KONE INC	QRTLY ELEVATOR MAINT SERVICE	172.29	3,399.44
L.A.CHAMBER OF COMMERCE	2011 MEMBERSHIP DUES	1,559.25	1,579.25
LA BROTHERHOOD CRUSADE	2010 ACHIEVEMENT AWARD	2,500.00	2,500.00
LA ÉXPRESS ONE INC	COURIER SERVICE	124.38	583.82
LA OPINION	08/16/10-08/22/10 NEWSPAPER AD	1,000.00	1,000.00
LAKESWOOD SELF STORAGE	10/01/10-09/01/11 STORAGE RENTAL	2,570.70	9,852.70
LAW OFFICE PERSONNEL SERVICE	BOARD MEETING TRANSCRIPT	472.50	472.50
LONG BEACH, CITY OF	001: 07/10 O & M SERVICE	68,461.92	277,888.00
LONG BEACH, CITY OF	001: 08/10 O & M SERVICE	68,461.92	346,349.92
LONG BEACH, CITY OF	001: PROF SERVICE THRU 07/30/10	28,715.59	375,065.51
LONG BEACH, CITY OF	001: 09/10 O & M SERVICE	68,461.92	443,527.43
LONG BEACH, CITY OF	08/10 LOW FLOW WTR CHARGES	353.00	443,880.43
LONG BEACH, CITY OF	001: 09/10 ADJ O & M COSTS	204,171.05	648,051.48
LOS ANGELES TIMES	09/13/10-10/11/10 SUBSCRIPTION FEE	48.00	138.75
LOS ANGELES TIMES	10/12/10-11/08/10 SUBSCRIPTION FEE	48.00	186.75
LOS ANGELES, CITY OF DWP	07/21/10-08/19/10 WATER PURCHASE	100,870.11	280,404.63
LUPUS FOUNDATION OF AMERICA	WALK FOR LUPUS NOW EVENT	526.14	526.14
MARTIN E WHELAN. JR.	10/10 MEDICAL PREMIUM	736.33	2,208.99
McMASTER	011: FIELD SUPPLIES	509.50	2,209.47
MEXICAN AMERICAN OPPORTUNITY	CASEWORK ASSISTANCE FAIR	100.00	100.00
MEYERS & NAVE	07/10 LEGAL SERVICE	39,026.43	132,379.78
MEYERS & NAVE	08/10 LEGAL SERVICE	21,145.30	153,525.08
MONO LAKE COMMITTEE	2010/11 EDU PARTNERSHIP PROG	20,000.00	20,000.00
MWH LABORATORIES	04/10-05/10 LAB SERVICES	82,211.00	85,789.00
MWH LABORATORIES	06/10 & 07/10 LAB SERVICES	191,886.00	277,675.00
NATIONAL GROUND WATER ASSOC	025: REGISTRATION FEE - MK	125.00	125.00
NELLOR ENVIRONMENTAL	004: 08/10 PROF SERVICE	270.00	1,710.00
NEW RESOURCES GROUP	PROMO ITEM - HOSE NOZZLES	9,961.50	9,961.50
NORWALK CHAMBER	09/01/10-08/01/11 MEMBERSHIP DUES	330.00	330.00
NORWALK PRINTING	BUSINESS CARDS	163.76	2,308.27
OCB REPROGRAPHICS	ENGINEERING SURVEY REPORT	5,214.28	5,214.28
OFFICE TEAM	TEMP SERVICE THRU 08/06/10	6,227.01	22,012.31
OFFICE TEAM	TEMP SERVICE THRU 09/03/10	1,597.90	23,610.21
OFFICE TEAM	TEMP SERVICE THRU 08/27/10	3,139.00	26,749.21
OFFICE TEAM	TEMP SERVICE THRU 09/10/10	1,376.00	28,125.21
OFFICE TEAM	TEMP SERVICE THRU 09/10/10	832.04	28,957.25
PACIFIC ATLANTIC	09/10 LEGISLATIVE SERVICE	15,000.00	45,000.00
PACIFIC FORD	011: F-350 TRUCK MAINT SERVICE	980.28	1,200.40
PACIFIC FORD	011: F-350 TRUCK MAINT SERVICE	42.87	1,243.27
PANERA	WATER RESOURCES MEETING	139.86	139.86
PANERA	RFP SOLAR PANEL MEETING	49.33	189.19
PARS	07/10 REP FEES	500.00	1,500.00
PEPSI BOTTLING	SUPPLIES	221.52	715.82
PHILLIPS 66-CONOCO-76	MONTHLY FUEL CHARGES	667.17	1,860.96
PICO RIVERA CHAMBER	2011 MEMBERSHIP DUES	185.00	185.00

Water Replenishment District of Southern California
Demands List - Current and YTD By Vendor

Payee	Description	Current Demands	YTD Demands
PR NEWSWIRE ASSOC	PRESS CONFERENCE RELEASE	540.00	540.00
PV PENINSULA CHAMBER	2011 MEMBERSHIP DUES	315.00	1,065.00
RBF CONSULTING	005: 07/10 PROF SERVICE	482.00	482.00
REMY HERNANDEZ FOR WRD	PETTY CASH REIMBURSEMENT	474.42	474.42
ROBERT E. BUSH	005: 08/10 PROF SERVICE	3,000.00	9,000.00
SAGE SOFTWARE	PURCHASE ORDER FORMS	187.08	187.08
SAGE SOFTWARE	2011 MAINT RENEWAL FEE	6,269.00	6,456.08
SCHLUMBERGER WATER SERVICES	011: 08/10 PROF SERVICE	25,012.00	56,278.15
SEPARATION PROCESSES	002: 08/10 PROF SERVICE	3,595.00	7,785.00
SOUTHERN CALIFORNIA EDISON	002: ENERGY USAGE THRU 09/08/10	19,834.27	82,096.74
SOUTHERN CALIFORNIA EDISON	08/10 ENERGY USAGE	4,676.60	86,773.34
SPARKLETTS	SUPPLIES	345.51	472.49
STANDARD INSURANCE COMPANY	10/10 STD/LTD PREMIUM	1,363.00	4,090.81
STAR OFFICE PRODUCTS	OFFICE SUPPLIES	784.90	3,726.03
STAR OFFICE PRODUCTS	OFFICE SUPPLIES	552.84	4,278.87
STAR OFFICE PRODUCTS	OFFICE SUPPLIES	195.58	4,474.45
SUBWAY #24758	RES WATER SURVEY TRAINING	57.96	57.96
T & A SIGNS	FULL COLOR BANNER	202.11	404.22
TGIS CATERING SERVICES	ADMIN COMM MEETING	286.82	541.05
TGIS CATERING SERVICES	EA & AD HOC MEETING	590.59	1,131.64
THE GAS COMPANY	MONTHLY UTILITY CHARGES	81.65	281.58
TORRANCE, CITY OF	002: 10/10 PLANT SITE RENT	3,373.48	84,617.04
TORRANCE, CITY OF	002: 07/10 O & M SERVICE	37,354.56	121,971.60
U.S. GEOLOGICAL SURVEY	025: 01/01/10-03/31/10 PROF SERVICE	14,782.00	44,429.00
U.S. GEOLOGICAL SURVEY	011: 2010 WELLS CONS SERVICE	95,550.00	139,979.00
U.S. GEOLOGICAL SURVEY	011: 12/09 WELLS CONS SERVICE	9,162.95	149,141.95
ULINE SHIPPING SUPPLIES SPEC	BLUE SHELF BINS	134.59	134.59
URBAN WATER INSTITUTE	2010 MEMBERSHIP DUES	1,250.00	1,600.00
VERIZON BUSINESS	MONTHLY INTERNET SERVICE	622.93	1,868.79
VERIZON CALIFORNIA	MONTHLY PHONE CHARGES	341.99	1,025.36
VERIZON WIRELESS	MONTHLY CELL PHONE SVC	740.21	2,597.55
VORTEX INDUSTRIES	MAINTENANCE SERVICE	601.12	601.12
WATER RESEARCH FOUNDATION	10/10-09/11 MEMBERSHIP DUES	51,537.00	51,537.00
WATER WISE CONSULTING	WATERWELL EDU WORKSHOP	3,200.00	9,500.00
WBMWD	07/10 WATER PURCHASE	1,560,597.16	4,634,277.59
WBMWD	08/10 WATER PURCHASE	1,688,389.79	6,322,667.38
WEST BASIN WATER ASSOC	JOINT LUNCHEON MEETING	100.00	100.00
WESTERN EXTERMINATOR	08/10 PESTICIDE SERVICE	65.00	195.00
WILMINGTON CHAMBER	2010 INSTALLATION DINNER	500.00	840.00
XEROX CORPORATION	08/10 COPIER SERVICE	1,399.80	10,784.02
XEROX CORPORATION	09/10 COPIER SERVICE	4,251.56	15,035.58
		5,723,691.46	21,483,655.30



MEMORANDUM

ITEM NO. 6.C

Prepared by: Scott M. Ota

Reviewed by: Scott M. Ota

Approved by: Robb Whitaker

DATE: NOVEMBER 19, 2010

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: FINANCIAL STATEMENTS – SEPTEMBER 30, 2010

The attached financial statements include the Statement of Net Assets (Balance Sheet) as of September 30, 2010 and the Statement of Revenues, Expenditures and Changes in Net Assets (Income Statement) for the month ending September 30, 2010. Explanation of selected account balances are as follows:

Statement of Net Assets

ASSETS

Cash and Cash Equivalents – The District made two payments to West Basin Municipal Water District for water purchases for the months of July and August 2010; therefore cash decreased approximately \$1.79 million in September. There is a corresponding decrease in accounts payable (see below).

Accounts Receivable – This account increased about \$759,000 from the prior month due to the timing of receipt of the replenishment assessment payments in September. This is a normal occurrence.

LIABILITIES

Accounts Payable – This account decreased primarily due to the payments to West Basin Municipal Water District for water purchases for the months of July and August 2010 (see cash above). In addition, changes in accounts payable has caused by decreasing in operating expenses from prior months. There is a corresponding decrease in operating expenses (see below)

NET ASSETS

Invested in Capital Assets – This is a formula and related to the changes in all capital asset accounts:

<u>Accounts</u>	<u>Change</u>
Plant & Equipment	\$ 0
Construction-In-Progress	149,880
Accumulated Depreciation	(191,720)
Total	<u>\$ (41,840)</u>

Unrestricted – The Change/Variance of Total Assets, Total Liabilities and Invested in Capital Assets from August to September is \$1,821,800

Statement of Revenues, Expenditures and Changes in Net Assets

EXPENSES

Salary, Taxes & Benefits – In August, the District made a lump sum payment of \$716,000 to pay-off the side fund due to the California Public Employees' Retirement System (CalPERS), related to the CalPERS risk pool for all employers with less than 100 employees.

Professional Benefits – The decrease of approximately \$157,000 is mainly due to the timing of receiving invoices that occurred in September but have not yet posted.

FISCAL IMPACT

None.

FINANCE COMMITTEE RECOMMENDATION

Approve the Financial Statements for September 30, 2010.

Water Replenishment District of Southern California
Statement of Net Assets
September 30, 2010

Assets	Total	Prior Month Total	Variance
Current Assets			
Cash and Cash Equivalents	\$ 24,348,838	\$ 26,142,632	(1,793,794)
Restricted Cash	16,778,087	16,778,078	10
Accounts Receivable	7,349,456	6,590,911	758,545
Interest Receivable	37,712	37,712	0
Prepaid Expenses	18,352	110,114	(91,762)
Total Current Assets	\$ 48,532,445	\$ 49,659,446	(1,127,001)
Noncurrent Assets			
Notes Receivable, Noncurrent	\$ 4,221,002	\$ 4,144,968	76,034
Plant & Equipment	63,393,953	63,393,953	(0)
Land	2,644,753	2,644,753	-
Construction-In-Progress	6,573,032	6,423,152	149,880
Deferred Charges	782,332	782,332	(0)
Accumulated Depreciation	(16,249,130)	(16,057,410)	(191,720)
Total Noncurrent Assets	\$ 61,365,942	\$ 61,331,749	34,194
Total Assets	\$ 109,898,387	\$ 110,991,195	(1,092,808)
Liabilities			
Current Liabilities			
Accounts Payable	\$ 2,387,318	\$ 5,404,817	(3,017,499)
Interest Payable - Bond	267,034	133,517	133,517
Accrued Payroll	-	-	-
Accrued Employee Benefits	12,381	1,166	11,215
Accrued Postemployment	1,205,822	1,205,822	-
Deferred Compensation	-	-	-
Cal Trans 0690	6,017,235	6,017,235	-
Long term Debt - Bond Payable	31,535,300	31,535,300	-
Other Liabilities	450,000	450,000	-
Total Current Liabilities	\$ 41,875,090	\$ 44,747,858	(2,872,767)
Noncurrent Liabilities			
Compensated Absences	\$ 344,522	\$ 344,522	\$ -
Total Noncurrent Liabilities	\$ 344,522	\$ 344,522	\$ -
Total Liabilities	\$ 42,219,612	\$ 45,092,379	(2,872,767)
Net Assets			
Invested in Capital Assets	\$ 56,362,608	\$ 56,404,448	(41,840)
Unrestricted	11,316,167	9,494,367	1,821,800
Total Net Assets	\$ 67,678,775	\$ 65,898,815	1,779,960
Total Liabilities & Net Assets	\$ 109,898,387	\$ 110,991,195	(1,092,808)

Water Replenishment District of Southern California
Statement of Revenues, Expenditures and Changes in Net Assets
For the Month of September 2010

	Total	Prior Month Total	Variance
Revenues			
Operating Revenues			
Water Replenishment Assessments	4,550,707	4,563,386	(12,679)
Late Payment Penalties	-	-	-
MWD Subsidy	75,761	80,836	(5,075)
OCWD Recycled Water Product	28,140	31,319	(3,179)
Desalter Revenue	64,978	93,588	(28,610)
Title 22 Monitoring Program	-	-	-
Total Operating Revenues	4,719,586	4,769,130	(49,544)
Operating Expenses			
Cost of Water			
Spreading	173,363	160,146	13,217
Injected	1,662,708	1,884,147	(221,439)
In-Lieu	-	-	-
Connection Fees	103,056	49,123	53,933
Total Cost of Water	1,939,127	2,093,416	(154,289)
General & Administrative			
Salaries, Taxes & Benefits	382,840	1,098,785	(715,945)
Postemployment Benefits	-	-	-
Conference & Travel	10,857	10,937	(80)
Office Expenses	55,629	74,544	(18,915)
Utilities	30,528	36,420	(5,892)
Rents & Leases	7,223	9,656	(2,433)
Repairs & Maintenance	13,700	15,465	(1,765)
Material & Equipment	9,931	70,471	(60,540)
General Liability Insurance	15,098	15,098	0
Professional Fees	248,287	405,751	(157,464)
Other General & Administrative	50,505	50,505	-
Total General & Administrative	824,598	1,787,632	(963,034)
Depreciation	191,720	198,344	(6,624)
Total Operating Expenses	2,955,445	4,079,392	(1,123,947)
Operating Income (Loss)	1,764,141	689,738	1,074,404
Non-Operating Revenues (Expenses)			
Revenues			
Property Taxes	-	16,932	(16,932)
Investment Earnings	14,297	9,873	4,424
Miscellaneous	1,668	-	1,668
Total Non-Operating Revenues (Expenses)	15,965	26,805	(10,840)
Income (Loss) Before Contributions	1,780,106	716,543	1,063,564
Contributions			
Capital Contributions- Grant	-	-	-
Change in Net Assets	1,780,106	716,543	1,063,564



MEMORANDUM

ITEM NO. 6.D

Prepared by: Scott M. Ota

Reviewed by: Scott M. Ota

Approved by: Robb Whitaker

DATE: NOVEMBER 19, 2010

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: RESERVES, CASH AND INVESTMENT REPORT FOR THE PERIOD ENDING SEPTEMBER 30, 2010

Each month, the Finance Department reports the District's reserve balances as well as cash & investment activities to the Finance Committee for subsequent approval by the Board of Directors.

RESERVE BALANCE

Based on §60290 of the Water Code, the District may establish an annual reserve fund in an amount not to exceed ten million dollars (\$10,000,000). This ten million dollars may be adjusted for the percentage increase or decrease in the blended cost of water from district water supply sources on an annual basis.

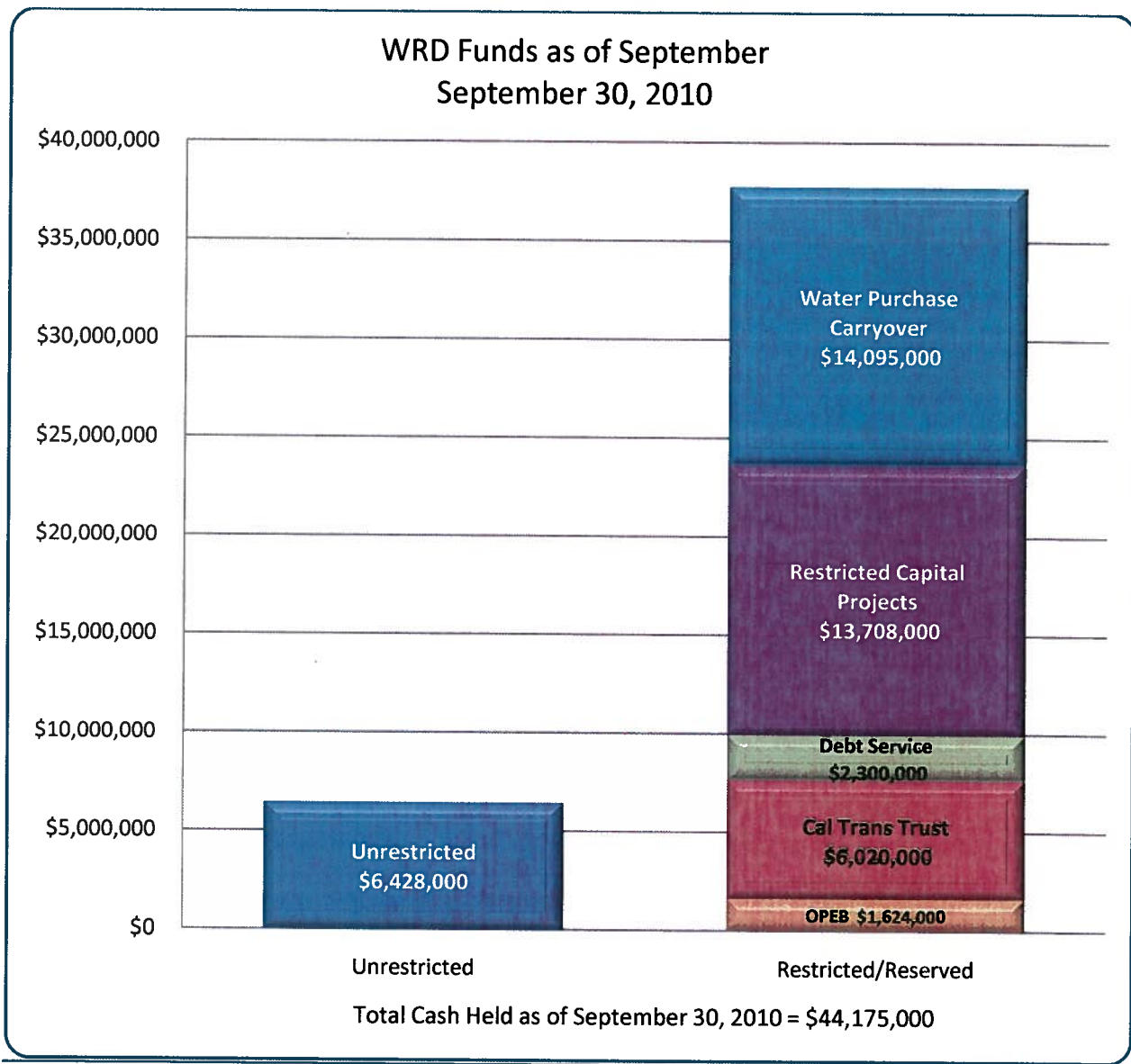
In addition, §60291 states that the limitation on the reserve established in §60290 does not apply to funds appropriated for capital projects.

If for some reason, the District has more than \$10,000,000 (adjusted for the blended cost of water), §60328.1 states that the District shall apply the estimated fiscal year end balance in excess of the amount allowed in §60290 to a replenishment assessment rate reduction or to the purchase of water in the succeeding fiscal year.

Currently the District has \$6,428,000 in operating reserve. The following pages provide specific breakdowns of the District cash and investments.

The District's reserve balances are presented in Figure A below:

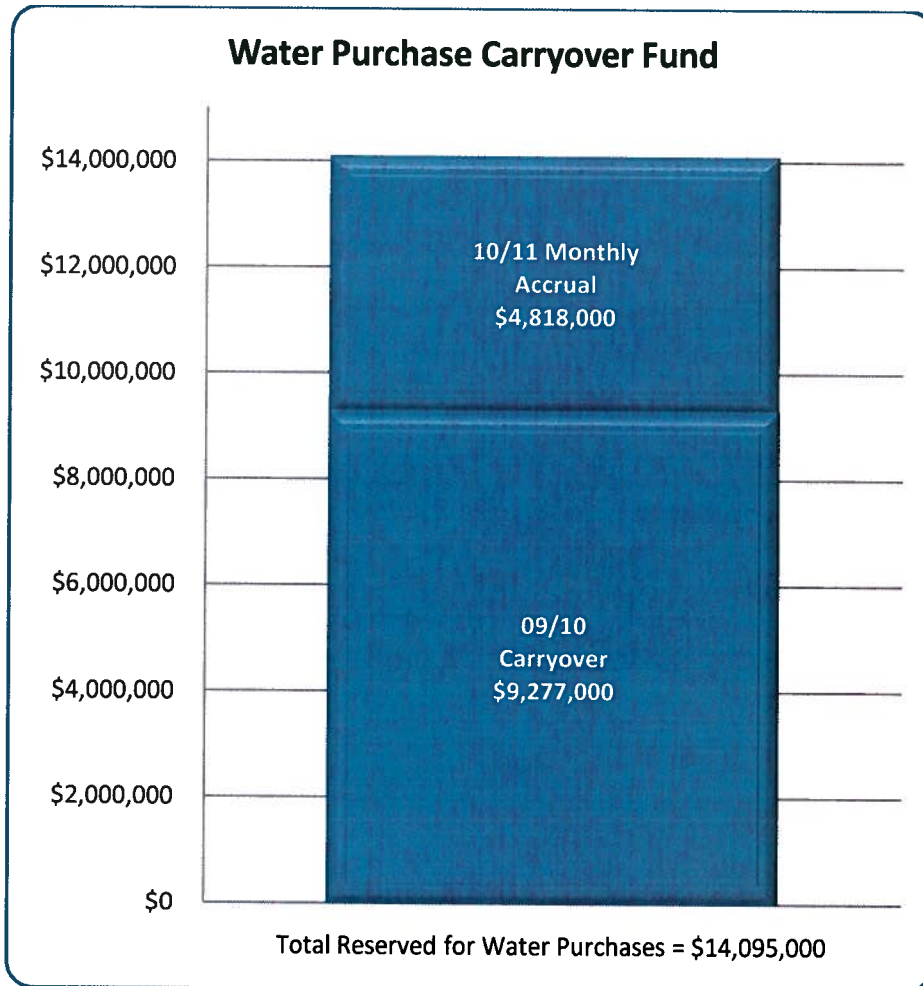
Operating Reserve Fund	\$ 6,428,000
Reserved or Encumbered:	
Water Purchase Carryover Fund	14,095,000
Restricted for Capital Projects	13,708,000
Debt Service Reserve Fund	2,300,000
Cal Trans Trust Fund	6,020,000
Other Post Employment Benefit Obligation (OPEB)	1,624,000
Reserved or Encumbered Subtotal	<u>\$ 37,747,000</u>
 Total Cash and Investments	 <u><u>\$ 44,175,000</u></u>



Water Purchase Carryover Fund – This category of represents:

Source of Funds: *Replenishment Assessment*
Use of Funds: *Restricted for Water Purchases Only*

1. Monthly accrual of budgeted amount for fiscal year 10/11	
Untreated Tier 1 Spreading Water Budgeted in 10/11	\$ 13,424,000
In Lieu Budgeted in 10/11	3,608,000
3,500 acre feet of Make Up Water Budgeted in 10/11	<u>2,237,000</u>
Total Budget for Spreading Water in 10/11	\$ 19,269,000
	+ 12 months
Accrual per month (1/12 th – rounded) x three months	<u>\$ 4,818,000</u>
2. Budget 10/11 Rate Relief – As a result of public budget workshops,	
\$8,270M was allocated from the Water Purchase Carryover Fund as rate relief (1/12 th accrual per month: \$8,270,000 ÷ 12 = \$689,000 rounded)	\$ (2,067,000)
09/10 Water Purchase Carryover (decreases by \$689,000 monthly for fiscal year 10/11)	
Total	<u>11,344,000</u> <u>\$ 9,277,000</u>



Restricted for Capital Projects – This category represents funds encumbered for the following:

1. Safe Drinking Water Program

Source of Funds:

Replenishment Assessment

Use of Funds:

Encumbered for Safe Drinking Water Projects

City of Lakewood – Central Basin	\$ 226,000
Maywood Mutual Water Company #2 – Central Basin	226,000
Park Water Company – Central Basin	2,000,000
Vernon Wells #9 and #10 – Central Basin	1,000,000
Huntington Park Well #17 – Central Basin	142,000
Total	<u>\$ 3,594,000</u>

2. Capital Replacement / Construction

Source of Funds:

Replenishment Assessment

Use of Funds:

Encumbered for Projects Below

Leo J. Vanderlans Water Treatment Facility:	
Capital Replacement	\$ 953,000
Preliminary and Final Design for Expansion	380,000 ¹
Goldsworthy Desalter:	
Capital Replacement	221,000
Preliminary Design	100,000 ¹
Total	<u>\$ 1,654,000</u>

3. Proceeds from the 2008 Certificates of Participation

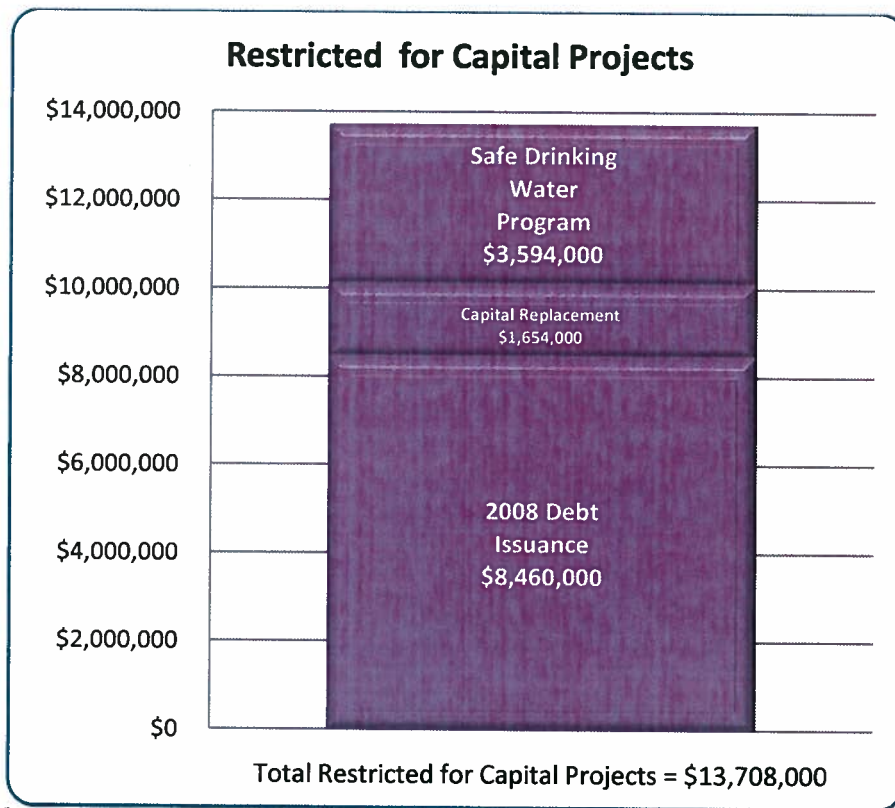
Source of Funds:

2008 Debt Issuance

Use of Funds:

Restricted for Capital Projects Only – Interconnection Pipeline and Regional Groundwater Monitoring Wells

Held by Independent Trustee – Restricted for Capital Projects Only	<u>\$ 8,460,000</u>
--	----------------------------



¹ This amount was budgeted in fiscal year 2009/10 and encumbered for capital expenditure in fiscal year 2010/11

Debt Service Reserve Fund – Based on the District’s Master Trust Agreement related to the 2004 and 2008 Revenue Certificates of Participation (COP), the District must maintain a Reserve Fund, held by an independent Trustee to pay principal and interest in the event the WRD does not have the funds to properly pay its debt. These funds are unavailable to the District until the debt matures 30 years after issuance of the debt.

Source of Funds:

2004 and 2008 Debt Issuance

Use of Funds:

Restricted based on Master Trust Agreement

2004 Trustee Reserve Fund	\$ 968,000
2008 Trustee Reserve Fund	1,332,000
Total	<u>\$ 2,300,000</u>

Cal Trans Trust – These funds are held in trust by WRD as part of a settlement with the California Department of Transportation (CalTrans) for dewatering the 105 freeway.

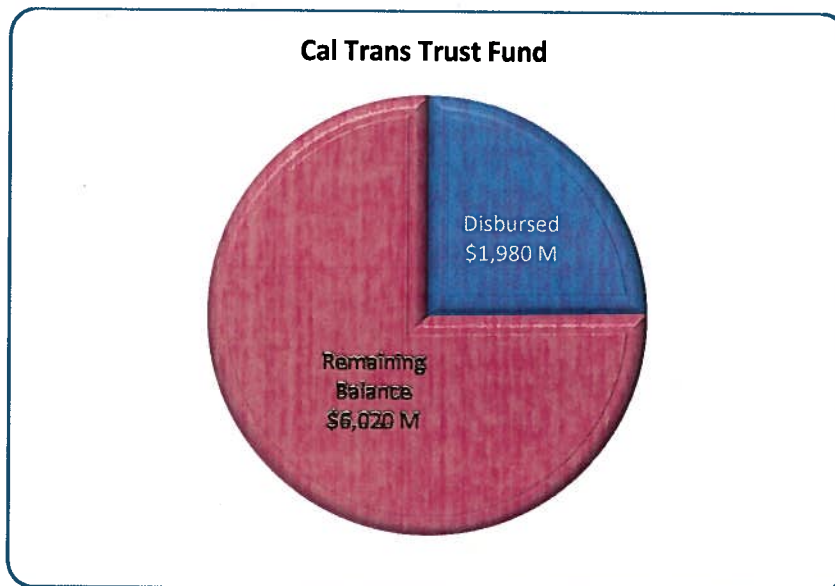
Source of Funds:

CalTrans Settlement

Use of Funds:

Restricted for CalTrans Project and RA

Originally, the CalTrans settlement of \$8 million was received in June 2004. Since that time, the District has been reimbursed \$1.98 million for costs associated with the project, as well as for charges tied to the amount of water pumped from the basin for dewatering of the freeway.



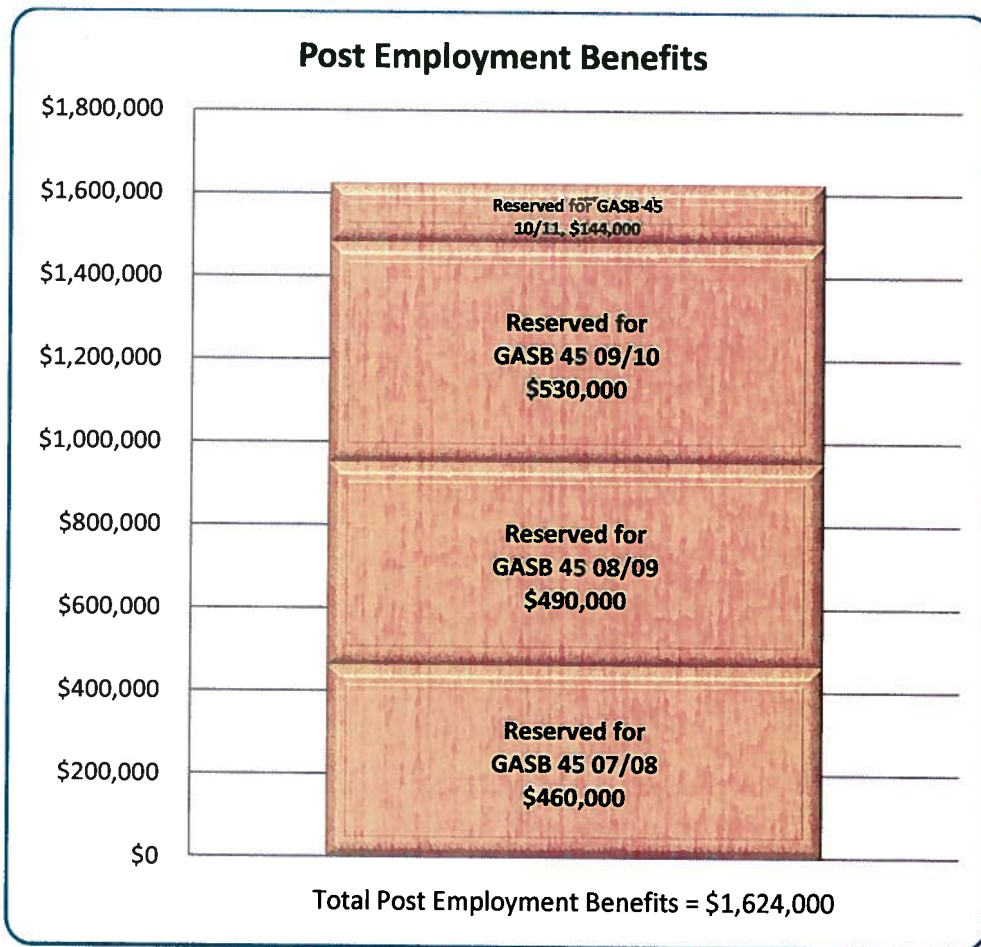
Other Post Employment Benefit Obligations (OPEB)

Source of Funds:
Use of Funds:

Replenishment Assessment
Post Employment Benefits

This category of funds accounts for the WRD's Annual Required Contribution (ARC) related to Other Post Employment Benefits (OPEB) in compliance with the Government Accounting Standards Board (GASB) statement number 45. The following costs have been accrued based on an independent actuarial study:

10/11 Annual Required Contribution	\$ 580,000
	<u>÷ 12 months</u>
10/11 Accrual per month (1/12 th – rounded) x three months	\$ 144,000
09/10 Annual Required Contribution	530,000
08/09 Annual Required Contribution	490,000
07/08 Annual Required Contribution	460,000



CASH AND INVESTMENTS

At the direction of the Board of Directors, on February 20, 2009 the District implemented its Community Banking Program and has invested in several community banks in addition to the Local Area Investment Fund (LAIF).

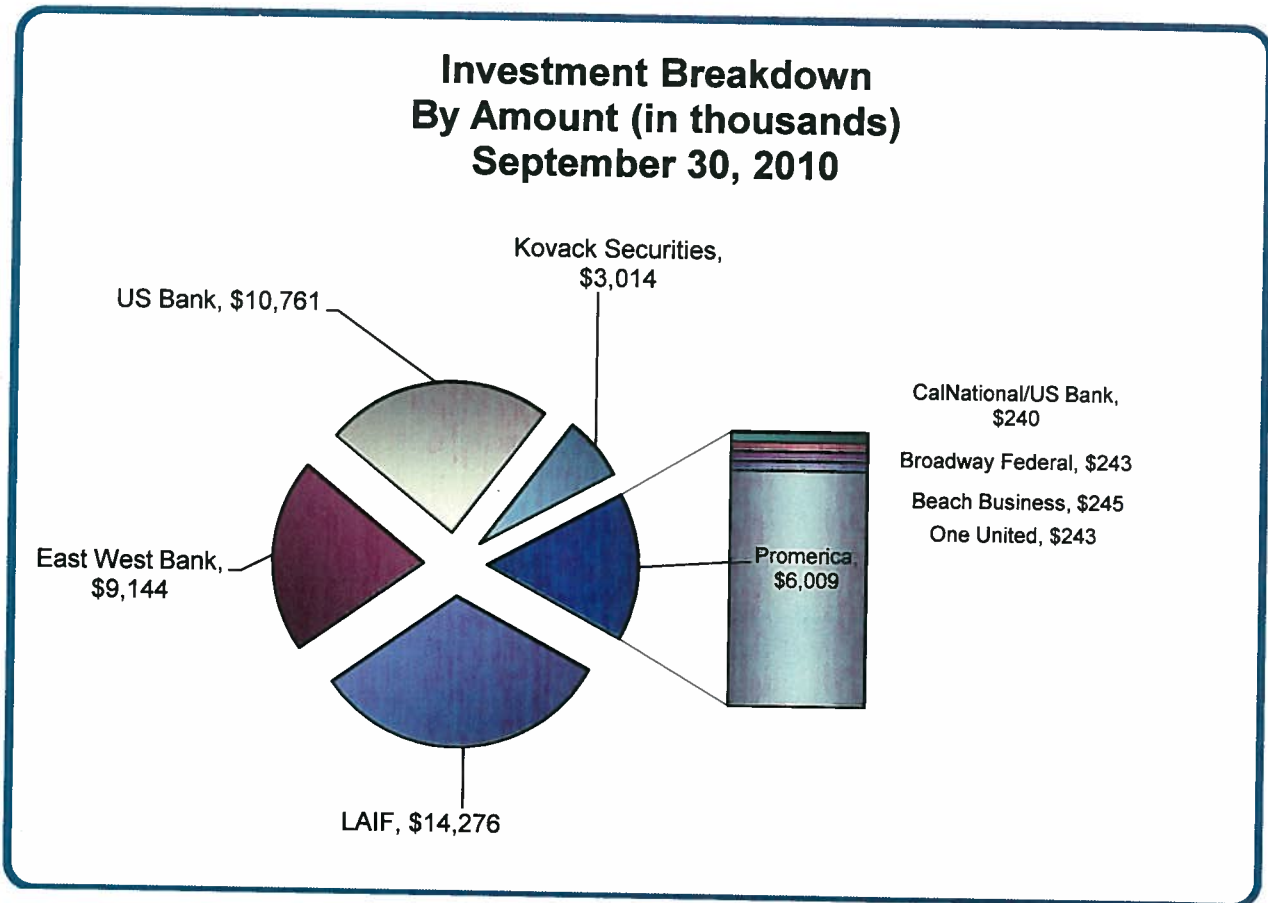
Cash and Investments By Institution (Rounded to nearest ten thousand)

Cash and Investments:

Local Area Investment Fund (LAIF) ¹	\$ 14,276,000
East West Bank ²	9,144,000
Beach Business Bank ²	245,000
One United Bank ²	243,000
Broadway Federal Bank ²	243,000
US Bank (formerly CalNational Bank) ²	240,000
Promerica Bank ²	6,009,000
US Bank (Trustee) ²	10,761,000
Kovack Securities ^{2,3}	<u>3,014,000</u>

Total Cash and Investments

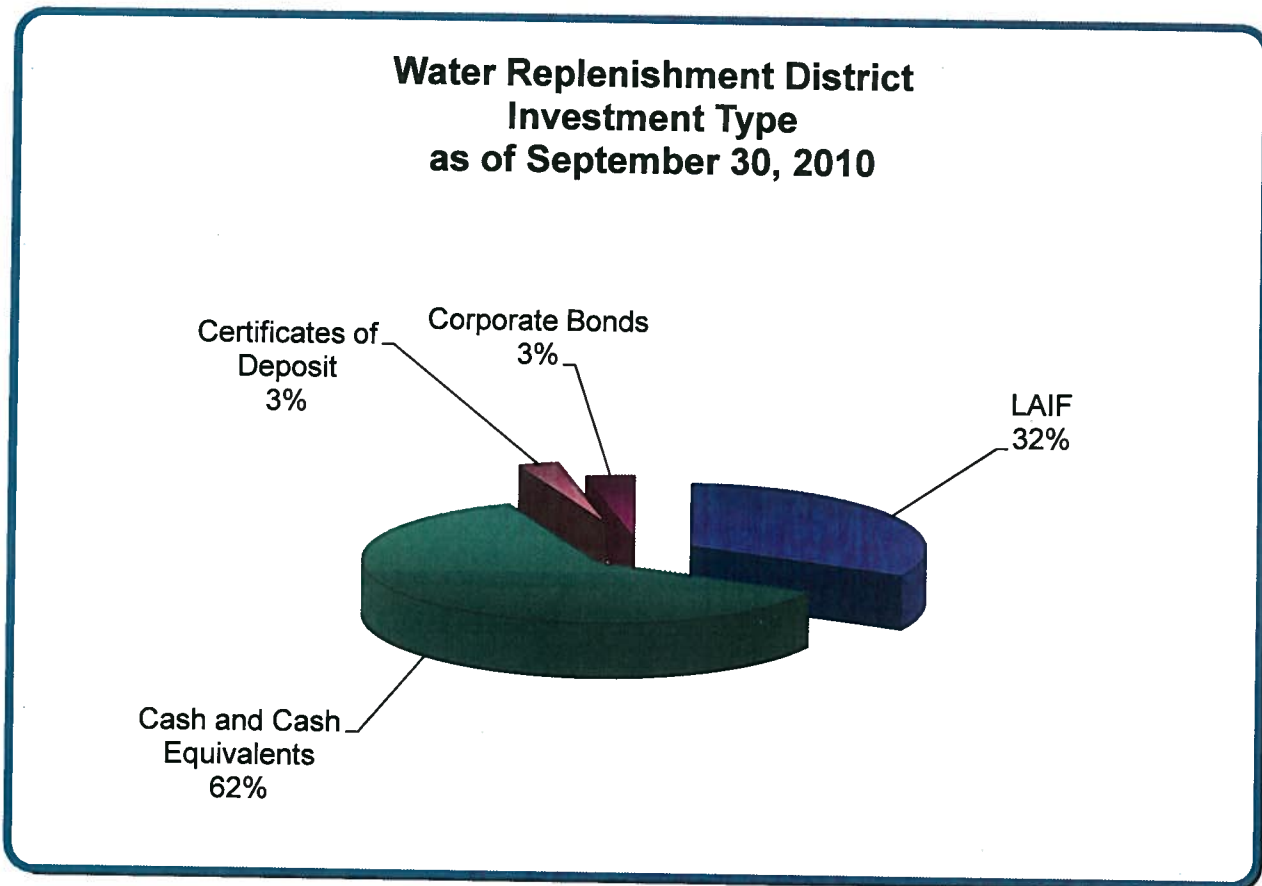
\$ 44,175,000



Cash and Investments By Type
(Rounded to nearest ten thousand)

Cash and Investments:

Local Area Investment Fund (LAIF) ¹	\$ 14,275,000
Cash and Cash Equivalents ²	27,185,000
Certificates of Deposit ²	1,226,000
Corporate Bonds ³	1,489,000
Total	<u>\$ 44,175,000</u>



Staff has attached a detailed investment report for September 30, 2010 for approval.

Footnotes:

¹ – The Local Area Investment Fund (LAIF): There is no insurance applied to individual securities, sectors of the portfolio, or the portfolio in general. However, due to the characteristics of the Pooled Money Investment Account for LAIF, credit risk is minimal. Additionally, LAIF monies are protected by statute. The State of California cannot borrow or withhold LAIF monies per California Government Code §16429.4.

² – Cash & Cash Equivalents and Certificates of Deposit: Amounts are either insured by the Federal Deposit Insurance Company (FDIC) or secured by the bank's assets. Most funds are held in Certificate of Deposit Account Registry Service or CDARS; a very safe way to invest funds up to \$50 million while continuing to be FDIC insured.

³ – US Treasury Notes and Corporate Bonds: These amounts are not insured by the FDIC however, they fall within the District's Investment Policy.

Any slight differences are due to rounding. For presentation purposes, staff has rounded dollar values to the nearest thousand.

FISCAL IMPACT

None.

FINANCE COMMITTEE RECOMMENDATION

Approve the Investment Report for September 30, 2010.

Water Replenishment District of Southern California
Cash and Investment Report
September 30, 2010

	LAIF	CallNational/ US Bank	East West Bank	Beach Business	One United Bank	Broadway Federal	Promerica Bank	US Bank	Kovak Securities	Total
BALANCE 9/1/2010	\$14,275,620	\$240,372	\$8,869,096	\$244,453	\$243,250	\$242,970	\$6,006,687	\$10,760,842	\$3,000,851	
INTEREST RECEIVED/REINVESTED		99	2,854	279	120	30	1,217	10	9,698	
DISBURSEMENTS			(4,005,118)							
UNREALIZED GAIN/(LOSS)			4,277,478				174		\$7,145	
DEPOSITS/PURCHASES/FEEES										
TRANSFER IN/(OUT)										
ACCRUED INTEREST									(3,200)	
BALANCE 9/30/2010	\$14,275,620	\$240,471	\$9,144,310	\$244,732	\$243,370	\$243,000	\$6,008,078	\$10,760,852	\$3,014,493	\$44,174,927
<hr/>										
CURRENT YIELD	0.500%	0.500%	1.01% / .5%	1.400%	0.600%	0.150%	varies	varies	varies	
INTEREST EARNED FISCAL YTD	\$19,764	\$303	\$9,200	\$897	\$368	\$105	\$8,579	\$10	\$44,215	\$83,439.72
<p>I HEREBY CERTIFY THAT ALL INVESTMENT ACTIONS EXECUTED SINCE THE LAST REPORT HAVE BEEN MADE IN FULL COMPLIANCE WITH THE INVESTMENT POLICY. AS TREASURER OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA, I HEREBY CERTIFY THAT SUFFICIENT INVESTMENT LIQUIDITY AND ANTICIPATED REVENUE ARE AVAILABLE TO MEET ESTIMATED EXPENDITURES FOR THE NEXT SIX MONTHS.</p>										
										DATE
										ROBERT KATHERMAN
\$14,276,000	\$240,000	\$9,144,000	\$245,000	\$243,000	\$243,000	\$6,008,000	\$10,761,000	\$3,014,000	\$44,175,000	



MEMORANDUM

ITEM NO. 6.E

Prepared by: Scott M. Ota

Reviewed by: Scott M. Ota

Approved by: Robb Whitaker

DATE: NOVEMBER 19, 2010
TO: BOARD OF DIRECTORS
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: GASB 45 OPEB IRREVOCABLE TRUST

Background

Under Governmental Accounting Standards Board ("GASB") Statement 45, a ruling to provide required government-wide accounting practices, public employers must account differently for "other post-employment benefits" ("OPEB Benefits") than they have in the past. OPEB Benefits include various non-pension benefits, such as health care and life insurance, which are often provided to retirees. Historically, public employers have used a pay-as-you go method when accounting for OPEB Benefits, resulting in recognition of the cost for these benefits occurring only when premiums or benefit claims for these retirees were actually paid.

The GASB issued Statement 45 to require more complete and reliable financial reporting regarding the costs and financial obligations that governments incur when they provide OPEB Benefits. Thus, Statement 45 requires that public employers annually expense OPEB Benefits that are earned today by active employees but that will be paid only when the employee retires.

Why Establish an OPEB Irrevocable Trust?

While there is no obligation to fund for OPEB Benefits, there are several benefits to an agency, which prefunds its GASB 45 liability:

1. The discount rate assumption, assumes the employer will be able to invest longer at a higher rate of interest. This investment income can then be used to lower the overall OPEB liability as well as saving the employer money.
2. Earnings on assets reduce employer contributions (also see 1 above)
3. Prefunding enables you to make actuarially determined periodic contributions to partially or completely fund your future obligations
4. Prevents your net OPEB obligation from becoming a significant liability on your balance sheet
5. Contributes to a positive credit rating – creation of an OPEB Irrevocable Trust is a positive sign to rating agencies that the District is actively seeking ways to manage future costs. Higher underlying debt ratings equal cost savings
6. Fulfills fiduciary duty to maintain financial security for retirees

Important Considerations when establishing an OPEB Irrevocable Trust

- Contributions are Irrevocable
- Assets are dedicated to providing plan benefits to retirees and their beneficiaries
- Assets are protected from creditors

Currently, the WRD is accruing for these costs on an annual basis based on the result of a report from a Certified Actuary approved to perform GASB 45 OPEB Irrevocable Trust actuarial reports. In fiscal year 2010/11 the WRD budgeted funds which are restricted for GASB 45 purposes only and not available for any other use.

Establishing an OPEB Irrevocable Trust is certainly not required by government employers under GASB 45 rules; however, it is recommended if the employer has the financial means to make regular contributions to a Irrevocable Trust. This leads to an accumulation of assets in order to gain the advantage of using a higher discount rate allowed by GASB 45 for those who fund their liabilities as they accrue. *This results in significantly lower future liabilities.*

As outlined in §10.3.2 of the District's Administrative Code, staff is seeking approval to issue a request for proposals for GASB 45 OPEB Irrevocable Trust services (see attached draft RFP).

FISCAL IMPACT

There is no fiscal impact to issuing a request for proposal. However, if the Board of Directors chooses to establish an OPEB Irrevocable Trust, there will be costs related to establishing and servicing the Irrevocable Trust. Staff will compile these costs during the RFP process and the cost of OPEB Irrevocable Trust services will be one of the factors in recommending a firm to the Board of Directors.

FINANCE COMMITTEE RECOMMENDATION

Approve issuance of requests for proposals for establishing and managing WRD's GASB 45 OPEB Irrevocable Trust.



**Request for Proposal of Other Post-Employment Benefits
Trust Fund Management Services**

PROPOSALS ARE DUE NO LATER THAN

DECEMBER 17, 2010 5:00 PM

Submission Information

Please deliver one unbound plus three (3) bound copies.

Proposals should be submitted no later than *December 17, 2010, 5:00PM*, postmarks will not be considered. The Water Replenishment District takes no responsibility for delivery service/methods. Firms should send their proposal to:

Water Replenishment District of Southern California
c/o Scott M. Ota, CPA/CFF, CIRA
4040 Paramount Blvd.
Lakewood, CA 90712

Proposals delivered after this deadline or to the wrong location will be rejected.

INTRODUCTION

Request

The Water Replenishment District of Southern California ("District") is requesting proposals from qualified firms with experience to provide comprehensive services for the establishment and administration of an irrevocable trust for postemployment health benefit liabilities in accordance with Government Accounting Standards Board (GASB) Statements 43 and 45.

Background Information

The WRD was formed in 1959, manages groundwater for nearly four million residents in 43 cities of southern Los Angeles County. The 420 square mile service area uses about 250,000 acre-feet of groundwater per year, which equates to nearly 40% of the total demand for water. The WRD ensures that a reliable supply of high quality groundwater is available through its clean water projects, water supply programs, and effective management principles.

The District has an operating budget of about \$60 million for the fiscal year ending June 30, 2011. The District employs approximately 34 full-time permanent employees.

DESCRIPTION, SCOPE AND BUDGET

Content of Proposal Submission

Service proposals should respond to the information requested below and should address all requested information. Any additional information the firm wishes to provide should be included in an appendix to the proposal.

General Submission Requirement

- Submission should include a transmittal letter signed by an official authorized to enter into contracts for the firm should refer to this RFP by title and date. It should include the name and number of a contact person for this RFP.
- Submission should provide evidence that the firm meets legal requirements to provide trust services in the state of California.
- Submission should provide evidence and reporting artifacts to show that the proposed trust program reporting is compliant with the requirements of Governmental Accounting Standards Board (GASB) Statements 43, 45, and 57.

Submission should also address the following areas:

Qualifications and Experience

- Describe the firm and its various business functions
- Describe the qualifications and previous experience on similar or related projects including performance history
- Describe the background and history of the key staff members, including professional qualifications and experience related to trust management;
- Provide contact information of three local government agencies for which the firm provides or has provided similar services;
- Provide information on any subcontractors you will employ in administering trust services including relationship history, experience, and qualifications.

Business approach/philosophy

- Describe your business approach and philosophy of providing OPEB trust management services including how this would be most appropriate for your [Agency Name].

Trust and fiduciary services

- Describe the legal form of the trust, the services it provides, and how trust administrative transactions will be controlled and executed.

Investment services

- Describe the OPEB investment management services offered including information on your investment policy and asset allocation policy. Also describe the content and frequency of investment result reporting.

Service implementation requirements

- Describe your service implementation schedule. Note key project milestones and timelines for deliverables. Identify assumptions used in developing the service implementation schedule.

Proposed fees

Provide a complete schedule of fees (one-time or recurring) for all services:

- Investment management fees including policy development, asset allocation recommendation, asset management (including underlying fund or manager fees), funding analysis
- Trust document and trustee/custodial services (including asset balance based fees)
- Other management, administrative, or transaction fees

Financial stability

- Provide your latest financial statement and describe in detail the financial history and resources of your company. Disclose any settlements or legal claims pending against your firm during the last five (5) years.

Conflicts of interest

- Disclose any actual or potential conflicts of interest that may exist with respect to the firm, management, or employees relative to the services provided to this agency. If there are no conflicts of interest, then include a statement to that effect.

Insurance

- Proposers are requested to provide a completed sample Certificate of Insurance evidencing the coverage types and the minimum limits required.
- Describe your liability coverage for service errors or omissions.

Proprietary information

- All proposals shall become the property of the Water Replenishment District of Southern California once submitted. Proposals should not contain information that is confidential or proprietary in nature.

References

- Please list the agency name, address, contact name, telephone number, and email address of ten public agency client references, with emphasis on clients served by the program proposed in response to this RFP.

Proposal Terms and Conditions

- The Water Replenishment District of Southern California will not pay any costs incurred by the firm in preparing or submitting the proposal. The Water Replenishment District of Southern California reserves the right to modify or cancel, in part or in its entirety, this RFP. The Water Replenishment District of Southern California reserves the right to reject any or all proposals, to waive defects or informalities, and to offer to contract with any firm in response to any RFP. This RFP does not constitute any form or offer to contract with the Water Replenishment District of Southern California.

Selection Process/Criteria

Proposals submitted will be evaluated by individuals from the Finance Department, General Manager's Office and/or outside agencies. During the evaluation process, the District reserves the right, where it may serve the District's best interest, to request additional information or clarifications from applicants, or to allow corrections of errors or omissions. At the discretion of the District, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

Subject to the approval of the Board of Directors of the Water Replenishment District of Southern California, staff will evaluate the proposals based on the following criteria:

- A. Understanding of the services required.
- B. Demonstrated competence and professional qualifications necessary for successfully performing the work required.
- C. Background and related experience of the principal individuals to be assigned to this work.
- D. Approach in providing services including trust and investment options.
- E. Proposed fees.

Proposed Schedule

- | | |
|--|--------------------------|
| A. RFP issuance: | <i>November 22, 2010</i> |
| B. Inquiries deadline: | <i>December 10, 2010</i> |
| C. Proposal due date: | <i>December 17, 2010</i> |
| D. Notification of contract award: | TBD |
| E. Contract sent to Board of Directors | TBD |

Inquiries

The deadline for submitting questions is *December 10, 2010*. All inquiries must be in either a written correspondence or via e-mail. No questions will be answered via telephone.

Water Replenishment District of Southern California
c/o Scott M. Ota, CPA/CFF, CIRA
4040 Paramount Blvd.
Lakewood, CA 90712
sota@wrdd.org

DRAFT



MEMORANDUM

ITEM NO. 6.F

Prepared by: Abbie Andom

Reviewed by: Scott M. Ota

Approved by: Robb Whitaker

DATE: NOVEMBER 19, 2010

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

**SUBJECT: CONSIDERATION OF RESOLUTION NO. 10-891 –
A JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF LOS ANGELES; THE BOARD OF TRUSTEES OF THE
GREATER LOS ANGELES COUNTY VECTOR CONTROL DISTRICT; THE
BOARD OF DIRECTORS OF THE COUNTY SANITATION DISTRICT NO. 8
OF LOS ANGELES COUNTY (COUNTY SANITATION DISTRICT NO. 8); AND
THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT
OF SOUTHERN CALIFORNIA APPROVING AND ACCEPTING THE
NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING
FROM ANNEXATION OF L 008-2010 TO COUNTY LIGHTING
MAINTENANCE DISTRICT 1687**

SUMMARY

A request has been received from the County of Los Angeles Department of Public Works regarding participation in the exchange of ad valorem property tax. If a taxing agency involved in the negotiation does not adopt a resolution providing for the exchange of property tax, the Board of Supervisors can determine the exchange of property tax revenue for that taxing agency.

FISCAL IMPACT

None.

FINANCE COMMITTEE RECOMMENDATION

Adopt Resolution No. 10-891.

RESOLUTION NO. 10-891

A JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES; THE BOARD OF TRUSTEES OF THE GREATER LOS ANGELES COUNTY VECTOR CONTROL DISTRICT; THE BOARD OF DIRECTORS OF THE COUNTY SANITATION DISTRICT NO. 8 OF LOS ANGELES COUNTY (COUNTY SANITATION DISTRICT NO. 8); AND THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING FROM ANNEXATION OF L 008-2010 TO COUNTY LIGHTING MAINTENANCE DISTRICT 1687

WHEREAS, pursuant to Section 99.01 of the California Revenue and Taxation Code, prior to the effective date of any jurisdictional change that will result in a special district providing one or more services to an area where those services have not previously been provided by any local agency, the special district and each local agency that receives an apportionment of property tax revenue from the area must negotiate an exchange of property tax increment generated in the area subject to the jurisdictional change and attributable to those local agencies; and

WHEREAS, the Board of Supervisors of the County of Los Angeles, acting on behalf of the County Lighting Maintenance District 1687, the Los Angeles County General Fund, the Los Angeles County Library, the Los Angeles County Road District No. 2, the Consolidated Fire Protection District of Los Angeles County, the Los Angeles County Flood Control Drainage Improvement Maintenance District, and the Los Angeles County Flood Control District; the Board of Trustees of the Greater Los Angeles County Vector Control District; the Board of Directors of the County Sanitation District No.8 of Los Angeles County (County Sanitation District No. 8); and the Board of Directors of the Water Replenishment District of Southern California have determined that the amount of property tax revenue to be exchanged between their respective agencies as a result of the annexation proposal identified as L 008-2010 to County Lighting Maintenance District 1687 is as shown on the attached Property Tax Transfer Resolution Worksheet.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The negotiated exchange of property tax revenues between the County Lighting Maintenance District 1687, and the Los Angeles County General Fund, the Los Angeles County Library, the Los Angeles County Road District No. 2, the Consolidated Fire Protection District of Los Angeles County, the Los Angeles County Flood Control Drainage Improvement Maintenance District, the Los Angeles County Flood Control District, the Greater Los Angeles County Vector Control District, the County Sanitation District No.8, and the Water Replenishment District of Southern California resulting from the annexation proposal identified as L 008-2010 to County Lighting Maintenance District 1687 is approved and accepted.

2. For fiscal years commencing on or after July 1, 2010, or the July 1 after the effective date of this jurisdictional change, whichever is later, the property tax revenue increment generated from the area within L 008-2010 (Tax Rate Area 01654) shall be allocated to the affected agencies as indicated in the enclosed Property Tax Transfer Resolution Worksheet.
3. No transfer of property tax revenues other than those specified in Paragraph 2 shall be made as a result of annexation of L 008-2010.
4. If at any time after the effective date of this Resolution, the calculations used herein to determine initial property tax transfers or the data used to perform those calculations are found to be incorrect, thus producing an improper or inaccurate property tax transfer, the property tax transfer shall be recalculated and the corrected transfer shall be implemented for the next fiscal year, and any amounts of property tax received in excess of that which is proper shall be refunded to the appropriate agency.

PASSED, APPROVED AND ADOPTED THIS _____ day of _____, 2010 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA

Sergio Calderon, President

ATTEST:

Willard H. Murray, Jr., Secretary

Date



MEMORANDUM

ITEM NO. 6.G

Prepared by: Scott Ota

Reviewed by: Scott Ota

Approved by: Robb Whitaker

DATE: NOVEMBER 19, 2010

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: ACWA HEALTH BENEFIT AUTHORITY - HEALTH PLAN COVERAGE

SUMMARY

Under federal health insurance reform enacted earlier this year, adult children up to age 26 can be covered under their parents' health plan if they are considered dependents. The law does not include mandatory coverage for dental benefits. Previously, adult dependent children could be covered under their parents' health plan until age 25.

The Association of California Water Agencies (ACWA) Health Benefits Authority (HBA) has informed the WRD that effective January 1, 2011, they have chosen to extend this provision to the dental plan participants, if we, as the employer, chose to do so. ACWA HBA is not mandating that employers extend dental coverage to adult children to age 26 but will allow the extension at the employers' discretion.

FISCAL IMPACT

The District could see increased premiums on average of \$40 per month per employee for a period of 12 months (\$480 annually) for employees who have an adult child between 25 and 26 years of age. The net annual fiscal impact to WRD is estimated to be approximately \$2,000 in any given year.

ADMINISTRATIVE COMMITTEE RECOMMENDATION

Extend dental health coverage to adult dependent children up to age 26 of District employees and directors, effective January 1, 2011.



MEMORANDUM

ITEM NO. 6.H

Prepared by: Theresa Wu

Reviewed by: Jason Weeks

Approved by: Robb Whitaker

DATE: NOVEMBER 19, 2010

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: CONTRACT AMENDMENT FOR RMC WATER AND ENVIRONMENT

SUMMARY

The District retained RMC Water and Environment (RMC) for engineering services on February 15, 2008 for as-needed grant and technical support on a task order basis. The work by RMC involves examining ways to scope, develop, and package projects or partner with other agencies to improve implementability and the potential for securing outside funding. Services include as-needed planning and engineering support, including definition of projects, technical assessments, and support in the pursuit of funding opportunities.

This contract with RMC, with a budgetary amount of \$120,000, will expire on December 31, 2010. The Board previously authorized a term extension at no additional cost in June 2009.

Since term of the agreement was extended, RMC has assisted the District with the development of Plans of Study and securing State Water Resources Control Board (SWRCB) Planning Grants (\$75,000 each) for the GRIP and Vander Lans Expansion projects. These efforts are positioning the projects for State Revolving Fund (SRF) loans and could provide synergy in the pursuit of other construction phase funding. RMC also provided assistance in securing a U.S. Bureau of Reclamation (USBR) WaterSmart grant (\$299,000) for development of the Groundwater Basins Master Plan.

Efforts during the second part of this fiscal year will include pursuit of funding via Department of Water Resources (DWR) Local Groundwater Assistance (AB303) grants, Proposition 84 grants, SRF loans, USBR grants, and other state and federal programs. This funding pursuit is separate from and not a part of the District's efforts to secure grant funding through the Integrated Regional Water Management (IRWM) process. District funding for the IRWM process is contributed separately to the Los Angeles County Department of Public Works, who manages the consultant contract with Brown and Caldwell for that effort on behalf of the Greater Los Angeles region.

Continued work is required under this contract for assistance with as-needed grant and technical support, and for grant applications and related project planning services. Staff estimates that this amount will cover three to six grant or loan applications at \$5,000-\$15,000 each. Support from the consultant is requested for specific funding opportunities, and level of expenditure depends upon available funding opportunities, number of qualifying projects, and complexity of each application.

The Water Resources Committee reviewed this item at their November 3, 2010 meeting and recommended the Board of Directors authorize a contract term extension to June 30, 2011 and supplemental funding in the amount of \$50,000 to continue services through the current fiscal year.

FISCAL IMPACT

Not to exceed \$50,000. Funding for this work is included in the FY 10/11 budget under Project 005000 (Groundwater Resources Planning).

WATER RESOURCES COMMITTEE RECOMMENDATION

Amend the existing contract with RMC Water and Environment to include a term extension to June 30, 2011 and additional funding not to exceed \$50,000.



MEMORANDUM

ITEM NO. 6.I

*Prepared by: Jason Weeks
Reviewed by: Robb Whitaker
Approved by: Robb Whitaker*

DATE: NOVEMBER 19, 2010

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: STRATEGIC SUPPORT SERVICES CONTRACT WITH KINDEL GAGAN, INC.

SUMMARY

WRD currently has a Professional Services Agreement with the firm of Kindel Gagan, Inc. for strategic support services which expires on December 31, 2010. The firm provides such services on District plans, programs and policy initiatives and related matters, as well as legislative strategy and analysis services as needed. Attached is a scope of work for these services. The contract provides for a monthly fee of \$10,000; plus \$225 per hour for any planning or analysis associated with legislation.

FISCAL IMPACT

Funds for these strategic support services are included in the FY10-11 budget.

WATER RESOURCES COMMITTEE RECOMMENDATION

Extend the professional services agreement with Kindel Gagan, Inc. for strategic support services for a period of six months expiring on June 30, 2011 for a monthly fee of \$10,000 plus \$225 per hour for any planning or analysis associated with legislation.

EXHIBIT A SCOPE OF WORK

- Serve as a policy advisor to the District; provide assistance in developing and implementing District plans, programs and policy initiatives, including but not limited to the Strategic Plan, Basin Master Plan, Water Independence Now (WIN) program, the Groundwater Improvement Reliability Program (GRIP), storm water capture, and salt management and nutrient loading plans.
- Advise and assist the District on policy and strategic matters relating to the petitions to amend the Judgments; coordinate on behalf of the District Moving Party outreach meetings.
- Provide assistance to Board, Standing and Ad Hoc Committees as directed.
- Assist the District in drafting and editing Board staff reports and Director and staff presentations.
- Research and provide information on historical District actions and policies.
- Track and report on actions of the Delta Stewardship Council and other entities charged with implementing Delta ecosystem restoration and water supply reliability policies, programs and projects as those actions bear on District policies, plans, programs and projects.
- Provide assistance and advice to the District on governmental relations matters; analyze and report on local, state and federal legislative or administrative matters that bear on District policies, plans, programs and policies. Assist the District in preparing formal positions on local, state and federal legislative or administrative matters. Participate in meetings with local, state and federal District consultants.



MEMORANDUM

ITEM NO. 7

Prepared by: Charlene King

Reviewed by: Ted Johnson

Approved by: Robb Whitaker

DATE: NOVEMBER 19, 2010

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: AGREEMENT WITH LADWP FOR REIMBURSABLE WELL CONSTRUCTION CONTRACT MANAGEMENT SERVICES

SUMMARY

Over the years, significant deterioration of municipal supply wells in the Central Basin has reduced the ability of the City of Los Angeles Department of Water & Power (LADWP) to fully utilize its groundwater rights in the Basin. LADWP has adopted a plan to restore its groundwater production capacity in the Central Basin and has budgeted funds to construct up to four municipal supply wells and two monitoring wells at or near its Manhattan well field. Once completed, operation of the new wells will enable LADWP to more fully utilize its groundwater production entitlement from the Central Basin.

In 2001, WRD served as contract administrator for the LADWP during the construction of their new production well at their 99th Street facility in the Central Basin. WRD was fully reimbursed for staff time and expenses related to the project. WRD accepted the role as contract administrator for several reasons, including the opportunity to obtain specific geologic and water quality information in this part of the basin from the new well, and also to provide assistance to one of the District pumpers in improving their groundwater extraction capabilities without incurring costs to the other pumpers within the District.

LADWP has again requested WRD's assistance to serve as contract administrator for their upcoming new production and monitoring wells in the Central Basin. By participating in this effort, WRD will once again obtain important hydrogeologic information in this part of the groundwater basin and will be able to provide considerable assistance to the City in completing this important project without imposing any financial impact to the other pumpers in the District. WRD will be the agency responsible for procuring the contractor to drill and install the wells after LADWP prepares the well construction bid specifications. Both agencies will oversee the construction activities.

A Memorandum of Agreement to govern the work and repayment conditions has been drafted and approved by legal council from both WRD and LADWP and is attached to this staff report. The work is anticipated to take two years to complete (by end of 2012).

FISCAL IMPACT

All costs incurred by WRD during this project, including staff time, administrative and legal expenses, and contractor expenses will be reimbursed by LADWP within 45 days of WRD issuing an invoice to LADWP. There will be no fiscal impact on the other district pumpers as a result of this work.

An analysis by WRD has indicated that this project will not negatively impact the District's cash flow basis because the contractor invoices will be spread across two years worth of work since the 4 production wells and 2 monitoring wells will be drilled one at a time instead of simultaneously. In addition, the 45-day reimbursement by LADWP will ensure the District replenishes its outlay in a timely manner, especially if the District arranges to hold payment of the contractor invoices until a time near the LADWP reimbursement date. The total estimated cost for the project is \$8,300,000. Because of LADWP's full reimbursement, there is no net cost impact to WRD.

WATER RESOURCES COMMITTEE RECOMMENDATION

1. Enter into a Memorandum of Agreement with the City of Los Angeles Department of Water & Power, subject to approval of form by District Counsel, for water well construction contract management services for a cost not to exceed \$8,300,000. All costs incurred by WRD for this project will be fully reimbursed by LADWP in a timely manner so that there is no net cost impact to WRD or the other pumpers in the District.
2. Authorize staff to release Requests for Bids for the construction of production wells and monitoring wells related to the Manhattan Well Field project with LADWP.

**MEMORANDUM OF AGREEMENT
BETWEEN LOS ANGELES DEPARTMENT OF WATER AND POWER
AND WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
FOR INSTALLATION OF GROUNDWATER PRODUCTION WELLS AND
MONITORING WELLS IN AND NEAR THE MANHATTAN WELL FIELD
LADWP AGREEMENT NO. 47990
WRD AGREEMENT NO. 645**

This Memorandum of Agreement (MOA) is made and entered into this ____ day of _____ 2010 (the "Effective Date") by and between the WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA ("WRD"), a water replenishment district organized and operating pursuant to the Water Replenishment District Act, California Water Code, Division 18, Section 60000 - 60622) and the CITY OF LOS ANGELES DEPARTMENT OF WATER AND POWER ("LADWP"), a municipal utility, for procurement of contract services to construct up to a maximum of four groundwater production wells for municipal supply and up to two groundwater monitoring wells in the Central Basin for the City of Los Angeles. WRD and LADWP are collectively referred to herein as "Parties" and individually as "Party".

WHEREAS, the City of Los Angeles holds adjudicated rights to pump groundwater from the Central Basin under the Judgment in the case of Central and West Basin Water Replenishment District v. Charles E. Adams, et al., Los Angeles Superior Court Case No. C786656; and

WHEREAS, significant deterioration of municipal supply wells in the Central Basin has reduced LADWP's ability to fully utilize its groundwater rights in this Basin; and

WHEREAS, LADWP has adopted a plan to restore its groundwater production capacity in the Central Basin and identified and budgeted funds to design and construct up to four municipal supply wells at the existing Manhattan Well Field and provide the same for up to two groundwater monitoring wells to be located at sites in the vicinity of the well field; and

WHEREAS, once completed, operation of the new municipal supply wells will enable LADWP to fully utilize its groundwater entitlement from the Central Basin; and

WHEREAS, WRD was formed in 1959 to manage the groundwater replenishment and groundwater quality activities for the 43 cities that overlie the Central and West Coast Basins and is actively pursuing actions to increase the availability of reliable and cost-effective groundwater to the residents and businesses in this region of southern Los Angeles County; and

WHEREAS, WRD performs scientific studies of the Central and West Coast Basins to pursue actions necessary to protect and enhance the available supply of high-quality groundwater, as well as to assist other public entities where such assistance furthers WRD's overall mission of securing needed water supplies for the region; and

WHEREAS, WRD and LADWP have identified a means of expediting LADWP's recovery of groundwater pumping capacity in the Manhattan Well Field, by which WRD will assist in the procurement and construction of up to four municipal supply and up to two groundwater monitoring wells, thereby reducing demands for imported supplies, and LADWP will reimburse WRD for its costs of assistance.

NOW, THEREFORE, in consideration of the provisions herein contained, WRD and LADWP hereby agree as follows:

1. WRD Services Provided:

A. WRD shall provide to LADWP procurement of construction services as set forth in Attachment A (Scope of Work) to construct up to four municipal supply wells at the Manhattan Well Field and provide the same for up to two groundwater monitoring wells to be located at sites in the vicinity of the well field (the "Project"). Provision of these services shall be subject to the reimbursement provisions and various covenants as set forth in this MOA.

B. All subcontracting of materials and services under this MOA shall be done in accordance with WRD's purchasing and contracting operating policies, WRD's Administrative Code, unless otherwise indicated herein, and all applicable laws of the State of California and of the City of Los Angeles. Execution of a construction

services contract for construction of the Project is subject to approval by WRD's Board of Directors and WRD's compliance as a Responsible Agency under the California Environmental Quality Act.

2. Representations and Covenants of LADWP: LADWP hereby represents and warrants that it:

A. Is able and has the legal and financial authority to pursue the Project.

B. Shall perform all activities necessary to comply with its requirements as Lead Agency under the California Environmental Quality Act; shall obtain all necessary permits to construct and operate the new municipal supply and groundwater monitoring wells; conduct site investigations and construct all infrastructure and site work needed to support and operate the Project; and be ultimately responsible for meeting drinking water quality standards. Should LADWP fail to complete any of the above generally in accordance with a Project Schedule as mutually agreed, WRD may terminate the MOA and seek reimbursement for all unreimbursed costs as provided in Paragraph 11, below.

C. Shall cooperate with WRD and WRD's consultants and/or contractors in the performance of the Scope of Work provided in Attachment A including providing necessary data and information and reasonable access to the Manhattan Well Field facility and other locations where groundwater monitoring wells are proposed to be constructed.

D. Shall in good faith render timely reviews and approvals for work products by WRD or its contractors.

E. Shall assist WRD with contract administration services to oversee the work of WRD's contractors.

3. Ownership and Responsibilities:

A. LADWP shall be the sole owner of all Project facilities. WRD shall have no ownership rights, title, security interest, or other interest in any Project facilities.

B. LADWP shall be solely responsible for all environmental compliance, land use permits, operating permits, site work and construction of necessary infrastructure and cost of the Project and all modifications thereof as approved by the LADWP Contract Administrator.

C. LADWP shall bear the final responsibility for operating and maintaining the Project in accordance with all applicable local, state, and federal laws. WRD shall have no responsibilities for operation and maintenance of the Project.

4. Term: The term of this MOA shall run from the Effective Date and terminate in three years.

5. Coordination and Schedule:

A. WRD and the LADWP Contract Administrator shall hold regular project coordination meetings to establish and review a Project Schedule and coordinate work efforts. At the coordination meetings, each Party shall advise the other of the status of their respective work efforts, including any anticipated slippage of the Project Schedule milestones, coordination issues, and changes in scope or Project organization, and shall agree to revise and update the Project Schedule if deemed reasonable. A preliminary Project Schedule is provided in Attachment B.

B. WRD and LADWP acknowledge that time is of the essence for performance under this MOA and agree to diligently pursue their respective work efforts in accordance with the agreed upon Project Schedule. Nonetheless, the time scheduled for completion of any task undertaken pursuant to this MOA may be delayed, at no penalty, if WRD or LADWP need to respond to operational requirements or emergencies related to their respective operations. In case of a delay, the delaying Party will notify the other Party within 48 hours of the delay and strive to complete the work in an expeditious manner.

6. Maximum Amount Payable: The maximum amount payable under this MOA shall be eight million three hundred thousand dollars (\$8,300,000), which includes eighty thousand dollars (\$80,000) as an overhead budget for the cost of services provided by WRD staff to supervise and administer all construction contract work

performed under this MOA. The total cost of all services provided under this MOA shall not exceed the maximum amount payable without the prior written authorization of LADWP, and the cost of supervision and administration shall not exceed the overhead budget without the prior written authorization of the LADWP Contract Administrator, which shall not be unreasonably withheld. WRD shall promptly notify the LADWP Contract Administrator when it determines that the continuation of authorized services would likely exceed the maximum payable amounts. LADWP shall pay to WRD the full costs of all agreed-upon services provided for the Project, including all costs incurred for services provided by WRD staff, attorneys' fees, and consultants, to supervise and administer all contract work. The phrase "agreed-upon services" shall include all services provided by any contractor, subcontractor, or supplier awarded a contract under this MOA and in compliance with all specifications, terms, and conditions set forth in said contract(s). WRD anticipates that its attorneys' fees related to the administration of this MOA will total approximately \$10,000.00 ("Legal Fees"). In the event WRD exceeds the Legal Fees, WRD will inform LADWP.

A. Travel expenses necessary to provide services or perform work required for the Project must be pre-approved in writing by the LADWP Contract Administrator. Agreed-upon travel expenses shall be paid by LADWP at the actual cost of such expenses, consistent with Attachment C, Allowable Travel And Living Expenses, which is attached hereto and made a part hereof. No markup by WRD, its consultant(s) or contractor(s) of any tier for travel expenses shall be allowed.

7. Billings and Payments: For services performed and costs incurred by WRD under this MOA, including services performed by any of its contractors, WRD shall invoice LADWP monthly for the actual costs of labor, equipment, materials, and other services as agreed upon by the LADWP contract administrator. Invoices submitted by WRD shall include the following information:

- A. Company name, address, and vendor code number as registered on the LADWP vendor database
- B. City of Los Angeles Business Tax Registration Number
- C. Date of invoice

- D. Invoice number
- E. Contract number
- F. Summary of work performed and services provided including, but not limited to, quantity of completed work, its respective unit cost and total cost of each service
- G. Taxes
- H. Total amount of invoice
- I. Supporting documentation of costs, including copies of invoices, receipts, and/or WRD summary of labor expenditures including copies of timesheets and applicable labor rates
- J. Approval signature block for LADWP Contract Administrator

LADWP shall make payments to WRD within forty-five (45) days of receipt of the completed invoice. Payments shall be mailed to:

The Water Replenishment District of Southern California
Finance Department
4040 Paramount Boulevard
Lakewood, California 90712
Attention: Jenna Shaunessy

8. Indemnification:

A. Each Party hereby agrees to hold harmless the other Party, its commissioners, directors, officers, employees and agents, from and against any and all claims, suits, actions, liability, loss, damage, expense, cost (including, without limitation, costs and fees of litigation) of every nature, kind or description, which may be brought against, or suffered or sustained by, either Party, its commissioners, directors, officers, employees and agents, caused by, or alleged to have been caused by, the negligence, intentional tortious act or omission, or willful misconduct by the other Party. Either Party may avail itself of any and all remedies available in equity or at law for any and all losses, claims, or damages of any nature whatsoever arising from the negligent acts, errors, omissions, or willful misconduct of the contractor, consultant, or supplier and their subcontractor(s), subconsultant(s) or their officers, employees, or agents in the performance of any services or work pursuant to this MOA.

B. WRD shall contractually require all consultants and contractors performing services under this MOA to fully indemnify LADWP, its Board of Commissioners, and its officers, agents and employees, alongside WRD. WRD shall also contractually require all consultants and contractors performing services under this MOA to obtain and maintain the following insurance:

1. General Liability Insurance with a combined single limit of not less than \$2 million including Broad form property damage, premises and operations, personal injury, independent contractors, products and completed operations, and Sudden and Accidental Pollution. The policy shall have a provision that the contractor's insurance is primary and any insurance carried by WRD or LADWP shall be non-contributory. The policy shall also contain a provision for severability of interest in favor of WRD and LADWP.

2. Workers' Compensation insurance including Employer's Liability in the amount of \$1 million. The policy shall also provide a waiver of subrogation in favor of WRD and LADWP.

3. Automobile Liability insurance with a combined single limit of not less than \$1 million for all owned, hired, and non-owned automobiles used in the performance of the work by the consultant(s) or contractor(s).

Each policy shall additionally insure LADWP, its Board of Commissioners, and its officers, agents and employees, on each and every policy of liability insurance that consultant and/or contractor maintains, and for professional consultants, mandatorily to include Professional Liability Insurance A Certificate of Insurance for all coverages, including Professional Liability, with Additional Insured status, shall be provided to LADWP before any such work may start. LADWP Contract Administrator will review all of WRD's agreements and contracts with consultants, contractors and/or suppliers offering services for the Project prior to their execution to determine that such documents conform with Provision 8, Indemnification, of this MOA. Parties agree that in the event that any contractor and/or consultant fails to agree to or maintain compliance with the terms in this Section, WRD may terminate its agreement with the

contractor/consultant. In the event that termination of an agreement with a contractor/consultant results in a need to rebid the Project, LADWP will pay all costs associated therewith.

9. Independence of the Parties: In performance of their work under this MOA, all employees of each Party are solely employees of that Party and not the agents or employees of the other Party.

10. Work of Consultants: WRD shall have no contractual relationship with or obligation to any consultant or contractor of LADWP relative to the design, procurement, construction, or installation of site infrastructure; permitting; or any other necessary services associated with the Project not described in Attachment A. LADWP will pay directly to its consultants and contractors all costs associated for such work as approved by the LADWP Contract Administrator. However, LADWP agrees that any and all plans or other documents prepared by any consultant or contractor hired by LADWP shall be consistent with and conform to the document configuration requirements of WRD for designs, plans and/or other documents prepared for the construction of the Project.

11. Termination: Either Party may terminate this MOA with good cause by providing 90 calendar days' written notice to the other Party. Either Party may, by written notice to the other Party, terminate this MOA at its own discretion, or when conditions encountered during the work make it impracticable to proceed, or when either Party is prevented from proceeding with the MOA by unforeseeable natural causes, by law, or by official action of a public authority. In the event of termination, LADWP shall reimburse WRD for all costs incurred or encumbered as of the date of termination. After a termination notice is provided, WRD shall cease all further expenditures on the Project except as approved by the LADWP Contract Administrator, and Parties shall account for all funds expended through termination of the MOA.

12. Notices: Any notice or communication given under this MOA shall be effective when faxed or deposited, postage prepaid, with the United States Postal Service and addressed to the Parties as follows:

Water Replenishment District of Southern California
4040 Paramount Boulevard
Lakewood, California 90712
Attention: Ted Johnson, Chief Hydrogeologist
Fax: (562) 921-6101

Los Angeles Department of Water and Power
111 North Hope Street, Room 1213
Los Angeles, CA 90012
Attention: Gregory Reed, LADWP Contract Administrator
Fax: (213) 367-0939

Either Party may change the individual and/or address to which notice or communication is to be sent by providing advance written notice to the other Party.

13. Severability: If any provision of this MOA shall be held illegal, invalid, or unenforceable, in whole or in part, such provision shall be modified to the minimum extent necessary to make it legal, valid, and enforceable, and the legality, validity, and enforceability of the remaining provisions shall not be affected thereby. In the event the provision cannot be modified, the remainder of the MOA shall remain in full force and effect without being impaired or invalidated in anyway.

14. Jurisdiction and Venue: This MOA shall be deemed a contract under the laws of the State of California and for all purposes shall be interpreted in accordance with such laws. Both Parties hereby agree and consent to the exclusive jurisdiction of the courts of the State of California and that the proper venue of any action brought there under is and shall be Los Angeles County, California.

15. Waiver: No delay or failure by either Party to exercise or enforce at any time any right or provision of this MOA shall be considered a waiver thereof or of such Party's right thereafter to exercise or enforce each and every right and provision of this MOA. A waiver to be valid shall be in writing but need not be supported by consideration. No single waiver shall constitute a continuing or subsequent waiver.

16. Retention of Records, Audit, and Reports:

A. WRD shall maintain, and shall cause its consultant(s), contractor(s), supplier(s) and their subconsultant(s), subcontractors, and/or supplier(s), as applicable to maintain all records pertaining to the management of this MOA and,

related subcontracts, and performance of services pursuant to this MOA, in their original form, including but not limited to, reports, documents, deliverables, employee time sheets, accounting procedures and practices, records of financial transactions, and other evidence, regardless of form (e.g., machine readable media such as disk, tape, etc.) or type (e.g., databases, applications software, database management software, utilities, etc.), sufficient to properly reflect all costs claimed to have been incurred and services performed pursuant to this MOA. If WRD, its consultant(s), contractor(s), supplier(s) or their subconsultant(s), subcontractor(s) and/or supplier(s), are required to submit cost or pricing data in connection with this MOA, WRD must maintain all records and documents necessary to permit adequate evaluation of the cost or pricing data submitted, along with the computations and projections used. All records shall be retained, and shall be subject to examination and audit by LADWP personnel or by LADWP's agents (herein after "Authorized Auditors"), for a period of not less than four (4) years following final payment made by LADWP hereunder or the expiration date of this MOA, whichever is later.

B. WRD shall make said records or to the extent accepted by the Authorized Auditors, photographs, micro-photographs, etc. or other authentic reproductions thereof, available to the Authorized Auditors at WRD's offices at all reasonable times and without charge. The Authorized Auditors will have the right to reproduce, photocopy, download, transcribe, and the like any such records. Any information provided by WRD on machine-readable media shall be provided in a format accessible and readable by the Authorized Auditors. WRD shall not, however, be required to furnish the Authorized Auditors with commonly available software.

C. WRD, its consultant(s), contractor(s), supplier(s) or their subconsultant(s), subcontractor(s) and/or supplier(s), as applicable to the services provided under this MOA, shall be subject at any time with fourteen (14) calendar days' prior written notice to audits or examinations by Authorized Auditors, relating to all billings and to verify compliance with all MOA requirements relative to practices, methods, procedures, performance, compensation, and documentation.

D. Examinations and audits will be performed using generally accepted auditing practices and principles and applicable City, State, and Federal government audit standards. For consultants, contractors, subconsultants, subcontractors, and suppliers that utilize or are subject to the Federal Acquisition Regulation (FAR), Part 30 and 31, et seq. accounting procedures, or a portion thereof, examinations and audits will utilize such information.

E. To the extent that the Authorized Auditor's examination or audit reveals inaccurate, incomplete or non-current records, or records are unavailable, the records shall be considered defective.

F. Consistent with standard auditing procedures, LADWP will provide WRD fifteen (15) calendar days to review the Authorized Auditor's examination results or audit and respond to LADWP prior to the examination's or audit's finalization and public release.

G. If the Authorized Auditor's examination or audit indicates WRD has been overpaid under a previous payment application, the identified overpayment amount shall be reimbursed by WRD to LADWP within fifteen (15) calendar days of notice of the identified overpayment.

H. WRD shall contractually require all of its consultant(s), contractor(s), supplier(s) and their subconsultant(s), subcontractor(s) and supplier(s) performing services under this MOA to comply with the provisions of this section by inserting this Provision 16 in each professional services agreement and construction services contract and by contractually requiring each consultant and contractor to insert this Provision 16 in any of its subconsultant(s) and/or subcontractor(s) contract(s) related to services under this MOA. In addition, WRD and its consultant(s), contractor(s), and supplier(s) shall also include the following language in their respective subconsultant, subcontractor, and/or suppliers' contract(s):

"The Los Angeles Department of Water and Power (LADWP) is a third-party beneficiary of the foregoing audit provision. The benefits of the audit provision shall inure solely for the benefit of LADWP. The designation of LADWP as a third-party beneficiary of the audit

provision shall not confer any rights or privileges on WRD, its consultant(s), contractor(s), supplier(s), and their subconsultant(s), subcontractor(s), and/or supplier(s) or any other person/entity.”

In the event any contractor/consultant/supplier hired by WRD for purposes of this MOA fails to comply with the terms of this Section, and LADWP is required to conduct an audit of any work performed in connection to this MOA, notwithstanding the maximum amount payable set forth in Section 6 of this MOA, LADWP shall pay all costs associated with the audit, and any of WRD’s costs, including legal fees, to obtain the information required for LADWP’s audit.

I. The provisions of this section shall survive expiration or termination of this MOA.

17. Entire Memorandum of Agreement: This writing contains the entire MOA of the Parties relating to the subject matter hereof; and the Parties have made no agreements, representations, or warranties either written or oral relating to the subject matter hereof which are not set forth herein. Except as provided herein, this MOA may not be modified or altered without formal amendment thereto.

18. Arbitration and Attorneys’ Fees: Any dispute arising from or relating to this MOA shall be submitted to non-binding arbitration before an arbitrator who is a member of the National Academy of Arbitrators. The Parties will obtain a list of five names of potential arbitrators from the National Academy of Arbitrators, or the American Arbitration Association, and will take turns striking the names of arbitrators until one arbitrator remains, who shall preside over the arbitration. The arbitrator will have no power to rewrite any of the terms of this MOA. The Parties shall split the cost of the arbitrator’s fee and any court reporter required by the arbitrator or if both parties agree to having the proceedings taken down by a court reporter. If arbitration does not arrive at a satisfactory result, both Parties may avail themselves of all legal and equitable remedies available to them. The prevailing Party in any action arising from or relating to this MOA shall be entitled to recover its reasonable attorneys fees, expert witness fees and arbitration fees and costs in addition to any other relief and recovery ordered by the arbitrator or other tribunal hearing any matter related to this MOA.

19. Authority: Each person signing this MOA represents that he or she has the authority to do so on behalf of the Party for whom he or she is signing. Both Parties acknowledge and agree that each was represented by legal counsel during negotiation and execution of this MOA.

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IN WITNESS WHEREOF, the Parties hereto have caused this Memorandum of Agreement to be executed in duplicate as of the Effective Date.

WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA

Signature
Sergio Calderon

Print Name
President, Board of Directors

Title

Signature
Willard Murray

Print Name
Secretary, Board of Directors

Title

**Approved As To Form
MEYERS, NAVE, RIBACK,
SILVER & WILSON**

James M. Casso
Attorneys for the Water Replenishment
District of Southern California

Department of Water and Power
of the City of Los Angeles
By
Board of Water and Power
Commissioners
of the City of Los Angeles

Date: _____

By: _____
Austin Beutner
General Manager

And: _____
Secretary

ATTACHMENT A
SCOPE OF WORK
WELL DRILLING SERVICES FOR THE MANHATTAN WELL FIELD

By constructing up to four groundwater production wells for municipal supply in the existing Manhattan Well Field, LADWP will be able to produce its full groundwater entitlement and reduce the need for imported supply. Construction and utilization of up to two groundwater monitoring wells will provide data from locations in the vicinity of the Manhattan Well Field that will be useful to the management of water quality of groundwater produced from the well field. To assist LADWP with this Project, the following services will be performed by the designated Parties:

WRD:

1. WRD will review the draft bid package submitted from LADWP and provide comment. After LADWP completes a well-drilling bid package approved by WRD, WRD will release the bid. Both WRD and LADWP will review bid packages and mutually agree upon the lowest responsive and responsible bidder. The Parties will strive to hire competent contractors to complete the work required under the bid package. The successful bidder will enter into an agreement with WRD for the well drilling work.
2. WRD will manage the contract with the well-drilling contractor and will pay all invoices after review and acceptance by the LADWP Contract Administrator, in compliance with the agreement between WRD and the well-drilling contractor.
3. WRD will submit monthly invoices to LADWP to recover all costs from the contractor and WRD's administrative costs including legal review and incidentals (reproduction costs, travel expenses, etc.).

Well Drilling Contractor (under contract with WRD):

1. Drill and construct up to four municipal supply wells, in accordance with the terms and requirements of the bid package, with completed casing to 18 inches above finish grade and capped. Provide water quality zone sampling during drilling of the first borehole for water quality profiling.
2. Drill and construct up to two groundwater monitoring wells, in accordance with the terms and requirements of the bid package. Provide water quality zone sampling during drilling of each pilot borehole for water quality profiling.
3. Provide standard suite of geophysical testing, including electric log and alignment surveys to evaluate borehole conditions and assure the quality of well drilling and construction, in accordance with the terms and requirements of the bid package.
4. Destroy up to two existing LADWP supply wells per the California Well Standards of the Department of Water Resources, in accordance with the terms and requirements of the bid package. Responsibility to store, treat, and dispose of all

wastes, including drilling fluids, soil cuttings, and development water in accordance to applicable permits and regulatory requirements.

5. Conduct various well development and aquifer performance tests, in accordance with the terms and requirements of the bid package.
6. Provide information for completing as-constructed well completion documents and/or drawings, in accordance with the terms and requirements of the bid package.
7. Restore the site to final conditions in compliance with current building codes and regulatory requirements, in accordance with the terms and requirements of the bid package.
8. Provide insurance coverage in the amount necessary to satisfy the requirements of WRD and LADWP, in accordance with the terms and requirements of the bid package.
9. Guarantee for a period of one year after project completion and acceptance by the LADWP Contract Administrator and WRD that all equipment, materials, and the quality of the work are free from defects, in accordance with the terms and requirements of the bid package.

LADWP:

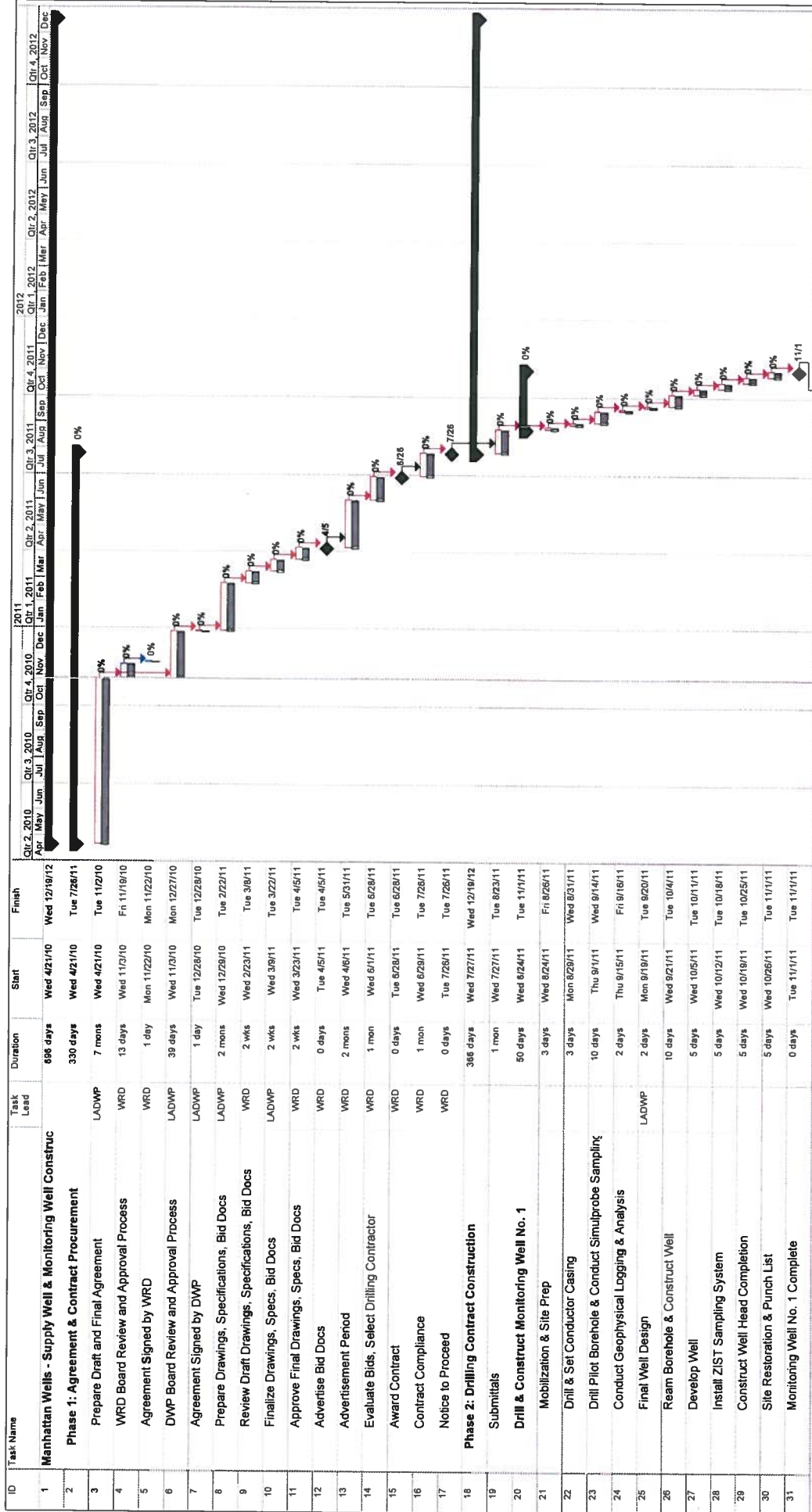
1. Pay all WRD invoices related to this MOA as reviewed and approved by the LADWP Contract Administrator within 45 days of receipt of the complete invoice.
2. Obtain California Environmental Quality Act compliance documents, National Pollution Discharge Elimination System permit(s), and easements, right-of-entry, Los Angeles County Department of Public Health well-drilling permit, or other permits and agreements as required for drilling and establishing wells at proposed locations.
3. Provide to WRD the project design and construction specifications, including general provisions.
4. Take sole responsibility for identifying subsurface conditions, any changed or differing site conditions of any kind when promptly notified by WRD or its contractor, and finalizing the location of each well.
5. Provide written permission or right-of-entry to WRD's contractor for ingress and egress and performing construction activities on LADWP property.
6. Provide the on-site hydrogeologist to review the progress and work of the well-drilling contractor, support the quality assurance process, interpret lithology and geophysical logs, collect and classify borehole soil samples, recommend final well design configuration, advise on aquifer pumping tests, and prepare well completion reports.
7. Jointly with WRD, review the work of the well-drilling contractor and determine whether the work has been completed according to the contract specifications,

whether the work should be accepted, and whether to record a Notice of Completion.

8. Assist WRD with administering the construction services contract with WRD's well-drilling contractor, including reviewing and responding to requests for information and changes, issuing change orders, reviewing invoices and authorizing payments. Review contractor's submittals and inspect work product.
9. Ensure well completion is in accordance to the construction contract specifications and applicable standards.
10. After WRD and LADWP have agreed and provided the contractor a written acceptance of the Project, LADWP will take ownership of the completed Project and proceed with installation of additional equipment and infrastructure to place municipal supply and groundwater monitoring wells into operation. LADWP may place into service portions of the completed work before final completion of the project. Such placing into service any completed portion of the work, which may include the installation of additional equipment and infrastructure, shall not relieve the contractor of any of its responsibility to protect, care for, and complete all aspects of the work until final completion and acceptance of the entire project.
11. Identify any warranty defects and provide request to WRD for any required enforcement of the contractor's guarantee for repair of any defective items covered during the warranty period.

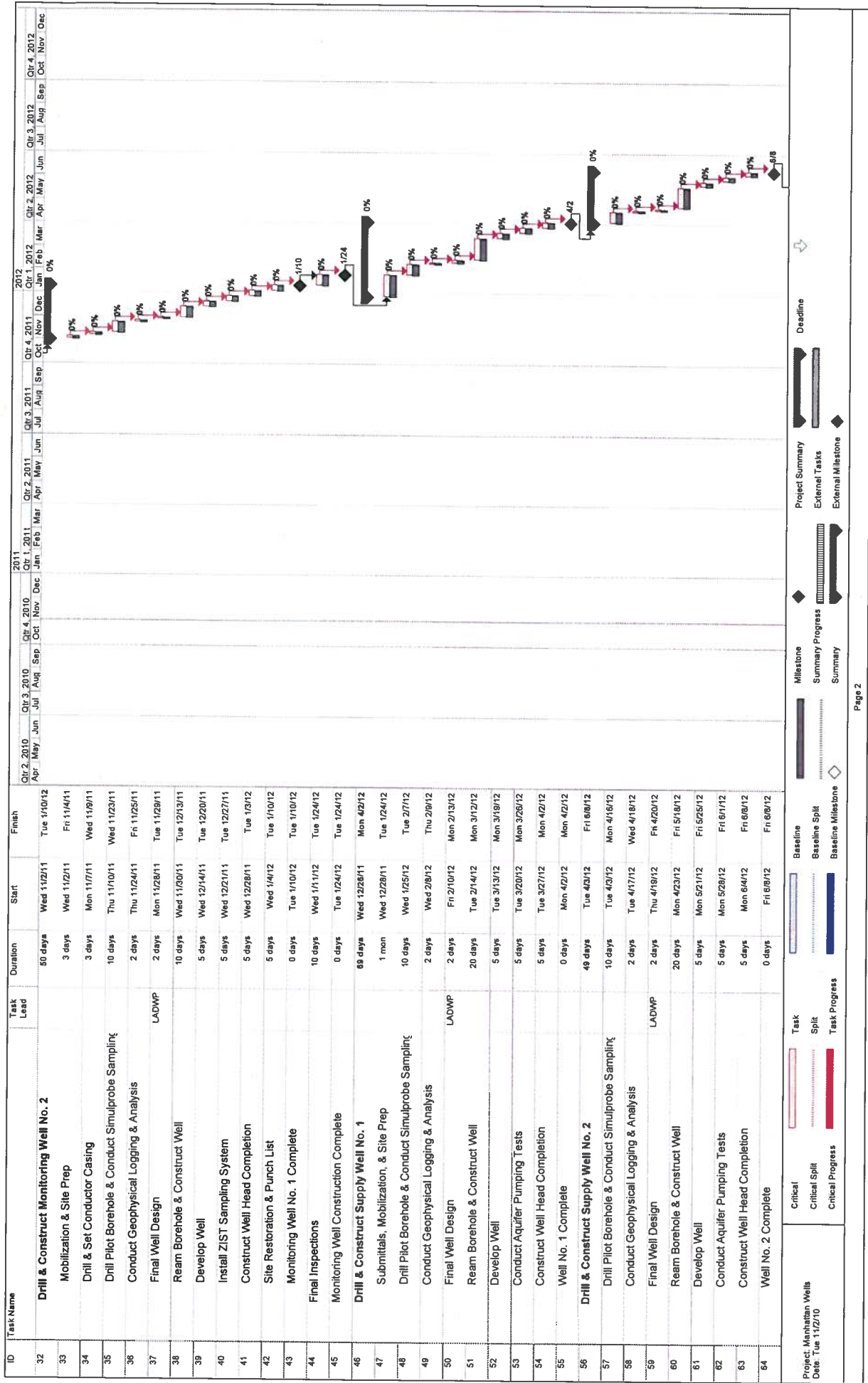
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ATTACHMENT B
PRELIMINARY PROJECT SCHEDULE



Project: Manhattan Wells
Date: Tue 11/2/10

Legend:
 Critical (Red bar)
 Critical Split (Red bar with dashed line)
 Critical Progress (Red bar with diagonal lines)
 Task (Blue bar)
 Split (Blue bar with dashed line)
 Task Progress (Blue bar with diagonal lines)
 Baseline (Grey bar)
 Baseline Split (Grey bar with dashed line)
 Baseline Milestone (Grey diamond)
 Milestone (Black diamond)
 Summary Progress (Black bar with diagonal lines)
 Summary (Black bar)
 Project Summary (Black bar with diagonal lines)
 External Tasks (Black bar with diagonal lines)
 External Milestone (Black diamond)
 Deadline (Black arrowhead)



ATTACHMENT C
ALLOWABLE TRAVEL AND LIVING EXPENSES

LADWP will reimburse WRD, at actual cost, for any reasonable, necessary, authorized and approved incidental expenses while performing work for the Project under the MOA. These expenses will include, but not limited to:

1. Airfare and Car Rental: Airfare is limited to coach class only. Car rental is limited to one compact rental per 4 passengers per trip. Original receipts for airfare and car rental must be submitted.
2. Meal and Lodging expenses:
 - 2.1 Meal expenses up to a maximum limit of \$54.88 per day. This should include taxes and tips. The following Breakdown for Meals shall be used as a guideline:

Breakfast	\$13.23
Lunch	\$17.05
Dinner	\$24.60
 - 2.2 Lodging expenses up to a maximum limit of \$175.70 per day (Los Angeles area). This should include taxes and tips. Lodging receipts must show paid in full with zero balance owed.
 - 2.3 Meals and Lodging are reimbursable only on working days as reported on timesheets, and payments are subject to the approval of the LADWP Contract Administrator identified in this MOA.
 - 2.4 Original receipts must be submitted for necessary travel expenses of \$25.00 or more.
3. Mileage for non-rental car travel will be paid at the rate per LADWP's Administrative Bulletin for Mileage Reimbursement in effect at the time of travel. As of January 1, 2010, this rate is fifty cents (\$0.50) per mile.



MEMORANDUM

ITEM NO. 8

Prepared by: Scott Ota

Reviewed by: Scott Ota

Approved by: Robb Whitaker

DATE: NOVEMBER 19, 2010
TO: BOARD OF DIRECTORS
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: PROPOSED ADMINISTRATIVE CODE AMENDMENTS TO CHAPTER 7.3.1 - EXPENSES OVER 90 DAYS

SUMMARY

The WRD Administrative Code Section 7.3.1 currently states:

"In order to properly close the accounting records for each fiscal year, standard accounting practices require that all reimbursement for non-excluded expenses be submitted and approved no later than 90 days after the end of the fiscal year (September 30)."

The Chairman of the Administrative Committee asked that this item be reviewed by the Committee. Discussion took place at the meeting of the Administrative Committee on September 23, 2010. Consensus was not reached by the members on whether to make any changes to the Administrative Code Section 7.3.1. However, the Chair of the Administrative Committee asked that the Board of Directors consider adding the following language:

"However, this does not preclude Directors and staff from submitting expenses subsequent to 90 days after the end of the fiscal year for further consideration."

FISCAL IMPACT

The financial statements of the District are closed and audited 90 days after the end of the fiscal year, therefore any expenses reimbursed relating to prior fiscal years will be paid from reserves.

ADMINISTRATIVE COMMITTEE RECOMMENDATION

Consensus was not reached by the Committee regarding changes to Section 7.3.1 of the Administrative Code. Director Murray recommended the Board of Directors adopt the proposed changes and Director Kawasaki recommended no change be made to the existing policy.



MEMORANDUM

ITEM NO. 9

Prepared by: Abbie Andom

Reviewed by: Robb Whitaker

Approved by: Robb Whitaker

DATE: NOVEMBER 19, 2010

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: GENERAL COUNSEL SERVICES

SUMMARY

On September 21, 2007, the Board of Directors approved a 3-year contract with Meyers, Nave, Riback, Silver & Wilson ("Meyers Nave") to perform the function of General Counsel for the District. The Board since amended the contract to extend it for 60 day increments that automatically renew until the Board takes action to terminate the contract or amend the contract again.

The Ad Hoc Legal Selection Committee recommends the Board approve the issuance of request for proposals for general counsel services. The Committee further recommends the immediate cessation of the services of current General Counsel and recommends the Board consider appointment of an interim General Counsel.

FISCAL IMPACT

District Counsel services are included in the FY 2010-11 budget.

AD HOC LEGAL SELECTION COMMITTEE RECOMMENDATION

Approve issuance of request for proposals for General Counsel services, immediate cessation of current contract and appointment of interim General Counsel.



MEMORANDUM

ITEM NO. 10

<i>Prepared by:</i>	Abbie Andom
<i>Reviewed by:</i>	Robb Whitaker
<i>Approved by:</i>	Robb Whitaker

DATE: NOVEMBER 19, 2010
TO: BOARD OF DIRECTORS
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: BOARD REORGANIZATION

SUMMARY

This item is agendaized at the request of the Board President.

FISCAL IMPACT

None.

PRESIDENT'S RECOMMENDATION

For discussion.