

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

10:30 A.M., WEDNESDAY, DECEMBER 8, 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 AUGUST 20, 2010**

Staff Recommendation: Approve the minutes as submitted.
 - B. MINUTES OF THE MEETING OF SEPTEMBER 17, 2010**

Staff Recommendation: Approve the minutes as submitted.
 - C. AWARD OF CONTRACT FOR GROUNDWATER MODELING SERVICES RELATED TO RECYCLED WATER PERMIT COMPLIANCE AT THE ALAMITOS AND DOMINGUEZ GAP SEAWATER BARRIERS**

Water Resources Committee Recommendation: Enter into an agreement with Intera, subject to approval of form by District Counsel, for groundwater modeling services related to recycled water permit

compliance at the Alamitos and Dominguez Gap seawater barriers for a cost not to exceed \$166,000.

- D. TIME EXTENSION FOR PROFESSIONAL AGREEMENT WITH WORLEYPARSONS FOR ASSISTANCE WITH CONTAMINATED SITE INVESTIGATION AND EXPEDITED CLEANUP**
Water Resources Committee Recommendation: Extend the termination date of the Professional Services Agreement with WorleyParsons to June 30, 2011, with no additional cost to the District.
- E. CONTRACT AMENDMENT FOR GEOTRANS FOR WELL PROFILING SERVICES**
Water Resources Committee Recommendation: Amend the existing agreement with GeoTrans Inc., subject to approval of form by District Counsel, to extend the term to June 30, 2011 and to increase the contract amount by \$30,000.
- F. CONTRACT AMENDMENT FOR DMJ CONSULTING**
Water Resources Committee Recommendation: Amend the existing contract with DMJ Consulting, subject to approval of form by District Counsel, to increase the budget amount by an additional \$40,000.
- G. FEDERAL ADVOCACY SUPPORT SERVICES**
External Affairs Committee Recommendation: Amend the Professional Services Agreements for federal advocacy support services with Brownstein Hyatt Farber Schreck, and Pacific Atlantic Partners, subject to approval of form by District Counsel, for a two year period that expires on December 31, 2012 at a monthly all-inclusive fee of \$15,000 per firm.
- H. STATE ADVOCACY SUPPORT SERVICES**
External Affairs Committee Recommendation: Amend the Professional Services Agreement for state advocacy support services with Millennium Government Advocates, subject to approval of form by District Counsel, for a two year period that expires on December 31, 2012 at a monthly fee of \$15,000.
- I. LOCAL ADVOCACY SUPPORT SERVICES**
External Affairs Committee Recommendation: Amend the Professional Services Agreement for local advocacy support services with Robert E. Bush Corporation, subject to approval of form by District Counsel, for a two year period that expires on December 31, 2012 at a monthly fee of \$3,000, with the ability to increase to \$5,000 per month on as needed basis.
- J. RENEWAL OF WATERWISE CONSULTANT CONTRACT**
External Affairs Committee Recommendation: Amend the Professional Services Agreement with WaterWise Consulting, subject to approval of form by District Counsel, for a period of one year that expires on December 31, 2011 at an amount not to exceed \$100,000.

- K. **EVENT SPONSORSHIPS AND COMMUNITY GRANTS UPDATE**
External Affairs Committee Recommendation: Approve reduction of \$49,600 in the Regional Sponsorships and approval of annual chamber membership fees for fiscal year 2010-2011.
- L. **CONSIDERATION OF RESOLUTION NO. 10-893 – A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA RECITING THE FACT OF THE GENERAL ELECTION HELD ON NOVEMBER 2, 2010, DECLARING THE RESULTS AND SUCH OTHER MATTERS AS PROVIDED BY LAW**
Staff Recommendation: Adopt Resolution No. 10- 893.

7. GENERAL COUNSEL SERVICES

Ad Hoc Legal Selection Committee Recommendation: Approve appointment of the firms of Alston & Bird and Leal & Trejo as Interim District Counsel until a new firm is selected.

8. GENERAL MANAGER’S REPORT

9. DISTRICT COUNSEL’S REPORT

10. AB 1234 COMPLIANCE REPORTS AND DIRECTORS’ REPORTS

11. WRD BOARD MEETING DATES

- A. January 21, 2011 – 9:00 a.m. – Board of Directors Meeting
- B. February 18, 2011 – 9:00 a.m. – Board of Directors Meeting
- C. March 18, 2011 – 9:00 a.m. – Board of Directors Meeting
- D. April 15, 2011 – 9:00 a.m. – Board of Directors Meeting

12. 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 – Existing 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
- E. Conference with Legal Counsel – Anticipated Litigation, Pursuant to Government Code §54956.9 (b), Three Cases

13. ADJOURNMENT

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 AUGUST 20, 2010
MEETING OF THE BOARD OF DIRECTORS
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA**

A meeting of the Board of Directors of the Water Replenishment District of Southern California was held on August 20, 2010 at 9:15 a.m. in the District office located at 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, Rob Katherman, Willard H. Murray, Jr. and Albert Robles.

2. PLEDGE OF ALLEGIANCE

Upper San Gabriel Valley Municipal Water District (USGVMWD) Director Ed Chavez led the Pledge of Allegiance.

3. INVOCATION

President Calderon gave the Invocation. He announced that the Board will adjourn in memory of his friend Stephen Arguelles, and Ruby Kawasaki, mother of WRD Director Lillian Kawasaki. A moment of silence was observed.

4. ADDITIONAL ITEMS TO AGENDA

None.

5. PUBLIC COMMENT

Bill Minasian, resident of the City of Downey, stated that he would like to know if he could be provided information on the salaries of WRD directors and senior staff members.

President Calderon stated that he believes there is legislation currently being drafted in the Legislature that would require all municipalities and possibly special districts to post salaries of their elected officials and senior staff members. He stated that he would like to be more proactive in making that information available to the public and not have to wait until the legislation is passed. He asked District Counsel Jamie Casso if that action would require Board approval.

District Counsel Jamie Casso stated that currently the information on salaries of staff and members of the Board is public information under the California Public Records Act. Mr. Casso explained that the proposed legislation currently before the Legislature appears to codify the directive from the State Controller which requires every public agency to provide information on salaries and post it on their respective web sites.

Discussion followed and the Board directed staff to forward the item to the appropriate committee for review and consideration.

6. CONSENT CALENDAR

- A. MINUTES OF THE MEETING OF MAY 21, 2010**
- B. MINUTES OF THE MEETING OF JUNE 18, 2010**
- C. MINUTES OF THE SPECIAL MEETING OF JUNE 19, 2010**
- D. DEMANDS – MAY 2010**
- E. FINANCIAL STATEMENTS – MAY 31, 2010**
- F. RESERVES, CASH AND INVESTMENT REPORT FOR THE PERIOD ENDING MAY 31, 2010**
- G. DEMANDS – JUNE 2010**
- H. RESERVES, CASH AND INVESTMENT REPORT FOR THE PERIOD ENDING JUNE 30, 2010**
- I. COMMUNITY BANKING – MANUFACTURERS BANK**
- J. S. 1462 (BINGAMAN) – AMERICAN CLEAN ENERGY LEADERSHIP ACT OF 2009**

- K. WRD SCHOLARSHIP PROGRAM
- L. AGREEMENT WITH NWRI FOR INDEPENDENT ADVISORY PANEL FOR THE EXPANSION OF LEO J. VANDER LANS FACILITY
- M. REQUEST FOR PROPOSALS FOR FIELD TRUCK
- N. FACILITIES USE POLICY AND PERMITTING REQUIREMENTS
- O. PUBLIC PARTICIPATION POLICY
- P. ALBRIGHT, YEE & SCHMIT, LLP CONTRACT AMENDMENT
- Q. PROCUREMENT POLICIES AND PROCEDURES
- R. MEYERS NAVE CONTRACT AMENDMENT
- S. SOUTHEAST MOBILE TECHNOLOGY CENTER CONTRACT

President Calderon stated that Agenda Item 6. B will be removed from the today's Board agenda.

Director Katherman stated that he would like to remove Agenda Items 6.Q and 6.S from the Consent Calendar.

Director Kawasaki stated that she would like to remove Agenda Items 6.I, 6.P, and 6.Q from the Consent Calendar.

Director Robles stated that he would like to remove Agenda Items 6.N and 6.O from the Consent Calendar.

Upon a motion duly made by Director Robles, seconded by Director Murray, and unanimously approved, it was

RESOLVED: That the Board approves the Consent Calendar of August 20, 2010, as amended.

6.I. COMMUNITY BANKING – MANUFACTURERS BANK

Director Kawasaki stated that she is certainly very supportive of community banking but she would like to know what criteria the Finance Committee used in selecting Manufacturers Bank to be part of the District's Community Banking Program.

President Calderon stated that he attended an American Express Black Circle function a few months ago and met one of the officers of Manufacturers Bank who had informed him of the various programs they have to facilitate small businesses. He explained that he felt their programs would be helpful to the community and he asked the Finance Committee to consider Manufacturers Bank as part of the District's community banks.

Director Kawasaki asked staff how many banks are participating in the District's Community Banking Program. Chief Financial Officer Scott Ota responded that there are currently six (6) banks in the Program.

Director Kawasaki asked what criteria and process was used in selecting the six banks. General Manager Robb Whitaker stated that, from staff's perspective, the process used was to take the recommendations of the Finance Committee and verify the bank had adequate insurance through the Federal Deposit Insurance Corporation (FDIC) for funds deposited by the WRD.

Director Kawasaki stated that staff has done its due diligence but asked if there was any form of open solicitation used in selecting in the banks since there are other banks who may want to participate. Mr. Whitaker responded that there was no open solicitation process.

Director Kawasaki asked how much money was deposited in the participating banks. Director Murray responded that the banks each have \$250,000.

Director Kawasaki stated that some of the other banks have more than \$250,000 in deposit from the information contained in the Investment Report. Chief Financial Officer Scott Ota explained that, based on direction from the Board, East West Bank replaced Farmers and Merchants Bank for the District's general account and payroll account. Mr. Ota stated that a review panel was formed, which included a finance representative from an outside organization, and interviewed and rated the banks participating in the Community Banking Program and East West Bank came up on top.

Director Kawasaki stated that she would like to make a motion for the Board to defer action on the item until criteria and a selection process for the Community Banking Program is established and that an open solicitation for other community banks be implemented. She noted that her motion was not meant to be punitive of the director who recommended Manufacturers Bank nor was she critical of the bank itself. Director Katherman seconded the motion.

Director Robles made a substitute motion to designate Manufacturers Bank as a community bank and deposit up to the FDIC insured amount of \$250,000. Director Murray seconded the motion.

Upon a motion duly made by Director Robles, seconded by Director Murray, and with Director Kawasaki dissenting, it was

RESOLVED: That the Board deposits up to the FDIC insured amount of \$250,000 into Manufacturers Bank as part

of the District's Community Banking Program, and adopts Resolution No. 10-885.

RESOLUTION NO. 10-885

A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE WATER REPLENISHMENT DISTRICT
OF SOUTHERN CALIFORNIA
AUTHORIZING SIGNERS ON DISTRICT ACCOUNTS
WITH MANUFACTURERS BANK

(Reference is hereby made to Resolution No. 10-885 in the Draft Resolution file and by this reference is incorporated herein and included a part hereof as though fully set forth at length.)

Director Robles made a motion to request that the Finance Committee review the selection process of financial institutions participating in the District's Community Banking Program. President Calderon seconded the motion. With Director Kawasaki dissenting, it was

RESOLVED: That the Board asks the Finance Committee to review the selection process of financial institutions participating in the District's Community Banking Program.

6. N. FACILITIES USE POLICY AND PERMITTING REQUIREMENTS

Director Robles stated that he would like to voice his concern that once the policy is approved, any non-profit organization could use the District's facilities and expose the District to potential liability issues. Director Murray stated that certain advocacy groups may be excluded from using the District facilities. Discussion followed.

Upon a motion duly made by Director Murray, seconded by President Calderon, and with Director Robles dissenting, it was

RESOLVED: That the Board approves the Facilities Use Policy.

6.O. PUBLIC PARTICIPATION POLICY

Director Robles asked District Counsel to provide a report on the Public Participation Policy. District Counsel Casso directed Special District Counsel Bianca Sparks to provide the report.

Special District Counsel Bianca Sparks stated that their office was asked to develop some guidelines for events, such as the Groundwater Festival, that are hosted by the District. Ms. Sparks indicated that the District does not have a policy for determining which agencies or entities can participate and provide information to the public at those events.

Ms. Sparks stated that in the case of the District's Groundwater Festival, the event is considered a limited public forum. She explained that such an event is open to the public for a discrete purpose and for a specific amount of time and the District can establish parameters for the types of groups that can participate in such events. She stated that the Administrative Committee recommended that the draft policy allow state, federal, and local government entities, as well as nonprofit organizations to participate at District-sponsored events that create a limited public forum which mirrors the Facilities Policy that the Board adopted earlier.

District Counsel Casso clarified that this policy will not be codified in the Administrative Code. Mr. Casso explained that it is a policy, however, that will be used as a guideline for staff when First Amendment issues come up. He noted that the policy would identify what the District is permitted to allow or disallow, would set limitations on the kinds of groups that can participate, and would establish the level of participation allowed.

Upon a motion duly made by Director Katherman, seconded by Director Murray, and unanimously approved, it was

RESOLVED: That the Board approves the Public Participation Policy.

The agenda items were taken out of order.

12. GROUNDWATER RELIABILITY IMPROVEMENT PROGRAM (GRIP) COST SHARING AGREEMENT FOR PUBLIC OUTREACH AND ALTERNATIVES ANALYSIS

Director Robles, Chair of the Ad Hoc GRIP Committee, asked General Manager Whitaker to provide a quick overview of the Groundwater Reliability Improvement Program (GRIP). Mr. Whitaker stated that GRIP is the cornerstone of the District's Water Independence Now (WIN) Program. He explained that WIN is designed to eliminate WRD's demand for imported water for replenishment of the groundwater basins. He stated that the purpose of WIN is to investigate new sources of water to replace 21,000 acre-feet of imported water at the Rio Hondo and San Gabriel Valley spreading grounds in the Montebello Forebay.

Mr. Whitaker stated that one option under GRIP is to acquire additional tertiary water from the Los Angeles County Sanitation Districts (LACSD) to undergo advanced treatment prior to spreading. He indicated that the effort is a partnership with the Upper San Gabriel Valley Municipal Water District (USGVMWD), the San Gabriel Valley Municipal Water District (SGVMWD), the Los Angeles County Sanitation Districts (LACSD) and WRD. Mr. Whitaker noted that any project that may come out of GRIP is subject to the California Environmental Quality Act (CEQA) and the Environmental Protection Agency (EPA).

Mr. Whitaker stated that Agenda Item 12 refers to the Cost Sharing Agreement (CSA) among the GRIP partner agencies to share the costs of two specific efforts, the engineering alternatives analysis and the public outreach program. He explained that the WRD Board previously

approved a version of the CSA that identified the engineering alternatives consultant and that work is expected to be completed in December 2010. He stated that the partners are now ready to move forward with the public outreach effort and identify the public outreach firm. Mr. Whitaker noted that USGVMWD and the LACSD have both approved the revised CSA and SGVMWD is expected to consider the item at its August 23 meeting. He explained that the CSA outlines that the cost of the work will be split three ways among the LACSD, WRD, with the USGVMWD and SGVMWD sharing the remaining third. Mr. Whitaker stated that all parties worked on revisions to the language of the CSA. The revisions included a clarification that any party to the Agreement was not bound to proceed with final design or construction of the proposed advanced water treatment plant unless the parties or successor such as the Joint Powers Authority have fully complied with CEQA and/or NEPA. Revisions also included the addition of the names of the firms performing the work, RMC Water and Environment for the alternatives analysis and the Rogers Group for the public outreach effort. The Joint GRIP Ad Hoc Committee recommended that all parties approve the CSA with the revised language.

Director Robles stated that he and President Calderon serve on the Ad Hoc GRIP Committee and they both recommend Board approval of the revised CSA.

Jim Glancy, City of Lakewood Director of Water Resources, stated that he would like to speak in support of the GRIP project and would like to commend the partner agencies on working together to make this happen. Mr. Glancy stated that it is time to move forward with the project and seek federal assistance.

Upon a motion duly made by Director Robles, seconded by Director Katherman, and unanimously approved, it was

RESOLVED: That the Board approves the amended Cost Sharing Agreement for GRIP, with WRD's share not to exceed \$667,000 for the public outreach effort and not to exceed \$150,000 for the Alternatives Analysis.

14. GROUNDWATER RELIABILITY IMPROVEMENT PROGRAM (GRIP) JOINT POWERS AGREEMENT

President Calderon asked General Manager Whitaker to provide a staff report on the item.

General Manager Whitaker stated that the item before the Board refers to a joint powers agreement (JPA) for the GRIP project. He stated that the JPA would identify the relationship among the partner agencies and create a seven-member board comprised of two members each from the USGVMWD, LACSD and WRD, and one member from the SGVMWD. He explained that the composition of the board was based somewhat on the amount of water each party would be using. He noted that the JPA staff will provide an annual budget with a proportional share to be approved by each agency's board of directors. He noted, however, that a delay in approving a proportional share of the budget by one of the agencies will place that agency in default, with possible removal from the JPA.

Mr. Whitaker stated that each agency is able to withdraw from the JPA prior to completion of any facility pre-design and retain rights to source water that was brought to the JPA. After pre-design completion, all source water will remain with the JPA for GRIP and be subject to reallocation amongst the remaining partners.

Mr. Whitaker stated that the JPA bylaws, administrative policy and purchasing policy will be determined by the JPA board following its inception. He stated that the GRIP partners, including the WRD Board, have previously approved different versions of the JPA. He explained that

the partner agencies regrouped under the Joint Ad Hoc Committee, addressed all the proposed revisions, and have recommended a new version. He informed the Board that the USGVMWD Board has approved the new version, the SGVMWD Board is scheduled to consider it on August 23, and LACSD will consider the revised JPA on August 24.

Director Robles stated that, as one of the members of the WRD GRIP Ad Hoc Committee, he would like to move this item. He stated that he would also like to take this opportunity to thank Director Ed Chavez of USGVMWD, who is present at today's Board meeting, and District Counsel Jamie Casso along with consultant Francisco Leal, for their efforts in working through the issues with respect to the JPA. Director Katherman seconded the motion.

Upon a motion duly made by Director Robles, seconded by Director Katherman, and unanimously approved, it was

RESOLVED: That the Board approves Resolution No. 10-887 authorizing the President, or his/her designee, to execute the Joint Powers Agreement, subject to approval of form by District Counsel.

RESOLUTION NO. 10-887

RESOLUTION OF THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA APPROVING A JOINT EXERCISE OF POWERS AGREEMENT BETWEEN THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA, UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT, SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT AND COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY FOR THE GROUNDWATER RELIABILITY IMPROVEMENT PROGRAM

(Reference is hereby made to Resolution No. 10-887 in the Draft Resolution file and by this reference is incorporated herein and included a part hereof as though fully set forth at length.)

13. AWARD OF CONTRACT TO THE ROGERS GROUP TO PERFORM PUBLIC OUTREACH SERVICES FOR THE GROUNDWATER RELIABILITY IMPROVEMENT PROGRAM (GRIP)

General Manager Whitaker stated that the award of the contract relates to the revised Cost Sharing Agreement (CSA) that the Board approved earlier today for the Alternatives Analysis and the public outreach effort. Mr. Whitaker explained that the CSA named WRD as the lead agency to administer the two contracts. He stated that the CSA is intended to provide an opportunity to move forward with both efforts prior to the final formation of the JPA. He noted that WRD would have to enter into the contract with a promise of repayment by the other entities under the CSA.

Mr. Whitaker stated that the Board already approved the Engineering Alternatives Analysis contract. He explained that the public outreach effort is over a two-year period at a not to exceed amount of \$1.8 million dollars between all the parties, with a \$200,000 contingency. WRD would be responsible for one-third of that amount. He stated that the LACSD would provide the other third, and the final third will be provided by both USGVMWD and SGVMWD. WRD's commitment would be a not to exceed amount of \$667,000 over the two-year period. Mr. Whitaker also stated that WRD's approval and execution of the public outreach contract will be contingent on approval of the CSA by the Board of Directors of the SGVMWD and that WRD will not move forward with the contract until all of the partners have approved the CSA.

Director Robles stated that, since SGVMWD would be considering this item at its meeting next week, he would like to ask that the WRD Board defer approving the Rogers contract until after the SGVMWD meeting and WRD can then have a special board meeting to approve this item. He explained that he does not like the idea of establishing a precedent of conditionally approving contracts. He added that he would like to see the

Rogers contract and review the language that specifically protects WRD and limits the District's exposure to just the third of the amount as opposed to the entire value of the contract.

President Calderon asked public comment from USGVMWD Director Ed Chavez and Mr. Glancy.

USGVMWD Director Ed Chavez stated that, regardless of the Board taking action today, they would welcome WRD's participation in the GRIP project. He stated that the only thing the partner agencies are waiting for is SGVMWD's action and their board meets once a month. He added that it does not matter if the WRD Board votes before or after them since all of the partner agencies will be supportive of the project by the end of the month. Director Chavez stated that his Board took action to approve the CSA naming the Rogers Group at their August 3 meeting and recommended that the WRD Board do the same today. Mr. Glancy stated that he concurs.

Director Katherman stated the he would like to show at least good faith effort and cooperation with the two other water districts. He acknowledged Director Robles' concerns and that he would also have preferred to review a copy of the Rogers contract. He stated that he would like to take action to indicate the Board's support for the contract and have the Board finalize the contract at a special meeting in the next week or two.

District Counsel stated that the action can be done if that is the Board's desire.

Director Katherman offered a substitute motion to approve the Rogers agreement in concept, subject to SGVMWD's approval and subject to reviewing the actual contract itself. Director Kawasaki seconded the

substitute motion. Director Robles stated that he is not supportive of the substitute motion.

Discussion followed. District Counsel Casso stated that he would like to clarify the recommendation before the Board. Mr. Casso explained that the GRIP Joint Ad Hoc Committee recommendation is to approve a contract with the Rogers Group. He stated that he would like to assure the Board and staff that unless SGVMWD approves the contract, WRD is not moving forward and would not be able to enter into a contract with the Rogers Group.

Director Murray asked what the recommendation of the District's representatives to the Ad Hoc GRIP Committee is on this item. Director Robles stated that his recommendation is to defer taking action. President Calderon stated that he would concur.

Director Robles stated that he would move the recommendation of the WRD Ad Hoc GRIP Committee. President Calderon stated that he would second the motion.

Director Kawasaki stated that she is perplexed that the Board would need to defer action on this item. She explained that GRIP is the cornerstone of the District's WIN program and that the process has been going on for over a year now. She added that the Board just approved the CSA which references the Rogers Group. She stated that she concurred with Director Katherman's comments that this is a good faith effort on WRD's part since the partners have already moved forward and that SGVMWD would approve the contract at its board meeting on Monday. Director Kawasaki stated that nothing would commit WRD and District Counsel has been clear that if SGVMWD does not approve the contract, WRD will not enter into it. She added that the Ad Hoc GRIP Committee must have looked at

the contract and the scope of work so she is concerned that deferring action will send a message that WRD is not strongly committed to the project. She wanted to make sure that the District is not sending that message.

Director Robles stated that he would like to clarify that the Ad Hoc GRIP Committee has not reviewed the draft Rogers Group contract.

Director Kawasaki stated that she would like to offer an amendment to Director Robles' motion that the WRD Board hold a special meeting to consider and approve this item as soon as a copy of the Rogers contract is provided to the Board and assuming that SGVMWD approves the Rogers contract on Monday. Director Robles stated that he accepts the amendment to the motion.

With no objections, it was

RESOLVED: That the Board defers taking action on the award of contract to the Rogers Group to perform public outreach services for the Groundwater Reliability Improvement Program (GRIP) until after the San Gabriel Valley Municipal Water District (SGVMWD) approves the GRIP Cost Sharing Agreement (CSA). After which, the WRD Board will then consider the item at a special board meeting to be called as soon as possible.

6.P. ALBRIGHT, YEE & SCHMIT, LLP CONTRACT AMENDMENT

Director Kawasaki stated that she had requested for the item to be removed from the Consent Calendar because she wanted some clarification. Director Kawasaki asked District Counsel if it was correct that the original Albright contract was for \$10,000 and what the scope of work was. District Counsel Casso stated that the original contract was executed by the General Manager at a not to exceed amount of \$10,000

and the scope of work was to assist the District in negotiations of the memorandum of understanding (MOU) with the represented employees of the District.

Director Kawasaki asked if the contract came back to the Board with an amendment for a not to exceed amount of \$40,000. Mr. Casso replied in the affirmative.

Director Kawasaki stated that the contract before the Board today is for another amendment for an amount not to exceed \$30,000. She asked District Counsel if there was an enhanced scope of work and stated that she would like to know how the contractor was selected.

District Counsel stated that he can certainly answer her question with regard to the enhanced scope of work but would prefer that further discussion be discussed in closed session, under Agenda Item 20.C.

General Manager Whitaker stated that the legal counsel was selected by the Ad Hoc Labor Negotiations Committee. Director Kawasaki asked if there were other contractors considered since this was basically a sole-source contractor.

Director Murray stated that professional services contracts are not required to go out to bid.

Upon a motion duly made by Director Murray, seconded by Director Robles, and with Director Kawasaki dissenting, it was

RESOLVED: That the Board approves and executes the amendment to the Agreement with Albright, Yee & Schmit, LLP, subject to approval of form by District Counsel, for an additional amount of \$30,000.

5.Q. PROCUREMENT POLICIES AND PROCEDURES

Director Katherman stated that he asked for the item to be removed from the Consent Calendar. He explained that he was a former member of the Administrative Committee and that the item was tabled at the May Board meeting to be brought back to the Board at a later time for approval. He noted that the new Administrative Committee has since reviewed the policies and asked for a staff report on the changes made.

General Manager Whitaker stated that the intent of the revised Procurement Policies and Procedures was to develop stand-alone categories for each section of the procurement policy to avoid the confusion caused by the need to cross reference across several sections of the Procurement Policies and Procedures in the current Administrative Code.

District Counsel Casso added that the only change made to the document from the version presented to the Board in May was a change made by the Administrative Committee under professional services.

Director Kawasaki stated that the former Administrative Committee composed of Director Katherman and herself spent over 18 months reviewing the Procurement Policies and Procedures and that she is strongly opposed to the change made under the professional services contracts section which deletes a proposed provision prohibiting sole-source contracts.

Upon a motion duly made by Director Murray, seconded by President Calderon and with Directors Katherman and Kawasaki dissenting, it was

RESOLVED: That the Board approves the revisions to Chapter 10 of the District's Administrative Code relating to Procurement Policies and Procedures, and adopts Resolution No. 10-879.

RESOLUTION NO. 10-879

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
AMENDING CHAPTER 10 OF THE DISTRICT'S ADMINISTRATIVE CODE
RELATING TO PROCUREMENT POLICIES AND PROCEDURES

(Reference is hereby made to Resolution No. 10-879 in the Draft Resolution file and by this reference is incorporated herein and included a part hereof as though fully set forth at length.)

6.S. SOUTHEAST MOBILE TECHNOLOGY CENTER CONTRACT

Director Katherman requested a staff report on Agenda Item 6.S

Manager of External Affairs Elsa Lopez stated that staff has been working with the Southeast Community Development Corporation (SCDC) on developing a design concept software program to be used for the District's ECO Gardener® training classes. Ms. Lopez explained that attendees of the training classes will be able to use the SCDC technology mobile and their computers to make customized designs for their homes or businesses.

Upon a motion duly made by Director Katherman, seconded by Director Kawasaki, and unanimously approved, it was

RESOLVED: That the Board contracts with the Southeast Community Development Corporation for use of the Southeast Mobile Technology Center (or Mobile) for the WRD ECO Gardener® Program for an amount not to exceed \$20,000 for fiscal year 2010-2011.

7. UPDATE FROM THE GROUNDWATER QUALITY COMMITTEE – SCIENCE ADVISORY PANEL ON CHEMICALS OF EMERGING CONCERN

The item was deferred to next month's Board meeting.

8. CONSERVATION PARTNERSHIPS

Upon a motion duly made by Director Katherman, seconded by President Calderon, and unanimously approved, it was

RESOLVED: That the Board enters into Conservation agreements with the City of Torrance and the West Basin Municipal Water District at a match level of 50% in the amount of \$40,000 each, and allocate \$115,000 for the ECO Gardener® Training Program.

9. EDUCATION PARTNERSHIPS

Upon a motion duly made by Director Murray, seconded by Director Katherman, and unanimously approved, it was

RESOLVED: That the Board enters into Education Partnership Agreements with the Aquarium of the Pacific for \$50,000, Mono Lake Committee for \$20,000, Water to the City for \$15,000, LASG Rivers Watershed Council for \$10,000 and Think Watershed for \$20,000 for an Education Program amount not to exceed \$115,000.

10. CONSIDERATION OF REVISIONS TO CHAPTER 7 OF THE ADMINISTRATIVE CODE – DIRECTORS REIMBURSEMENT POLICY

Director Murray stated that he would like to make a motion to approve the Administrative Committee recommendation on Agenda Item No. 10. Director Robles seconded the motion.

Bill Minasian, resident of the City of Downey, stated that he would like to know the reason behind the proposed Administrative Code

change related to the use of District credit cards by members of the Board.

Jim Glancy, City of Lakewood Director of Water Resources, stated that he would like to comment on both Agenda Items 10 and 11. Mr. Glancy commented that criticisms of public agencies by the press go beyond salaries and benefits. He stated concerns with issuing District credit cards to directors and asked the Board not to reinstate the use of credit cards for Board Members. He also stated that international travel should be approved by the Board, acknowledging the fact that it may be troublesome at times due to the timing of the Board meetings. Mr. Glancy explained that he would prefer that approval for international travel be done as an agenda item during a Board meeting under the Consent Calendar.

Director Robles stated that convenience is part of the reason for issuing credit cards to Directors. He cited attendance at a conference as an example and having to pay for registration fees, lodging, and other travel related expenses which could add up to be a sizeable amount.

Director Kawasaki stated that, as a member of the Administrative Committee, she had asked for the item to be postponed for discussion because she was unable to attend the Committee meeting. She noted that the Committee met without her and she would like to seek clarification on the proposed travel policy.

Director Kawasaki stated that, under the current travel policy, a Board member can travel to an event that is water-related, as long as it is within the fifty states. She stated that the Board also took action to require that international travel be brought to the Board for approval. Director

Kawasaki stated that the proposed travel policy would allow a Director to travel to any water-related conference at any location.

Director Murray responded that travel to any water conference is approved as long as it is within a Director's annual travel budget.

Director Kawasaki asked if the revised policy would prevent a director from accessing the President's ten percent contingency fund which is available subject to the President's approval. Director Robles stated that policy has not changed. Director Murray stated that the item before the Board today does not relate to the President's contingency fund.

Director Kawasaki stated that she wanted it to be clear that the revised policy would not preclude any Director from utilizing all of his allocation and also utilizing the entire President's contingency budget of \$5,000.

Director Katherman stated that when he joined the Board six years ago, international travel was a controversial issue and the District has come a long way because of changes made to the travel policy. He stated that he would like to be able to continue to do that. He stated that Directors should stay within their budget and that the public be provided with sufficient notification of District activities and expenditures. He noted that he personally does not see a difference between international or domestic travel as long as there is a legitimate conference. In some cases, international travel is actually cheaper because hotel charges and meals are less expensive.

Director Katherman stated that, based on AB 1234 requirement, he would like to recommend inclusion of a provision requiring international trips be to be brought to the Board for notification purposes. He indicated that should it not be possible to do so prior to the trip, retroactive approval can

be brought to the Board's attention after the trip has occurred.

Director Murray asked Director Katherman if he would like to make this recommendation an amendment or a substitute motion. Director Katherman stated that he would defer to the maker of the motion to make the decision.

Director Murray responded that, as the maker of the original motion, he declines to accept the amendment and asks for a no vote on the substitute motion. He stated that he would like to close discussion and have the President call for the question.

The substitute motion failed for lack of a second.

Upon a motion duly made by Director Murray, seconded by Director Robles, and with Directors Katherman and Kawasaki dissenting, it was

RESOLVED: That the Board approves the revisions to the District's Administrative Code amending Chapter 7 of the District's Administrative Code relating to director reimbursements, and adopts Resolution No. 10-886.

RESOLUTION NO. 10-886

RESOLUTION OF THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA AMENDING CHAPTER 7 OF THE DISTRICT'S ADMINISTRATIVE CODE RELATING TO DIRECTOR REIMBURSEMENTS

(Reference is hereby made to Resolution No. 10-886 in the Draft Resolution file and by this reference is incorporated herein and included a part hereof as though fully set forth at length.)

11. CONSIDERATION OF REVISIONS TO CHAPTER 7 OF THE ADMINISTRATIVE CODE – DISTRICT CREDIT CARDS

Director Robles stated that he would like to recommend an amendment to the proposed language of the Administrative Code relating to the issuance of District credit cards. He explained that he felt it would be more prudent if the language states that a director “may be issued a District credit card” as opposed to “shall be issued.” He also noted that the WRD Administrative Code prohibits cash advances on the District credit cards.

Director Murray stated that, as Chair of the Administrative Committee, he accepts Director Robles’ amendments.

Director Katherman stated that he concurred with Mr. Glancy’s comments about the issuance of District credit cards to Board members. He explained that, as Treasurer this year, he would like to assure the Board members that the Finance Committee will meet in a timely fashion to reimburse directors for any legitimate District expense incurred. He noted that hotel and air fare reservation can be paid in advance by the District so meals and other incidentals are the only expenses Directors may have to pay on their own. He stated that the issuance of credit cards to Board members is a poorly thought out and ill-conceived idea.

President Calderon stated that he would like to note that the District has some Directors that are retired and live on a fixed income, and that out-of-pocket expenditures for District activities can be a burden in those cases.

Director Murray stated that the District used to issue credit cards to interested Board members. He indicated that he was one of the Directors who was issued a credit card and there was never a problem with the use of District credit cards.

Upon a motion duly made by Director Murray, seconded by Director Robles, and with Directors Katherman and Kawasaki dissenting, it was

RESOLVED: That the Board approves the revisions to Chapter 7 of the District's Administrative Code relating to the use of District credit cards by members of the Board of Directors, and adopts Resolution No. 10-888.

RESOLUTION NO. 10-888

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
AMENDING CHAPTER 7 OF THE DISTRICT'S ADMINISTRATIVE CODE
RELATING TO USE OF CREDIT CARDS BY DIRECTORS

(Reference is hereby made to Resolution No. 10-888 in the Draft Resolution file and by this reference is incorporated herein and included a part hereof as though fully set forth at length.)

15. LEGISLATIVE REPORT

Government Affairs Manager Adeline Yoong provided an update on state and federal legislative activities. On the federal side, Ms. Yoong stated that Congress is in recess and will return on September 13. She stated that the House Transportation and Infrastructure Committee marked up its version of the Water Resources Development Act (WRDA) bill which unfortunately did not include any environmental infrastructure projects. She noted that authorization may be added later on the House floor or on the Senate side but that there may not be a WRDA bill completed this year.

Ms. Yoong also stated that the District will be receiving the Institution of the Year award from the WateReuse Association during its national conference in Washington, D.C. on September 13. She noted that since Directors will be going to receive the award, staff will be scheduling meetings with legislators to discuss GRIP.

On the state side, Ms. Yoong stated that the Legislature is scheduled to recess on August 31 but, with no budget to date, the date may be delayed. She noted that the water bond has also been delayed to 2012. Ms. Yoong stated that a few bills have been introduced as a result of the events at the City of Bell: AB 1955 (De La Torre), AB 827 (De La Torre), AB 2064 (Hubert), AB 192 (Gato) and AB 194 (Torricon). She also informed the Board that the Legislature has announced that it will convene a joint hearing in mid-September on oversight of local government official's compensation.

16. GENERAL MANAGER'S REPORT

General Manager Whitaker stated that the District was selected to receive a \$300,000 grant from the U.S. Bureau of Reclamation (USBR) through the WaterSMART System Optimization Review Program for the development of the WRD Groundwater Basin Master Plan. He noted that the District was one of five recipients of the grant and the only recipient to receive the maximum funding amount of \$300,000 allowed under the Program. Mr. Whitaker stated that he would like to commend staff for doing a great job in preparing the application and working with some pretty tough criteria set forward in the grant category. He noted that staff has drafted a press release announcing the award which also highlights the District's efforts to procure outside funding for WRD projects and programs.

Mr. Whitaker also announced that the District applied for and was awarded \$75,000 by the State Water Resources Control Board's Water Recycling Facilities Planning Grant Program for the GRIP Alternatives Analysis study. He explained that the District applied on behalf of all the GRIP partners and staff will distribute the money

among the parties after deducting costs associated with the grant application. He noted that the District also applied for a grant to fund the design work for the GRIP and staff is awaiting word on the result of that application.

17. DISTRICT COUNSEL REPORT

Deferred to closed session.

18. AB 1234 COMPLIANCE REPORTS AND DIRECTORS' REPORTS

Director Kawasaki stated that she would submit her report in writing.

Director Katherman stated that he would submit his report in writing.

Director Robles stated that he would submit his report in writing. He also stated that he would like to make some comments with respect to the travel amendments that the Board had made earlier in the meeting.

Director Robles noted that a *San Gabriel Valley Tribune* analysis of water districts' and cities' elected officials' travel expenditures shows that WRD is nowhere near the top of the report. He also noted that travel budgets have never been exceeded over the last four or five years since the District adopted travel budgets for directors. Director Robles stated that what happened at other water districts or the City of Bell should not be transferred to WRD.

President Calderon stated that he would submit his report in writing.

Director Kawasaki stated that she would like to make a request that the Board consider referring the issues of posting salaries and benefits to the District website, as well as additional travel and related expenses to the appropriate committee. Director Murray stated that the Administrative Committee would be the appropriate Committee to review the request.

President Calderon concurred.

19. WRD BOARD MEETING DATES

- A. September 17, 2010 – 9:00 a.m. – Board of Directors Meeting
- B. October 15, 2010 – 9:00 a.m. – Board of Directors Meeting
- C. November 19, 2010 – 9:00 a.m. – Board of Directors Meeting
- D. December 17, 2010 – 9:00 a.m. – Board of Directors Meeting

20. 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 & Municipal Employees (AFSCME)
- D. 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 reported that for Agenda Items 20.A, 20.B, 20.C, and 20.D, there were no reportable actions taken.

21. ADJOURNMENT

President Calderon asked if there was any further business to come before the Board, and there being none the meeting was adjourned in memory of Ruby Kawasaki and Stephen Arguelles at 1:05 p.m.

Sergio Calderon, President

0ATTEST:

Robert Katherman, Secretary

UNAPPROVED
MINUTES

UNAPPROVED
MINUTES

**MINUTES OF SEPTEMBER 17, 2010
MEETING OF THE BOARD OF DIRECTORS
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA**

A meeting of the Board of Directors of the Water Replenishment District of Southern California was held on September 17, 2010 at 9:15 a.m. in the District office located at 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, Rob Katherman and Albert Robles. Director Willard H. Murray, Jr. arrived while the meeting was in progress.

2. PLEDGE OF ALLEGIANCE

Orchard Dale Water District President Joseph Velasco led the Pledge of Allegiance.

3. INVOCATION

President Calderon gave the Invocation.

4. ADDITIONAL ITEMS TO AGENDA

None.

5. PUBLIC COMMENT

None.

6. CONSENT CALENDAR

- A. MINUTES OF THE MEETING OF JULY 16, 2010**
- B. FINANCIAL STATEMENTS – JUNE 30, 2010**
- C. DEMANDS – JULY 2010**

- D. FINANCIAL STATEMENTS JULY 31,
- E. EXPENSES OVER 90 DAYS
- F. CONSIDERATION OF RESOLUTION NO. 10- 889 –
A JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES; THE BOARD OF TRUSTEES OF THE LOS ANGELES COUNTY WEST VECTOR CONTROL DISTRICT; THE BOARD OF DIRECTORS OF THE COUNTY SANITATION DISTRICT NO. 5 OF LOS ANGELES COUNTY (COUNTY SANITATION DISTRICT NO. 5); 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 TRACT 67377 TO COUNTY LIGHTING MAINTENANCE DISTRICT 1687
- G. COMMUNITY BANKING – SELECTION CRITERIA
- H. FACILITIES MAINTENANCE CONTRACT
- I. TIME AND FEE AMENDMENT TO MWH LABORATORIES AGREEMENT FOR WATER QUALITY TESTING
- J. WATER RESEARCH FOUNDATION RENEWAL
- K. ALSTON & BIRD CONTRACT AMENDMENT
- L. CALIFORNIA CONTRACT CITIES ASSOCIATION MEMBERSHIP

Director Kawasaki stated that she would like remove Agenda Item 6.G from the Consent Calendar.

Upon a motion duly made by Director Katherman, seconded by President Calderon, and unanimously approved, it was

RESOLVED: That the Board approves the Consent Calendar of September 17, 2010, as amended.

Director Murray arrived.

6.G. COMMUNITY BANKING – SELECTION CRITERIA

Director Kawasaki stated that staff does its due diligence in vetting the banks for the District's Community Banking Program but she is concerned

that there was no open solicitation process used to give other banks an opportunity to be considered for the Program.

Director Robles stated that any bank can express their interest to be considered as a community bank and submit an unsolicited proposal.

Upon a motion duly made by Director Robles, seconded by Director Katherman, and with Director Kawasaki dissenting, it was

RESOLVED: That the Board makes no changes to the Existing Community Banking Selection Criteria.

7. UPDATE FROM THE GROUNDWATER QUALITY COMMITTEE – SCIENCE ADVISORY PANEL ON CHEMICALS OF EMERGING CONCERN

Chief Hydrogeologist Ted Johnson stated that the State Water Resources Control Board (SWRCB) adopted a new recycled water policy in May 2009 that recognized the importance and increased role of recycled water in California. Mr. Johnson stated that one of the provisions of the policy is how to address new classes of chemicals, such as pharmaceuticals, personal care products, and industrial chemicals, collectively known as “chemicals of emerging concern (CEC),” that may be present in recycled water. He noted that the policy authorized the formation of a science advisory panel (Panel) to address CECs and use the best science available for its work.

Mr. Johnson stated that the Panel was convened in May 2009, and is comprised of the following experts – human health toxicologist, environmental toxicologist, risk assessment/ epidemiologist, biochemist, civil engineer familiar with design and construction of recycled water

treatment facilities, and chemist familiar with advanced laboratory methods for the detection of CECs.

Mr. Johnson highlighted that the Panel found four compounds that should be monitored: 17 Beta-estradiol, a steroid hormone; Caffeine, a stimulant; Triclosan, an antimicrobial; and n-Nitrosodimethylamine (NDMA), a disinfection byproduct. He added that four additional CECs were identified for surface spreading and direct injection operations as viable performance indicator compounds, including N,N-Diethyl-meta-toluamide or DEET, gemfibrozil, iopromide, and sucralose with certain surrogate parameters (e.g., ammonia, dissolved organic carbon, and conductivity).

Mr. Johnson stated that the Panel submitted the final report to the SWRCB on June 25, 2010. The SWRCB is expected to consider adoption of the report and its recommendations in November 2010.

8. OMEGA CHEMICAL SUPERFUND SITE UPDATE

Mr. Johnson provided an update on the Omega Chemical Corporation (Omega) Superfund site. He explained that investigation and cleanup of the contamination has been under the United States Environmental Protection Agency (EPA) since 1995. Several companies identified as potentially responsible parties (PRPs) for the contamination have formed the Omega Chemical Site Potentially Responsible Parties (PRP) Organized Group (OPOG) that continues to perform some of the response actions at the site. He noted that the EPA has recently finalized the Remedial Investigation and Feasibility Study (RI/FS) reports and issued a Proposed Plan that discusses an interim remedial action plan to contain the plume of groundwater contamination. The overall objective of the proposed interim remedy is to protect human health and environment by preventing further spreading of the contaminated groundwater to yet uncontaminated portions of the aquifer and nearby production wells.

Mr. Johnson stated that based on their evaluation, the EPA recommended pumping out the contaminated groundwater, treat it to safe potable standards and serve the treated water as a drinking water source to the surrounding communities. He noted that the Proposed Plan is currently out for public review and any written comments must be submitted to EPA by October 21, 2010.

Mr. Johnson stated that the WRD has been monitoring EPA's progress on the investigation and remediation efforts for over seven years. WRD Staff formed the Central and West Coast Basins Groundwater Contamination Forum, which meets every four months with all of the regulatory agencies and other stakeholders in the region to discuss the Omega site and numerous other contaminated sites. He noted that WRD has also received a State grant under AB303 to conduct an investigation of the Omega plume with the United States Geological Survey to identify potential geologic pathways for the shallow Omega contamination to migrate down into the deeper drinking water aquifers. Staff and District consultant are performing a detailed analysis of the RI/FS reports and Proposed Plan in preparation of submitting comments to the EPA by October 21. He stated that WRD has also been attending separate meetings with EPA, other regulatory agencies, and some of the local groundwater pumpers to discuss their plans and concerns.

9. TIER 1 WATER PURCHASE AGREEMENT WITH CENTRAL BASIN MWD

General Manager Robb Whitaker stated that this item is related to the water that WRD budgeted to purchase from the Central Basin Municipal Water District (CBMWD) for spreading purposes. Mr. Whitaker stated that the District does not have a Tier 1 allocation with CBMWD and would like to purchase Tier 1 untreated water for replenishment, as discussed during the many budget workshops WRD held this past year including a

recommendation from the Technical Advisory Committee (TAC). He explained that the TAC recommended that the District purchase Tier 1 untreated water for replenishment since this is the third year of interruption of seasonal replenishment water from MWD with no assurance of availability in the near future.

Mr. Whitaker stated that due to the lack of a Tier 1 allocation with CBMWD, staff felt it would be prudent to lock in the unit price of the water being purchased and also not be responsible for determining whether or not CBMWD will be within or outside of their MWD Tier 1 allocation. He explained that the agreement would clarify that WRD will be paying for only the water it receives and limit the cost to the rate that CBMWD has posted for Tier 1 untreated water, lock in the unit price and protect WRD from being subjected to any drought allocation penalties or charges.

Director Robles stated that it obviously would be to WRD's advantage to purchase as much water as possible this year before January 1, 2011. Mr. Whitaker responded that WRD will be purchasing as much of the water as possible before January 1 and is working with the Los Angeles County Flood Control District (LACFCD) regarding construction issues and other potential problems especially at areas that were affected by the recent fires.

Director Kawasaki asked how much the CBMWD surcharge has increased. Mr. Whitaker stated that CBMWD's surcharge increased \$24 from \$62 per acre foot to \$86 per acre foot. He stated that this increase includes a new \$20 per acre foot capital surcharge related to CBMWD's capital debt service.

Director Kawasaki stated that MWD is currently updating their water plan and at the last West Basin meeting there was discussion regarding a drought allocation plan that would make cost effective water available for replenishment because it serves the same MWD members and also helps MWD in terms of imported water. She asked if WRD has done anything to approach pumpers who are also MWD members for a specific allocation when some threshold is met and it may not even be seasonal water but even at Tier 1 water. She stated that the District should try to get that direct allocation to be able to lower the replenishment assessment for everybody.

General Manager Whitaker stated that staff is having discussions with Long Beach Water Department and the City of Los Angeles with a possible drought allocation of replenishment water. Mr. Whitaker added that the Association of Groundwater Agencies (AGWA), of which WRD is a member, is providing comments to the Integrated Resource Plan (IRP) specifically relating to this issue.

Director Murray asked for the cost of the CBMWD water. Mr. Whitaker stated that prior to January 1, 2011, the MWD commodity rate is \$484 per acre foot and after January 1st, it is \$527 per acre foot. Director Murray asked to what the additional charges were related.

Mr. Whitaker stated that there is a MWD ready to serve (RTS) charge which prior to January 1 is \$18 per acre foot and the CBMWD surcharge is \$86 for the entire fiscal year, so the total is \$588 per acre foot.

Upon a motion duly made by Director Katherman, seconded by Director Kawasaki, and unanimously approved, it was

RESOLVED: That the Board authorizes the General Manager to enter into an agreement with Central Basin Municipal Water District, subject to approval of form by District Counsel, for the purchase of untreated Tier 1 imported water for groundwater replenishment between October 1, 2010 and April 30, 2011 (within the District's current Fiscal Year).

10. GENERAL MANAGER'S REPORT

General Manager Whitaker stated that District staff met with LA County Department of Public Works regarding management of the spreading grounds. He provided an update on the GRIP Alternatives Study and noted that a GRIP stakeholders meeting is scheduled next week.

11. DISTRICT COUNSEL REPORT

Deferred to closed session.

12. AB 1234 COMPLIANCE REPORTS AND DIRECTORS' REPORTS

Director Robles stated that he attended the WaterReuse Association Conference and received with the General Manager, on behalf of the District, the 2010 Institution of the Year award.

Director Katherman thanked staff for their hard work.

13. WRD BOARD MEETING DATES

- A. October 15, 2010 – 9:00 a.m. – Board of Directors Meeting
- B. November 19, 2010 – 9:00 a.m. – Board of Directors Meeting
- C. December 17, 2010 – 9:00 a.m. – Board of Directors Meeting
- D. January 21, 2011 – 9:00 a.m. – Board of Directors Meeting

14. 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 & Municipal Employees (AFSCME)D
- 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

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

District Counsel Jamie Casso reported that for Agenda Items 14.A, 14.B, 14.C, and 14.D, there were no reportable actions taken.

15. ADJOURNMENT

President Calderon asked if there was any further business to come before the Board, and there being none the meeting was adjourned at 11:20 a.m.

Sergio Calderon, President

ATTEST:

Robert Katherman, Secretary



MEMORANDUM

ITEM NO. 6.C

Prepared by: Ted Johnson

Reviewed by: Nancy Matsumoto

Approved by: Robb Whitaker

DATE: DECEMBER 8, 2010

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: AWARD OF CONTRACT FOR GROUNDWATER MODELING SERVICES RELATED TO RECYCLED WATER PERMIT COMPLIANCE AT THE ALAMITOS AND DOMINGUEZ GAP SEAWATER BARRIERS

SUMMARY

Advanced-treated recycled water has been injected into the Alamitos Seawater Barrier since October 2005 and the Dominguez Gap Barrier since February 2006. Separate permits for the projects were issued by the Los Angeles Regional Water Quality Control Board after receiving approval from the California Department of Public Health. A condition of the permits is to submit annual reports documenting certain activities related to recycled water production, quality, injection, and movement through the aquifers over the past calendar year. Using previously created computer models of the barriers and aquifers, annual updates to these models help meet the regulatory requirements for recycled water movement and concentration in the groundwater basins to comply with our permits.

For the past few years, WRD has had separate annual contracts with consulting firms to perform the modeling. Recently, a major upgrade to the Alamitos Barrier model was completed in cooperation with the Los Angeles County Department of Public Works and the Orange County Water District to make the model more uniform and accessible. Because of the new Alamitos Barrier model and because results are required from both Alamitos and Dominguez Gap Barrier models within a month of each other, for efficiency and cost reduction, Staff is recommending contracting the annual modeling of the Alamitos and Dominguez Gap barriers to the same consulting firm. In addition, the term of the contract would be for three years instead of one year, to avoid the time and expense for annual procurement processes for identical annual work.

On October 22, 2010, the Board of Directors authorized staff to release a Request for Proposals (RFP) for the modeling work. On that same day, Staff released the RFP to 20 consulting firms that were on the District's pre-qualifications list for modeling services and to two other firms that had requested the RFP (Shannon&Wilson and Layne Christensen). The RFP was also placed on the District's web site.

By the due date of November 12, 2010, a total of 11 proposals were received by the District (see table below). Each proposal was carefully evaluated by a proposal review panel consisting of District staff experienced in modeling and also from experienced staff from the

Orange County Water District (OCWD) and the Los Angeles County Department of Public Works (LADPW). Each proposal was evaluated based on five weighted criteria, including Project Understanding (15%), Proposed Scope of Work and Schedule (20%), Estimated Cost (25%), Project Team Experience and Qualifications (30%), and Company Experience and Qualifications (10%).

The proposal review panel met at the District's office on November 23, 2010 to discuss the proposals and make a recommendation. Based on qualifications and overall value, the panel is recommending Intera as the winning firm. Intera recently completed the updated model for the Alamitos Seawater Barrier and did an excellent job, staying on budget and schedule. The Intera team knows the Alamitos Model better than any other team and can quickly come up to speed on the Dominguez Gap model as they demonstrated in their proposal. The table below presents the overall results of the panel's review process.

| Company | Total Hours (Core Tasks 1-4) | Core Cost (Tasks 1-4) | Optional Tasks | Total Cost | Cost per Year | Total Points | Overall Ranking |
|----------------|---------------------------------|--------------------------|-------------------|------------|------------------|-----------------|--------------------|
| Intera | 1,072 | \$ 120,020 | \$ 31,016 | \$ 151,036 | \$ 50,345 | 361 | 1 |
| Todd Engineers | 648 | \$ 104,463 | \$ 53,064 | \$ 157,527 | \$ 52,509 | 325 | 2 |
| Shannon&Wilson | 534 | \$ 78,000 | \$ 42,000 | \$ 120,000 | \$ 40,000 | 318 | 3 |
| AMEC | 1,018 | \$ 144,769 | \$ 39,072 | \$ 183,841 | \$ 61,280 | 303 | 4 |
| GeoTrans | 1,066 | \$ 143,398 | \$ 40,000 | \$ 183,398 | \$ 61,133 | 290 | 5 |
| AECOM | 1,300 | \$ 154,767 | \$ 37,643 | \$ 192,410 | \$ 64,137 | 283 | 6 |
| HydroMetrics | 1,058 | \$ 146,687 | \$ 43,410 | \$ 190,097 | \$ 63,366 | 281 | 7 |
| EWM | 755 | \$ 90,556 | \$ 77,472 | \$ 168,028 | \$ 56,009 | 276 | 8 |
| URS | 1,132 | \$ 157,560 | \$ 42,270 | \$ 199,830 | \$ 66,610 | 273 | 9 |
| Cardno ENTRIX | 921 | \$ 133,160 | \$ 45,000 | \$ 178,160 | \$ 59,387 | 269 | 10 |
| Rubicon | 1,182 | \$ 125,310 | \$ 41,304 | \$ 166,614 | \$ 55,538 | 266 | 11 |

FISCAL IMPACT

The cost for Intera to complete the work, including optional tasks, is \$151,036 for the three year contract, or about \$50,345 per year. A 10% contingency is also recommended to cover unanticipated items, bringing the total authorized amount to \$166,000. The work for this year is included in the current fiscal year budget.

WATER RESOURCES COMMITTEE RECOMMENDATION

Enter into an agreement with Intera, subject to approval of form by District Counsel, for groundwater modeling services related to recycled water permit compliance at the Alamitos and Dominguez Gap seawater barriers for a cost not to exceed \$166,000.



MEMORANDUM

ITEM NO. 6.D

Prepared by: Phuong Ly
Reviewed by: Ted Johnson
Approved by: Robb Whitaker

DATE: DECEMBER 8, 2010

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: TIME EXTENSION FOR PROFESSIONAL SERVICES AGREEMENT WITH WORLEYPARSONS FOR ASSISTANCE WITH CONTAMINATED SITE INVESTIGATION AND EXPEDITED CLEANUP

SUMMARY

As part of the District's Groundwater Contamination Prevention Program, WRD tracks investigation and remediation progress at high-priority contaminated sites (those considered by WRD and regulatory agencies as presenting a relatively significant risk to drinking water supply aquifers in the Central and West Coast Basins). The District has also provided limited financial and in-kind technical assistance to expedite investigations and cleanups of the sites.

With the intent to accelerate the progress of contaminated site investigation and cleanup within the District, WRD amended an existing contract with the consulting firm, WorleyParsons, in December 2009 to assist with review and recommendations on an as-needed basis on selected issues affecting the high-priority contaminated sites. The District authorized an additional amount of \$25,000 to the existing Agreement with WorleyParsons for the as-needed consulting services. WorleyParsons was initially retained by the District to perform a Benefit-Cost-Risk Analysis for contaminated site investigations, remediation, and cost recovery and this work involved a review of all the high-priority contaminated sites tracked by the District.

The contract or Professional Services Agreement with WorleyParsons expires on December 31, 2010, but there are remaining funds under the agreement and additional services for WorleyParsons to provide. Therefore, Staff is seeking to extend the termination date of the contract to June 30, 2011 with no additional increase of funds.

FISCAL IMPACT

None.

WATER RESOURCES COMMITTEE RECOMMENDATION

Extend the termination date of the Professional Services Agreement with WorleyParsons to June 30, 2011, with no additional cost to the District.



MEMORANDUM

ITEM NO. 6.E

Prepared by: Charlene King

Reviewed by: Ted Johnson

Approved by: Robb Whitaker

DATE: DECEMBER 8, 2010

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: CONTRACT AMENDMENT FOR GEOTRANS FOR WELL PROFILING SERVICES

SUMMARY

For the purpose of protecting and preserving the groundwater supplies within the WRD service area for beneficial uses, WRD is empowered to undertake activities to prevent contaminants from entering the groundwater supplies; to remove contaminants from the groundwater; to determine the existence, extent, and location of groundwater contaminants and to perform or obtain engineering, hydrologic, and scientific studies.

Understanding the production capacities and the water quality conditions of the multiple aquifers within the Central and West Coast Basins is important to the District to properly manage the groundwater resources. One of the programs WRD has to collect this information is the Well Profiling Program. This program is used to test water supply wells located in the service area to determine the flow and water quality profiles entering the wells from different zones across the perforated intervals. The current testing methods of the program include dynamic flow profiling and zone sampling. By testing and sampling different sections of a well and possibly sealing off zones with contamination, the well can produce water that will not require treatment before entering the distribution system. Conversely, the contaminated zones can be targeted for future remediation to avoid pumping out of the cleaner aquifers.

On January 21, 2010, the Board entered into an agreement with GeoTrans Inc. for professional services for well testing services, video surveying and reporting for 5 wells budgeted for fiscal year 2010. This contract with a budgetary amount of \$140,000 will expire on December 31, 2010.

Five wells are currently participants of the well profiling program and a waiting list for more wells has been established from various pumpers. Delays have been encountered in some of the wells because the owner had to take the wells out of service and perform repairs. As a result, the agreement with GeoTrans requires a time extension. In addition, one additional well has been budgeted for profiling in the current 2011 fiscal year and is recommended to be added to the GeoTrans agreement.

FISCAL IMPACT

The additional well profiling is not expected to exceed \$30,000. This is a budgeted item in the 2011 fiscal year.

WATER RESOURCES COMMITTEE RECOMMENDATION

Amend the existing agreement with GeoTrans Inc., subject to approval of form by District Counsel, to extend the term to June 30, 2011 and to increase the contract amount by an additional \$30,000.

**AMENDMENT NO. 1 TO CONTRACT NO. 608
AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
AND
GEOTRANS, INC.**

This Amendment to Contract No. 608, is made and entered into this ____ day of _____, 2010 (“Effective Date”), by and between the Water Replenishment District of Southern California (hereinafter “District”), and GeoTrans, Inc., (hereinafter “Consultant”). The District and Consultant are collectively referred to herein as the “Parties”.

**I.
RECITALS**

A. On January 21, 2010, a certain agreement, hereinafter referred to as Contract No. 608, was executed between the District and Consultant for well profiling services.

B. The District operates the Well Profiling Program (“Program”) to understand production capacities and water quality conditions in the Central and West Coast Basins. Currently, the District profiles three wells under the Program, and three additional wells are on the Program’s waiting list. Due to well repairs, the Program has faced delays, therefore additional time is needed to complete the profiling. Further, one additional well has been budgeted for Fiscal Year 2010-2011.

C. District and Consultant desire to enter into Amendment No. 1 and have agreed to amend the Term and the Consultant Rate Schedule, as set forth below.

**II.
AMENDMENT**

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements set forth, it is agreed the aforesaid Contract No. 608, a copy of which is attached hereto as Exhibit 1, and incorporated herein by reference, shall remain in full force and effect except as otherwise hereinafter provided.

1. Term of Agreement: The term of the Agreement shall be extended to June 30, 2011 (the “Expiration Date”).

2. Exhibit B, Consultant Rate Schedule, Section 2.0: A budgetary amount not exceeding One Hundred Sixty Nine Thousand Five Hundred Thirty Dollars (\$169,530.00) (which amount applies to Consultant’s fee and reimbursable expenses) is established for this Agreement. Notwithstanding any other provision of this Agreement, the District shall not be obligated to pay Consultant any amount in excess of said

budgetary amount absent prior written approval from the District. Likewise, Consultant shall not be obligated to perform services or incur expenses in excess of the budgetary amount absent prior written approval from the District.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed as of the Effective Date.

GeoTrans, Inc., ("CONSULTANT")

Signature

Print Name

Title

**WATER REPLENISHMENT DISTRICT OF
SOUTHERN CALIFORNIA**

Signature

Sergio Calderon

Print Name

President, Board of Directors

Title

Signature

Robert Katherman

Print Name

Secretary, Board of Directors

Title

Approved As To Form

Attorneys for the Water Replenishment
District of Southern California

1545856.2

EXHIBIT 1



**PROFESSIONAL SERVICES AGREEMENT
GEOTRANS INC.**

This Professional Services Agreement (the "Agreement") is made and entered into this 21st day of January, 2010, by and between the Water Replenishment District of Southern California ("District") and GeoTrans, Inc., ("Consultant") (collectively the "Parties" or individually as "Party") for the furnishing of certain professional services upon the following terms and conditions.

1. **Scope of Services.** Consultant shall perform the scope of services described in Exhibit A ("Services"), attached hereto and incorporated herein by this reference. Tasks other than those specifically described in Exhibit A shall not be performed without a prior written amendment to this Agreement.

1.1 **Standard of Care.** In performing the scope of services under this Agreement, Consultant shall exercise the standard of care and expertise prevailing in California for the performance of such services.

2. **Term.** The term of this Agreement shall commence on January 1, 2010 and shall end on December 31, 2010 (the "Expiration Date"). At least sixty (60) days prior to the Expiration Date, District staff shall evaluate the quality of the Services that have been provided by the Consultant, the cost of such Services relative to the benefits, and the need for any continuation of the services. The results of such evaluation shall be provided to the appropriate District Committee, which committee shall provide a report to the District's Board of Directors ("Board"). If the Board determines that there is a demonstrated need for the continuation of such Services, the Board may renew the Agreement on terms and conditions that do not provide for a significantly longer term, increased scope of services or increased fee schedule than is provided for in Paragraphs 1 or this Paragraph 2. If the Board desires to modify the Agreement to provide for such a significantly longer term, increased scope of services or increased fee schedule, the District shall comply with the provisions of its then current Administrative Code concerning the solicitation and approval of proposals for professional services.

2.1 **Termination by District**

2.1.1 **Termination for Convenience.** The District may terminate this Agreement for its convenience at any time upon five (5) days written notice to Consultant. Consultant's compensation in the event of such a termination shall be exclusively limited to payment for all authorized services

performed and for all authorized expenses incurred up to the effective date of such termination. Consultant understands and agrees that it shall not be entitled to any additional compensation or reimbursement whatsoever in the event of such termination.

2.1.2 Consultant's Obligations Upon Termination. Following any termination of this Agreement by the District or Consultant, the Consultant shall promptly return all District property, and shall likewise provide to District all finished and unfinished data, studies, maps, reports, and other deliverables and work-product prepared by Consultant pursuant to this Agreement.

3. Consultant's Compensation. District will compensate Consultant for services performed and for expenses incurred pursuant to this Agreement as follows:

3.1 Fee. Consultant shall be paid in accordance with the Consultant Rate Schedule attached to this Agreement as Exhibit B which may not be changed except with District's written approval.

3.2 Reimbursable Expenses. Consultant shall be reimbursed for the following expenses. Provided, Consultant shall obtain the District's prior written approval before incurring an expense for which Consultant intends to seek reimbursement in excess of \$500.00.

3.2.1 Transportation, Meals and Lodging. Consultant shall be reimbursed for transportation, meals and lodging expenses in accordance with the provisions of the District's Administrative Code applicable to reimbursement of such expenses when incurred by District employees. A copy of said provisions are attached to this Agreement as Exhibit C.

3.2.2 Miscellaneous Expenses. Unless otherwise provided at Exhibit B, and subject to the provisions of Paragraph 3.2, the District shall reimburse Consultant for all out of pocket costs charged to Consultant by third parties although such reimbursement shall be at cost without any markup by Consultant.

3.3 Invoices. Consultant shall submit monthly invoices to District for services performed and expenses incurred during the preceding month. The invoices must clearly identify the Task (as described in the Scope of Services and Rate Schedule) performed for each of the wells subject to this Agreement. Consultant's invoices shall also separately identify all personnel for whose services payment is sought, the services performed, and all expenses for which reimbursement is requested. As a condition precedent to payment, District may require Consultant to furnish supporting information and documentation for all charges for which payment is sought. District shall have the right to withhold from payments to Consultant reasonably disputed amounts including, without

limitation, amounts for services not performed in accordance with this Agreement and costs, expenses or damages incurred by District as a result of Consultant's breach of this Agreement or Consultant's negligence. The District agrees to pay all undisputed invoice amounts no later than thirty (30) days after receipt of invoice, and to notify Consultant of any disputed amounts not later than twenty (20) days after receipt of the invoice. All payments shall be remitted to: GeoTrans, Inc., Depart. 1674, Denver, CA 80291-1674.

4. Consultant's Obligation to Provide Notice of Changes. Consultant shall provide written notice to the District no later than twenty (20) days after the occurrence of any event (including any direction by the District) which Consultant believes requires a change in its compensation or the time for performance of its obligations under this Agreement. Said notice shall describe the event and the basis for any change in compensation or time for performance requested by Consultant. The Parties shall thereafter meet and confer to determine whether such a change is appropriate. However, no such change to this Agreement may be made except by written amendment to this Agreement executed by the Parties. Consultant's failure to provide the notice required under this Paragraph shall constitute a waiver of its right to seek a change in its compensation or the time for performance of its obligations under this Agreement.
5. Ownership and Use of Documents. All proprietary information developed by Consultant in connection with, or resulting from, this Agreement, including but not limited to inventions, discoveries, improvements, copyrights, patents, maps, reports, textual material or software programs, shall be the sole and exclusive property of the District. Consultant agrees that the compensation to be paid pursuant to this Agreement includes adequate and sufficient compensation for any proprietary information developed in connection with or resulting from this Agreement. Consultant further understands and agrees that full disclosure of all proprietary information developed in connection with, or resulting from, this Agreement shall be made to the District, and that Consultant shall do all things necessary and proper to perfect and maintain District's ownership of such proprietary information. All documents, reports, surveys, renderings, photographs, data and other materials furnished by the District to Consultant shall remain the property of the District.
6. Publication of Project Information. Consultant shall notify and obtain written approval from the District before presenting verbal or written information to outside individuals or entities about the services or project for which Consultant was retained.
7. Patents and Copyrights. The Consultant shall assume all costs arising from the use of patented or copyrighted materials, including but not limited to, equipment, devices, processes, and software programs used or incorporated in the work performed under this Agreement. Consultant shall defend, indemnify hold the District, its officers, directors agents, employees, representatives and assigns harmless from any and all claims, demands, suits at law, and actions of every nature for or on account of the use of any patented or copyrighted materials.

8. Consultant's Status. Consultant is an independent contractor and neither Consultant nor any employee of Consultant is or will be treated as an employee of the District under this Agreement. District controls the result to be accomplished under this Agreement, but not the means by which Consultant achieves such results.
- 8.1 Payments made to Consultant pursuant to this Agreement shall be the sole and complete compensation to which Consultant is entitled. Consultant is solely responsible for any taxes levied by local, state or federal authorities on such sums. Consultant shall defend and indemnify the District for any taxes, fines, penalties and attorneys' fees assessed or threatened to be assessed against District for failure to properly withhold taxes as a result of any determination that Consultant, or any of Consultant's employees, is an employee rather than an independent contractor of District.
- 8.2 District will not make any contribution to any retirement plan or Social Security on behalf of Consultant or any of Consultant's employees. Consultant shall defend and indemnify the District for any contribution, fines, penalties and attorneys' fees assessed or threatened to be assessed against District for failure to contribute to any retirement plan or Social Security as a result of any determination that Consultant, or any of Consultant's employees, is an employee rather than an independent contractor of District.
- 8.3 District will not make any payments to Consultant, or Consultant's employees, which rely upon employee status, including, but not limited to, FLSA and other overtime and minimum wage requirements, prevailing wage laws, worker's compensation benefits, FMLA, CFRA, Paid Leave, and unemployment benefits. Consultant shall defend and indemnify the District for any payment, fines, penalties and attorneys' fees assessed or threatened to be assessed against District for failure to make any such payment or otherwise provide the benefits of such laws as a result of any determination that Consultant, or any of Consultant's employees, is an employee rather than an independent contractor of District.
- 8.4 Consultant shall comply with the Political Reform Act of 1974, as amended including, but not limited to, disclosure of all conflicts of interest and other financial disclosure requirements required thereunder.
9. Instructions to Consultant. In the performance of the services set forth in this Agreement, Consultant shall report to and receive instructions from the following person on behalf of the District: Charlene D. King, Associate Engineer.
10. Subconsultant Services. Any subconsultants to be used by Consultant in the performance of the scope of services shall be identified in Exhibit A hereto. Consultant shall obtain the District's prior written approval before retaining a subconsultant to perform any portion of the scope of services of this Agreement. Notwithstanding Consultant's use of any subconsultants, Consultant shall be responsible to the District for the performance of its subconsultants as it would be if Consultant had performed those services itself.

Nothing in this Agreement shall be deemed or construed to create a contractual relationship between the District and any subconsultant employed by Consultant. Consultant shall be solely responsible for payments to any subconsultants. Consultant shall defend and indemnify the District for any payment, fines or penalties assessed or threatened to be assessed against District as a result of any claim brought by any subconsultant of Consultant for any matter arising from, or related to, the services performed by subconsultant under this Agreement.

11. Compliance With Laws and Regulations; Licensing. Consultant shall perform its services under this Agreement in compliance with all applicable provisions of Federal, State and local laws, statutes, codes, rules, regulations, ordinances and professional standards ("Applicable Laws"). By entering into this Agreement, Consultant represents and warrants that it possesses and will keep current all license and registrations required by Applicable Laws to enter into this Agreement and to perform the scope of services hereunder.
12. Insurance. Consultant, at its sole cost and expense, shall obtain, keep in force, and maintain the following policies of insurance at all times while this Agreement is in effect, and shall not commence any work under this Agreement until proof of such insurance has been provided to the District.
 - 12.1 Required Policies.
 - 12.1.1 Commercial General Liability Insurance (contractual, products, and completed operations coverages included) with a combined single limit of no less than \$1,000,000 and a general aggregate limit of no less than \$1,000,000.
 - 12.1.2 Business or Comprehensive Automobile Liability Insurance for owned, scheduled, non-owned, or hired automobiles, with a combined single limit of no less than \$1,000,000 per accident.
 - 12.1.3 Professional Liability Insurance with limits of \$1,000,000 per claim and \$1,000,000 in the aggregate.
 - 12.1.4 Employers' Liability Insurance with limits of \$1,000,000 per claim and \$1,000,000 in the aggregate.
 - 12.1.5 Workers' Compensation Insurance as required under the Workers' Compensation Insurance and Safety Act of the State of California.
 - 12.2 Required Terms.
 - 12.2.1 All policies except workers' compensation and professional liability, shall name as additional insureds the Water Replenishment District of Southern California, its directors, officers, employees, agents, representatives and

owner(s) of the wells who will agree to and participate in the profiling of wells pursuant to this Agreement, as set forth in the attached Exhibit A (Scope of Work).

- 12.2.2 All policies shall be written on an occurrence basis. If a policy may only be obtained on a claims made basis, the policy shall be maintained continuously for a period of no less than three (3) years after the date of final completion of the scope of services under this Agreement.
- 12.2.3 All policies shall provide that coverage cannot be cancelled without twenty (20) days prior written notice to the District.
- 12.2.4 All insurance required under this Agreement shall be considered primary to any insurance maintained by the District. All policies except Professional Liability shall include waivers of subrogation in favor of the District and its insurers.
- 12.2.5 All policies required under this Agreement shall be issued by companies authorized to transact insurance business in the State of California acceptable to the District and having a Best rating of A- or better.
13. Indemnification. Consultant shall indemnify, defend and hold harmless the District and its directors, officers, employees, agents and representatives (collectively "District"), from and against any and all claims, liabilities, costs, damages, suits, proceedings, injuries (including injuries to real and personal property, and injuries to persons, including death) incurred by District ("Losses"), as a result of Consultant's breach of any provision of this Agreement, Consultant's failure to comply with applicable laws, Consultant's negligent acts or omissions, or Consultant's willful misconduct. However, Consultant's obligation to defend shall arise regardless of any claim or assertion that the District caused or contributed to the Losses. Nothing in this paragraph shall constitute a waiver or limitation of any legal rights which the District may have including, without limitation, the right to implied indemnity.
14. Arbitration and Attorneys' Fees. Any dispute arising from or relating to this Agreement shall be submitted to final and 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 Agreement. 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. The prevailing Party in any action arising from or relating to this Agreement 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 Agreement. .

15. Conflict of Interest. No official of the District who is authorized in such capacity and on behalf of the District to negotiate, make, accept or approve, or to take part in negotiating, making, accepting or approving this Agreement, or any contract or subcontract relating to work to be performed pursuant to this Agreement, shall become directly or indirectly personally interested in this Agreement or in any part thereof. Consultant shall not accept employment or contract during the term of this Agreement with any firm or individual for the provision of services if such employment or contract would conflict directly with the Services provided to the District under this Agreement.
16. Equal Opportunity. During the performance of this Agreement, Consultant shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, marital status or national origin.
17. Successors and Assigns. This Agreement shall inure to the benefit of, and be binding upon, the District, Consultant, and their respective successors and assigns provided, however, that no assignment of the duties or benefits under this Agreement shall be made without the written consent of the Consultant and the District.
18. Choice of Law and Venue. This Agreement shall be governed by and interpreted in accordance with the laws of the State of California. The Parties agree that the exclusive venue for any action or proceeding arising from or relating to this Agreement shall be in the County of Los Angeles, State of California.
19. Notices. All notices provided by this agreement shall be in writing and shall be sent by first-class mail and facsimile transmission as follows:

If to the District:

Water Replenishment District of
Southern California
4040 Paramount Blvd.
Lakewood, CA 90712
Phone: (562) 921-5521
Fax: (562) 921-6101


If to Consultant:

Don Lee, PG, CHG
1770 Cartwright Road, Suite 500
Irvine, CA 92614
Phone: (949) 250-2958
Fax: (949) 250-6776

20. Amendments. This Agreement may be modified only by a writing signed by the Parties hereto.
21. Integration; Construction. This Agreement sets forth the final, complete and exclusive expression of the Parties' agreement with respect to the subject matter hereof, and supersedes any and all other agreements, representations, and promises, whether made orally or in writing. The Parties represent and warrant that they are not entering into this Agreement based upon any representation or understanding that is not expressly set forth in this Agreement. This Agreement shall be construed as the product of a joint effort between the Parties and shall not be construed against either Party as its drafter.
22. Effective Date. This Agreement is effective as of the date first set forth above.
23. Authority. Each person signing this Agreement represents that he or she has the authority to do so on behalf of the Party for whom he or she is signing.

IN WITNESS WHEREOF, the Parties have caused this AGREEMENT to be executed the day and year first above written.


WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA



Signature
Albert Robles

Print Name
President, Board of Directors

Title

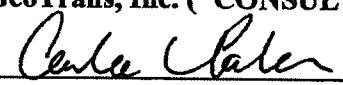


Signature
Lillian Kawasaki

Print Name
Secretary, Board of Directors

Title

GeoTrans, Inc. ("CONSULTANT")

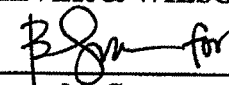


Signature
Candice L. Parker

Print Name
Director of Contracts/Project Control

Title

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



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

EXHIBIT A
SCOPE OF WORK

The purpose of the work is to identify the dynamic flow velocity and water quality entering the wells from different zones across the perforated intervals and to make recommendations for potential improvements to well performance and water quality based on the profiling results.

The scope of services to be provided by the Company is described below. The cost estimate is to be provided on a "per well" basis and for estimating purposes assume that all tasks will be performed at all of the wells. However, the Company should recognize that each task may or may not be required at each well, and therefore should identify each task as a separate line item for easy insertion/deletion from the actual scope of work if necessary.

Task 1 - Kickoff Meeting, Site Visit and Data Collection: Company shall meet with WRD personnel to discuss scope of work, project team, and project schedule, and to receive any additional background information if available. A field visit will be made to the first well to be profiled for orientation, verification of equipment access, collection of water levels, and address any other questions. Company shall gather all previous available data such driller's logs, video logs, geophysical surveys, and previous profiling / water quality data if available to provide a more educated interpretation and understanding of the flow profile and mass balance data.

Task 2 – Video Log Well: Perform a static (non-pumping) color video log survey of the well and provide a written Video Log Summary Report of the condition of the well including confirmation of perforated intervals, pump setting, water table depth, total depth, and condition of the well casing, screen, and pump column. Provide 2 copies of the report and DVD copies of the video log within one week of performing the test to WRD.

Task 3 – Dynamic Flow Profiling: After review of the video log and concurrence from WRD and the well owner, perform dynamic (pumping) flow profiling of the well using the USGS well-bore flow method (Appendix A of WRD's Request for Proposals for Professional Services for Well Profiling issued on October 19, 2009) or alternate method. The purpose of the profiling is to determine the velocity profile of groundwater entering the well across the perforated zones under normal pumping conditions. Assume that discharge of water during the test will be directly into the water distribution system or to waste and covered by pre-existing NPDES permits. Assume no additional permits will be necessary although discussions and approval with the State Department of Public Health may be necessary if injecting harmless tracer dye into the water supply.

Task 4 – Depth Dependent Sampling: After review and discussion of the results from Task 3 with WRD to confirm sampling depths, perform sampling using USGS depth dependent sampling technology (Appendix A of WRD's Request for Proposals for Professional Services for Well Profiling issued on October 19, 2009) or alternate method. The purpose of the sampling is

to identify the groundwater quality at various depths in the well during normal pumping conditions. Assume 7 zones to be sampled (6 in the well and one well-head sample). WRD will provide sample bottles and will submit the samples to its contract laboratory for analyses. Cost for the laboratory analysis is not to be included in the proposals. WRD will provide the data to the consultant for water quality mass balance analysis and report preparation. Assume that mass balance will be performed for 6 parameters for each well (such as total dissolved solids, arsenic, manganese, chloride, PCE and TCE). Demobilize from the site removing all materials brought to the site and leaving it in the same or better condition than when arriving.

Task 5 – Report Preparation: Within two weeks of receiving the laboratory results from WRD, submit a comprehensive report on the results of Tasks 2, 3, and 4. At a minimum the report will include a description of all work, a graphic of the well with perforations, lithology, and pump setting, static and pumping water levels, discharge rate, calculated specific capacity, dynamic profiling results (corrected data for flow velocity (ft/min), discharge (gpm and ft³/min), and percent of total flow in both tabular and graphical format), water quality results; mass balance results; and recommendations on whether sealing off certain perforation intervals (specify intervals) would improve the overall water quality extracted and what the associated impacts on well yield would be. Provide 2 hard copies of the report and an Adobe Acrobat (PDF) format copy to WRD.

EXHIBIT B
CONSULTANT RATE SCHEDULE

- 1.0 Consultant shall be compensated for actual services performed in accordance with this Agreement, subject to and not to exceed the budgetary amount specified in Item No. 2.0, below. Payments will be made in accordance with Item No. 3.0, below.

- 2.0 A budgetary amount of not exceeding **One Hundred Thirty Nine Thousand Five Hundred Thirty Dollars (\$139,530.00)** (which amount applies to Consultant's fee and reimbursable expenses) is established for this Agreement. The District has also allocated an additional **Thirty Thousand Four Hundred Seventy Dollars (\$30,470.00)** as a contingency for this Agreement. Notwithstanding any other provision of this Agreement, the District shall not be obligated to pay Consultant any amount in excess of said budgetary amount absent prior written approval from the District. Likewise, Consultant shall not be obligated to perform services or incur expenses in excess of the budgetary amount absent prior written approval from the District.

- 3.0 Consultant shall be compensated for the actual services performed, as detailed in invoices required pursuant to Section 3.3 of this Agreement at the rates indicated in Appendix C (Cost Estimate) of Consultant's proposal submitted November 12, 2009 in response to WRD's Request for Proposals Professional Services for Well Profiling issued on October 19, 2009. Appendix C (Cost Estimate) is attached hereto as Exhibit B1 and incorporated herein by this reference. Payments pursuant to this Agreement will be made upon completion of each Task, as outlined in Scope of Work. The Payment amount shall be based on the services rendered and the invoices submitted by the Consultant.

EXHIBIT C
REIMBURSEMENT FOR TRAVEL, MEALS AND LODGING

1. EXPENSES

13.1 Allowable And Unallowable Expenses

In the conduct of District business, employees and Directors shall incur expenses, subject to budgeted funds being available, adequate supporting documentation, and required approvals, according to the following:

13.1.1 General Guideline

1. Expenses outlined in this Administrative Code and Procurement Policies and Procedures;
2. Expenses that further the District's mission concerning replenishment and quality of water in the Central and West Coast Groundwater Basins, including but not limited to, expenses directly incurred in connection with a program or capital project of the District, activities that facilitate relations or working arrangements with other government or private sector personnel that are important to the District's mission, activities that enhance awareness and education of the District's functions, and activities that promote the attraction and retention of high quality employees of the District.

13.1.2 Specifically Unallowable Expenses

1. Gifts,
2. Entertainment,
3. Alcoholic beverages,
4. Goods and services for personal use,
5. Fines and penalties incurred by an employee,
6. Memberships in social organizations, dining clubs, or country clubs,
7. Advance payments for goods or services, except as generally required,
8. Moving expenses, unless pre-approved as part of a written employment contract with a new employee,
9. Travel related expenses incurred by or on behalf of a spouse or companion,

10. Certain travel costs (e.g., first-class airfare, hotel suites, luxury vehicle rental),
11. Repetitive seminars or educational courses on the same topic or issue and repetitive courses that provide training on a specific subject to a particular class of persons (e.g., training for persons new to the areas of water or special districts).

Employees and Board Members shall not obligate the District and shall not receive reimbursement for any of the unallowable expenses listed above.

13.2 REIMBURSABLE EXPENSES

13.2.1 Application of Policy

This Policy applies to all Board Members, management, staff, legal counsel, and any other authorized parties who may submit claims for reimbursement of amounts expensed on the District's behalf.

13.2.2 General Principles

The following general principles apply to the District's reimbursement of amounts expended on the District's behalf:

1. All expenses shall be reasonable and necessary.
2. The most economical mode and class of transportation consistent with scheduling requirements shall be utilized. In the event a more expensive mode or class of transportation is utilized, the reimbursable amount shall be limited to the cost of the most economical mode or class of transportation available, not to exceed the cost of coach airfare.
3. Expenditure for food and lodging shall be moderate and reasonable.
4. All reimbursements must be approved pursuant to the provisions of this Code.
5. Approval Process for Reimbursable Expenses
6. Claims shall be submitted on forms supplied by the District. Such forms shall include a description of the expense, names (if appropriate), date incurred, and a description of the business purpose of the expense.

13.2.3 Directors' Expenses: Finance Committee Approval

At its regularly scheduled monthly meeting, the District's Finance Committee shall approve or reject all requests and claims for reimbursement by members of the Board of Directors. The Finance Committee shall meet once per month to consider such claims and requests as are submitted. Receipts must support claims and requests as submitted to the Finance Committee or other documentation the Finance Committee deems acceptable. For each expense less than \$25, submission of documentation the Finance Committee deems acceptable shall be sufficient for purposes of this section. At the discretion of a Director, supporting receipts for each expense less than \$25 may be submitted with the documentation. If a claim or request is submitted to the Finance Committee with documentation the Committee deems inadequate, or without documentation, that claim or request shall be rejected. A claim or request initially rejected can later be submitted for approval if it is supported by adequate documentation at such later time.

Requests for reimbursement must be submitted within 90 days of the date the expense was incurred. Specifically excluded from this time limit are expenses incurred for medical, dental, eye care, or other expenses that require processing by an insurance or benefit provider, or an expense where backup documentation was delayed beyond the control of the Director. Any reimbursement for a non-excluded expense submitted after 90 days must be approved by the Board of Directors.

13.2.4 Staff Expenses: General Manager Approval

The General Manager or the Chief Financial Officer, acting as an agent of the General Manager, shall approve or reject all requests and claims for reimbursement by staff and shall report such approval/rejection to the Finance Committee at its monthly meeting. Receipts must support claims and requests as submitted to the General Manager or Chief Financial Officer or other documentation the General Manager or Chief Financial Officer deems acceptable. For each travel related expense less than \$25, submission of documentation the General Manager or Chief Financial Officer deems acceptable shall be sufficient for purposes of this section. At the discretion of staff, supporting receipts for each travel related expense less than \$25 may be submitted with the documentation. If a claim or request is submitted to the General Manager or Chief Financial Officer with documentation he deems inadequate, or without documentation, that claim or request shall be rejected. A claim or request initially rejected can later be submitted for approval if it is supported by adequate documentation at such later time.

Requests for reimbursement must be submitted within 90 days of the date the expense was incurred. Specifically excluded from this time limit are expenses incurred for medical, dental, eye care, or other expenses that require processing by an insurance or benefit provider, or an expense where backup documentation was delayed beyond the control of the employee. Any reimbursement for a non-excluded expense submitted after 90 days must be approved by the Board of Directors.

13.2.5 Travel Expenses

The Board of Directors should pre-approve requests for out of state travel. The Board may retroactively approve out of state travel based on difficult or unexpected circumstances.

The District's policy concerning reimbursement for travel expenses varies depending whether the destination is within or outside the "local area" and whether an individual receives or elects to receive a vehicle allowance. For purposes of this Policy, "local area" includes all of Los Angeles and Orange Counties, and those portions of Riverside and San Bernardino Counties located south of the San Gabriel Mountains and/or west of the San Bernardino Mountains.

Directors who do not elect to receive a monthly vehicle allowance pursuant to Section 7.1 of this Code and all employees who do not receive a monthly vehicle allowance may be reimbursed for travel within the "local area". Reimbursement shall be for actual mileage at the current maximum allowance per mile rate established by the Internal Revenue Service for authorized use of privately-owned vehicles in the conduct of District Business.

Directors who do not elect to receive a monthly vehicle allowance pursuant to Section 7.1 of this Code and all employees who do not receive a monthly vehicle allowance may be reimbursed for travel outside the "local area," including travel by personal automobile instead of by air travel. Reimbursement shall be limited to expenses not exceeding 14-day advanced purchase round trip standard coach airfare, plus ground transportation.

Actual expenses for ground transportation to and from airports and while attending to District business shall also be reimbursed. Ground transportation shall include taxi, bus fare or standard automobile rental. No reimbursement shall be provided for charges incurred due to the inclusion of personal loss insurance coverage i.e., loss damage

waiver, supplemental liability, personal effects, uninsured or underinsured motorist) in a car rental agreement.

13.2.6 Lodging

For the purpose of lodging, "local area" means a 40-mile radius from either one's residence or the District office, whichever is further.

Within the discretion of the Board President, a Director may stay overnight at a site less than a 40-mile radius from the residence or the District office. If the Director desiring to stay overnight at such a site is the Board President, that Director shall obtain approval from the Board Treasurer. Otherwise, no requests for lodging or reimbursement claims for expenses incurred within the "local area" shall be approved by the Finance Committee.

Expenses will be allowed for adequate and reasonably priced lodging when necessary for the conduct of District business. When lodging is required in conjunction with a conference or similar function, whenever possible, lodging shall be at the conference location at the reduced rate provided by the conference, if applicable. In all cases, reasonable attempts shall be made to obtain reduced rates for lodging (i.e., government rates for domestic lodging as published by the U.S. General Services Administration.)

Unless otherwise authorized by the Finance Committee, no reimbursement will be approved for lodging for greater than one night before or for any nights after an event outside of the "local area."

13.2.7 Meal Reimbursements

"Local area" in this section has the same definition as in the Overnight Accommodations policy above.

1. When a Board member or other District employee is outside of the local area on District business for an entire day, the Board Member or employee may receive one hundred dollars (\$100.00) per day for meals, including gratuities, as follows:
 - Breakfast: \$20.00
 - Lunch: \$35.00
 - Dinner: \$45.00
2. When a Board member or other District employee is outside of the local area on District business for portions of a day, the Board member or employee shall receive compensation for those meals

that occur during the portion of the day that the individual is outside the local area.

3. Authorized personnel and Directors may, in lieu of per diem reimbursement, receive reimbursement for actual meal costs, including tips, if such costs are less than the per diem amount.
4. The meal compensation discussed in Subsection (1) above, shall only be received for meals on the day immediately before the beginning of the event which the Board member or employee is attending, the days when the event is occurring and the day immediately following the conclusion of that event. Further, where meal costs are included in airfare or in the event registration fees, the compensation received shall be reduced by the amounts indicated above.
5. The per diem amounts discussed above are provided for the Board Member or other employee's meals while out of the local area on business. Whether or not expenditure occurs within the local area, the Board member or other employee is entitled to reimbursement for meals purchased for other persons, if such meals are in furtherance of District business and the Finance Committee subsequently approves the request for reimbursement. Any such expenditures for additional meals shall be reasonable and necessary and must further the business interest of the District.
6. In calculating the amount to be reimbursed to the Board member or employee, the Finance Committee shall reduce each meal's total by that meal's per diem rate.

13.3 Special Provisions

Where a Board Member or other person is entitled to receive reimbursement for expenses from another employer or entity, the sum of total reimbursement from both the District and the other employer or entity shall not exceed actual expenses incurred.

All exempt District personnel attending a conference or other event outside of the District's service area shall receive no additional salary for travel during a non-scheduled workday.

1360023.2



MEMORANDUM

ITEM NO. 6.F

Prepared by: Tony Kirk

Reviewed by: Ted Johnson

Approved by: Robb Whitaker

DATE: DECEMBER 8, 2010
TO: BOARD OF DIRECTORS
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: CONTRACT AMENDMENT FOR DMJ CONSULTING

SUMMARY

The District retained DMJ Consulting (DMJ) for on-call hydrogeologic field services on April 16, 2010 after a competitive request for proposals process. The work by DMJ supports WRD projects and programs involving collection of groundwater data and the operation and maintenance of related equipment and infrastructure. Services include collection of groundwater samples and groundwater levels, locating new monitoring well locations and obtaining site access agreements, repair and maintenance of monitoring wells, and other field tasks as directed by District Staff.

Since initiation of the contract, DMJ has performed well in all aspects of service to the District. The consultant's strengths include the ability to take direction and work independently, communicate in a timely fashion, utilize subcontractors, and provide professional documentation of activities. Specific projects include significant repairs and replacements of 8 monitoring well vaults, locating drilling sites and assisting with permitting issues for recently completed WRD monitoring wells Los Angeles #3 and Carson #3, sampling of WRD Westbay monitoring wells WN-1 and WN-2, and numerous other field tasks. These efforts are helping WRD staff meet project deadlines and maintain various District assets.

The contract with DMJ was established with an initial budget amount of \$50,000 from the previous fiscal year 92010 budget and is nearly spent. The contract will not expire until June 30, 2011, and additional funds are budgeted in the current 2011 fiscal year for field services. Therefore, Staff is recommending continuing the work with DMJ by amending the contract with an increase of \$40,000. Anticipated tasks include continuation of the work described above as well as a focused project involving telemetry research and pilot installation at key monitoring wells.

FISCAL IMPACT

Not to exceed \$40,000. Funding for this work is included in the fiscal year 2011 budget.

WATER RESOURCES COMMITTEE RECOMMENDATION

Amend the existing contract with DMJ Consulting, subject to approval of form by District Counsel, to increase the budget amount by an additional \$40,000.



MEMORANDUM

ITEM NO. 6.G

Prepared by: Adeline Yoong

Reviewed by: Elsa Lopez

Approved by: Robb Whitaker

DATE: DECEMBER 8, 2010

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: FEDERAL ADVOCACY SUPPORT SERVICES

SUMMARY

WRD currently receives federal advocacy support services from the team of Brownstein Hyatt Farber Schreck; and Pacific Atlantic Partners. The team was assembled through a procurement process that included Request for Proposal and interviews with several firms. The team jointly provides support on all federal issue matters including funding, legislation, and strategy. The team has worked on amendments to legislation benefitting WRD's interest, identified grant opportunities, maintained relationships with key federal legislators and Hill and Agency staff on behalf of the District and has provided strategic guidance on a number of federal issues.

The Professional Services Agreements for each of the firm expires on December 31, 2010, and provides for a monthly all-inclusive fee of \$15,000 per firm.

This item was reviewed by the External Affairs Committee on November 15, 2010. The Committee voted to recommend renewal of the team's contracts for an additional 2 years, effective January 1, 2011. The WRD Board had previously approved a 2-year duration for advocacy contracts in order to reflect the 2-year federal and state legislative cycle and ensure seamless and effective advocacy and legislative efforts.

FISCAL IMPACT

Funding for this item is included in the fiscal year 2010-2011 budget.

EXTERNAL AFFAIRS COMMITTEE RECOMMENDATION

Amend the Professional Services Agreements for federal advocacy support services with Brownstein Hyatt Farber Schreck, and Pacific Atlantic Partners, subject to approval of form by District Counsel, for a two year period that expires on December 31, 2012 at a monthly all-inclusive fee of \$15,000 per firm.



MEMORANDUM

ITEM NO. 6.H

Prepared by: Adeline Yoong

Reviewed by: Elsa Lopez

Approved by: Robb Whitaker

DATE: DECEMBER 8, 2010

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: STATE ADVOCACY SUPPORT SERVICES

SUMMARY

WRD currently receives state advocacy support services from the firm of Millennium Government Advocates. The firm provides support on all state issue matters, including legislation and strategy. As WRD's state advocate, the firm has protected the District's and its stakeholders' interest by providing analyses on legislation, worked with relevant legislative offices on amendments to bills impacting WRD, and supported or opposed measures in which the WRD Board had voted to take positions. The firm has also helped organized the District's annual state legislative workshop to promote District projects and programs by scheduling meetings with key legislators and staff.

The Professional Services Agreement with Millennium Government Advocates expires on December 31, 2010, and provides for a monthly fee of \$15,000.

This item was reviewed by the External Affairs Committee on November 15, 2010. The Committee voted to recommend renewal of the contract for an additional 2 years, effective January 1, 2011. The WRD board had previously approved a 2-year duration for advocacy contracts in order to reflect the 2-year federal and state legislative cycle and ensure seamless and effective advocacy and legislative efforts.

FISCAL IMPACT

Funding for this item is included in the fiscal year 2010-2011 budget.

EXTERNAL AFFAIRS COMMITTEE RECOMMENDATION

Amend the Professional Services Agreement for state advocacy support services with Millennium Government Advocates, subject to approval of form by District Counsel, for a two year period that expires on December 31, 2012 at a monthly fee of \$15,000.



MEMORANDUM

ITEM NO. 6.I

Prepared by: Adeline Yoong

Reviewed by: Elsa Lopez

Approved by: Robb Whitaker

DATE: DECEMBER 8, 2010

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: LOCAL ADVOCACY SUPPORT SERVICES

SUMMARY

WRD currently has a contract with the firm of Robert E. Bush Corporation for local advocacy support services which expires on December 31, 2010. The contract provides for a monthly fee of \$3,000 with the ability to increase to \$5,000 per month on as needed basis

Robert E. Bush Corporation provides strategic support and counsel on matters with the Los Angeles County Department of Public Works as they relate to WRD, its project, and programs. The firm represents WRD before and interfaces with the Los Angeles County Board of Supervisors and relevant staff. Robert E. Bush Corporation has coordinated briefings of WRD programs with relevant Supervisors and staff; and has successfully secured support for several key District projects including the Groundwater Reliability Improvement Program (GRIP).

This item was reviewed by the External Affairs Committee on November 15, 2010. The Committee unanimously voted to recommend renewal of the contract for an additional 2 years, effective January 1, 2011.

FISCAL IMPACT

Funding for this item is included in the fiscal year 2010-2011 budget.

EXTERNAL AFFAIRS COMMITTEE RECOMMENDATION

Amend the Professional Services Agreement for local advocacy support services with Robert E. Bush Corporation, subject to approval of form by District Counsel, for a two year period that expires on December 31, 2012 at a monthly fee of \$3,000, with the ability to increase to \$5,000 per month on as needed basis.



MEMORANDUM

ITEM NO. 6.J

Prepared by: Elsa Lopez

Reviewed by: Robb Whitaker

Approved by: Robb Whitaker

DATE: DECEMBER 8, 2010

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: RENEWAL OF WATERWISE CONSULTANT CONTRACT

SUMMARY

For the past few years, WRD's ECO Gardener Program (also known as *Jardineros Ecologicos*) has gained statewide recognition for the innovative and effective training curriculum presented by WaterWise Consulting. WaterWise is presently working to develop a signature training program for WRD's ECO Gardener Pro program.

WRD is prepared to extend the program to include Landscaping Conservation, Residential Conservation Programs, Youth & Public Education, Eco Gardener training and to extend WRD's education on conservation to include giving the public the tools needed to conserve water.

Staff visited and researched two other agencies that do landscape training and found that the other two agencies did not meet WRD's experience requirements nor did they have the ability to develop customized curriculum for the Pro training program. Presently WaterWise Consulting is working with member agencies from Metropolitan Water District of Southern California, water agencies throughout the State from the Bay area down to San Diego and recently expanded their training programs nationwide. The rates and fees charged by WaterWise Consulting are commensurate with market rates.

SCOPE OF WORK

Consultant agrees to provide the following services as outlined in each task of this scope of work.

1. Consultant shall provide instruction for the Water Replenishment District (WRD) Eco GardenER Program using the WaterWise Consulting, Inc. (WaterWise) WaterWell Professional and Homeowners Series (WaterWell) workshops. Consultant shall conduct such workshops by following the WaterWell class curriculum. In the course of conducting the workshops, Consultant shall also provide the following services:
 - Provide backup presentation equipment for each class (Laptop and/or Projector);
 - Provide confirmation of attendance numbers to WaterWise and WRD;

2. Consultant shall provide speaking engagement services concerning the Eco Gardening program or other water conservation issues within the WRD service area.
3. Consultant shall deliver an electronic copy of the handbook material scheduled to be presented. District at its expense will print materials sufficient to cover each class.
4. Consultant will develop a signature training curriculum for the WRD ECO Gardener Pro program.
5. Consultant will meet with staff on a regular basis to develop the program and keep the External Affairs Committee apprised of new developments and partnership opportunities for further funding of the whole ECO Gardener Program.

The External Affairs Committee recommends renewing the contract for WaterWise Consulting who has over 20 years of experience, for the amount of \$100,000 for the period January 1, 2011 to December 31, 2011.

FISCAL IMPACT

Funding for this item is included in the fiscal year 2010-2011 budget.

EXTERNAL AFFAIRS COMMITTEE RECOMMENDATION

Amend the Professional Services Agreement with WaterWise Consulting, subject to approval of form by District Counsel, for a period of one year that expires on December 31, 2011 at an amount not to exceed \$100,000.



MEMORANDUM

ITEM NO. 6.K

Prepared by: Elsa Lopez

Reviewed by: Robb Whitaker

Approved by: Robb Whitaker

DATE: DECEMBER 8, 2010
TO: BOARD OF DIRECTORS
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: EVENT SPONSORSHIPS AND COMMUNITY GRANTS UPDATE

SUMMARY

On May 24, 2010 the External Affairs Committee recommended reducing and/or eliminating some Regional Sponsorships and moving other items such as Memberships to the proper budget categories. The Committee asked staff to bring back to the Committee a revised list of sponsorships and memberships for consideration at its June 21 meeting.

On June 21, 2010, the Committee reviewed the revised list of Sponsorships and Memberships and made additional reductions. The Committee directed staff to revise the list to reflect reductions and changes as follows:

- Transfer to appropriate budget category Memberships and Conference Registrations
- Reduce specified sponsorships to minimum sponsorship levels
- Purchase individual tickets for certain annual events instead of purchasing table sponsorships

On November 15, 2010, the Committee reviewed the revised list of Sponsorships and Memberships and made additional adjustments. The Committee recommends Board approval of the revised Regional Sponsorships and approval of the annual chamber membership fees for the fiscal year 2010-2011 budget.

FISCAL IMPACT

Funds for this item are budgeted in the fiscal year 2010-11 budget.

EXTERNAL AFFAIRS COMMITTEE RECOMMENDATION

Approve reduction of \$49,600 in the Regional Sponsorships and approval of annual chamber membership fees for fiscal year 2010-2011.



MEMORANDUM

ITEM NO. 6.L

Prepared by: Abbie Andom

Reviewed by: Robb Whitaker

Approved by: Robb Whitaker

DATE: DECEMBER 8, 2010

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: CONSIDERATION OF RESOLUTION NO. 10-893 – A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA RECITING THE FACT OF THE GENERAL ELECTION HELD ON NOVEMBER 2, 2010, DECLARING THE RESULTS AND SUCH OTHER MATTERS AS PROVIDED BY LAW

SUMMARY

Pursuant to the provisions of California Elections Code Section 10260, et seq., the County of Los Angeles Registrar-Recorder canvassed the returns of the votes cast for each elective office in the WRD election consolidated with the General Election held November 2, 2010. The elections official shall prepare a certified statement of the results of the election and submit to the governing body (Board of Directors) within 28 days of the election. The Deputy Secretary received the Official Canvass Certificate and Official Statement of Votes Cast on December 1, 2010.

Water Code Section 60138 and California Elections Code 10260, et seq. require the governing body (Board of Directors) to declare elected or nominated to each office voted on at each election, under its jurisdiction, the person having the highest number of votes for that office. Resolution No. 10-893 will comply with the requirement. Due to the size of the document, the Statement of Votes Cast referred to as Exhibit A in Resolution No. 10-893 is not attached but will be made part of the District file. It is also available for review at the District office.

FISCAL IMPACT

None.

STAFF RECOMMENDATION

Adopt Resolution No. 10-893.

RESOLUTION NO. 10-893

A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
RECITING THE FACT OF THE GENERAL ELECTION HELD ON NOVEMBER 2, 2010
AND DECLARING THE RESULTS

WHEREAS, a General Election was held in the County of Los Angeles and conducted on Tuesday, November 2, 2010, as required by law; and

WHEREAS, the Board of Directors by Resolution No. 10-882 adopted on May 21, 2010 requested the Board of Supervisors of the County of Los Angeles to permit the Registrar-Recorder/County Clerk to render election services for the Water Replenishment District for the purpose of electing three members of the Board of Directors of said District; and

WHEREAS, the Board of Directors by Resolution No. 10-882 further requested the Los Angeles County Registrar-Recorder/County Clerk to canvass the returns of the election; and

WHEREAS, the Los Angeles County Registrar-Recorder/County Clerk canvassed the returns of the election and has certified the results with the Official Canvass Certificate and Final Official Statement of Votes Cast by precinct; and

WHEREAS, the results are received, attached and made a part hereof as "Exhibit A."

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That the whole number of ballots cast in the precincts except absent voter ballots and provisional ballots was 32,617.

That the whole number of absent voter ballots cast in the County was 105,523, making a total of 434,140 ballots cast in the County.

SECTION 2. That the names of persons voted for at the election to serve a four (4) year term for their respective divisions as Directors of the Water Replenishment District are as follows:

| | |
|------------------------|------------|
| SERGIO J. CALDERON | Division 4 |
| LILLIAN Y. KAWASAKI | Division 3 |
| WILLARD H. MURRAY, JR. | Division 1 |

SECTION 3. That the number of votes given at each precinct and the number of votes given in the District to each of the persons above named for the respective offices for which the persons were candidates were listed in "Exhibit A" attached.

SECTION 4. The Board of Directors does declare and determine that Sergio J. Calderon was elected as Director of Division 4 for the full term of four years; Lillian Y. Kawasaki was elected as Director of Division 3 for the full term of four years; Willard H. Murray, Jr. was elected as Director of Division 1 for the full term of four years.

PASSED, ADOPTED AND APPROVED ON DECEMBER 8, 2010.

Sergio Calderon, President

ATTEST:

Robert Katherman, Secretary



MEMORANDUM

ITEM NO. 7

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

DATE: DECEMBER 8, 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 three-year contract with Meyers, Nave, Riback, Silver & Wilson (Meyers Nave) to perform the function of District Counsel. This contract expired on September 20, 2010. The Board took action on August 20, 2010 to extend the term of the contract for 60-days renewing automatically until other action is taken by the Board. The amendment was necessary in order to authorize any future District expenditures to Meyers Nave as required by Section 60622(a) of Water Code and Section 10.1.4(a) of District's Administrative Code.

On November 19, 2010, the Ad Hoc Legal Selection Committee recommended the Board terminate the contract with Meyers Nave. At that meeting the Board took action and concurred with the Ad Hoc Legal Selection Committee's recommendation. The Board also provided the ten-day notice of termination with its contract with Meyers Nave pursuant to Section 6 of that Agreement. Further, the Board agreed to appoint as Interim District Counsel Ed Casey of Alston & Bird and directed the Ad Hoc Committee to meet and negotiate as such with Mr. Casey.

Pursuant to discussions with Ed Casey of Alston & Bird, the Ad Hoc Legal Selection Committee is recommending the law firms of Alston & Bird and Leal & Trejo to provide Interim District Counsel services to WRD. Alston & Bird's current contract for Special Counsel services would be amended so in addition to continuing to provide legal services on conjunctive use matters, Alston would also provide Special Counsel services in the areas of water rights, water supply, water quality, energy, regulatory permitting, environmental review under CEQA and NEPA, and construction. Further, Alston will coordinate and cooperate with the law firm of Leal & Trejo in that firm's role as Interim District Counsel, including answering inquiries from Directors on matters for which Leal & Trejo has primary responsibility pursuant to its contract with WRD.

As Interim District Counsel, Leal would have primary responsibility for all matters involving municipal law, the Brown Act, the Public Records Act, the Political Reform Act, employment law, WRD's Administrative Code, and contracts with third parties that do not relate to the matters covered in WRD's contract with Alston & Bird. Further, Leal will coordinate and cooperate with Alston & Bird in that firm's role as Special Counsel, including answering

inquiries from Directors on matters for which Alston & Bird has primary responsibility pursuant to its contract with WRD.

Under this proposed arrangement, Alston would continue to be compensated at the same rate agreed to in 2007 when its Special Counsel contract was first approved. Leal & Trejo would be compensated at a rate of \$230 per hour for Mr. Leal's time who will act as lead counsel for Leal & Trejo. To implement this arrangement, WRD would (1) enter into Amendment No. 2 to the contract with Alston & Bird, which would identify the additional areas of law for which it would serve as Special Counsel, (2) enter into a contract with Leal & Trejo to serve as Interim District Counsel as described above, which contract would be patterned on the form of the contract with Alston, and (3) not renew the existing contract with Leal & Trejo for legislative advocacy services, which expires at the end of this year (2010).

FISCAL IMPACT

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

AD HOC LEGAL SELECTION COMMITTEE RECOMMENDATION

Approve appointment of the firms of Alston & Bird and Leal & Trejo as Interim District Counsel until a new firm is selected.