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.

I. DETERMINATION OF A QUORUM

II. PLEDGE OF ALLEGIANCE

III. INVOCATION

IV. PUBLIC COMMENT

V. 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.

VI. 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 REGULAR MEETING OF SEPTEMBER 3, 2003
Staff Recommendation: That the Board approve the Minutes as submitted.

B. MINUTES OF THE REGULAR MEETING OF SEPTEMBER 17, 2003
Staff Recommendation: That the Board approve the Minutes as submitted.

VII. GROUNDWATER QUALITY - REGULATORY UPDATE
Staff Recommendation: For information.
Committee Recommendation: The Groundwater Clean-up Committee concurs with the Staff Recommendation.
VIII. CONSIDERATION OF RESOLUTION NO. 03-685 - EXXON MOBIL REPLENISHMENT ASSESSMENT EXEMPTION

**Staff Recommendation:** That the Board adopt Resolution No. 03-685.

**Committee Recommendation:** The Groundwater Clean-Up Committee concurs with the Staff Recommendation.

IX. AWARD CONTRACT FOR PUBLIC RELATIONS OUTREACH AND PUBLIC RELATIONS PROFESSIONAL SERVICES FOR WRD PROGRAMS

**Staff Recommendation:** For discussion.

**Committee Recommendation:** The Inter-Agency Committee presents a split recommendation:

- Director Acosta recommends that Strategy Workshop be awarded a contract that would not exceed $149,750.
- Director Murray recommends that Cerrell & Associates be awarded a contract not to exceed $110,000.

X. LEGISLATIVE REPORT – PROPOSITION 53

**Staff Recommendation:** For discussion.

**Committee Recommendation:** The Inter-Agency Committee recommends that the Board take an OPPOSE position on Proposition 53.

XI. PUBLIC HEARING TO CONSIDER ADOPTION OF ORDINANCE NO 9-03 - REGARDING AN INCREASE IN DIRECTORS' COMPENSATION AND TO PROVIDE AN AUTOMATIC ADJUSTMENT IN RELATION TO THE CONSUMER PRICE INDEX AT THE FIRST MEETING OF EACH YEAR

**Recommendation:** That the Board adopt Ordinance No. 9-03 to increase Directors' compensation and to provide an automatic adjustment in relation to the Consumer Price Index at the first meeting of each year.

XII. LONG BEACH CHAMBER OF COMMERCE

**Staff Recommendation:** For discussion.

**Committee Recommendation:** The Inter-Agency Committee presents a split recommendation:

- Director Acosta recommends the Board discuss this item.
- Director Murray recommends the Board increase the District’s level of membership from $495 to the $2000 level and that it reimburse the source of the donated funds.

XIII. GENERAL MANAGER’S REPORT

XIV. DISTRICT COUNSEL REPORT

XV. DIRECTORS’ REPORTS
XVI. WRD BOARD MEETING DATES
A. October 15, 2003 – 1:30 P.M. – Board of Directors Meeting
B. October 27, 2003 – 9:00 A.M. – Special Board Meeting / CIP Workshop
C. November 5, 2003 – 1:30 P.M. – Board of Directors Meeting
D. November 19, 2003 – 1:30 P.M. – Board of Directors Meeting
E. December 3, 2003 – 1:30 P.M. – Board of Directors Meeting

XVII. CLOSED SESSION
A. Existing litigation per Government Code §54956.9 (a)
   3. Ronald P. Flores vs. Water Replenishment District of Southern California, et al.; California Court of Appeal, Case No. B165755
B. Anticipated litigation per Government Code §54956.9 (c)
   Two Cases
C. Consideration of appointment, employment, evaluation of performance, or dismissal of public employee per Government Code §54957
   Position Title: General Manager
D. Labor Negotiations per Government Code §54957.6
   Negotiator: Arnoldo Beltran
   Bargaining Group: American Federation of State County & Municipal Employees (AFSCME)
   Discussion: Terms and conditions for Memorandum of Understanding for bargaining group

XVIII. ADJOURNMENT

Agenda posted by Tracey A. Burke, Acting Deputy Secretary, September 25, 2003. In compliance with ADA requirements, this document can be made available in alternative formats upon request.
A regular meeting of the Board of Directors of the Water Replenishment District was held on September 3, 2003, at 2:00 P.M. in the District office at 12621 E.166\textsuperscript{th} Street, Cerritos, California. President Willard H. Murray, Jr. called the meeting to order and presided. Deputy Secretary Marcia A. Forkos recorded the minutes.

I. DETERMINATION OF A QUORUM
   The President declared a quorum of Directors was present, which in addition to himself included Directors Pat Acosta, Robert W. Goldsworthy, Albert Robles, and Norm Ryan. Also participating in the meeting were General Manager Bruce Mowry, Assistant General Manager and District Engineer Robb Whitaker, and District Counsels J. Arnoldo Beltrán and Edward Casey, Assistant to the General Manager Adeline Yoong, Planning Engineer Jason Weeks.

II. PLEDGE OF ALLEGIANCE
    Mr. Bill Minasian led the Pledge of Allegiance.

III. INVOCATION
    Director Ryan gave the Invocation.

IV. PUBLIC COMMENT
    None.

V. ADDITIONAL ITEMS TO THE AGENDA
    None.

VI. CONSENT CALENDAR
       Staff Recommendation: That the Board approve the Minutes as
B. NOMINATIONS TO ACWA LEGAL AFFAIRS COMMITTEE

Staff Recommendation: That the Board nominate Edward Casey to the ACWA Legal Affairs Committee.

Upon a motion duly made by Director Ryan, seconded by Director Goldsworthy, and unanimously approved, it was

RESOLVED: That the Board approves the Consent Calendar of September 3, 2003 as submitted.

VII. PUBLIC HEARING TO CONSIDER ADOPTION OF ORDINANCE NO. 8-03 – REGARDING AN INCREASE IN DIRECTORS’ COMPENSATION AND TO PROVIDE AN AUTOMATIC ADJUSTMENT IN RELATION TO THE CONSUMER PRICE INDEX AT THE FIRST MEETING OF EACH YEAR

District Counsel requested that this item be discussed after Agenda Item XV.

VIII. CONSIDERATION OF RESOLUTION NO. 03-686 – A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA ESTABLISHING A CHAMBERS OF COMMERCE MEMBERSHIP POLICY

Director Acosta stated that the Board had adopted Resolution No. 03-683 regarding memberships in chambers of commerce. The policy encouraged the District to join and actively participate in chambers of commerce and established an approval procedure. The Inter-Agency reviewed the policy again and recommended changes to in order to avoid further confusion.

Director Robles asked if the Committee had considered putting a cap on membership dues. Discussion followed on the necessity of putting a cap. Following Director Robles’ motion to provide a cap per division, the motion failed for lack of a second.
By roll call vote, it was

RESOLVED: That the Board adopt Resolution No. 03-686.

AYES: Directors Acosta, Goldsworthy, Murray, Ryan
NOES: Director Robles

RESOLUTION NO. 03-686

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE WATER REPLENISHMENT DISTRICT OF
SOUTHERN CALIFORNIA SETTING DISTRICT
POLICY FOR MEMBERSHIP IN CHAMBERS OF
COMMERCE IN THE DISTRICT SERVICE AREA

(Reference is hereby made to Resolution No. 03-686 in the Draft Resolution file and by this reference is incorporated herein and included a part hereof as though fully set forth at length.)

IX. LOS ANGELES AREA CHAMBER OF COMMERCE

President Murray stated that this item will be taken up after Agenda Item X.

X. AWARD CONTRACT FOR PUBLIC RELATIONS OUTREACH AND PUBLIC RELATIONS PROFESSIONAL SERVICES FOR WRD PROGRAMS

Mr. Jim Glancy, City of Lakewood, stated that this item was brought before the Board at its last meeting and was referred to the Inter-Agency Committee and is now before the Board again. He stated that he felt the amount should be reduced since much of the work identified has already been done and he does not see the necessity of augmenting the District’s good staff with a hefty price tag.

Director Robles as Chairperson of the Ad Hoc Outreach Committee discussed the procedure that staff and the Committee had undertaken. After a thorough review, he stated that the Evaluation
Committee had recommended Strategy Workshop, Inc. as the best qualified candidate.

Director Acosta stated that item was referred to the Inter-Agency Committee at the request of the Board President at the last Board meeting. She noted that she was also a member of the Ad Hoc Outreach Committee that was involved in the selection process. She stated that there was a difference in opinion at the Inter-Agency Committee with Director Murray recommending Cerrell and Associates. She stated that she is supporting the Ad Hoc Committee’s and staff’s recommendation of Strategy Workshop, Inc. Director Acosta asked Strategy Workshop, Inc. to make a presentation.

Ms. Leslie Song Winner gave a presentation about her company, Strategy Workshop, Inc., prior work experience and staff background.

Mr. Matt Klink and Mr. Hal Dash of Cerrell and Associates discussed their past relationship with the WRD and accomplishments made from that experience. He stated that they would like to have the opportunity to continue the growth and accomplishments that have been made.

Director Robles thanked the presenters and stated that the process was valuable and that the Ad Hoc Committee was unanimous in its choice of Strategy Workshop Inc.

Director Ryan wanted to know if the Finance Committee had reviewed the budget amount and proposed adjustment for cost-effectiveness. General Manager Mowry stated that the Board will
Director Goldsworthy stated that he was concerned about the scope of the project, its focus, and the fact that it is now twice what was originally budgeted. He noted that much of the proposed efforts have been previously done.

Director Acosta clarified that much work still needs to be done in order to move forward. Director Robles concurred and stated that staff needs to ascertain a level of knowledge so as not to jeopardize the entire program.

President Murray asked for a roll call vote, on approving a contract with the public relations firm of Strategy Workshop.
AYES: Directors Acosta, Robles
NOES: Directors Goldsworthy, Murray, Ryan

President Murray asked for a roll call vote, on approving a contract with the public relations firm of Cerrell Associates.
AYES: Director Murray
NOES: Directors Acosta, Goldsworthy, Robles, Ryan

President Murray stated that he is dissolving the Ad Hoc Outreach Committee composed of Directors Acosta and Robles and referred this item to the Inter-Agency Committee for further review.

IX. LOS ANGELES AREA CHAMBER OF COMMERCE
Assistant to the General Manager Adeline Yoong stated that the basic membership to the Los Angeles Area Chamber of Commerce is $750.00 for the first year. After further review, staff
recommended that the District join as a Bronze member because of
the additional benefits available only to Circle level members. This
includes attendance to an unlimited number of breakfast forums,
which staff had already attended, as well as all VIP receptions.
One breakfast forum featured Senate Agriculture and Water
Committee Chair Mike Machado and another featured Senate
Natural Resources & Wildlife Chair Sheila Kuehl. The lowest Circle
of Support level is the Bronze Level with membership dues of
$1500.00 plus a $50.00 processing fee.

By roll call vote, it was

RESOLVED: That the Board approves membership
to the Los Angeles Area Chamber of Commerce at
the $1500.00 Bronze Circle of Support membership
level, plus $50.00 processing fee for initial enrollment.

AYES: Directors Acosta, Goldsworthy, Murray, Robles, Ryan
NOES: None

XI. WRD STRATEGIC PLAN REVIEW
WRD Technical Advisory Committee (TAC) Chairman Jim Glancy
stated that he had concerns about the priority projects and
programs that were identified in the strategic plan. Specifically, he
mentioned the Caltrans 105 Freeway, Physical Barrier, and
Conversion of the Sepulveda Wells to injection wells. He stated
that the District has good projects and that he will assist in doing
whatever he can to help see them to fruition.

Director Acosta clarified that the projects listed are in no particular
order of importance or priority and that they were listed as
guidelines.
Planning Engineer Jason Weeks began with a review of the revised mission statement and goals and objectives formulated at the last Strategic Plan Workshop held July 31st. Comments from the public were incorporated and the Strategic Plan as amended is now being presented for review and adoption. The revised mission statement and goals and are provided below.

**Mission Statement**
“To provide, protect and preserve high quality groundwater through innovative, cost-effective and environmentally sensitive basin management practices for the benefit of residents and businesses of the Central and West Coast Basins.”

**Goals and Objectives**
Goal 1 - Protect and Preserve Water Quality in the Central and West Coast Basins
Objective 1 – Monitor Water Quality of the Basins
Objective 2 – Mitigate Seawater Intrusion
Objective 3 – Address Groundwater Contamination and Prevention Issues

Goal 2 – Provide Basin Replenishment
Objective 1 – Reduce Replenishment and Barrier Water Costs
Objective 2 – Ensure Available Water Sources for Purpose of Replenishing Groundwater Supply
Objective 3 – Develop Optimum Groundwater Level

Goal 3 – Manage the Basins through Environmentally Sensitive Practices
Objective 1 – Develop Storage Programs to Reduce Basin Operating Cost
Objective 2 – Maximize Use of Water Sources
Objective 3 – Maximize Use of Seasonally Discounted Imported Water

Goal 4 – Develop and Foster Effective Relationships and Communications for the Benefit of Residents and Businesses of the Central and West Coast Basins
Objective 1 – Enhance and Maintain Relationships With Elected and Appointed Representatives Who Influence Policies of Interest and Relevance
Objective 2 – Enhance and Maintain Relationships With Stakeholders
Objective 3 – Enhance and Maintain Contacts to Communicate District Policies, Programs and Board Actions

Assistant General Manager and District Engineer Robb Whitaker continued with a discussion on the priority projects and programs. He stated that these projects are listed as guidelines and will be further reviewed after a detailed analysis. He stated that the staff will also need TAC guidance in the assignment of values and at the development of the CIP.

The Ad Hoc Planning Committee and District staff determined that a minimum of two workshops will be scheduled in the Fall of 2003 to further discuss the development of the District’s 5-year Capital Improvement Plan and 5-year Operational Plan. The focus of these workshops will be the costs and benefits associated with future projects and their impact on the replenishment assessment.

Director Ryan asked Mr. Glancy what he thought of the Strategic Plan. Mr. Glancy responded that it was fine and that the District should move ahead.

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

RESOLVED: That the Board adopts the Strategic Plan as amended.

XII. GENERAL MANAGER’S REPORT

General Manager Mowry gave an update on the California Water Plan Workshop that he had recently attended in Sacramento.
XIII. DISTRICT COUNSEL REPORT
District Counsel Casey stated that the California Supreme Court decided against reviewing the appellate court decision which held that the WRD has the authority to manage the Central Groundwater Basin. He informed everyone that this action officially ends litigation on this matter.

XIV. DIRECTORS’ REPORTS/COMMITTEE REPORTS
Director Acosta stated that, with the lawsuit behind the District, she is looking forward to saving public money and continuing the work that the District is supposed to do.

President Murray stated that he met Congresswoman Juanita Millender-McDonald and expressed the District's gratitude for all her work and assistance in furthering District projects.

Director Ryan stated that he and Assistant General Manager Robb Whitaker met with Congressman Dana Rohrabacher to discuss the physical barrier project.

XV. WRD BOARD MEETING DATES
A. September 17, 2003 - 2:00 P.M. – WRD Board of Directors Meeting
B. October 1, 2003 – 2:00 P.M. – WRD Board of Directors Meeting
C. October 15 2003 – 2:00 P.M. – WRD Board of Directors Meeting
D. November 5, 2003 – 2:00 P.M. – WRD Board of Directors Meeting

VII. PUBLIC HEARING TO CONSIDER ADOPTION OF ORDINANCE NO. 8-03 – REGARDING AN INCREASE IN DIRECTORS’ COMPENSATION AND TO PROVIDE AN AUTOMATIC ADJUSTMENT IN RELATION TO THE CONSUMER PRICE INDEX AT THE FIRST MEETING OF EACH YEAR

Following discussion, it was recommended that the initial increase in Directors’ compensation equal two-thirds of the annual Consumer Price Index (CPI) since 1995. For various reasons,
District Counsel Casey advised the Board that the ordinance necessary for such an increase needed to be republished.

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

RESOLVED: That the Board (1) notice and hold a public hearing to adopt an ordinance to increase Directors compensation and (2) to thereafter provide for an automatic adjustment in Directors’ Compensation in an amount equal to the Consumer Price Index as of the second meeting of each calendar year.

XVI. CLOSED SESSION

A. Existing litigation per Government Code §54956.9 (a)
   1. Buford Sonny Walker vs. Water Replenishment District of Southern California, et.al.; Case No. BC 276152
   3. Ronald P. Flores vs. Water Replenishment District of Southern California, et al.; California Court of Appeal, Case No. B165755

B. Anticipated litigation per Government Code §54956.9 (c): Three Cases

C. Consideration of appointment, employment, evaluation of performance, or dismissal of public employee per Government Code §54957
   Position Title: General Manager

D. Labor Negotiations per Government Code §54957.6
   Negotiator: Arnoldo Beltran
   Bargaining Group: American Federation of State County & Municipal Employees (AFSCME)
   Discussion: Terms and conditions for Memorandum of Understanding for bargaining group

The Board went into closed session. The Board reconvened in open session.
For Agenda Items XVI.A.1 and XVI.A.2, status reports were provided and no action was taken. For Agenda Items XVI.A.3, a status report was provided, consensus was reached, and further instructions were provided regarding possible disposition of the case. Agenda Item XVI.A.4 was not discussed.

For Agenda Item XVI.B, Anticipated litigation per Government Code §54956.9 (c), three matters were reviewed and no action was taken.

For Agenda Items XVI.C, action was taken.

Agenda Items XVI.D, was not taken up pending further communication with the bargaining group.

President Murray requested that the Administration Committee review the possibility of changing the Board meeting to 1:30 p.m. on the first and third Wednesday of the month.

General Manager Mowry informed the Board that the District has successfully interviewed a candidate for the position of Controller. Mr. Scott Ota has accepted the offer and is expected to start on or before September 22.

**XVII. ADJOURNMENT**

President Murray asked if there was any further business to come before the Board and there being none, the meeting was adjourned.

_______________________________
President

ATTEST:

_______________________________
Secretary
A regular meeting of the Board of Directors of the Water Replenishment District was held on September 17, 2003, at 2:08 P.M. in the District office at 12621 E. 166th Street, Cerritos, California. President Willard H. Murray, Jr. called the meeting to order. Acting Deputy Secretary Abigail C. Andom recorded the minutes.

I. DETERMINATION OF A QUORUM
   The President declared a quorum of Directors was present, which in addition to himself included Directors Pat Acosta, Robert W. Goldsworthy, Albert Robles, and Norm Ryan. Also participating in the meeting were General Manager Bruce Mowry, Assistant General Manager and District Engineer Robb Whitaker, and District Counsels J. Arnoldo Beltrán and Edward Casey, Senior Hydrogeologist Ted Johnson, and Planning Engineer Jason Weeks.

II. PLEDGE OF ALLEGIANCE
   Director Robles led the Pledge of Allegiance.

III. INVOCATION
   Director Ryan gave the Invocation

IV. PUBLIC COMMENT
   Mr. Jim Glancy, City of Lakewood Director of Water Resources and Vice President of the Central Basin Water Association (CBWA), stated that the Board had approved a change in the District’s bookkeeping from fiscal year to water year. As it turns out, some purveyors have a problem with this schedule and would like to have the opportunity to discuss this item again. The pumpers would like to see the actual costs involved, including possible costs of initiating enabling legislation to change the water code, etc., to see if there is justification in doing this change.
V. ADDITIONAL ITEMS TO AGENDA

Director Robles requested that an item be added to the agenda, that there was an immediate need to take action to discuss this item, and that the need came subsequent to the posting of the agenda. Upon consulting with District Counsel Beltrán on Brown Act requirements, Director Robles made a motion to add an item to discuss the issuance of a Request for Qualification (RFQ) for bond counsel. Director Acosta seconded.

By roll call vote, it was

RESOLVED: That the Board determines that there is a need to take immediate action to discuss and act upon the item concerning issuance of a Request for Qualification (RFQ) for bond counsel, and that this need arose subsequent to the posting of the agenda for this meeting.

AYES: Directors Acosta, Goldsworthy, Robles, Ryan
NOES: Director Murray

President Murray stated that this item will be discussed under Agenda Item XIII.B.

Director Robles stated that there was an item in the Directors Calendar that mentions a building inspection tour that he would like discussed. Without opposition from the other Board members, President Murray stated that this item will be discussed under Agenda Item XIII.C.

VI. CONSENT CALENDAR

This item was taken off the Consent Calendar.

B. DEMANDS AND CONTRACTS
C. FINANCIAL STATEMENTS FOR THE PERIOD ENDED JULY 31, 2003
D. INVESTMENT REPORT FOR THE PERIOD ENDED JULY 31, 2003
E. TRAVEL REQUEST – 2003 COLORADO RIVER WATER USERS ASSOCIATION ANNUAL MEETING IN LAS VEGAS, NEVADA
F. TRAVEL REQUEST- 2003 NATIONAL GROUNDWATER ASSOCIATION CONVENTION
G. TRAVEL REQUEST – GROUND WATER DATA MANAGEMENT USING MICROSOFT, ORACLE, AND INTERNET DATABASE TECHNOLOGIES
H. INCREASE FOR DELL COMPUTERS
I. PURCHASE OF DOCUMENT IMAGING SYSTEM

This item was taken off the Consent Calendar.

Director Robles requested that Agenda Item VI.A, Minutes of the regular meeting of August 20, 2003, and Agenda Item VI.I be taken off the Consent Calendar.

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

RESOLVED: That the Board approves the Consent Calendar of the meeting of September 17, 2003, as amended.


Director Robles recommended changes to Agenda Item XVI of the minutes of the regular meeting of August 20, 2003.

Upon a motion duly made by Director Ryan, seconded by President Murray, and unanimously carried, it was

RESOLVED: That the Board approves the minutes of the regular meeting of August 20, 2003 as amended, and the minutes of the special meeting of September 3, 2003 as submitted.

VI.I. PURCHASE OF DOCUMENT IMAGING SYSTEM

Director Robles requested staff to provide a list of the companies solicited and the amounts submitted for every proposal that the District receives and reviews. The Board directed District Counsel Beltrán to develop
language that will direct staff to comply with this policy and which the Administrative Committee will review at its next meeting.

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

RESOLVED: That the Board approves the purchase of a document imaging system from Advanced Document Solutions, Inc., not to exceed $22,000.

VII. MULTI-AGENCY M.O.U. FOR GROUNDWATER INVESTIGATIONS

Mr. Patrick Scanlon, SCWC, stated that in reviewing this item, he noticed that there was no mention of the participation of any retail water agency. He stated that SCWC would like to participate since they have a large interest in preventing groundwater contamination. He asked that the project move forward but to possibly include WRD Technical Advisory Committee (TAC) members or other retail water agencies.

Director Goldsworthy thanked Mr. Scanlon for his interest and stated that SCWC will certainly be considered as a participant in the working group, if they so desire. He stated that there have been some threats of contamination in the Central Basin to the deep drinking water aquifers from the shallow contaminated aquifers. The regulatory agencies involved would like to develop methods, identify threats, and continue discussions on groundwater contamination.

Senior Hydrogeologist Ted Johnson added that presently the City of Santa Fe Springs has been invited to participate since some of the sites identified are in their area. In addition to WRD, the U.S. Environmental Protection Agency (USEPA), California Department of Toxic Substances Control (DTSC), Regional Water Quality Control Board – Los Angeles
Region (RWQCB), and the U.S. Geological Survey (USGS) are the present members of the group.

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

RESOLVED: That the Board authorizes staff to enter into a Memorandum of Understanding (MOU) with the U.S. Environmental Protection Agency (USEPA), California Department of Toxic Substances Control (DTSC), Regional Water Quality Control Board – Los Angeles Region (RWQCB), the U.S. Geological Survey (USGS), and the Southern California Water Company (SCWC) on groundwater investigation in the Central Basin.

VIII. BRIEFING ON MWD STORAGE IN ORANGE COUNTY

Mr. Patrick Scanlon, SCWC, stated that there is a Conjunctive Use facilitated process going on at the moment and he would like to clarify if the Board is moving forward on this item separate from that process. He asked that the Board hold off on this item.

Director Acosta stated that she would like to refer this item to the Ad Hoc Conjunctive Use Committee for review. Director Goldsworthy stated that the Water Resources Committee reviewed this item and had recommended adopting a similar program in the Central Basin. He did, however, concur with Director Acosta that this item should be referred to the Ad Hoc Conjunctive Use Committee. There were no objections from the other Board members.

IX. PROPOSED CHANGE OF BOARD MEETING SCHEDULE

Director Robles requested that the Directors be polled for a more convenient day and time than what was recommended. President Murray stated that the Administrative Committee will review this item again at its
next meeting. However, beginning the first meeting day in October 2003, the Board meeting time has been changed from 2:00 p.m. to 1:30 p.m. There were no objections from the Board members.

X. POLICY ON CARRYOVER OF UNAVAILABLE WATER
Assistant General Manager and District Engineer Robb Whitaker stated that staff is working on a policy to create an account solely for buying replenishment water, and allowing money in the account to be carried over to subsequent years should the budgeted water amount not be available for purchase in its budgeted year. He stated that the creation of such an account would help stabilize replenishment costs year to year.

Director Ryan asked TAC Chairperson Jim Glancy what they felt about this. Mr. Glancy responded that the TAC had reviewed this item at various TAC meetings and is fine with it to move forward.

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

RESOLVED: That the Board directs staff to develop a policy on the carryover of unavailable water, allowing money in the account to be carried over into the subsequent year(s) should the budgeted water amount not be available for purchase in the budgeted year. The Board asked that the policy be submitted to the Board for approval.

XI. CLARIFICATION OF POWERS OF STANDING AND AD HOC COMMITTEES
President Murray stated that there seemed to be some confusion among staff as to what committees can request items to be placed on the Board agendas. The Administrative Committee at its September 10th meeting reviewed this item and submitted clarifying language for Board consideration and inclusion in the Administrative Code.
Director Acosta stated that she herself was confused, being a member of various ad hoc committees. She noted that the ad hoc committees have the opportunity of focusing their attention and providing expertise and knowledge on items which they have been working with staff one on one. Ad hoc committees are able to provide good recommendations to the Board for consideration and she felt that standing committees should not be the only ones with the opportunity to place items on the Board agenda. Director Acosta stated that she felt the Board was not ready to move forward on this and requested District Counsel to provide more information on definitions of ad hoc and standing committees. Director Goldsworthy concurred.

The Administrative Committee recommendation failed by the following roll call vote:

AYES: Directors Murray, Ryan
NOES: Directors Acosta, Goldsworthy, Robles

XII. GOVERNANCE WORKSHOP

President Murray stated that this is an informational item. He stated that the Administrative Committee would like to inform the Board of its plan to develop and submit to the Board a plan for a workshop on board governance to include a section on ethics. Director Acosta stated that it would be a great benefit to new directors and to senior staff members as well.

XIII.A. STATE AUDIT RECOMMENDATIONS UPDATE

Mr. Patrick Scanlon, SCWC, wanted to know when the Strategic Plan was adopted. Director Acosta stated that the Plan was adopted at the September 3rd Board meeting and two more workshops are to be scheduled to develop the capital improvement projects (CIP).
General Manager Mowry stated that the matrix provided with the staff report summarized the progress made and status of implementation of the state audit recommendations. Dr. Mowry added that Central and West Basin Municipal Water Districts, the TAC, and the water associations have expressed the intention to support legislation to amend the water code to provide Board authority to delegate approval and signing of contracts below certain dollar thresholds to the General Manager.

Director Ryan stated that as Treasurer, he agreed to the contents of the matrix.

XIII.B. RFQ FOR BOND COUNSEL

Director Robles stated that it has come to his attention that a Request for Qualification (RFQ) for Bond Counsel had gone out under the Treasurer’s name. He would like to know why it never came before any committee or the Board.

Director Ryan clarified that it was the recommendation of the bond financial advisors to seek bond counsel but he has not signed any letter regarding an RFQ for bond counsel. Director Robles apologized for being misinformed.

District Counsel Ed Casey stated that the District’s procurement procedures have been revised because certain requirements are more restrictive than state law. RFPs and RFQs or any contract solicitation do not require full Board approval but the General Manager’s or a committee.

XIII.C. BUYING A BUILDING

Director Robles stated that in reviewing the Director Calendar, it has come to his attention that there will be a building inspection tour. He wanted to
know if there has been a Board decision to direct staff to buy, lease, build, etc., a building.

Discussion followed. The Board requested the Administrative Committee to provide a status report to the Board regarding the search for a new headquarters.

XIII. GENERAL MANAGER’S REPORT
General Manager Mowry introduced the new Controller Scott Ota. He announced that the District’s 11th Wellhead Treatment Project, California Water Service Well 43-01, is now fully operational and five more are in the development stage. He informed the Board that at the last Association of Groundwater Agencies (AGWA) meeting, of which he is the Chairman, a Metropolitan Water District (MWD) speaker presented an update on water quality and perchlorate. Dr. Mowry also reported that he and President Murray were guests of the Kern County Water Authority last Friday September 12th and they found the water tour very informative. Lastly, he reminded everyone of the West Basin Municipal Water District (WBMWD)/MWD hosted Colorado River Aqueduct Tour on September 26-28th, and the Central Basin Municipal Water District (CBMWD) annual barbecue on September 25th.

XIV. DISTRICT COUNSEL REPORT
Deferred to closed session.

XV. DIRECTORS’ REPORTS/COMMITTEE REPORTS
Director Robles stated that he was a member of the Ad Hoc Bond Financing Committee and wanted to know when it was dissolved. Director Ryan stated that, in as much as the ad hoc committee’s responsibilities have been met, the President dissolved the Committee and other bond responsibilities will be taken cared of by the Finance Committee.
Director Acosta stated that she is excited about new legislation in the future and reported on the Wateruse Conference she attended in San Antonio, Texas.

Director Ryan stated that he and Director Goldsworthy had a second meeting with the staff of Congressman Dana Rohrabacher. He also informed everyone that he will be attending the September 29th Conjunctive Use facilitated meeting.

President Murray reported on the water tour he and General Manager Mowry attended as guests of the Kern County Water Authority.

XVIII. WRD BOARD MEETING DATES
A. October 1, 2003 – 2:00 P.M. – WRD Board of Directors Meeting
B. October 15, 2003 – 2:00 P.M. – WRD Board of Directors Meeting
C. November 5, 2003 – 2:00 P.M. – WRD Board of Directors Meeting
D. November 19, 2003 – 2:00 P.M. – WRD Board of Directors Meeting

The Board meeting time has changed to 1:30 P.M. effective October 1, 2003. Two workshops will also be scheduled in October to discuss the CIP.

XIX. CLOSED SESSION
A. Existing litigation per Government Code §54956.9
   3. Ronald P. Flores vs. Water Replenishment District of Southern California, et al.; California Court of Appeal, Case No. B165755
B. Anticipated litigation per Government Code §54956.9 (c): Three Cases
C. Consideration of appointment, employment, evaluation of performance, or dismissal of public employee per Government Code §54957
   Position Title: General Manager
   Negotiating Parties: Bruce Mowry (District Negotiator) and Terry
D. Labor Negotiations per Government Code §54957.6
   Negotiator: Arnoldo Beltrán
   Bargaining Group: American Federation of State, County and Municipal Employees (AFSCME)
Discussion: Terms and conditions for Memorandum of Understanding for bargaining group

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

For Agenda Item XVIII.A.1, a status report was provided, no action was taken.
For Agenda Item XVII.A.2, a status report was given, consensus was reached, and further instructions were given to staff and Counsel. For Agenda Item XVIII.A.3, a status report was provided and no action was taken.

For Agenda Item XVIII.B under Anticipated litigation per Government Code §54956.9 (c), Three cases. Two cases were reviewed. As to the first case, a status report was given, consensus was reached, and further instructions were given. As to the second case, no action was taken.

For Agenda Item XVIII.C, the Board reached a consensus and further instructions were given to District Counsel.

Agenda Item XVIII.D, was not taken up.

XIX. ADJOURNMENT

President Murray asked if there was any further business to come before the Board and there being none, the meeting was adjourned.

________________________________________
President

ATTEST:

________________________________________
Secretary
AGENDA ITEM NO. VII

DATE: OCTOBER 01, 2003

TO: BOARD OF DIRECTORS

FROM: BRUCE A. MOWRY, GENERAL MANAGER

SUBJECT: GROUNDWATER QUALITY – REGULATORY UPDATE

The State Department of Health Services (DHS) has indicated that chromium, arsenic, perchlorate, nitrosodimethylamine (NDMA), and 1,4-dioxane are contaminants of recent concern in groundwater.

1. Chromium 6 – Currently, the total chromium MCL is 50 ppb. It exists primarily as chromium 3 and chromium 6. Chromium 3 is a nutrient that is found in food and vitamins. Chromium 6, aka hexavalent chromium, is known to cause cancer when inhaled. The conversion or reduction of chromium 6 to chromium 3 is likely to occur in gastric juices. Based on a review of limited studies, the state Office of Environmental Health Hazard Assessment (OEHHA) in 1999 established a public health goal (PHG) of 2.5 ppb of total chromium assuming 7 percent of this amount originates from chromium 6. However, OEHHA rescinded this PHG, and is now reviewing additional information to establish a new PHG. The Chromate Toxicity Review Committee was formed at the request of OEHHA to provide guidance in the identification of an optimum PHG for chromium 6 in drinking water. The committee concluded that "we found no basis in either the epidemiological or animal data published in the literature for concluding that orally ingested Cr (VI) [chromium 6] is a carcinogen." The Association of California Water Agencies (ACWA) sent a letter on July 24, 2003 to OEHHA, citing 45 references regarding the potential health effects of chromium. DHS is required to adopt a new MCL for chromium 6 by January 1, 2004. It is currently considered an "unregulated contaminant requiring monitoring"; occurrence data continues to be collected throughout the state.

WRD continues to work with Southern California Water Company (SCWC) to develop an access agreement that will permit WRD to conduct an onsite field investigation of their Hoffman Well, which was found with total chromium at 333 ppb.
2. **Arsenic**— On October 31, 2001, the US Environmental Protection Agency (EPA) announced it would lower the existing arsenic maximum contaminant level (MCL) from 50 ppb to 10 ppb. Compliance with the new MCL is required by January 23, 2006. Arsenic occurs naturally in groundwater and causes cancer and other diseases, such as high blood pressure and diabetes. Section 116361 of the State’s Health and Safety Code (SB 463 (Perata)) requires the State Department of Health Services (DHS) to adopt a new arsenic MCL by June 30, 2004, 1½ years before compliance is required by EPA. The DHS is required to establish a new standard at a maximum of 10 ppb, but has the option of setting it lower. On March 7, 2003, OEHHA issued a draft PHG, a standard based on health effects alone, at 0.004 ppb. At 10 ppb, 11 production wells would be impacted in the Central Basin. If it is at 2 ppb, the analytical detection limit, over 90 wells would be impacted.

Major issues include both technical and economic feasibility. Various pilot tests show promising results using various technologies, including ion exchange and activated alumina. SCWC’s demonstration project in partnership with WRD at their Century Well in Paramount uses iron based adsorbents (granular ferric hydroxide). However, the proper disposal of residuals is also critical and problematic; the California Waste Extraction Test (WET) measures the leachability of the residuals when disposed in landfills. Not all residuals from treatment processes are able to meet this criteria.

3. **Perchlorate** is a contaminant of industrial origin. It is a component of rocket fuel, and can inhibit the uptake of iodide by the thyroid gland, which leads to impairment of metabolism, proper development of young children, and creation of tumors in the thyroid. Especially sensitive populations include pregnant women, fetuses, infants and small children, and individuals that have hypothyroidism. The State Department of Health Services reduced the action level from 18 ppb to 4 ppb, the analytical detection limit, on January 18, 2002. If a well is found to contain perchlorate above 40 ppb, ten times the action level, the DHS recommends removing that well from service.

Section 116275 of the Health and Safety Code requires DHS to adopt a new MCL by January 1, 2004. OEHHA has not indicated when the PHG will be finalized. OEHHA has indicated that the appropriate level should be 2 ppb for children and 6 ppb for adults. It has been found in 3 wells at or over 4 ppb in Central Basin. It has not been detected in any of WRD’s monitoring wells. Effective treatment is with ion exchange, bioreactors, and granular activated carbon (GAC). MWD’s Colorado River water has had levels between 4 and 6 ppb, but blends have been consistently at 4 ppb.

4. **NDMA** is both a contaminant from rocket fuel and a disinfection byproduct that causes cancer. The DHS revised the action level on March 15, 2002 to 10 ppt. It has been found occasionally in a few monitoring wells near the spreading grounds. However, no production wells have been impacted. No schedule has been established to set an MCL.
5. 1,4 dioxane is a carcinogen of industrial origin. The DHS action level is 3 ppb. It has been found in some Orange County production wells downstream of their injection barrier operations. Monitoring of the effluent of the Los Angeles County Sanitation Districts’ water reclamation plants and monitoring wells at the spreading grounds showed that it was not present in recycled water. No schedule has been established to set an MCL.

Staff will continue to monitor regulatory developments of these chemicals.

The Groundwater Cleanup Committee reviewed this item on September 11, 2003.

FISCAL IMPACT: None.

STAFF RECOMMENDATION: For information.

COMMITTEE RECOMMENDATION: The Groundwater Clean-Up Committee concurs with the Staff Recommendation.
AGENDA ITEM NO. VIII

DATE: OCTOBER 01, 2003
TO: BOARD OF DIRECTORS
FROM: BRUCE MOWRY, GENERAL MANAGER
SUBJECT: CONSIDERATION OF RESOLUTION NO. 03-685 - EXXON MOBIL REPLENISHMENT ASSESSMENT EXEMPTION

WRD has the authority to provide exemptions to the Replenishment Assessment (RA) for groundwater treatment programs that remedy groundwater contamination and do not put the treated water to beneficial use. This authority is described in Section 60318 of the California Water Code.

ExxonMobil Oil, located in the West Coast Basin, has been granted an exemption for more than 10 years, most recently by the WRD Board of Directors in Resolution 96-521. ExxonMobil has applied for an extension to the RA exemption for its continued cleanup of dissolved hydrocarbons in the West Coast Basin, including benzene, toluene, ethyl benzene and xylenes.

This item was brought up for discussion at the August 8th and September 11th Groundwater Clean-up Committee meetings. At the August 8th meeting, Committee members instructed staff to acquire additional information on the constituents contained in the contaminated groundwater and to evaluate the possibility of putting the water to beneficial use. Further discussions with ExxonMobil showed that they are currently in the process of increasing treatment of the contaminated groundwater so that it can be put to beneficial use. In August 2003, ExxonMobil put an additional 78.4 acre-feet to beneficial use as a result of enhanced treatment techniques, thereby reducing the amount of water that is wasted to the ocean. This information was presented and discussed at the September 11th Groundwater Cleanup Committee meeting and the Committee recommended approval of a five-year exemption with a total quantity not to exceed 7,750 acre-feet.
FISCAL IMPACT: Treatment will continue at current level, therefore, net financial impact is additional Replenishment Assessment revenue on water that has historically been wasted but is now being put to beneficial use.

STAFF RECOMMENDATION: That the Board adopt Resolution 03-685.

COMMITTEE RECOMMENDATION: The Groundwater Clean-up Committee concurs with the Staff Recommendation.
RESOLUTION NO. 03-685

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA EXEMPTING CERTAIN GROUNDWATER EXTRACTIONS BY EXXONMOBIL OIL CORPORATION FROM ASSESSMENT PURSUANT TO WATER CODE SECTION 60318 UPON CERTAIN CONDITIONS.

A. Recitals

i. ExxonMobil Oil Corporation ("Applicant") was granted an exemption from replenishment assessment for a five-year period by Resolution 96-521 under Water Code Section 60318 for its facility at 3700 West 190th Street, Torrance. Several pools of hydrocarbon in the underlying aquifers have been identified. Free product was identified in the perched aquifer and free hydrocarbon also occurs in the underlying Gardena Aquifer near the southeastern property line. There are plumes of dissolved hydrocarbon in the Gardena Aquifer.

ii. Applicant is continuing its groundwater clean-up efforts and requested an extension of the exemption from replenishment assessment for its facility at 3700 West 190th Street, Torrance.

iii. The Board of Directors has received a staff report supporting the findings hereinafter made and action hereafter taken.

B. Resolution

BE IT RESOLVED by the Board of Directors of the Water Replenishment District of Southern California as follows:

1. It is found and determined:

   (a) That there exists a problem of groundwater contamination as set forth in the above recitals.

   (b) Subject to the conditions imposed by paragraph 4 below, the quantity of proposed extractions by Applicant over the period of time as both are set forth in paragraph 3 below will ameliorate said problems of groundwater contamination.
(c) The groundwater to be extracted is unusable and cannot be economically blended for use with other water.

2. The exemption from the replenishment assessment shall not apply to any quantity of water applied to beneficial surface use.

3. The following groundwater extractions by Applicant are exempt from the replenishment assessment, subject to all the conditions and provisions of this Resolution.

   Groundwater extracted on the referenced property and as a part of the clean-up program described in this Resolution, for a period commencing October 1\textsuperscript{st} 2003 and ending September, 30\textsuperscript{th} 2008, not to exceed a total of 7,750 acre feet.

4. The exemption from the replenishment assessment herein granted shall apply only if the following additional terms and conditions are satisfied:
   
   (a) The groundwater extractions are from the wells now existing on the parcel of property to which this Resolution relates.
   
   (b) The Applicant shall file monthly reports with the District on groundwater production as a result of this clean-up program; the accuracy of the reports shall be verified by the West Basin Watermaster and the Applicant shall also file a report annually with the District during the period of exemption setting forth its progress to ameliorate said problem of groundwater contamination and stating any changes in conditions from those shown in the original application for exemption. The Applicant shall also advise the District within 30 days of any change in conditions that would affect the exemption under this Resolution.

5. The exemption herein applies only to produced groundwater which is not applied to beneficial use with or without blending. The exemption herein is also subject to rescission or modification in accordance with Water Code Section 60318.
6. This Resolution shall not be operative until Applicant acknowledges in writing, received by this District, that it has received a copy of this Resolution, referring to this Resolution by resolution number, and agreeing to be bound by all of the terms and conditions hereof.

WHEREFORE, THE Board of Directors of the Water Replenishment District of Southern California has adopted this Resolution as of the ____ day of ____________, 2003.

___________________________
WILLARD H. MURRAY, President

ATTEST:

_____________________________
ROBERT GOLDSWORTHY, Secretary
AGENDA ITEM NO. IX

DATE: OCTOBER 01, 2003
TO: BOARD OF DIRECTORS
FROM: BRUCE A. MOWRY, GENERAL MANAGER
SUBJECT: AWARD CONTRACT FOR PUBLIC RELATIONS OUTREACH AND PUBLIC RELATIONS PROFESSIONAL SERVICES FOR WRD PROGRAMS

The WRD requested proposals from qualified public relations firms to enter into a service agreement to provide public outreach and public relations services for the Dominguez Gap Spreading Grounds, Leo J. Vander Lans Water Treatment Facility and the Montebello Forebay project.

Proposals were submitted by five vendors and they were all interviewed by an Ad Hoc Outreach Committee consisting of Directors Albert Robles and Pat Acosta and a panel consisting of General Manager Bruce Mowry, Assistant General Manager Kavous Emami and Public Affairs Representative Albert Frias. The public relations firms were Cerrell & Associates, Strategy Workshop, Inc., South Coast Media Services, Valencia, Perez & Echeveste and Diverse Strategies For Organizing.

August 20, 2003
The Ad Hoc Outreach Committee recommended to the Board of Directors that the contract be awarded to a team led by Strategy Workshop, Inc. because of its overall strategic plan and presentation. The President requested that this item be deferred to the Inter-Agency Committee.

August 28, 2003
At the Inter-Agency Committee meeting, Director Acosta recommended that Strategy Workshop, Inc. be awarded the contract for an amount not to exceed $219,235. Director Murray recommended that Cerrell & Associates be awarded a contract not to exceed $250,000.

Both recommendations were submitted to the Board on September 3, 2003.
September 3, 2003
The Board heard presentations from Strategy Workshop, Inc. and Cerrell & Associates.

President Murray asked for a roll call vote on approving a contract with Strategy Workshop.
AYES: Directors Acosta, Robles
NOES: Directors Goldsworthy, Murray and Ryan

President Murray asked for a roll call vote on approving a contract with Cerrell & Associates.
AYES: Director Murray
NOES: Directors Acosta, Goldsworthy, Robles and Ryan

President Murray then referred this item back to the Inter-Agency Committee for further review.

September 25, 2003
At the Inter-Agency Committee, representatives from Strategy Workshop and Cerrell & Associates made presentations to the Committee. The WRD had requested that Strategy Workshop exclude its community outreach portion from the contract and resubmit a proposal for the planning portion of the contract.

FISCAL IMPACT: Originally, $120,000 was allocated last fiscal year for this project.

COMMITTEE RECOMMENDATION: The Inter-Agency Committee presents a split recommendation:

- Director Acosta recommends that Strategy Workshop be awarded a contract that would not exceed $149,750.
- Director Murray recommends that Cerrell & Associates be awarded a contract not to exceed $110,000.
Staff will provide a verbal update on federal and state matters. Additionally, staff will provide a briefing on Proposition 53, which will appear on the October 7, 2003 ballot. The ballot measure establishes a “pay-as-you-go” mechanism for financing California’s infrastructure.

The Inter-Agency Committee discussed Proposition 53 on September 25, 2003 and unanimously voted to recommend an OPPOSE position to the WRD board.

FISCAL IMPACT: None.

STAFF RECOMMENDATION: For discussion.

COMMITTEE RECOMMENDATION: The Inter-Agency Committee recommends that the Board take an OPPOSE position on Proposition 53.
AGENDA ITEM NO. XI

DATE: OCTOBER 1, 2003
TO: BOARD OF DIRECTORS
FROM: BRUCE MOWRY, GENERAL MANAGER
SUBJECT: PUBLIC HEARING TO CONSIDER ADOPTION OF ORDINANCE NO. 9-03 – REGARDING AN INCREASE IN DIRECTORS’ COMPENSATION AND TO PROVIDE AN AUTOMATIC ADJUSTMENT IN RELATION TO THE CONSUMER PRICE INDEX AT THE FIRST MEETING OF EACH YEAR

At its September 3, 2002 meeting, the Board approved the initiation of the process necessary to increase the Directors’ compensation pursuant to California Water Code §20203. That process requires public notice of the proposed action be provided in the appropriate newspaper for a specified time period. District Counsel has confirmed that such publication notice has been adequately provided. Therefore, the next step in the process is for the Board to open the public hearing on the proposed ordinance.

After close of public testimony, the Board may consider approving an increase in compensation up to $199.24 per day. That amount equals approximately two-thirds of the annual increase in CPI since 1995. (Directors’ compensation for Board meetings has not been increased since 1993.) The publication notice was drafted so that the Board may approve any increased amount ranging from the current compensation level to $199.24 per day. The proposed increase would apply to the Directors’ compensation for each day’s attendance at meetings of the Board or a District Committee, and for each day’s service rendered as a member of the Board at the request of the Board, which compensation would not exceed a total of ten days per calendar month (which is the limit set by the Water Code)

Further, the proposed ordinance would implement an annual adjustment to the directors’ compensation and shall automatically occur as of the appropriate Board meeting in January of each subsequent year beginning in 2004 in an amount equal to the applicable Consumer Price Index but not more than a 5% increase or decrease annually.
If an Ordinance is adopted following this public hearing, it will become effective 60 days from the date of its final passage, as mandated in Water Code §20204.

**FISCAL IMPACT:** Estimated impact would be $8,500 - $9,962 for the month of December, 2003. This amount will increase in January of each year in an amount equal to the applicable Consumer Price Index.

**RECOMMENDATION:** That the Board adopt Ordinance No. 9-03 to increase Directors’ compensation and to provide an automatic adjustment in relation to the Consumer Price Index at the first meeting of each year.
BE IT ORDAINED by the Board of Directors (hereinafter referred to as the “Board”) of the Water Replenishment District of Southern California (hereinafter referred to as the “District”) as follows:

Compensation to members of the Board of directors is hereby authorized in the amount of $______________ per each day’s attendance at meetings of the Board or a District Committee, or for each day’s service rendered as a member of the Board at the request of the Board, which compensation would not exceed a total of ten days per calendar month. Said compensation level shall become effective upon the day set forth in California Water Code Section 20204.

Further, an annual adjustment to the directors’ compensation shall automatically occur as of the first Board meeting of each calendar year beginning in 2004 in an amount equal to the applicable Consumer Price Index but not more than a 5% increase or decrease annually.

PASSED AND ADOPTED by the Board of Directors of the Water Replenishment District of Southern California on ____________, 2003.

Ayes: ________________
Noes: ________________
Absent: ________________

______________________
President

______________________
Secretary
At its August 20, 2003 meeting, the Board took action to approve a $495 level of membership in the Long Beach Chamber of Commerce. Membership was upgraded to the $2000 level by a donation given to the Chamber.

The Inter-Agency Committee reviewed this item at its September 25, 2003 meeting.

Discussion will be held regarding the District’s level of membership in the Long Beach Chamber of Commerce.

**FISCAL IMPACT:** Unknown.

**STAFF RECOMMENDATION:** For discussion.

**COMMITTEE RECOMMENDATION:** The Inter-Agency Committee presents a split recommendation:

- Director Acosta recommends the Board discuss this item.
- Director Murray recommends the Board increase the District’s level of membership from $495 to the $2000 level and that it reimburse the source of the donated funds.