

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

10:00 A.M., FRIDAY, JANUARY 21, 2011

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. INSTALLATION OF BOARD MEMBERS**
- 5. PUBLIC COMMENT**
- 6. ELECTION OF OFFICERS**
- 7. 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 SPECIAL MEETING OF SEPTEMBER 30, 2010**
Staff Recommendation: Approve the minutes as submitted.
- B. MINUTES OF THE SPECIAL MEETING OF OCTOBER 22, 2010**
Staff Recommendation: Approve the minutes as submitted.
- C. DEMANDS – OCTOBER 2010**
Finance Committee Recommendation: Receive and file the Demands for October 31, 2010.
- D. FINANCIAL STATEMENTS FOR OCTOBER 2010**
Finance Committee Recommendation: Approve the Financial Statements for October 31, 2010.
- E. RESERVES, CASH AND INVESTMENT REPORT FOR THE PERIOD ENDING OCTOBER 31, 2010**
Finance Committee Recommendation: Approve the Investment Report for the period ending October 31, 2010.

- F. ROUNDHOUSE MARINE STUDIES LAB & AQUARIUM OCEANOGRAPHIC TEACHING STATIONS (O.T.S.)**
External Affairs Committee Recommendation: Consider a contribution of \$30,000 to the Roundhouse Marine Aquarium to support their Public Education Program, Student Education Program and Volunteer Program.
- G. CONTRACT AMENDMENT FOR NELLOR ENVIRONMENTAL ASSOCIATES**
Groundwater Quality Committee Recommendation: Extend the termination date for the agreement with Nellor Environmental Associates, Inc., to December 31, 2011 and increase the contract amount by an additional \$20,000.
- H. USBR WATERSMART GRANT APPLICATION FOR GOLDSWORTHY DESALTER EXPANSION FEASIBILITY STUDY**
Water Resources Committee Recommendation: Authorize the General Manager to submit a grant application for a feasibility study for the expansion of the Goldsworthy Desalter under the USBR's WaterSMART: Development of Feasibility Studies under the Title XVI Water Reclamation and Reuse Program and adopt a resolution to commit WRD to the financial and legal obligations associated with receipt of financial assistance.
- I. RESEARCH OF HIGH-RECOVERY NANOFILTRATION/ REVERSE OSMOSIS INTEGRATED MEMBRANE TREATMENT SYSTEM FOR THE GROUNDWATER RELIABILITY IMPROVEMENT PROGRAM (GRIP)**
Water Resources Committee Recommendation: Authorize the General Manager to enter into a letter agreement with the LACSD, subject to approval of form by District Counsel, to conduct a NF/RO research project for an amount by WRD not to exceed \$30,000.
- 8. CONSIDERATION OF RESOLUTION NO. 11-895 – A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA ORDERING AN ENGINEERING SURVEY AND REPORT REGARDING THE GROUNDWATER SUPPLIES OF THE DISTRICT PURSUANT TO WATER CODE §60300**
Water Resources Committee Recommendation: Adopt Resolution No. 11-895.
- 9. GENERAL MANAGER'S REPORT**
- 10. DISTRICT COUNSEL'S REPORT**
- 11. WRD BOARD MEETING DATES**
- A. February 18, 2011 – 9:00 a.m. – Board of Directors Meeting
 - B. March 18, 2011 – 9:00 a.m. – Board of Directors Meeting
 - C. April 1, 2011 – 9:00 a.m. – Board of Directors Meeting (Open public hearing on the proposed 2011-12 replenishment assessment)
 - D. April 15, 2011 – 9:00 a.m. – Board of Directors Meeting

- E. *May 6, 2011 – 9:00 a.m. – Board of Directors Meeting (Close public hearing and adopt resolution to set the replenishment assessment)*
- F. *May 20, 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 – Existing Litigation
Pursuant to Code of Civil Procedure §446
Name of Case: Central Basin Municipal Water District v. Water Replenishment District of Southern California, and Does 1 through 50
Case No.: Los Angeles County Superior Court BS129817
- F. Conference with Legal Counsel – Anticipated Litigation, Pursuant to Government Code §54956.9 (b), One Case

13. ADJOURNMENT

Agenda posted by Abigail C. Andom, Deputy Secretary, January 19, 2010. In compliance with ADA requirements, this document can be made available in alternative formats upon request.

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

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

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

UNAPPROVED
MINUTES

UNAPPROVED
MINUTES

**MINUTES OF SEPTEMBER 30, 2010
SPECIAL MEETING OF THE BOARD OF DIRECTORS
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA**

A special meeting of the Board of Directors of the Water Replenishment District of Southern California was held on September 30, 2010, 8:20 a.m., at the District Office, 4040 Paramount Boulevard, Lakewood, California. Vice President Lillian Kawasaki called the meeting to order. Deputy Secretary Abigail C. Andom recorded the minutes.

1. DETERMINATION OF A QUORUM

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

2. PLEDGE OF ALLEGIANCE

John Harris of Harris and Associates led the Pledge of Allegiance.

3. INVOCATION

None.

4. PUBLIC COMMENT

None.

5. EXECUTION OF LETTER AGREEMENT WITH UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT (USGVMWD) AND LOS ANGELES COUNTY SANITATION DISTRICTS (LACSD) FOR THE GROUNDWATER RELIABILITY IMPROVEMENT PROGRAM (GRIP)

District Counsel Jamie Casso stated that it has come to the attention of the WRD and the Los Angeles County Sanitation Districts (LACSD) that the San Gabriel Valley Municipal Water District (SGVMWD) may withdraw from the Joint Powers Agreement (JPA) being formulated by the GRIP partnership agencies. Mr. Casso explained that due to this recent

development, District Counsel has prepared a letter agreement to address SGVMWD's potential withdrawal from the partnership and provide comfort to the three other entities that USGVMWD will continue to share the cost of the public outreach effort equally with WRD and LACSD in the event that SGVMWD withdraws from the GRIP partnership. He noted that the letter agreement will confirm USGVMWD's commitment to fund one-third of the expenditures outlined in the Cost Sharing Agreement (CSA). He stated that the letter of agreement is before the Board today for consideration.

Director Robles stated that there will be a conference call at 3:00 p.m. today with the Joint GRIP Ad Hoc Committee and he would like to recommend that the Board defer action until after the conference call is completed. He explained that he wanted to make sure that the letter of agreement would provide sufficient protection and that the District would be properly reimbursed for any costs in the event SGVMWD withdraws from the GRIP partnership. He stated that the other agreements that were executed for the GRIP project were signed by the individual boards and signed by the board presidents. He noted that the letter agreement for consideration today will be signed by the general manager and he wanted assurance from District Counsel that the letter agreement is sufficient protection for the District.

Director Katherman stated that the GRIP project is WRD's signature water project and is critical to replenishing the region's water supply. He stated that he would like the Board to step up and take a leadership role and he is prepared to move forward even if USGVMWD does not put up SGVMWD's share of the funds. He explained that the legalities and the distribution of the costs can be further discussed even if the project partners were to change in the future. Director Katherman stated that he

felt it is time to move forward with the project and if ratifying the letter agreement would help move it forward, he would be in favor of doing that.

Director Kawasaki stated that she would like to offer a compromise. She stated that the reason the letter agreement is for consideration is that, despite the CSA, the contract for the public outreach would be solely WRD's and the letter agreement was intended to provide additional protection to WRD. She stated that she would also like to see the project move forward but would ask District Counsel and the General Manager to specifically review the CSA and the JPA to make sure that WRD is protected in the event an agency drops out of the partnership.

Director Robles asked District Counsel if the CSA, without the letter agreement, as presently prepared is sufficient for WRD to make sure it is properly reimbursed by the GRIP partners.

Mr. Casso stated that barring some catastrophic incident, he believes that WRD is protected and that the GRIP partners will cover their proportionate share of the public outreach costs. He stated that it would be appropriate for the Board to direct the General Manager to execute the letter agreement.

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

RESOLVED: That the Board authorizes the General Manager to sign the Letter Agreement with USGVMWD, on behalf of the WRD, stating that USGVMWD will continue to share the cost of the public outreach effort equally with WRD and LACSD without a twenty percent contribution of their share from SGVMWD in the event that SGVMWD withdraws from the GRIP partnership. The Board further directs the District Counsel and the General Manager to see if anything further can be done to insure that WRD is protected.

6. 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 costs of the public outreach effort for the GRIP would be funded equally by the partnership agencies: LACSD, USGVMWD, and WRD. Mr. Whitaker explained that the outreach effort is expected to run over a two-year term and after the procurement process the Joint GRIP Ad Hoc Committee made a recommendation to award a contract to The Rogers Group for an amount not to exceed \$1.8 million. He noted that WRD's share of the cost is a not to exceed amount of \$667,000.

Discussion followed. The Board deferred action on the item until after closed session.

7. PROPOSITION 26 – REQUIRES THAT CERTAIN STATE AND LOCAL FEES BE APPROVED BY TWO-THIRDS VOTE. FEES INCLUDE THOSE THAT ADDRESS ADVERSE IMPACTS ON SOCIETY OR THE ENVIRONMENT CAUSED BY THE FEE-PAYER'S BUSINESS. INITIATIVE CONSTITUTIONAL AMENDMENT.

Government Affairs Manager Adeline Yoong provided an update on Proposition 26. Ms. Yoong stated that the League of Cities approached WRD to consider taking a position on Proposition 26 and President Calderon asked that the item be agendaized for discussion. She noted that Proposition 26 is one of nine statewide ballot measures that is on the November 2, 2010 ballot. She explained that, if passed, Proposition 26 would broaden the definition of what constitutes a tax to include many payments currently considered to be fees or charges, and would require two-thirds voter approval for a special tax, and majority voter approval for a general tax.

District Casso added that the text of the proposition lists seven (7) exemptions of which three (3) exemptions are relevant to the replenishment assessment. He stated that, as drafted, Proposition 26 will not impact the replenishment assessment.

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

RESOLVED: That the Board opposes Proposition 26.

Director Murray arrived.

8. CLOSED SESSION

- A. 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 Casso reported that for Agenda Item 8.A, no reportable action was taken.

The Board continued discussion of Agenda Item 6.

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

District Counsel Casso referred the Board to the draft Rogers contract with exhibits on the composition of the team and rate schedules. Discussion followed.

The Board requested staff to report back on the cost savings realized from the outreach effort if SGVMWD withdraws from the partnership. Additionally, a request was made of staff to work with The Rogers Group to develop a revised cost for the outreach effort that would be limited to the service areas of the remaining partners, and to include past experience of the team members.

By roll call vote, the Board voted to defer action on the item. With no objections, that was the order.

AYES: Directors Katherman, Kawasaki, Murray, Robles
NOES: None
ABSENT: Director Calderon

9. ADJOURNMENT

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

Sergio Calderon, President

ATTEST:

Robert Katherman, Secretary

UNAPPROVED
MINUTES

UNAPPROVED
MINUTES

**MINUTES OF OCTOBER 22, 2010
MEETING OF THE BOARD OF DIRECTORS
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA**

A special meeting of the Board of Directors of the Water Replenishment District of Southern California was held on October 22, 2010 at 9:20 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 Willard H. Murray, Jr. Director Albert Robles was excused.

2. PLEDGE OF ALLEGIANCE

President Calderon led the Pledge of Allegiance.

3. INVOCATION

President Calderon gave the Invocation.

4. PUBLIC COMMENT

None.

5. CONSENT CALENDAR

- A. MINUTES OF THE MEETING OF JUNE 18, 2010**
- B. MINUTES OF THE MEETING OF SEPTEMBER 10, 2010**
- C. RESERVES, CASH AND INVESTMENT REPORT FOR THE PERIOD ENDING JULY 31, 2010**
- D. DEMANDS – AUGUST 2010**

- E. FINANCIAL STATEMENTS – AUGUST 31, 2010**
- F. RESERVES, CASH AND INVESTMENT REPORT FOR THE PRIOD
ENDING AUGUST 31, 2010**
- G. FIELD VEHICLE**
- H. REQUEST FOR PROPOSALS FOR MODELING RECYCLED WATER
INJECTION FOR PERMIT COMPLIANCE, ALAMITOS AND DOMINGUE
SEAWATER BARRIERS**

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

RESOLVED: That the Board approves the Consent
Calendar of October 22, 2010, as submitted.

6. GROUNDWATER BASINS MASTER PLAN UPDATE

This item was deferred to later in the meeting.

**7. MEMORANDUM OF UNDERSTANDING WITH THE LOS ANGELES
COUNTY FLOOD CONTROL DISTRICT FOR SALT/NUTRIENT
MANAGEMENT PLANNING**

General Manager Robb Whitaker stated that the District would like to jointly fund a Salt/Nutrient Management Plan (Plan) with the Los Angeles County Flood Control District (LACFCD) as a requirement of the State Water Resources Control Board's Recycled Water Policy. Mr. Whitaker explained that WRD and the LACFCD are interested in utilizing the services of Tracy Egoscue, former executive officer of the Los Angeles Regional Water Quality Control Board for this effort. He noted that Ms. Egoscue's experience will provide significant benefits in the development of the strategy for the Plan. He stated that the effort is estimated to cost \$150,000, which will be shared equally between WRD and LACFCD. Mr. Whitaker also noted that WRD will administer the contract for Ms. Egoscue's services.

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

RESOLVED: That the Board enters into a Memorandum of Understanding with LACFCD to co-fund the strategic planning and interagency coordination related to the development of the Salt / Nutrient Management Plan for the Central and West Coast Basins, for a cost to WRD not-to-exceed one-half of the proposed amount, or \$75,000, subject to approval to form by District Counsel.

8. AGREEMENT WITH PAUL, HASTINGS, JANOFSY & WALKER FOR SALT/NUTRIENT MANAGEMENT PLANNING

Mr. Whitaker stated that this item would award the contract to the Ms. Egoscue's firm which was discussed in the previous agenda item.

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

RESOLVED: That the Board enters into an Agreement with Paul, Hastings, Janofsky & Walker to perform strategic planning related to the Salt / Nutrient Management Plan for the Central and West Coast Basins, for a total cost not-to-exceed \$150,000, subject to approval to form by District Counsel.

The agenda items were taken out of order.

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

General Manager Robb Whitaker stated that the WRD Board previously approved the GRIP Joint Powers Agreement (JPA) at the March 19, 2010 meeting and a revised version on August 20, 2010. He noted that the revised version was also approved by the Board of Directors of partner

agencies Upper San Gabriel Valley MWD (USGVMWD) and Los Angeles County Sanitation Districts (LACSD). He stated that the Board of Directors of San Gabriel Valley MWD (SGVMWD), another partner agency, took action to withdraw from the GRIP partnership while approval of the revised JPA was being considered. Mr. Whitaker explained that the SGVMWD's decision was based on their re-evaluation of how water from the GRIP effort fits into their water supply portfolio and not a reflection of the viability or importance of the GRIP effort for the replenishment of groundwater supplies in the southern Los Angeles County.

Mr. Whitaker stated that the revised JPA before the Board for consideration reflected the withdrawal of SGVMWD as a partner agency, thereby reducing the size of the governing JPA board from seven to six members and listing each partner agency's financial share of the JPA budget.

Mr. Whitaker noted that he, together with USGVMWD General Manager Shane Chapman and LACSD General Manager Steve Maguin, the GRIP Joint Ad Hoc WRD Committee and the respective legal counsels reviewed the revised JPA and recommended its approval.

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

RESOLVED: That the Board approves Resolution No. 10-890, authorizing the President, or his/her designee, to execute the Joint Powers Agreement, subject to approval of form by District Counsel.

RESOLUTION NO. 10-890

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. 10-890 in the Draft Resolution file and by this reference is incorporated herein and included a part hereof as though fully set forth at length.)

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

Director Katherman made a motion to table this item to the next meeting.
Director Kawasaki seconded the motion. The motion failed for lack of a
third vote.

Discussion followed and the item was deferred to a future meeting.

6. GROUNDWATER BASINS MASTER PLAN UPDATE

Senior Engineer Jason Weeks provided a presentation on the status of the West Coast Basin portion of the Groundwater Basins Master Plan. Mr. Weeks stated that staff and consultants, CH2MHILL and RMC Water and Environment, are continuing to work on Phase 1 of the Plan which consists of review and refinement of goals and objectives based on input from water rights holders and basin stakeholders, interviews with water rights holders and basin stakeholders to develop projected baseline conditions for future operations of the basins, and the development of conceptual alternative management scenarios for future basin operations to reduce reliance on imported water. He noted that staff and consultants have completed interviews with all major water rights holders in the West Coast Basin that serve residential customers and all major industrial water rights holders, which consist of refineries.

Mr. Weeks stated that future tasks include review of the proposed West Coast Basin conceptual scenarios that will be further developed and evaluated during Phase 2 and pumper outreach for the Central Basin portion of the Plan.

Director Kawasaki left the meeting.

13. GENERAL MANAGER'S REPORT

None.

14. DISTRICT COUNSEL REPORT

Deferred to closed session.

15. AB 1234 COMPLIANCE REPORTS AND DIRECTORS' REPORTS

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

President Calderon stated that he will submit his report in writing. He added that he made a presentation to the East Los Angeles Development College.

16. WRD BOARD MEETING DATES

- A. November 19, 2010 – 9:00 a.m. – Board of Directors Meeting
- B. December 17, 2010 – 9:00 a.m. – Board of Directors Meeting
- C. January 21, 2011 – 9:00 a.m. – Board of Directors Meeting
- D. February 18, 2011 – 9:00 a.m. – Board of Directors Meeting

Deputy Secretary Abbie Andom reminded the Board that the date of the December 17 Board meeting falls within the dates of the Colorado River Water Users Association Conference, December 15-17, 2010.

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

President Calderon informed everyone that Director Robles is still in court and is not expected to join the meeting.

Shelly Holmes, Executive Vice President/Partner, Rogers Group presented the team members present at the meeting. Ms. Holmes introduced Marion MacKenzie Pyle, Ron Wong, Maureen Erbeznik, and Joe Zago. She stated that she would like to assure the Board that the team brings a wealth of experience in the water industry and with public education and outreach.

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

RESOLVED: That the Board enters into an Agreement with The Rogers Group, subject to approval of form by District Counsel, to perform a public outreach effort for the Groundwater Reliability Improvement Program (GRIP), for \$1,695,000 plus a contingency of \$189,000 for a total authorized amount not to exceed \$1,884,000 for a two-year term. This cost is to be shared among the GRIP Partnership agencies, with WRD's contribution not to exceed \$628,000.

AYES: Directors Calderon, Katherman, Murray

NOES: None

ABSENT: Directors Kawasaki, Robles

President Calderon stated that Director Robles, as a member of the Ad Hoc GRIP Committee, would like the record to reflect his support for the Rogers Group.

17. 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), Two Cases
- E. 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 17.A, 17.B, 17.D, and 17.E, there were no reportable actions taken. Mr. Casso stated that Agenda Item 17.C was not discussed.

18. ADJOURNMENT

President Calderon asked if there was any further business to come before the Board, and there being none the meeting was adjourned at 12:31 p.m., in memory of State Senator Jenny Oropeza. A moment of silence was observed.

Sergio Calderon, President

ATTEST:

Robert Katherman, Secretary



MEMORANDUM

ITEM NO. 7.C

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

DATE: JANUARY 21, 2011
TO: BOARD OF DIRECTORS
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: DEMANDS - OCTOBER 2010

SUMMARY

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

- 1. The demands list for the period October 1st, 2010 –October 31st, 2010.
- 2. The demands sorted by vendor with an additional column showing fiscal year-to-date payments

Demands Summary – October 2010

Replenishment Fund	\$ 761,651.77
Clean Water Fund	<u>200,536.13</u>
Total	<u>\$ 962,187.90</u>

FINANCE COMMITTEE RECOMMENDATION

Receive and file the Demands for October 31, 2010.



DIRECTORS

SERGIO CALDERON, PRESIDENT
WILLARD H. MURRAY, JR., VICE PRESIDENT
ROBERT KATHERMAN, SECRETARY
ALBERT ROBLES, TREASURER
LILLIAN KAWASAKI, DIRECTOR
ROBB WHITAKER, P.E., GENERAL MANAGER

January 21, 2011

Board of Directors
Water Replenishment District of Southern California

Submitted herewith for action by the Board of Directors are the following demands for the period ending October 31, 2010

Check #	Payee	Description	Total	Replenishment Fund	Clean Water Fund
DD	ALBERT ROBLES	09/10 DIRECTORS COMPENSATION	1,813.24	1,704.45	108.79
DD	ALBERT ROBLES	09/10 EXPENSE REIMBURSEMENT	1,596.44	1,500.64	95.80
P0048	LILLIAN Y. KAWASAKI	09/10 DIRECTORS COMPENSATION	1,892.88	1,779.31	113.57
P0048	LILLIAN Y. KAWASAKI	09/10 EXPENSE REIMBURSEMENT	20.00	18.80	1.20
DD	SERGIO J. CALDERON	09/10 DIRECTORS COMPENSATION	1,384.99	1,303.04	81.95
DD	SERGIO J. CALDERON	09/10 EXPENSE REIMBURSEMENT	22.66	21.30	1.36
DD	SERGIO J. CALDERON	10/10 DIRECTORS COMPENSATION	1,094.21	1,028.55	65.66
P0049	WILLARD H. MURRAY, JR	09/10 DIRECTORS COMPENSATION	281.76	264.85	16.91
DD	WILLARD H. MURRAY, JR	09/10 DIRECTORS COMPENSATION	561.48	527.79	33.69
DD	ROBERT E. KATHERMAN	09/10 DIRECTORS COMPENSATION	996.73	936.93	59.80
P0050	ROBERT E. KATHERMAN	09/10 EXPENSE REIMBURSEMENT	814.03	765.19	48.84
DD	AFSCME LOCAL 1902 UNION	UNION DUES	577.80	487.75	90.05
DD	AFSCME LOCAL 1902 UNION	UNION DUES	556.40	464.84	91.56
DD	EDD	DIR STATE TAX W/H	85.63	80.50	5.13
DD	EDD	STATE TAX DEPOSIT	5,505.86	4,713.99	791.87
DD	EDD	STATE TAX DEPOSIT	5,370.52	4,491.66	878.86
DD	EMPLOYEE PAYROLL	SALARY EXPENSE	96,636.82	83,222.07	13,414.75
DD	EMPLOYEE PAYROLL	SALARY EXPENSE	71,134.07	60,453.66	10,680.41
DD	FLEX-PLAN SERVICES, INC	HRA & FSA REIMBURSEMENTS	9,919.72	9,311.69	608.03
DD	FLEX-PLAN SERVICES, INC	HRA & FSA REIMBURSEMENTS	5,446.36	4,938.16	508.20
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	4,061.11	3,817.45	243.66
DD	FLEX-PLAN SERVICES, INC	HRA REIMBURSEMENT	3,351.30	3,150.22	201.08
DD	FLEX-PLAN SERVICES, INC	FSA REIMBURSEMENT	193.00	193.00	-
DD	FLEX-PLAN SERVICES, INC	08/10 MONTHLY SVC CHR	967.10	909.07	58.03
DD	INTERNAL REVENUE SERVICE	DIR FEDERAL TAX DEPOSIT	2,698.69	2,536.78	161.91
DD	INTERNAL REVENUE SERVICE	FEDERAL TAX DEPOSIT	29,012.89	24,739.48	4,273.41
DD	INTERNAL REVENUE SERVICE	FEDERAL TAX DEPOSIT	27,850.49	23,336.81	4,513.68
DD	PARS	DIR PARS PAYMENT	2,913.00	2,738.22	174.78
DD	PRUDENTIAL	DIR DEFERRED COMP	4,645.61	4,367.16	278.45
DD	PRUDENTIAL	DEFERRED COMP	19,248.04	16,900.16	2,347.88
DD	PRUDENTIAL	DEFERRED COMP	17,434.04	14,972.29	2,461.75
DD	PERS	DIR PERS PAYMENT	581.62	546.72	34.90
DD	PERS	PERS PAYMENT	26,624.49	22,848.27	3,776.22
DD	PERS	PERS PAYMENT	25,513.15	21,614.26	3,898.89
1972	MAYWOOD MUTUAL NO. 2	012: PROGRESSIVE PAYMENT #9	76,034.54	-	76,034.54
1973	VOID	VOID	-	-	-
1974	COUNTY OF ORANGE	001: PROPERTY PERMIT FEE	291.00	291.00	-
1975	ACOUNTEMP	TEMP SERVICE THRU 09/17/10 - SL	861.12	809.45	51.67
1976	AT&T MOBILITY	MONTHLY CELL PHONE SERVICE	144.40	135.74	8.66
1977	CALIFORNIA WATER SERVICE	WATER USAGE THRU 09/20/10	53.74	50.52	3.22
1978	CHEVRON AND TEXACO	09/10 FUEL CHARGES	332.85	225.20	107.65
1979	LA EXPRESS ONE INC	09/27/10 COURIER SERVICE	66.88	62.87	4.01
1980	NORWALK PRINTING	BUSINESS CARDS - AY&TM	60.36	56.74	3.62
1981	OFFICE TEAM	TEMP SERVICE THRU 09/10/10	3,081.63	2,896.73	184.90
1982	STAPLES CREDIT PLAN	OFFICE SUPPLIES	538.21	505.92	32.29
1983	XO CORPORATION	PHONE CHARGES THRU 10/14/10	106.62	100.22	6.40
1984	COSTCO	KITCHEN SUPPLIES	303.57	285.36	18.21
1985	PBCC	10/20/10-01/20/11 METER LEASE	1,300.54	1,222.51	78.03
1986	SOUTHERN CALIFORNIA EDISON	09/10 ENERGY USAGE	4,791.68	4,504.18	287.50
1987	VERIZON WIRELESS	MONTHLY CELL PHONE SERVICE	860.75	809.10	51.65
1988	FEDERAL EXPRESS	FEDEX SERVICE	139.45	128.81	10.64
1989	LAUSD - HENRY GAGE MIDDLE SCHOOL	2010 MUSIC & ART FEST SPONSORSHIP	1,500.00	1,410.00	90.00



Check #	Payee	Description	Total	Replenishment Fund	Clean Water Fund
1990	GEIGER WEST MONROVIA	PROMOTIONAL ITEMS - BLUE BAGS	7,204.82	6,772.53	432.29
1991	HELPMATES STAFFING	TEMP SERVICE THRU 09/26/10 - MC	1,899.92	1,785.92	114.00
1992	IN-N-OUT BURGER	2011 GRNDWTR FESTIVAL - DEPOSIT	9,100.00	8,554.00	546.00
1993	JAN-PRO CLEANING	10/10 JANITORIAL SERVICE	2,743.00	2,578.42	164.58
1994	KINDEL GAGAN	005: 09/10 PROFESSIONAL SERVICE	10,618.75	10,581.63	37.12
1995	KONE INC	ELEVATOR REPAIR SERVICE	490.82	461.37	29.45
1996	MILLENNIUM ADVOCATES	09/10 LEGISLATIVE SERVICE	15,000.00	14,100.00	900.00
1997	NORWALK PRINTING	BUSINESS CARDS - RH	60.36	56.74	3.62
1998	PACIFIC ATLANTIC	10/10 LEGISLATIVE SERVICE	15,000.00	14,100.00	900.00
1999	PARAMOUNT CHAMBER	11/10-10/11 MEMBERSHIP DUES	306.00	287.64	18.36
2000	SOUTH GATE CHAMBER	10/14/10 STATE OF THE DISTRICT	150.00	141.00	9.00
2001	SW VOTER REGIS EDU PROJECT	10/07/10 LA FUNDRAISING EVENT	1,000.00	940.00	60.00
2002	STANLEY CONVERGENT	10/10 ALARM MAINT SERVICE	116.09	109.13	6.96
2003	STAR OFFICE PRODUCTS	OFFICE SUPPLIES	1,019.06	957.92	61.14
2004	TORRANCE AREA CHAMBER	STATE OF THE REGION	500.00	470.00	30.00
2005	UPPER SAN GABRIEL VALLEY MWD	2010 WATER FEST SPONSORSHIP	5,000.00	4,700.00	300.00
2006	VASQUEZ & COMPANY	2009/10 FINANCIAL AUDIT SERVICE	16,000.00	15,040.00	960.00
2007	WATER WISE CONSULTING	WATERWELL EDU WORKSHOPS	2,400.00	2,256.00	144.00
2008	ALSTON & BIRD LLP	005: 08/10 LEGAL SERVICE	11,362.63	11,362.63	-
2009	WHITTIER DAILY NEWS	SUBSCRIPTION FEE THRU 09/27/11	245.00	230.30	14.70
2010	XEROX CORPORATION	09/10 COPIER SERVICE	4,855.84	4,564.49	291.35
2011	CSMFO	2010-11 BUDGET AWARD	200.00	188.00	12.00
2012	ACWA - HBA	11/10 MED/DEN/LIFE PREMIUM	50,324.40	47,304.95	3,019.45
2013	ALBRIGHT, YEE & SCHMIT	09/10 LEGAL SERVICE	4,348.50	4,087.59	260.91
2014	AT&T	002: MOTHLY PHONE SERVICE	230.09	-	230.09
2015	BENNETT SAMPLE PUMPS	018: FIELD SUPPLIES	463.25	463.25	-
2016	BOART LONGYEAR	011: FIELD SUPPLIES	241.45	120.73	120.72
2017	BOOKMAN-EDMONSTON	023: PROF SERVICE THRU 09/25/10	1,125.00	1,125.00	-
2018	BROWNSTEIN HYATT	08/10 LEGISLATIVE SERVICE	15,000.00	14,100.00	900.00
2019	BUREAU VERITAS NA	004: PROF SERVICE THRU 09/24/10	3,001.25	3,001.25	-
2020	COMMERCE INDUSTRIAL COUNCIL	11/10-11/11 MEMBERSHIP DUES	350.00	329.00	21.00
2021	COUNTY SANITATION DISTRICT 2	08/10 WATER PURCHASE - WN	2,549.40	2,549.40	-
2022	DMJ CONSULTING GROUP	011: PROF SERVICE THRU 09/23/10	6,587.10	3,293.55	3,293.55
2023	EXXON MOBIL	MONTHLY FUEL USAGE	360.28	338.66	21.62
2024	FEDERAL EXPRESS	FEDEX SERVICE	370.98	199.46	171.52
2025	GEOTECH ENVIRONMENTAL	011: FIELD SUPPLIES	359.83	179.92	179.91
2026	HELPMATES STAFFING	TEMP SERVICE THRU 10/03/10 - MC	1,122.00	1,054.68	67.32
2027	INTERIOR PLANT DESIGN	10/10 PLANT MAINT SERVICE	2,000.00	1,816.00	184.00
2028	INTER-TEL NETSOLUTIONS	MONTHLY PHONE CHARGES	846.05	795.29	50.76
2029	LAKEWOOD COMMUNITY NEWS	10/01/10 NEWSPAPER AD	450.00	423.00	27.00
2030	LEGISLATIVE ADVOCACY GROUP	005: 03/10-07/10 LEGISLATIVE SERVICE	30,000.00	30,000.00	-
2031	LOS ANGELES, CITY OF DWP	08/19/10-09/20/10 WATER PURCHASE	133,147.08	133,147.08	-
2032	LOS ANGELES COUNTY DPW	004: 10/01/10-09/30/11 LEASE - 98-31	600.00	600.00	-
2033	MARTIN E WHELAN, JR.	MEDICAL PREMIUM	736.33	692.15	44.18
2034	VERIZON BUSINESS	MONTHLY INTERNET SERVICE	618.58	581.47	37.11
2035	OFFICE TEAM	TEMP SERVICE THRU 10/08/10	4,158.21	3,908.71	249.50
2036	PACIFIC FORD INC.	011: F-350 TRUCK MAINT SERVICE	1,099.70	549.85	549.85
2037	PARS	08/10 REP FEES	500.00	470.00	30.00
2038	PHILLIPS 66-CONOCO-76	MONTHLY FUEL CHARGES	1,129.41	580.39	549.02
2039	POSTAGE BY PHONE	POSTAGE DEPOSIT	3,000.00	2,820.00	180.00
2040	RMC WATER & ENVIRONMENT	033: PROF SERVICE THRU 07/30/10	5,891.60	5,891.60	-
2041	RMC WATER & ENVIRONMENT	033: PROF SERVICE THRU 08/27/10	21,748.56	21,748.56	-
2042	RMC WATER & ENVIRONMENT	033: PROF SERVICE THRU 09/24/10	13,444.50	13,444.50	-
2043	SEPARATION PROCESSES	002: 09/10 PROF SERVICE	3,745.00	-	3,745.00
2044	SIMPLEXGRINNELL	002: 2011 FIRE ALARM SERVICES	534.50	-	534.50
2045	SOUTHERN CALIFORNIA EDISON	002: ENERGY USAGE THRU 10/06/10	908.61	-	908.61
2046	STANLEY CONVERGENT	11/10 ALARM MAINT SERVICE	116.09	109.13	6.96
2047	STAR OFFICE PRODUCTS	OFFICE SUPPLIES	632.69	594.73	37.96
2048	TESTAMERICA	006: 08/10 PROF SERVICE	5,631.00	-	5,631.00
2048	TESTAMERICA	006: 09/10 PROF SERVICE	3,728.50	-	3,728.50
2049	THE GAS COMPANY	MONTHLY UTILITY CHARGES	121.41	114.13	7.28
2050	THE SIGNAL TRIBUNE	10/08/10 NEWSPAPER AD	600.00	564.00	36.00
2051	TORRANCE, CITY OF	002: 06/10 O & M SERVICE	33,244.22	-	33,244.22
2052	TORRANCE, CITY OF	002: 11/10 PLANT SITE RENT	3,373.48	-	3,373.48
2053	UCSB	004: PROF SERVICE	6,445.50	6,445.50	-
2054	VERIZON CALIFORNIA	MONTHLY PHONE CHARGES	340.06	319.66	20.40
2055	WESTERN EXTERMINATOR	09/10 PESTICIDE SERVICE	65.00	61.10	3.90
2056	ALSTON & BIRD LLP	005: 09/10 LEGAL SERVICE	8,034.48	8,034.48	-
2057	FARMERS & MERCHANT	09/10 CC CHARGES	1,239.70	1,165.32	74.38
2058	McMASTER-CARR	011: FIELD SUPPLIES	931.11	465.56	465.55
2059	WESTERN TRUCK EXCHANGE	011: NEW FIELD TRUCK DEPOSIT	10,000.00	5,000.00	5,000.00
2060	VOID	VOID	-	-	-

Check #	Payee	Description	Total	Replenishment Fund	Clean Water Fund
2061	VOID	VOID	-	-	-
2062	VOID	VOID	-	-	-
2063	ASIANS AND PACIFIC ISLANDERS	SELF-DETERMINATION CONF	500.00	470.00	30.00
2064	ACWA	07/1/10-09/30/10 WORKERS' COMP	7,564.00	6,316.75	1,247.25
I0133	SPARKLETTS	SUPPLIES	63.49	59.68	3.81
I0134	ERHART'S CATERING	09/08/10 FINANCE COMM MEETING	248.04	233.16	14.88
I0135	ERHART'S CATERING	09/23/10 ADMIN COMM MEETING	248.04	233.16	14.88
I0136	PEPSI BOTTLING	SUPPLIES	231.11	217.24	13.87
I0137	TGIS CATERING SERVICES	EA COMM MEETING	309.43	290.86	18.57
I0138	VOID	VOID	-	-	-
I0139	ENRIQUE'S RESTAURANT	EA COMM MEETING	239.63	225.25	14.38
I0140	ERHART'S CATERING	ADHOC COMM MEETING	355.60	334.26	21.34
I0141	ERHART'S CATERING	FINANCE COMM MEETING	248.04	233.16	14.88
I0142	PANERA	GRNDWTR QUALITY COMM MEETING	139.86	131.47	8.39
Total Demands from October 1, 2010 to October 31, 2010			962,187.90	761,651.77	200,536.13

Robb Whitaker, P.E., General Manager

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

Payee	Description	Current Demands	YTD Demands
PAYROLL	BENEFIT/DEDUCTION/REIMBURSEMENT	121,065.64	1,234,012.15
PAYROLL	PAYROLL	167,770.89	611,137.72
PAYROLL	TAXES	70,524.08	298,088.05
ALBERT ROBLES	DIRECTORS' COMPENSATION	1,813.24	9,617.39
ALBERT ROBLES	EXPENSE REIMBURSEMENT	1,596.44	2,870.62
ROBERT E. KATHERMAN	DIRECTORS' COMPENSATION	996.73	3,753.58
ROBERT E. KATHERMAN	EXPENSE REIMBURSEMENT	814.03	3,397.20
LILLIAN Y. KAWASAKI	DIRECTORS' COMPENSATION	1,892.88	3,061.10
LILLIAN Y. KAWASAKI	EXPENSE REIMBURSEMENT	20.00	3,677.59
SERGIO J. CALDERON	DIRECTORS' COMPENSATION	2,479.20	9,938.49
SERGIO J. CALDERON	EXPENSE REIMBURSEMENT	22.66	773.41
WILLARD H. MURRAY, JR	DIRECTORS' COMPENSATION	843.24	3,035.47
ACCOMTEMP	TEMP SERVICE THRU 09/17/10 - SL	861.12	861.12
ACWA	07/1/10-09/30/10 WORKERS' COMP	7,564.00	165,854.00
ACWA - HBA	11/10 MED/DEN/LIFE PREMIUM	50,324.40	193,536.28
ALBRIGHT, YEE & SCHMIT	09/10 LEGAL SERVICE	4,348.50	53,950.90
ALSTON & BIRD LLP	005: 08/10 LEGAL SERVICE	11,362.63	25,191.11
ALSTON & BIRD LLP	005: 09/10 LEGAL SERVICE	8,034.48	33,225.59
ASIANS AND PACIFIC ISLANDERS	SELF-DETERMINATION CONF	500.00	500.00
AT&T	002: MONTHLY PHONE SERVICE	230.09	922.81
AT&T MOBILITY	MONTHLY CELL PHONE SERVICE	144.40	579.76
BENNETT SAMPLE PUMPS	018: FIELD SUPPLIES	463.25	8,604.50
BOART LONGYEAR	011: FIELD SUPPLIES	241.45	241.45
BOOKMAN-EDMONSTON	023: PROF SERVICE THRU 09/25/10	1,125.00	10,954.00
BROWNSTEIN HYATT	08/10 LEGISLATIVE SERVICE	15,000.00	75,000.00
BUREAU VERITAS NA	004: PROF SERVICE THRU 09/24/10	3,001.25	11,032.50
CALIFORNIA WATER SERVICE	WATER USAGE THRU 09/20/10	53.74	219.81
CHEVRON AND TEXACO	09/10 FUEL CHARGES	332.85	523.71
COMMERCE INDUSTRIAL COUNCIL	11/10-11/11 MEMBERSHIP DUES	350.00	350.00
COSTCO	KITCHEN SUPPLIES	303.57	795.58
COUNTY OF ORANGE	001: PROPERTY PERMIT FEE	291.00	291.00
COUNTY SANITATION DISTRICT 2	08/10 WATER PURCHASE - WN	2,549.40	814,134.10
CSMFO	2010-11 BUDGET AWARD	200.00	200.00
DMJ CONSULTING GROUP	011: PROF SERVICE THRU 09/23/10	6,587.10	43,297.30
ENRIQUE'S RESTAURANT	EA COMM MEETING	239.63	744.12
ERHART'S CATERING	09/08/10 FINANCE COMM MEETING	248.04	2,864.84
ERHART'S CATERING	09/23/10 ADMIN COMM MEETING	248.04	3,112.88
ERHART'S CATERING	ADHOC COMM MEETING	355.60	3,468.48
ERHART'S CATERING	FINANCE COMM MEETING	248.04	3,716.52
EXXON MOBIL	MONTHLY FUEL USAGE	360.28	360.28
FARMERS & MERCHANT	09/10 CC CHARGES	1,239.70	8,574.33
FEDERAL EXPRESS	FEDEX SERVICE	139.45	2,257.86
FEDERAL EXPRESS	FEDEX SERVICE	370.98	2,628.84
FLEX-PLAN SERVICES	08/10 MONTHLY SVC CHRG	967.10	3,868.40
GEIGER WEST MONROVIA	PROMOTIONAL ITEMS - BLUE BAGS	7,204.82	16,019.53
GEOTECH ENVIRONMENTAL	011: FIELD SUPPLIES	359.83	5,183.41
HELPMATES STAFFING	TEMP SERVICE THRU 09/26/10 - MC	1,899.92	15,139.52
HELPMATES STAFFING	TEMP SERVICE THRU 10/03/10 - MC	1,122.00	16,261.52
IN-N-OUT BURGER	2011 GRNDWTR FESTIVAL - DEPOSIT	9,100.00	9,100.00
INTERIOR PLANT DESIGN	10/10 PLANT MAINT SERVICE	2,000.00	8,000.00
INTER-TEL NETSOLUTIONS	MONTHLY PHONE CHARGES	846.05	3,510.54
JAN-PRO CLEANING	10/10 JANITORIAL SERVICE	2,743.00	10,972.00
KINDEL GAGAN	005: 09/10 PROFESSIONAL SERVICE	10,618.75	43,431.25
KONE INC	ELEVATOR REPAIR SERVICE	490.82	3,890.26
LA EXPRESS ONE INC	09/27/10 COURIER SERVICE	66.88	650.70
LAKEWOOD COMMUNITY NEWS	10/01/10 NEWSPAPER AD	450.00	450.00
LAUSD-HENRY GAGE MIDDLE SCHOOL	2010 MUSIC & ART FEST SPONSORSHIP	1,500.00	-
LEGISLATIVE ADVOCACY GROUP	005: 03/10-07/10 LEGISLATIVE SERVICE	30,000.00	30,000.00
LOS ANGELES COUNTY DPW	004: 10/01/10-09/30/11 LEASE - 98-31	600.00	1,250.00
LOS ANGELES, CITY OF DWP	08/19/10-09/20/10 WATER PURCHASE	133,147.08	413,551.71
MARTIN E WHELAN, JR.	11/10 MEDICAL PREMIUM	736.33	2,945.32

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

Payee	Description	Current Demands	YTD Demands
MAYWOOD MUTUAL NO. 2	012: PROGRESSIVE PAYMENT #9	76,034.54	111,209.39
McMASTER-CARR	011: FIELD SUPPLIES	931.11	3,140.58
MILLENNIUM ADVOCATES	09/10 LEGISLATIVE SERVICE	15,000.00	45,000.00
NORWALK PRINTING	BUSINESS CARDS - AY&TM	60.36	2,368.63
NORWALK PRINTING	BUSINESS CARDS - RH	60.36	2,428.99
OFFICE TEAM	TEMP SERVICE THRU 09/10/10	3,081.63	32,038.88
OFFICE TEAM	TEMP SERVICE THRU 10/08/10	4,158.21	36,197.09
PACIFIC ATLANTIC	10/10 LEGISLATIVE SERVICE	15,000.00	60,000.00
PACIFIC FORD	011: F-350 TRUCK MAINT SERVICE	1,099.70	2,342.97
PANERA	GRNDWTR QUALITY COMM MEETING	139.86	329.05
PARAMOUNT CHAMBER	11/10-10/11 MEMBERSHIP DUES	306.00	306.00
PARS	08/10 REP FEES	500.00	2,000.00
PBCC	10/20/10-01/20/11 METER LEASE	1,300.54	2,627.67
PEPSI BOTTLING	SUPPLIES	231.11	946.93
PHILLIPS 66-CONOCO-76	MONTHLY FUEL CHARGES	1,129.41	2,990.37
POSTAGE BY PHONE	POSTAGE DEPOSIT	3,000.00	5,000.00
RMC WATER & ENVIRONMENT	033: PROF SERVICE THRU 07/30/10	5,891.60	59,069.11
RMC WATER & ENVIRONMENT	033: PROF SERVICE THRU 08/27/10	21,748.56	80,817.67
RMC WATER & ENVIRONMENT	033: PROF SERVICE THRU 09/24/10	13,444.50	94,262.17
SEPARATION PROCESSES	002: 09/10 PROF SERVICE	3,745.00	11,530.00
SIMPLEXGRINNELL	002: 2011 FIRE ALARM SERVICES	534.50	534.50
SOUTH GATE CHAMBER	10/14/10 STATE OF THE DISTRICT	150.00	900.00
SOUTHERN CALIFORNIA EDISON	09/10 ENERGY USAGE	4,791.68	91,565.02
SOUTHERN CALIFORNIA EDISON	002: ENERGY USAGE THRU 10/06/10	908.61	92,473.63
SPARKLETTS	SUPPLIES	63.49	535.98
STANLEY CONVERGENT SECURITY	10/10 ALARM MAINT SERVICE	116.09	221.73
STANLEY CONVERGENT SECURITY	11/10 ALARM MAINT SERVICE	116.09	337.82
STAPLES CREDIT PLAN	OFFICE SUPPLIES	538.21	618.81
STAR OFFICE PRODUCTS	OFFICE SUPPLIES	1,019.06	5,493.51
STAR OFFICE PRODUCTS	OFFICE SUPPLIES	632.69	6,126.20
SW VOTER REGIS EDU PROJECT	10/07/10 LA FUNDRAISING EVENT	1,000.00	1,000.00
TESTAMERICA	006: 08/10 PROF SERVICE	5,631.00	20,634.50
TESTAMERICA	006: 09/10 PROF SERVICE	3,728.50	24,363.00
TGIS CATERING SERVICES	EA COMM MEETING	309.43	1,441.07
THE GAS COMPANY	MONTHLY UTILITY CHARGES	121.41	402.99
THE SIGNAL TRIBUNE	10/08/10 NEWSPAPER AD	600.00	600.00
TORRANCE AREA CHAMBER	STATE OF THE REGION	500.00	500.00
TORRANCE, CITY OF	002: 06/10 O & M SERVICE	33,244.22	155,215.82
TORRANCE, CITY OF	002: 11/10 PLANT SITE RENT	3,373.48	158,589.30
UCSB	004: PROF SERVICE	6,445.50	12,891.00
UPPER SAN GABRIEL VALLEY MWD	2010 WATER FEST SPONSORSHIP	5,000.00	5,000.00
VASQUEZ & COMPANY	2009/10 FINANCIAL AUDIT SERVICE	16,000.00	16,000.00
VERIZON BUSINESS	MONTHLY INTERNET SERVICE	618.58	2,487.37
VERIZON CALIFORNIA	MONTHLY PHONE CHARGES	340.06	1,365.42
VERIZON WIRELESS	MONTHLY CELL PHONE SERVICE	860.75	3,458.30
WATER WISE CONSULTING	WATERWELL EDU WORKSHOPS	2,400.00	11,900.00
WESTERN EXTERMINATOR	09/10 PESTICIDE SERVICE	65.00	260.00
WESTERN TRUCK EXCHANGE	011: NEW FIELD TRUCK DEPOSIT	10,000.00	10,000.00
WHITTIER DAILY NEWS	SUBSCRIPTION FEE THRU 09/27/11	245.00	245.00
XEROX CORPORATION	09/10 COPIER SERVICE	4,855.84	19,891.42
XO CORPORATION	PHONE CHARGES THRU 10/14/10	106.62	315.19
		962,187.90	5,435,553.68



MEMORANDUM

ITEM NO. 7.D

Prepared by: Scott M. Ota

Reviewed by: Scott M. Ota

Approved by: Robb Whitaker

DATE: JANUARY 21, 2011
TO: BOARD OF DIRECTORS
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: FINANCIAL STATEMENTS – OCTOBER 31, 2010

The attached financial statements include the Statement of Net Assets (Balance Sheet) as of October 31, 2010 and the Statement of Revenues, Expenditures and Changes in Net Assets (Income Statement) for the month ending October 31, 2010. Explanation of selected account balances are as follows:

Statement of Net Assets

ASSETS

Cash and Cash Equivalents – Increased approximately \$3.76 million over the prior month. In September, the District made two payments to West Basin Municipal Water District for the water purchases for the months of July and August 2010. In addition, there were no significant changes of cash in October. There is a corresponding increase in accounts payable (see below).

Accounts Receivable – The decrease of about \$313,000 is primarily due to a reduction of water usage in October. There is a corresponding decrease in Water Replenishment Assessments Revenue below.

Accounts Payable – This account has an increase of about \$1.64 million mainly due to no significant payments in October. See cash above for the correspondence increase.

NET ASSETS

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

<u>Accounts</u>		<u>Change</u>
Plant & Equipment	\$	10,000
Construction-In-Progress		(1,887)
Accumulated Depreciation		(191,720)
Total		<u>\$ (183,607)</u>

Unrestricted – The Change/Variance of Total Assets, Total Liabilities and Invested in Capital Assets from September to October is \$1,815,380

Statement of Revenues, Expenditures and Changes in Net Assets

REVENUES

Operating Revenues – Decreased from the prior month is primarily due to a reduction of water usage. See Accounts Receivable for a corresponding decrease.

EXPENSES

Spreading Water – Decreased approximately \$170,000 due to the timing in receiving invoices from the Los Angeles County Sanitation District. WRD have not received the invoices from the County since September 2010.

Injected Water - The decrease of about \$303,000 is mainly due to a reduction in purchasing of recycled and imported water that injected into the Dominguez Gap Barriers for the month of October 2010.

Office Expenses - This account increased about \$101,000 in October primarily due to payments to the Water Research Foundation and Aquarium of the Pacific for the annual membership and Education Partnership Program.

Other General and Administrative –Increased due to adjustment to the interest expenses for the 2008 Certificates of Participation from capitalized expense to non-capitalized expense.

FISCAL IMPACT

None.

FINANCE COMMITTEE RECOMMENDATION

Approve the Financial Statements for October 31, 2010.

Water Replenishment District of Southern California
Statement of Net Assets
October 31, 2010

Assets	Total	Prior Month Total	Variance
Current Assets			
Cash and Cash Equivalents	\$ 28,113,062	\$ 24,348,838	3,764,224
Restricted Cash	16,778,087	16,778,087	-
Accounts Receivable	7,036,519	7,349,456	(312,937)
Interest Receivable	37,712	37,712	-
Prepaid Expenses	153,188	18,352	134,836
Total Current Assets	\$ 52,118,568	\$ 48,532,445	3,586,123
Noncurrent Assets			
Notes Receivable, Noncurrent	\$ 4,221,002	\$ 4,221,002	-
Plant & Equipment	63,403,953	63,393,953	10,000
Land	2,644,753	2,644,753	-
Construction-In-Progress	6,571,145	6,573,032	(1,887)
Deferred Charges	782,332	782,332	-
Accumulated Depreciation	(16,440,850)	(16,249,130)	(191,720)
Total Noncurrent Assets	\$ 61,182,335	\$ 61,365,942	(183,607)
Total Assets	\$ 113,300,903	\$ 109,898,387	3,402,516
Liabilities			
Current Liabilities			
Accounts Payable	\$ 4,030,221	\$ 2,387,318	1,642,903
Interest Payable - Bond	400,552	267,034	133,518
Accrued Payroll	-	-	-
Accrued Employee Benefits	6,704	12,381	(5,677)
Accrued Postemployment	1,205,822	1,205,822	-
Deferred Compensation	-	-	-
Cal Trans 0690	6,017,235	6,017,235	(0)
Long term Debt - Bond Payable	31,535,300	31,535,300	(0)
Other Liabilities	450,000	450,000	-
Total Current Liabilities	\$ 43,645,834	\$ 41,875,090	1,770,744
Noncurrent Liabilities			
Compensated Absences	\$ 344,522	\$ 344,522	-
Total Noncurrent Liabilities	\$ 344,522	\$ 344,522	-
Total Liabilities	\$ 43,990,356	\$ 42,219,612	1,770,744
Net Assets			
Invested in Capital Assets	\$ 56,179,001	\$ 56,362,608	(183,607)
Unrestricted	13,131,546	11,316,167	1,815,379
Total Net Assets	\$ 69,310,547	\$ 67,678,775	1,631,772
Total Liabilities & Net Assets	\$ 113,300,903	\$ 109,898,387	3,402,516

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

	Total	Prior Month Total	Variance
Revenues			
Operating Revenues			
Water Replenishment Assessments	4,324,233	4,550,707	(226,474)
Late Payment Penalties	-	-	-
MWD Subsidy	34,762	75,761	(40,999)
OCWD Recycled Water Product	-	28,140	(28,140)
Desalter Revenue	-	64,978	(64,978)
Title 22 Monitoring Program	-	-	-
Total Operating Revenues	4,358,995	4,719,586	(360,591)
Operating Expenses			
Cost of Water			
Spreading	3,270	173,363	(170,093)
Injected	1,360,077	1,662,708	(302,631)
In-Lieu	-	-	-
Connection Fees	50,019	103,056	(53,037)
Total Cost of Water	1,413,366	1,939,127	(525,761)
General & Administrative			
Salaries, Taxes & Benefits	372,756	382,840	(10,084)
Postemployment Benefits	-	-	-
Conference & Travel	14,832	10,857	3,975
Office Expenses	156,658	55,629	101,029
Utilities	11,004	30,528	(19,524)
Rents & Leases	6,781	7,223	(442)
Repairs & Maintenance	55,299	13,700	41,599
Material & Equipment	13,448	9,931	3,517
General Liability Insurance	15,595	15,098	497
Professional Fees	331,907	248,287	83,620
Other General & Administrative	232,804	50,505	182,299
Total General & Administrative	1,211,083	824,598	386,485
Depreciation	191,720	191,720	-
Total Operating Expenses	2,816,168	2,955,445	(139,277)
Operating Income (Loss)	1,542,827	1,764,141	(221,314)
Non-Operating Revenues (Expenses)			
Revenues			
Property Taxes	1,162	-	1,162
Investment Earnings	23,100	14,297	8,803
Miscellaneous	139	1,668	(1,529)
Total Non-Operating Revenues (Expenses)	24,401	15,965	8,436
Income (Loss) Before Contributions	1,567,228	1,780,106	(212,878)
Contributions			
Capital Contributions- Grant	64,545	-	64,545
Change in Net Assets	1,631,773	1,780,106	(148,333)



MEMORANDUM

ITEM NO. 7.E

Prepared by: Scott M. Ota

Reviewed by: Scott M. Ota

Approved by: Robb Whitaker

DATE: JANUARY 21, 2011

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: RESERVES, CASH AND INVESTMENT REPORT FOR THE PERIOD ENDING OCTOBER 31, 2010

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

RESERVE BALANCE

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

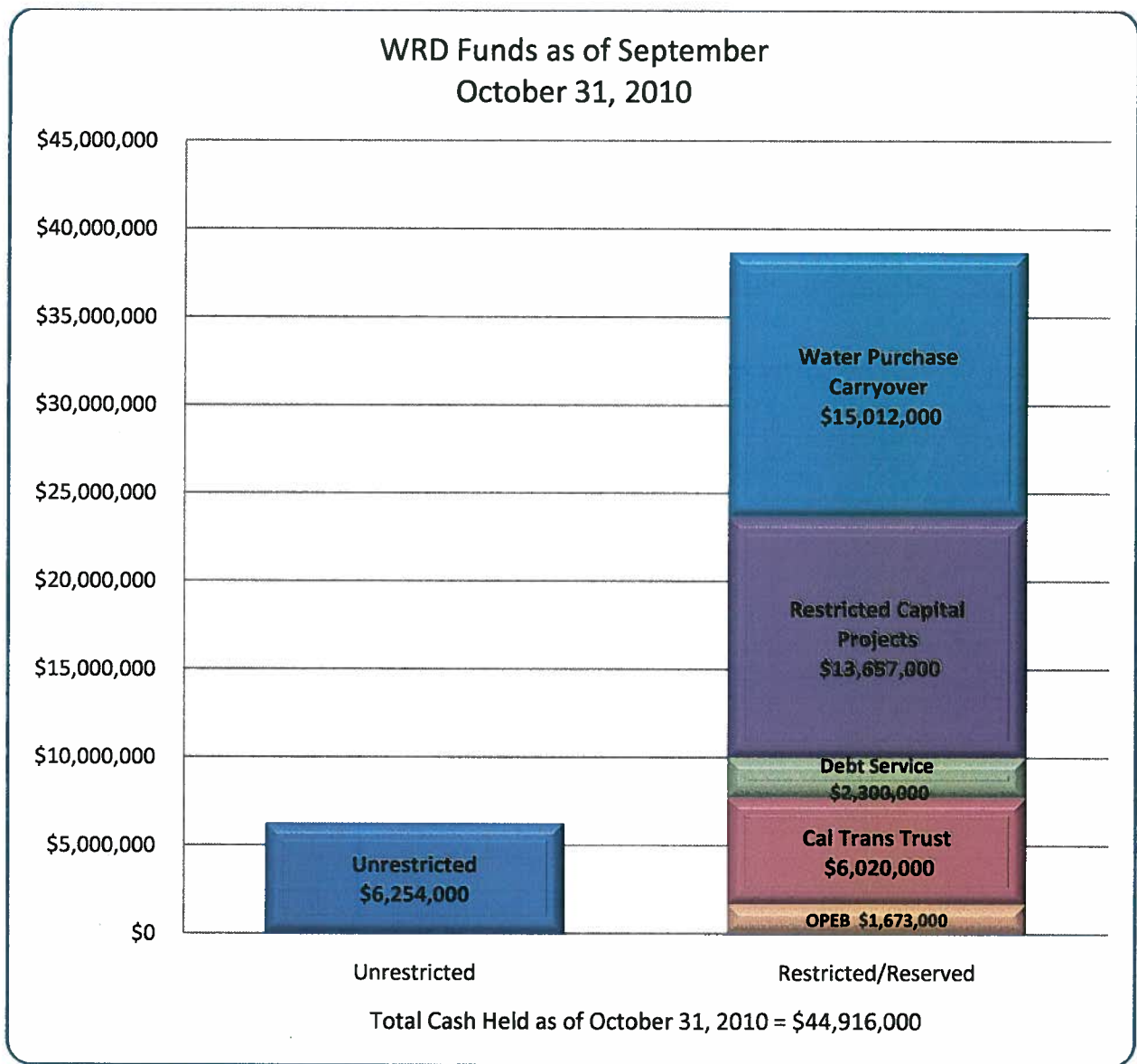
In addition, §60291 states that the limitation on the reserve established in §60290 does not apply to funds appropriated for capital projects.

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

Currently the District has \$6,254,000 in operating reserve. The following pages provide specific breakdowns of the District cash and investments.

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

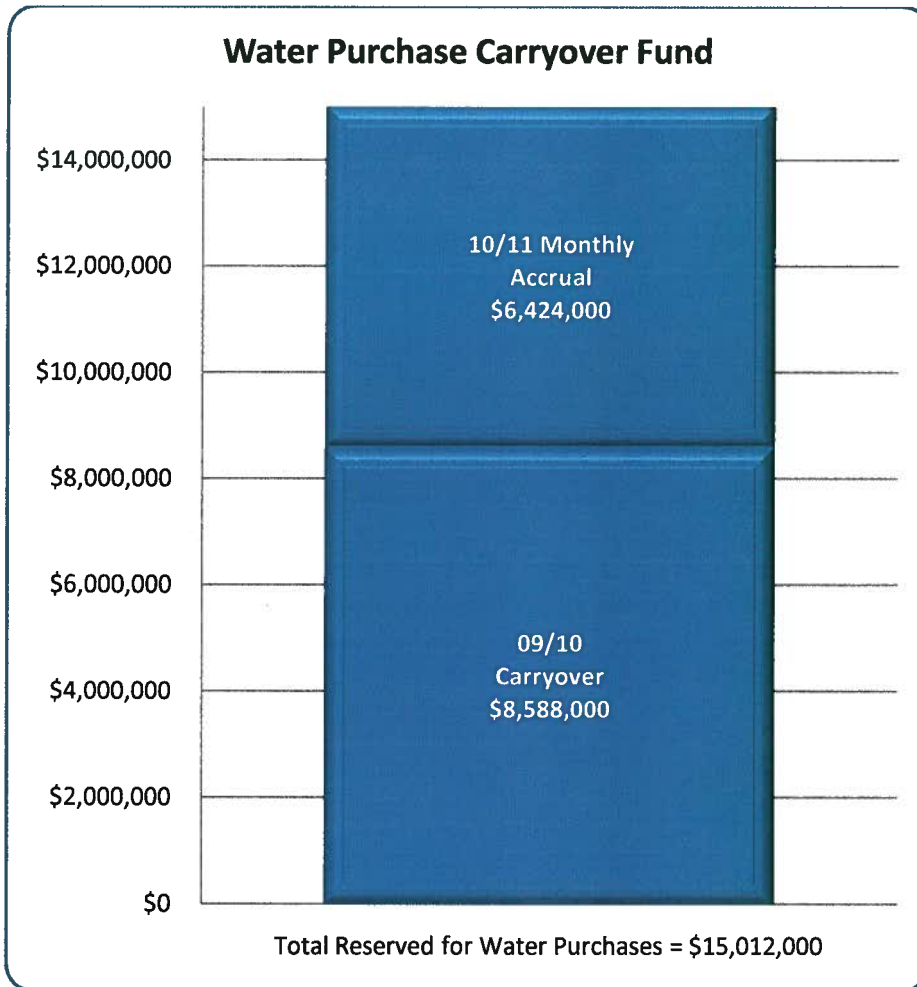
Operating Reserve Fund	\$ 6,254,000
Reserved or Encumbered:	
Water Purchase Carryover Fund	15,012,000
Restricted for Capital Projects	13,657,000
Debt Service Reserve Fund	2,300,000
Cal Trans Trust Fund	6,020,000
Other Post Employment Benefit Obligation (OPEB)	1,673,000
Reserved or Encumbered Subtotal	<u>\$ 38,662,000</u>
 Total Cash and Investments	 <u>\$ 44,916,000</u>



Water Purchase Carryover Fund – This category of represents:

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

1. Monthly accrual of budgeted amount for fiscal year 10/11	
Untreated Tier 1 Spreading Water Budgeted in 10/11	\$ 13,424,000
In Lieu Budgeted in 10/11	3,608,000
3,500 acre feet of Make Up Water Budgeted in 10/11	<u>2,237,000</u>
Total Budget for Spreading Water in 10/11	\$ 19,269,000
	+ 12 months
Accrual per month (1/12 th – rounded) x four months	<u>\$ 6,424,000</u>
2. Budget 10/11 Rate Relief – As a result of public budget workshops,	
\$8,270M was allocated from the Water Purchase Carryover Fund as rate relief (1/12 th accrual per month: \$8,270,000 ÷ 12 = \$689,000 rounded)	\$ (2,756,000)
09/10 Water Purchase Carryover (decreases by \$689,000 monthly for fiscal year 10/11)	
Total	<u>11,344,000</u> <u>\$ 8,588,000</u>



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

1. Safe Drinking Water Program

Source of Funds:

Replenishment Assessment

Use of Funds:

Encumbered for Safe Drinking Water Projects

City of Lakewood – Central Basin	\$ 226,000
Maywood Mutual Water Company #2 – Central Basin	150,000
Park Water Company – Central Basin	2,000,000
Vernon Wells #9 and #10 – Central Basin	1,000,000
Huntington Park Well #17 – Central Basin	142,000
Total	<u>\$ 3,518,000</u>

2. Capital Replacement / Construction

Source of Funds:

Replenishment Assessment

Use of Funds:

Encumbered for Projects Below

Leo J. Vanderlans Water Treatment Facility:	
Capital Replacement	\$ 974,000
Preliminary and Final Design for Expansion	380,000 ¹
Goldsworthy Desalter:	
Capital Replacement	225,000
Preliminary Design	100,000 ¹
Total	<u>\$ 1,679,000</u>

3. Proceeds from the 2008 Certificates of Participation

Source of Funds:

2008 Debt Issuance

Use of Funds:

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

Held by Independent Trustee – Restricted for Capital Projects Only	<u>\$ 8,460,000</u>
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¹ This amount was budgeted in fiscal year 2009/10 and encumbered for capital expenditure in fiscal year 2010/11

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

Source of Funds:
Use of Funds:

2004 and 2008 Debt Issuance
Restricted based on Master Trust Agreement

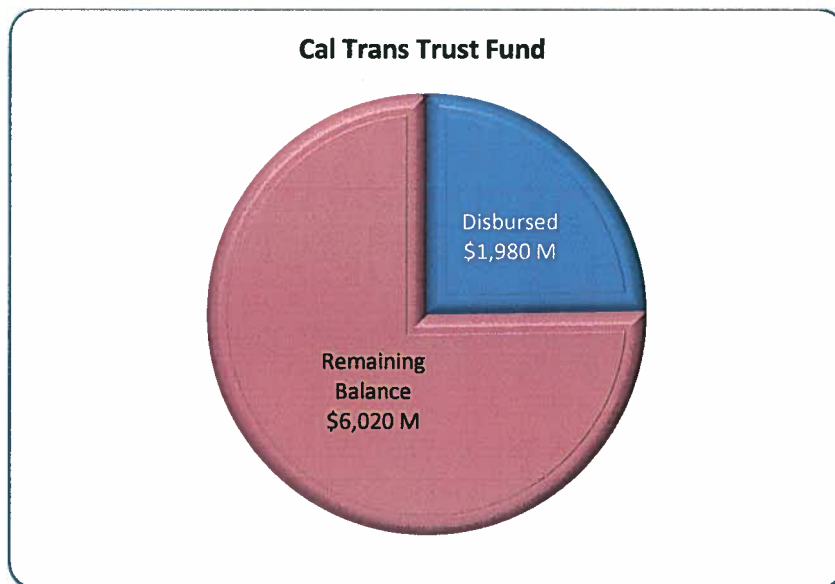
2004 Trustee Reserve Fund	\$ 968,000
2008 Trustee Reserve Fund	1,332,000
Total	<u>\$ 2,300,000</u>

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

Source of Funds:
Use of Funds:

CalTrans Settlement
Restricted for CalTrans Project and RA

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



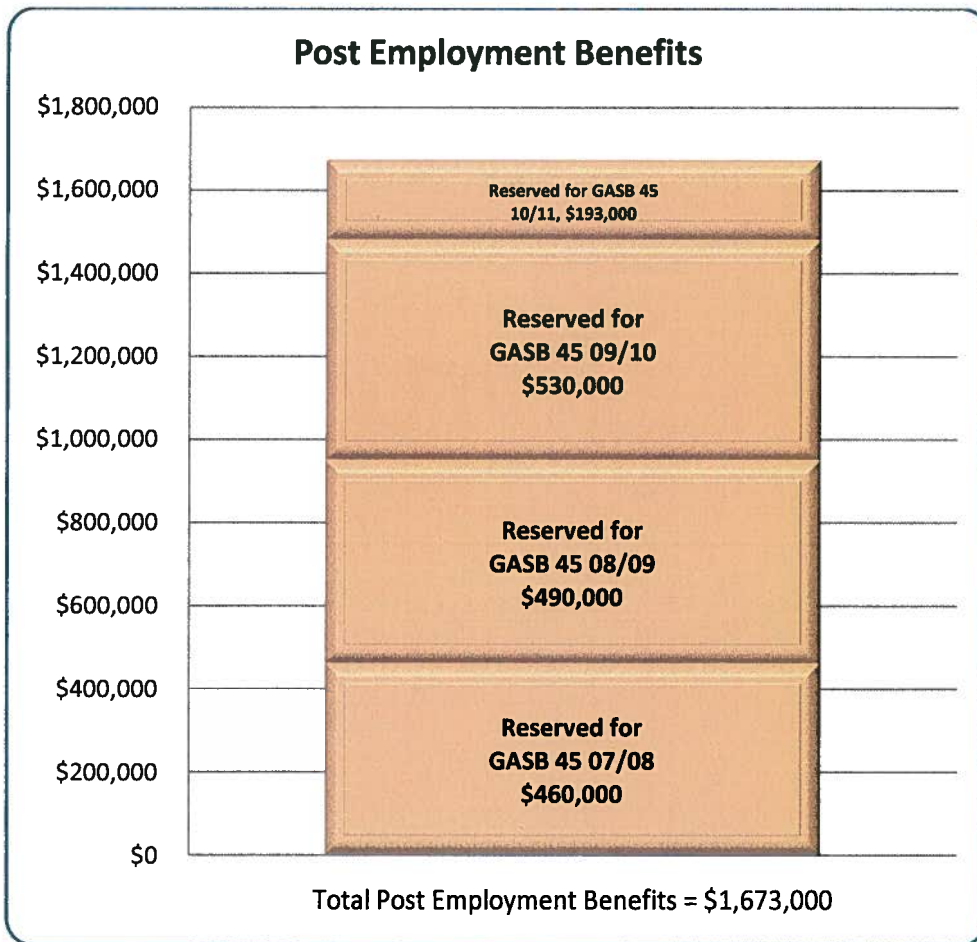
Other Post Employment Benefit Obligations (OPEB)

Source of Funds:
Use of Funds:

Replenishment Assessment
Post Employment Benefits

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

10/11 Annual Required Contribution	\$ 580,000
	<u>÷ 12 months</u>
10/11 Accrual per month (1/12 th – rounded) x four months	\$ 193,000
09/10 Annual Required Contribution	530,000
08/09 Annual Required Contribution	490,000
07/08 Annual Required Contribution	460,000



CASH AND INVESTMENTS

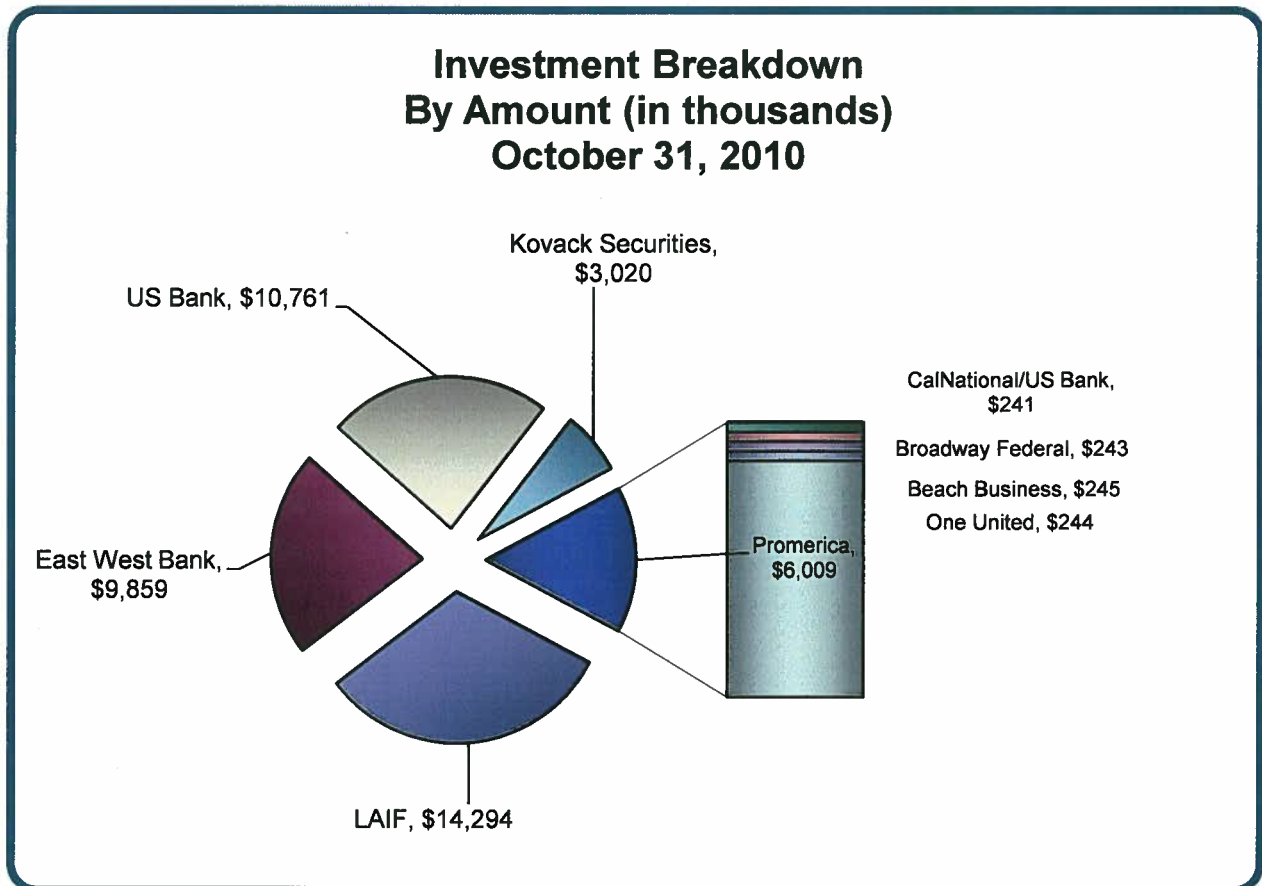
At the direction of the Board of Directors, on February 20, 2009 the District implemented its Community Banking Program and has invested in several community banks in addition to the Local Area Investment Fund (LAIF).

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

Cash and Investments:

Local Area Investment Fund (LAIF) ¹	\$ 14,294,000
East West Bank ²	9,859,000
Beach Business Bank ²	245,000
One United Bank ²	244,000
Broadway Federal Bank ²	243,000
US Bank (formerly CalNational Bank) ²	241,000
Promerica Bank ²	6,009,000
US Bank (Trustee) ²	10,761,000
Kovak Securities ^{2,3}	<u>3,020,000</u>

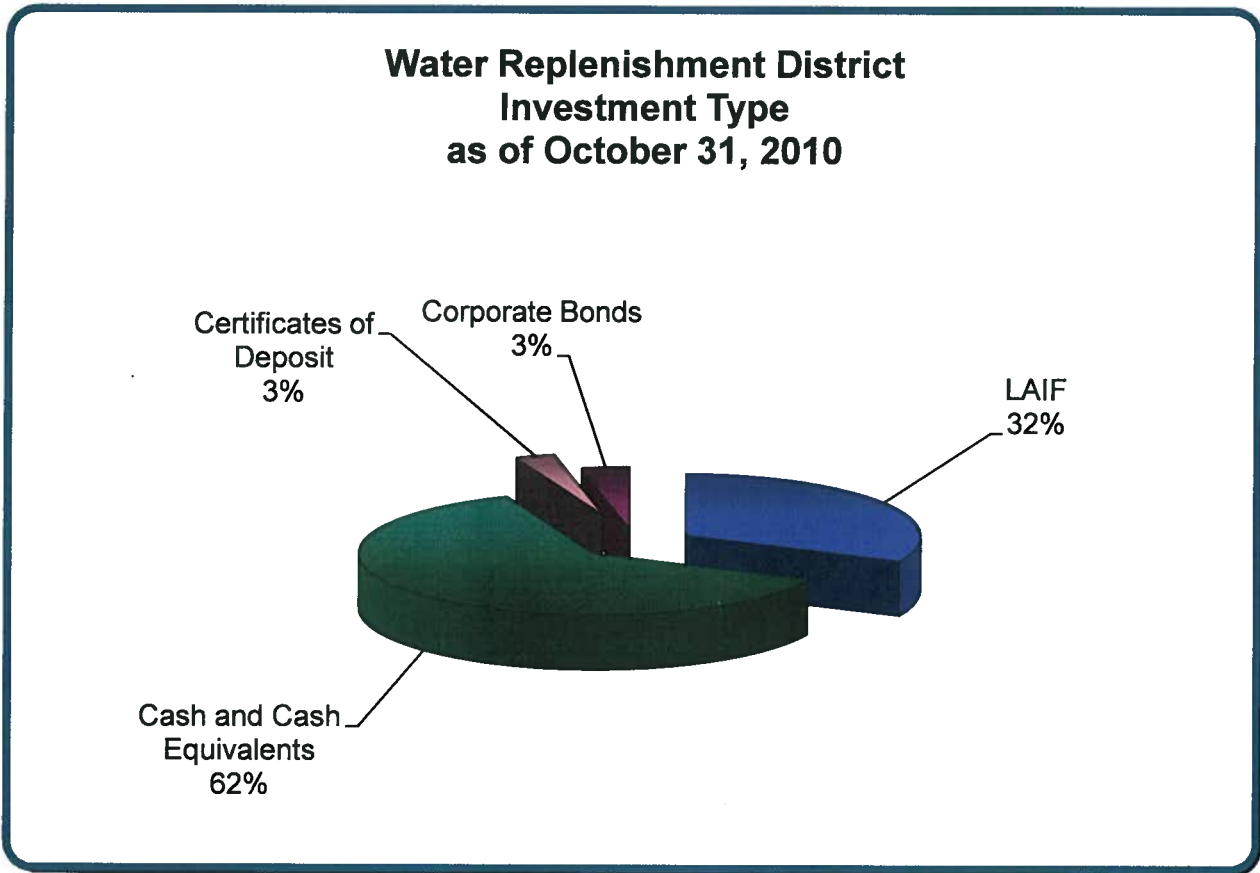
Total Cash and Investments \$ 44,916,000



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

Cash and Investments:

Local Area Investment Fund (LAIF) ¹	\$ 14,294,000
Cash and Cash Equivalents ²	27,907,000
Certificates of Deposit ²	1,226,000
Corporate Bonds ³	1,489,000
Total	<u>\$ 44,916,000</u>



Staff has attached a detailed investment report for October 31, 2010 for approval.

Footnotes:

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

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

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

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

FISCAL IMPACT

None.

FINANCE COMMITTEE RECOMMENDATION

Approve the Investment Report for the period ending October 31, 2010.

**Water Replenishment District of Southern California
Cash and Investment Report
October 31, 2010**

	LAIF	CalNational/ US Bank	East West Bank	Beach Business	One United Bank	Broadway Federal	Promerica Bank	US Bank	Kovak Securities	Total
BALANCE 10/1/2010	\$14,275,620	\$240,471	\$9,144,310	\$244,732	\$243,370	\$243,000	\$6,008,078	\$10,760,852	\$3,014,493	
INTEREST RECEIVED/REINVESTED	18,437	102	2,920	241	116	30	1,241		13	
DISBURSEMENTS			(4,336,653)							
UNREALIZED GAIN/(LOSS)										
DEPOSITS/PURCHASES/FEEES			5,048,515							
TRANSFER IN/(OUT)										5,750
ACCRUED INTEREST										
BALANCE 10/31/2010	\$14,294,057	\$240,573	\$9,859,092	\$244,973	\$243,486	\$243,030	\$6,009,320	\$10,760,852	\$3,020,256	\$44,915,639

	LAIF	CalNational/ US Bank	East West Bank	Beach Business	One United Bank	Broadway Federal	Promerica Bank	US Bank	Kovak Securities	Total
CURRENT YIELD	0.480%	0.500%	1.01% / .5%	1.250%	0.600%	0.150%	varies	varies	varies	
INTEREST EARNED FISCAL YTD	\$38,201	\$405	\$12,119	\$1,138	\$484	\$135	\$9,821	\$10	\$44,215	\$106,527

I HEREBY CERTIFY THAT ALL INVESTMENT ACTIONS EXECUTED SINCE THE LAST REPORT
HAVE BEEN MADE IN FULL COMPLIANCE WITH THE INVESTMENT POLICY.
AS TREASURER OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA,
I HEREBY CERTIFY THAT SUFFICIENT INVESTMENT LIQUIDITY AND ANTICIPATED REVENUE
ARE AVAILABLE TO MEET ESTIMATED EXPENDITURES FOR THE NEXT SIX MONTHS.

ALBERT ROBLES, Treasurer DATE

\$14,294,000 \$241,000 \$9,859,000 \$245,000 \$243,000 \$243,000 \$6,009,000 \$10,761,000 \$3,020,000 \$44,916,000



MEMORANDUM

ITEM NO. 7.F

Prepared by: Elsa Lopez

Reviewed by: Robb Whitaker

Approved by: Robb Whitaker

DATE: JANUARY 21, 2011

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: ROUNDHOUSE MARINE STUDIES LAB & AQUARIUM OCEANOGRAPHIC TEACHING STATIONS (O.T.S.)

SUMMARY

Director Rob Katherman met with the staff and board of Directors of the Roundhouse Marine Studies Lab and Aquarium (Roundhouse) and received a presentation on their educational and research program. District staff recently met with staff from the Roundhouse to examine the educational program and service capacity. This proposal was brought to the External Affairs Committee meeting on December 20, 2010 for consideration where the committee members concurred to contribute to Roundhouse Marine Aquarium educational programs which fit with the District's mission.

The Oceanographic Teaching Stations (O.T.S.) was founded in 1979 with the mission to foster and promote the public study of, and interest in, the oceans, tidelands and beaches of Southern California, the marine life therein, and the impact of human populations on that environment. Located over the Pacific Ocean at the end of the Manhattan Beach pier, the Roundhouse Marine Studies Lab and Aquarium (Roundhouse) serves as O.T.S.'s educational facility.

According to the Roundhouse over the last 30 years, O.T.S. has provided a unique experience and quality education to hundreds of thousands of visitors and students in the South Bay, Los Angeles, and surrounding areas. The Roundhouse operating budget is approximately \$250,000 annually. Operations and programs are funded through a variety of sources including donations from families in the community, corporate contributions, program fees, and foundation grants.

The Roundhouse is requesting \$30,000 from the Water Replenishment District of Southern California to fund their Public Education Program, Student Education Program and Volunteer Program.

Program descriptions below:

Student Education Program

Each year, over 12,000 students from across Los Angeles and Orange Counties and the surrounding areas take part in the Roundhouse's educational programs. Students learn about

the ocean, marine life, the environment, science, and human impacts in a hands-on, experiential atmosphere. The Roundhouse offers a variety of classes to meet any need, including on-site, tidepool, and outreach classes of varying lengths and topics. The Roundhouse education program is set apart from similar programs at other local aquariums by the qualifications of the Roundhouse staff. All classes are taught by the full-time staff members who are specialists in the field.

Public Education Program

The Roundhouse is open to the public free of charge every day. This allows all interested individuals to visit the Roundhouse regardless of socio-economic status.

The Roundhouse provides unique learning opportunities for students

Funding from WRD will allow students in grades K-12 to visit the Roundhouse Aquarium for an experiential marine science and environmental education field trip in 2011. These students will come from schools in the areas surrounding Manhattan Beach, including Lawndale, Hawthorne, Torrance, Los Angeles and other local cities. The funding will provide free field trips to approximately 70 classes in the area, allowing them to remain open to the public for free seven days a week, and providing means for them to recruit, train, and reward volunteers.

FISCAL IMPACT

If approved, this item is not included in the fiscal year 2010-2011 budget

EXTERNAL AFFAIRS COMMITTEE RECOMMENDATION

Consider a contribution of \$30,000 to the Roundhouse Marine Aquarium to support their Public Education Program, Student Education Program and Volunteer Program.



MEMORANDUM

ITEM NO. 7.G

Prepared by: Ted Johnson

Reviewed by: Nancy Matsumoto

Approved by: Robb Whitaker

DATE: JANUARY 21, 2011

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: CONTRACT AMENDMENT FOR NELLOR ENVIRONMENTAL ASSOCIATES

SUMMARY

The District is under contract with Nellor Environmental Associates, Inc. (NEA) to provide as-needed professional consulting services associated with expanding our use of recycled water for groundwater recharge, including the Water Independence Now (WIN) and Groundwater Reliability Improvement Program (GRIP) initiatives. The contract term expired at the end of December 2010 and Staff is recommending continuation of their services into 2011 and increasing the budgetary amount. This is a budgeted item in the current fiscal year.

Ms. Margie Nellor, President of NEA, is the person directly working for the District. She has nearly 30 years of experience in the environmental field and was formerly with the Los Angeles County Sanitation Districts (LACSD), where she was in charge of water reclamation permits and associated research program activities of the LACSD water reclamation plants. As a consultant, she has a wide array of experience in the recycled water industry, specializing in regulatory issues and research on emerging contaminants. In particular, she provided technical assistance that resulted in the successful adoption of the petition by the State Water Resources Control Board that removed the use of notification levels as enforceable effluent limits for the Alamitos Barrier Recycled Water Project.

Work for 2011 will include consultation and advice on regulatory processes for recycled water increases, preparation of technical documents, participating in monthly status calls, assisting the District respond to the State's Recycled Water Policy and Chemicals of Emerging Concern, and assisting staff with numerous tasks related to the continued and expanded use of recycled water for groundwater recharge.

FISCAL IMPACT

There is \$20,000 budgeted for this item in fiscal year 11-12 under the Water Quality Program.

GROUNDWATER QUALITY COMMITTEE RECOMMENDATION

Extend the termination date for the agreement with Nellor Environmental Associates, Inc., to December 31, 2011 and increase the contract amount by an additional \$20,000.



MEMORANDUM

ITEM NO. 7.H

*Prepared by: Theresa Wu
Reviewed by: Ted Johnson
Approved by: Robb Whitaker*

DATE: JANUARY 21, 2011
TO: BOARD OF DIRECTORS
FROM: ROBB WHITAKER, GENERAL MANAGER
**SUBJECT: USBR WATERSMART GRANT APPLICATION FOR GOLDSWORTHY
DESALTER EXPANSION FEASIBILITY STUDY**

SUMMARY

WRD is intending on applying for grant funding for the development of a feasibility study for expansion of the Goldsworthy Desalter under the USBR's WaterSMART Development of Feasibility Studies under the Title XVI Water Reclamation and Reuse Program.

The objective of this grant program is to invite applicants to submit a proposal for the development of a new Title XVI feasibility study. The development of such a study is required prior to any project receiving construction funding under Title XVI.

It is estimated that USBR will award 8 to 10 projects under this program with a Federal funding share of up to \$150,000 each. Applicants must provide a minimum cost share of 50 percent of the total project cost. The deadline for applications is February 11, 2011, with a Resolution by the governing bodies required no later than 30 days after the application due date.

The WaterSMART application requires the inclusion of an official resolution adopted by the applicant's Board of Directors to commit the applicant to the financial and legal obligations associated with receipt of WaterSMART grant for financial assistance. A similar resolution was submitted with the District's successful WaterSMART System Optimization Review (SOR) grant application that was awarded in mid-2010.

The Water Resources Committee reviewed this item on January 5 and recommends the Board support the funding application and adopt the Resolution. The District anticipates the total cost of the feasibility study will not exceed \$300,000, and anticipates requesting up to \$150,000 in grant funding from USBR.

FISCAL IMPACT

None at this time. Applicant's cost share of 50 percent of the total project amount (total project cost not to exceed \$300,000) if the grant is awarded.

WATER RESOURCES COMMITTEE RECOMMENDATION

Authorize the General Manager to submit a grant application for a feasibility study for the expansion of the Goldsworthy Desalter under the USBR's WaterSMART: Development of Feasibility Studies under the Title XVI Water Reclamation and Reuse Program and adopt a resolution to commit WRD to the financial and legal obligations associated with receipt of financial assistance.

RESOLUTION NO. 11- 894

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
AUTHORIZING THE GENERAL MANAGER TO SUBMIT A GRANT APPLICATION
TO THE UNITED STATES BUREAU OF RECLAMATION FOR DEVELOPMENT OF
A FEASIBILITY STUDY UNDER THE WATERSMART:
TITLE XVI WATER RECLAMATION AND REUSE PROGRAM
FOR THE ROBERT W GOLDSWORTHY DESALTER EXPANSION**

WHEREAS, in accordance with Water Code Section 60220 *et seq.*, the Water Replenishment District of Southern California ("District") may engage in any act necessary to replenish the groundwater, and to protect water quality; and

WHEREAS, the District desires to address current groundwater management issues through development of solutions to more effectively manage the water supply in the groundwater basins; and

WHEREAS, expansion of the Goldsworthy Desalter would increase the amount of impaired water reclaimed from the West Coast Groundwater Basin for potable use; and

WHEREAS, reuse of impaired groundwater would offset imported water use for replenishment and mitigate long-term effects of over-pumping the groundwater basin; and

WHEREAS, the United States Bureau of Reclamation ("USBR") is currently accepting grant applications for its WaterSMART grant program ("Grant"), which will fund the development of new Title XVI feasibility studies to identify and investigate opportunities to reclaim and reuse wastewaters and naturally impaired ground and surface water; and

WHEREAS, the Water Resources Committee of the District has reviewed the Grant application and program documents and at its January 5, 2011 meeting recommended that the Board of Directors adopt a resolution to support the application for the Grant; and

WHEREAS, the District's General Manager has reviewed the Grant application and supports the submission of the District's application.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

1. The District finds that the above recitals are true and correct and adopts the above recitals herein by this reference.
2. The Board of Directors has reviewed and supports the application to be submitted under the authority of this Resolution in relation to the WaterSMART Title XVI Water Reclamation and Reuse Program; and
3. The General Manager, and/or his designee, is hereby authorized and directed to sign and file, for and on behalf of the District, an application for grant funding with the USBR for development of a Feasibility Study under the WaterSMART: Title XVI Water Reclamation and Reuse Program; and
4. The District will provide funding and in-kind contributions as required under the Grant and possesses the capability to fund the amount required and/or provide the in-kind contributions specified in the funding plan; and
5. The General Manager, and/or his designee, is hereby further authorized to execute an agreement for Grant funding with the USBR and will work with USBR and all other associated agencies to meet established deadlines for entering into a cooperative agreement; and
6. Additionally, the Board of Directors designates the General Manager, and/or his designee to execute any and all documentation related to the Grant that is currently required and/or may be required in the future and to submit any additional documentation required by the USBR in relation to the Grant and the District's compliance and eligibility for the same.

[RECORD OF THE VOTE AND SIGNATURES ON THE FOLLOWING PAGE]

PASSED, APPROVED AND ADOPTED THIS 21st day of January, 2011 by the following vote:

**AYES:
NOES:
ABSENT:
ABSTAIN:**

WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA

Sergio Calderon, President

ATTEST:

Robert Katherman, Secretary

DATE

APPROVED AS TO FORM:

Francisco Leal, District Counsel

1461476.1



MEMORANDUM

ITEM NO. 7.I

*Prepared by: Jim McDavid
Reviewed by: Ted Johnson
Approved by: Robb Whitaker*

DATE: JANUARY 21, 2011

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: RESEARCH OF HIGH-RECOVERY NANOFILTRATION/ REVERSE OSMOSIS INTEGRATED MEMBRANE TREATMENT SYSTEM FOR THE GROUNDWATER RELIABILITY IMPROVEMENT PROGRAM (GRIP)

SUMMARY

The GRIP partnership, made up of the Upper San Gabriel Valley Municipal Water District (USGVMWD), Los Angeles County Sanitation Districts (LACSD) and WRD, continues to conduct research into new and innovative technologies for possible implementation for any proposed advanced water treatment facility that may be constructed as part of the GRIP. The most recent proposed collaborative undertaking is to evaluate a high-recovery Nanofiltration / Reverse Osmosis (NF/RO) integrated treatment system at the LACSD's San Jose Creek Water Reclamation Plant. This research project will expand on a recently completed study at the WRD's Leo J. Vander Lans Water Recycling Facility by determining the viability and potential application of the integrated treatment system which can achieve an overall product water recovery greater than 90%.

The project team is recommending the following contributions: WRD \$30,000; USGVMWD \$30,000; and LACSD \$30,000 of in-kind services. Additionally, the U.S. Bureau of Reclamation (USBR) has agreed to participate in this important effort by contributing \$50,000. LACSD will conduct the research project and will enter into an agreement with the USBR to secure their portion of the funding. A one page summary of the proposed study is attached to this staff report.

FISCAL IMPACT

The total NF/RO research project budget is \$140,000 with the WRD share at \$30,000, or 21% of the total budget. This is a new cost sharing opportunity that arose subsequent to the development of the WRD budget for fiscal year 10-11.

WATER RESOURCES COMMITTEE RECOMMENDATION

Authorize the General Manager to enter into a letter agreement with the LACSD, subject to approval of form by District Counsel, to conduct a NF/RO research project for a proportional amount by WRD not to exceed \$30,000.

GRIP Research Outline: Evaluation of a High-Recovery NF/RO Integrated Treatment System

I. Objectives and Benefits

A. Objectives: Expand on recently completed pilot-scale testing to demonstrate, over a longer testing period, the viability and potential application of a high-recovery NF/RO integrated treatment system concept. This effort will provide information that may be used to support the design for the GRIP facility.

B. Benefits: The integrated treatment system has the potential of achieving an overall recovery of approximately 92%. Implementation of the integrated system could reduce concentrate volume and related disposal costs by approximately 50%.

II. Study Duration, Location, Tentative Schedule

A. Duration: The study will be conducted over one year, with approximately 6-months of actual testing. The first 3-4 months of the project would be reserved for acquiring needed equipment, installation, and start-up.

B. Location: The study will be conducted at the San Jose Creek West WRP.

C. Tentative Schedule

Task	Dates
Submit revised research plan and budget to USBR for approval	November 22, 2010
Establish formal agreement with USBR	December 2010 - January 2011
Acquire equipment, system set-up, system start-up	January 2011 - March 2011
Pilot testing	April 2011 - September 2011
Final report preparation	October 2011 - December 2011

III. Proposed Budget and Contributions

A. Proposed Budget

Item	Cost
Secondary RO Pilot System Purchase	\$10,000
NF Membranes	\$2,000
UF Pilot System Lease	\$40,000
Membrane Autopsy	\$12,000
Chemicals	\$5,000
Miscellaneous Equipment	\$6,000
Laboratory Analyses (LACSD Lab)	\$35,000
Equipment Acquisition, Pilot Plant Operation, Report Preparation (LACSD Research Staff)	\$30,000
Total Budget =	\$140,000

B. Proposed Contributions

	In-Kind	Cash	Total Contribution
LACSD	\$30,000		\$30,000
WRD		\$30,000	\$30,000
USGVMWD		\$30,000	\$30,000
USBR		\$50,000	\$50,000
		Total Budget =	\$140,000



MEMORANDUM

ITEM NO. 8

Prepared by: Ted Johnson
Reviewed by: Nancy Matsumoto
Approved by: Robb Whitaker

DATE: JANUARY 21, 2011
TO: BOARD OF DIRECTORS
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: CONSIDERATION OF RESOLUTION NO. 11-895 – A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA ORDERING AN ENGINEERING SURVEY AND REPORT REGARDING THE GROUNDWATER SUPPLIES OF THE DISTRICT PURSUANT TO WATER CODE §60300

SUMMARY

Resolution No. 11-895 orders the preparation of the annual Engineering Survey and Report (ESR) and states the items that are to be included in the report pursuant to Water Code Section 60300. This report determines, among other things, the replenishment water needs and water costs of the District for the ensuing water year 11-12. This information, combined with the upcoming budget forecast, provides the Board of Directors with the necessary information to determine the Replenishment Assessment (RA) required for the ensuing fiscal year 11-12.

Staff has drafted a preliminary schedule (subject to change) to meet the requirements of the Water Code for this year’s ESR and RA process:

Date	Item	Board action
01/21/11	Order preparation of ESR	Adopt Resolution No. 11-895 to order preparation of the ESR
03/18/11	Receive and File the ESR	Adopt Resolution giving notice that a RA will be established for the ensuing fiscal year 11-12
04/01/11	Open Public Hearing	Conduct public hearing on ESR and RA
05/06/11	Close Public Hearing	Close public hearing on ESR and RA
05/06/11	Set the RA	Adopt Resolution to set RA for fiscal year 11-12

FISCAL IMPACT

None.

WATER RESOURCES COMMITTEE RECOMMENDATION

Adopt Resolution No. 11-895.

RESOLUTION NO. 11-895

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
ORDERING AN ENGINEERING SURVEY AND REPORT
REGARDING THE GROUNDWATER SUPPLIES OF THE DISTRICT
PURSUANT TO WATER CODE §60300**

WHEREAS, Section 60300 of the California Water Code requires the Board of Directors of a Water Replenishment District to order an engineering survey and report to be made regarding the groundwater supplies of the District as a prerequisite to the establishment of an annual water replenishment assessment;

NOW, THEREFORE, IT IS RESOLVED AS FOLLOWS:

1. The Board of Directors ("Board") of the Water Replenishment District of Southern California ("District") orders that an engineering survey and report be prepared by Staff regarding the groundwater supplies of the District.
2. The engineering survey and report shall include, in addition to such other information as may be deemed relevant by Staff, the following:
 - a. Records, data and other information for the consideration of the Board in its determination of the annual overdraft;
 - b. Records, data and other information for the consideration of the Board in its determination of the accumulated overdraft as of the last day of the preceding water year;
 - c. A report, with supporting data, as to the total production of groundwater from the groundwater supplies within the District during the preceding water year;
 - d. A report, with supporting data, as to the changes during the preceding water year in the pressure levels or piezometric heights of the groundwater contained within pressure-level areas of the District, and as to the effects thereof upon the groundwater supplies within the District;
 - e. An estimate of the annual overdraft for the current water year and for the ensuing water year;
 - f. An estimate of the accumulated overdraft as of the last day of the current water year;
 - g. An estimate of the total production of groundwater from the groundwater supplies within the District for the current water year and for the ensuing water year;

- h. An estimate of the changes during the current water year in the pressure levels or piezometric heights of the groundwater contained within pressure-level areas of the District, and of the effects thereof upon the groundwater supplies within the District;
 - i. An estimate of the quantity, source, and cost of water available for replenishment of the groundwater supplies during the ensuing water year under the provisions of Section 60315 of the California Water code;
 - j. A statement of any recommended actions to be undertaken by the District for the purpose of protecting and preserving the groundwater supplies within the District for beneficial uses under Section 60224 of the California Water Code and the estimated costs of each recommended action, including but not limited to engineering and legal fees and expenses and District overhead.
3. Staff shall deliver the report as requested herein on or before the second Tuesday in March 2011 or as otherwise specified under Section 60043 of the California Water Code.

PASSED, APPROVED AND ADOPTED this 21st day of January, 2011.

President, Board of Directors

ATTEST:

Secretary, Board of Directors