REGULAR MEETING OF THE INTER-AGENCY COMMITTEE
OF THE BOARD OF DIRECTORS
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
12621 E. 166th Street (Corner, Bloomfield & 166th), Cerritos, California
10:00 A.M., THURSDAY, MARCH 25, 2004

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” 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. PUBLIC COMMENT

III. MINUTES OF THE REGULAR MEETING OF FEBRUARY 20, 2004
   STAFF RECOMMENDATION: That the Committee approve the minutes as submitted.

IV. MINUTES OF THE SPECIAL MEETING OF MARCH 8, 2004
   STAFF RECOMMENDATION: That the Committee approve the minutes as submitted.

V. LEGISLATIVE REPORT
   STAFF RECOMMENDATION: For information.

VI. DEPARTMENT REPORT
   STAFF RECOMMENDATION: For information.

VII. ADJOURNMENT

Posted by Abigail C. Andom, Deputy Secretary, March 22, 2004.
A regular meeting of the Inter-Agency Committee of the Board of Directors of the Water Replenishment District of Southern California was held on February 20, 2004, at 11:06 a.m. at the District Office, 12621 E. 166th Street, Cerritos, California. Chairwoman Pat Acosta called the meeting to order and presided thereover. Deputy Secretary Abigail C. Andom recorded the minutes.

I. DETERMINATION OF A QUORUM
Attendees included:
Committee: Directors Pat Acosta and Willard Murray, Jr.
Staff: Adeline Yoong, Albert Frias, Sheryll Petty
Guests: Art Aguilar of Central and West Basin Municipal Water Districts and Jeff Yann of the Upper San Gabriel Valley Municipal Water District

II. PUBLIC COMMENT
Mr. Bill Minasian, a resident of the City of Downey, stated that he is a retired school teacher of industrial education and had attended a few of the District’s meetings to learn more about the WRD and the water industry. He commented that he had concerns about the proposed contract with Tres Es, LLC, questioned the necessity of retaining the services of a retired senator to do work, that Mr. Minasian felt the current area legislators should be doing.

Chairwoman Acosta stated that the Committee will review the item at a special Inter-Agency Committee meeting next month. However, she explained that Senator Polanco, as a registered lobbyist, would be helpful in developing relations with legislators and in securing legislation for water issues of concern to the District.

III. MINUTES OF THE REGULAR MEETING OF DECEMBER 17, 2003
The minutes were approved as submitted.

IV. MINUTES OF THE REGULAR MEETING OF JANUARY 22, 2004
The minutes were approved as submitted.

V. PRESENTATION FROM THE SAN GABRIEL RIVER DISCOVERY CENTER
Mr. Jeff Yann, a consultant to the Upper San Gabriel Valley Municipal Water District and project manager of the San Gabriel River Discovery Center, gave a PowerPoint presentation on the proposed Center, its features, the current project status, and
participation opportunities. The Committee thanked Mr. Yann for his presentation.

VI. NATIONAL ASSOCIATION OF LATINO ELECTED AND APPOINTED OFFICIALS (NALEO) 21ST ANNUAL CONFERENCE
The Committee recommended that the Board approve attendance of directors to the 21st NALEO Annual Conference.

VII. 15TH ANNUAL GREAT LOS ANGELES RIVER CLEAN UP, LA GRAN LIMPIEZA
Public Affairs Representative Albert Frias stated that the District has been participating in the Great Los Angeles River Clean Up, La Gran Limpieza for the past four years. WRD contributed $1,500 last year to support volunteer teams assigned to clean up debris from sections of the river. FoLAR is once again seeking financial assistance from the District for this year’s clean-up event.

The Committee recommended that the Board authorize a $1,500 contribution to Friends of the Los Angeles River 15th Annual River Clean-up.

VIII. JOINT WRD-CENTRAL/WEST BASIN MUNICIPAL WATER DISTRICT BARBECUE
Director Murray stated that he and Director Bob Apodaca of the Central Basin Municipal Water District have discussed the possibility of having a joint barbecue with West Basin Municipal Water District. Discussion followed.

It was recommended that the cost be shared equally by all three agencies and be held in the spring. The event will be for elected officials from both Central and West basins.

The Committee directed staff to write a letter to the presidents of the two water districts inviting them to join the WRD in this effort.

IX. NOMINATION FOR LAFCO REPRESENTATIVE
Deputy Secretary Abigail Andom stated that there is a vacancy in the Local Agency Formation Commission (LAFCO) for a special district representative. Nominations are being sought to fill the position.

Mr. Art Aguilar of the Central and West Basin Municipal Water Districts’ Public Affairs Department stated that Director Don Dear has been nominated by their Board. Discussion followed.
The Committee recommended that the Board nominate Director Robert W. Goldsworthy to fill the seat at the Local Agency Formation Commission, pending his acceptance.

X. PROCUREMENT OF PROFESSIONAL SERVICES FOR DESIGN, PRODUCTION AND MAILING OF WRD SOURCE NEWSLETTERS
Mr. Frias stated that the present contract for the WRD newsletter, the Source, will expire June 30, 2004. Staff is preparing the Request for Proposal (RFP) to procure professional services for the design, production, printing and mailing of the newsletter for 2004-2005. Mr. Frias added that, in accordance with the District’s procurement procedure, the RFP will be advertised in a newspaper of general circulation in Los Angeles County once a week, for four consecutive weeks.

XI. LEGISLATIVE REPORT - SB 50 (SHER)
Assistant to the General Manager Adeline Yoong gave an update on state and federal legislative issues. Ms. Yoong stated that Governor Arnold Schwarzenegger is urging the Legislature to speed up the annual budget process and adopt a new state budget by the end of May 2004. She also gave a brief background on Propositions 57 and 58 for the March Primary.
Ms. Yoong informed the Committee that Assemblyman Fabian Nunez was sworn in as the 66th Assembly Speaker, replacing Assemblyman Herb Wesson - who will leave office at the end of the year due to term limits.
Ms. Yoong also asked that the Committee recommend that the Board remove its support for SB 50 (Sher). SB 50 was originally a bill that would require bottled water companies to comply with more stringent requirements as those required of the water industry. The bill has since been amended and replaced with language to address hazardous electronic waste. The Committee concurred with the staff recommendation.

XII. DEPARTMENT REPORT
Mr. Frias provided an update on the District’s educational partnership program, the groundwater tour program, and the speakers bureau.
Mr. Frias stated that staff had re-evaluated the number of groundwater tours conducted by the District. He stated that in order to accommodate the increasing demand of tours, three tours be given during the summer months and five more tours be scheduled throughout the year.
Ms. Yoong stated that staff has been coordinating tours for the city officials at Signal Hill, Representative Hilda Solis’ office, and the City of Inglewood; and that overview presentations were made at the city council meetings of Gardena and Norwalk. Ms. Yoong also stated that a cable station in indicated an interest in conducting an interview.

XIII. ADJOURNMENT
With no other business to come before the Committee, the meeting was adjourned at 12:28 p.m.

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Chair

ATTEST:

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Director
A special meeting of the Inter-Agency Committee of the Board of Directors of the Water Replenishment District of Southern California was held on March 8, 2004, at 8:16 a.m. at the District Office, 12621 E. 166th Street, Cerritos, California. Chairperson Pat Acosta called the meeting to order and presided thereover. Deputy Secretary Abigail C. Andom recorded the minutes.

I. DETERMINATION OF A QUORUM
Attendees included:
Committee: Directors Pat Acosta and Robert Goldsworthy (Alternate)
Staff: Diana Delker, Albert Frias

II. PUBLIC COMMENT
Mr. Bill Minasian, resident of the City of Downey, stated that he had concerns about the proposed contract with Tres Es, LLC (Senator Polanco) since he was not sure of what the scope of services were and felt that the procurement process was not open to everyone.

III. CONSIDERATION OF CONTRACT TO RETAIN THE SERVICES OF TRES ES, LLC (SEN. RICHARD POLANCO, RET.) TO WORK WITH BOARD AND STAFF ON DISTRICT STRATEGIC PLANNING
Chairwoman Acosta stated that the District currently has numerous projects that the Board would like to see move forward and felt that Tres ES, LLC could provide assistance with such projects. She noted that Senator Polanco had recently left the Legislature and has many legislative and governmental contacts that would prove to be valuable to the District, especially with the Bureau of State Audits and the Department of Health Services. Chairwoman Acosta explained that Senator Polanco, as a registered lobbyist, would be better able to represent the WRD’s concerns in both Sacramento and the District.

Director Goldsworthy added that Senator Polanco was uniquely qualified to assist the District because of his background and experience. He felt that the financial benefits in the form of grants and other funding sources that Tres Es, LLC may be able to secure for WRD will far outweigh his professional fee.

Director Goldsworthy used the problems staff is presently faced with regarding the permit process for the Leo J. Vander Lans Water Treatment Facility as an example of an area where Senator Polanco may be of help. He explained that the facility is not operational because of imposed regulations that are unrealistic and
unscientific. Director Goldsworthy noted that once the plant is operational, it will provide a more reliable and cost efficient source of water for the region. He believed that Senator Polanco and Tres Es, LLC could assist in getting the District’s message across and hopefully expedite the permit process.

Mr. Minasian requested more information regarding the fee structure. Director Acosta responded that other lobbying contracts and scopes of work were reviewed and it was determined that the fee was justified.

Ms. Diana Delker, Manager of Administration and Human Resources, added that other lobbying firms were contacted to solicit comparison bids based on the scope of work presented to Tres ES, LLC. She stated that as of that date, no responses had been received.

The Committee recommended that the Board retain the services of Tres Es, LLC to provide assistance to the Directors and staff on District strategic planning. The Committee also requested that staff provide any quotes received from the other lobbying firms at the next Board meeting.

IV. ADJOURNMENT
With no other business to come before the Committee, the meeting was adjourned at 8:41 a.m.

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Chair

ATTEST:

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Director
DATE:    MARCH 26, 2004
TO:    INTER-AGENCY COMMITTEE
FROM:    ROBB WHITAKER
SUBJECT:    LEGISLATIVE REPORT

SUMMARY

Legislative Calendar.
April 1 – Spring Recess begins upon adjournment.
April 12 – Legislature reconvenes upon Spring Recess.
April 23 – Last day for Policy Committees to hear and report to Fiscal Committees fiscal bills introduced in their house.

Update.
Staff will provide a verbal update on federal and state matters.

FISCAL IMPACT
None.

STAFF RECOMMENDATION
For information.
<table>
<thead>
<tr>
<th>Bill No./ Author</th>
<th>Title/Content</th>
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<tr>
<td><strong>AB 83 Corbett</strong></td>
<td><strong>Bottled water.</strong> Transfers regulations and licensure of bottled water from the Sherman Food, Drug and Cosmetic Law to the California Safe Drinking Water Law. Requires bottled water licensees to comply with provisions similar to those imposed on public water systems regarding emergency notification plans, consumer confidence reports, and annual inspections. Also requires the labeling on bottled water sold at retail or wholesale in a plastic beverage container to include specified information. Creates the Safe Bottled and Vended Water Account. <strong>Comments:</strong> Supported by NRDC, East Bay MUD, and Clean Water Action. Would require bottled water companies, like Coca Cola and Pepsi who market their own branded water, to comply with more stringent requirements listed in Consumer Confidence Reports.</td>
<td>Int. 01/06/103 Location: Sen Approps Status: Re-referred to Sen Approps (01/12/04)</td>
<td>Staff Rec: Support ACWA: Favor CMUA: Support WRD Board: Support (04/02/03)</td>
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<td><strong>AB 107 Corbett</strong></td>
<td><strong>Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002.</strong> Appropriates Water Security funds from Prop 50 to DHS for grants to local agencies. Requires DHS to develop guidelines for awarding grants in consultation with the Office of Emergency Services, the state Office of Homeland Security, and public water agencies. Prevents DHS from awarding grants to reimburse projects costs incurred prior to the adoption of the criteria and from awarding grants to supplant funding for the routine responsibilities or obligations of any state, local, or regional drinking water system. Establishes preferences for grant awards to projects that produce the greatest regional public benefit for the least cost, projects that help to achieve regional equity in the distribution of grant funds, and eligible projects that are consistent with any regionally based water resources management plan that has been planned through a public process. Requires the completion of a security vulnerability assessment and the completion of an emergency response plan that incorporates the results of the security vulnerability assessment.</td>
<td>Int. 01/10/03 Location: Sen Agriculture and Water Status: Amended on 03/17/03, 04/21/03, 06/02/03, 06/24/03; Hearing cancelled by author (07/01/03)</td>
<td>Staff Rec: Watch ACWA: Oppose unless amended CMUA: Watch</td>
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<td><strong>AB 1522 Parra</strong></td>
<td><strong>Water rights: permits.</strong> Expands the authority of the Regional Water Quality Control Board’s executive officers to include the ability to issue National Pollutant Discharge Elimination Systems (NPDES) permits without regional board action, and makes technical corrections to and deletes obsolete provisions of the Water Code. <strong>ACWA’s Comments:</strong> Existing law provides that state laws that address the loss of water rights by nonuse, abandonment, prescription, and lack of diligence shall not apply to water rights appurtenant to, or for use on, any trust land under certain conditions. This bill would delete all of the above provisions. Allows a regional water quality control board’s executive officer to issue, without a specific board action, National Pollutant Discharge Elimination System (NPDES) permits and make several technical and corrective changes to statutes governing water rights and waste discharge violations.</td>
<td>Int. 02/21/03 Location: Sen. Ag &amp; Water Resources Status: Amended on 04/22/03; Passed Asm Water, Parks &amp; Wildlife (04/24/03); Passed Asm Approps (05/15/03); Passed Asm Floor (06/04/03); Hearing canceled at author’s request (06/25/03)</td>
<td>Staff Rec: Oppose ACWA: Oppose</td>
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<td><strong>AB 2279 Dymally</strong></td>
<td><strong>Water replenishment districts.</strong> Authorizes the establishment of a reserve fund for an amount up to 6 months of the adopted budget. <strong>Comments:</strong> The WRD has requested that language for this bill be removed.</td>
<td>Int. 02/19/04 Location: Asm Local Govt (03/04/04)</td>
<td>Staff Rec:</td>
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<td>Bill</td>
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<td>SB 50 Sher</td>
<td>Solid waste: hazardous electronic waste.</td>
<td>Clarifies certain terms, exemptions and reporting and fee requirements in the Electronic Waste Recycling Act of 2003.</td>
<td>Comments: This bill has been stripped and amended to address certain issues in the Electronic Waste Recycling Act of 2003.</td>
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<td>SB 117 Machado</td>
<td>Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002: Colorado River Quantification Settlement Agreement</td>
<td>Establishes the Colorado River Quantification Settlement Agreement Account and transfers $200 million from an unspecified fund into the account for the purposes of facilitating the QSA transfers.</td>
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<td>SB 318 Alpert</td>
<td>Urban water suppliers: desalinated water.</td>
<td>Requires a plan to describe the opportunities for development of desalinated water, including but not limited to ocean water, brackish water, and groundwater, as a long-term supply.</td>
<td>Comments: Under current law, every urban water supplier must prepare and adopt an urban water management plan and update that plan at least once every 5 years. This bill would add desalination as a required element of the plan. Opponents argue that desalination should not be added until the Desalination Task Force submits its recommendations due by July 1, 2004.</td>
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<td>SB 543 Machado</td>
<td>Water rights: groundwater cleanup operations.</td>
<td>With certain exceptions, this bill prohibits the water produced from a groundwater cleanup operation from being used by the operator of a groundwater cleanup operation or from being transferred, assigned, or conveyed to a third party for use, until a replacement water supply has been provided to every public water system injured by the contamination. Provides that no right shall vest in the operator of a groundwater cleanup operation solely by virtue of its extraction, treatment, and discharge of water from that operation. Exempts discharges from groundwater cleanup operation that is under 25 acre-feet in the counties of Riverside, San Bernardino, Los Angeles, and Ventura or under 50 gallons per minute in an other county, if the discharge is not for recharge.</td>
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<td>SB 909 Machado</td>
<td>Public water systems: mutual water companies.</td>
<td>Allows grants of state bond funds to be made to public water utilities and mutual water companies.</td>
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<td>SB 922 Soto</td>
<td>Cleanup or abatement orders: contaminated drinking water supplies.</td>
<td>Clarifies existing law by explicitly authorizing the State Water Resources Control Board or a regional board to require the provision of, or payment for, uninterrupted replacement water service, which may include wellhead treatment, to affected public water suppliers or private well owners. Authorizes the regional board or state board to request a water replacement plan from the discharger prior to the provision of the replacement water. The bill would provide for mediation of replacement water claims.</td>
<td>02/21/03</td>
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<td>SB 1000 Aanestad</td>
<td>Beneficial use: extension of time.</td>
<td>Declares the nonuse of water as a result of conservation as good cause to extend the period specified in a permit for application of appropriated water to beneficial use. Requires the state board to extend the time for application of the water to beneficial use.</td>
<td>02/21/03</td>
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<td>SB 1165 Local Govt.</td>
<td>Local Government Omnibus Act of 2004.</td>
<td>This bill contains provisions applying to a variety of non-controversial local governance issues. <strong>Comments:</strong> This is an annual bill that allows the Committee to address several non-controversial measures at one time. The bill contains a provision authorizing the general manager or other district representative of water replenishment districts to sign contracts and documents valued between $10,000 and $25,000 if approved by the board and upon resolution granting signature authority for a specific expenditure. It also allows the replenishment district’s general manager or other district representative to approve and sign all contracts and documents valued at less than $10,000, and not more than $10,000 on a cumulative basis in a one-year period.</td>
<td>02/02/04</td>
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<td>SB 1251 Morrow</td>
<td>State Water Project.</td>
<td>This bill would state the intent of the Legislature to set conditions for bodies of water that are directly connected to, and affected by, the State Water Resources Development System. <strong>Comments:</strong> This is a spot bill.</td>
<td>02/12/04</td>
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<td>SB 1272 Ortiz</td>
<td>Special districts.</td>
<td>This bill would require annual audits of special districts to be performed in accordance with General Accounting Office standards for financial and compliance audits and would impose various other requirements on these audits, thus imposing a state-mandated local program. The bill would require the Controller to review the audits under specified procedures. <strong>Comments:</strong> This is the special district reform legislation introduced by Senator Ortiz. The Senator plans to substantially amend the legislation prior to the first policy committee hearing to address other areas of concern, including the definition of “meeting” for purposes of director compensation, director compensation, budgeting (including rate making and reserve policies), and ethics training.</td>
<td>02/18/04</td>
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<td>SB 1374 Machado</td>
<td>Water transfers: third-party impacts.</td>
<td>This bill would require that the State Water Resources Control Board also consider third-party impacts in its consideration of a water transfer petition. With regard to that determination, the bill would prohibit the board from</td>
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approving the petition unless it finds that the petitioners have met prescribed conditions relating to potential third-party impacts. The bill would require the board to accept and consider evidence that the proposed transfer neither avoids nor mitigates all likely significant negative third-party impacts. The bill would authorize the board to develop and adopt an abbreviated process to approve long-term transfers that it determines are least likely to negatively affect third parties.

**Comments:** The bill takes the California Environmental Quality Act (CEQA) model for identifying, evaluating and mitigation potential significant effects on the environment and would apply it to the analysis of the potential third-party impacts that could result from a long-term water transfer. ACWA believes that the bill potentially opens a Pandora’s box by creating a new litigation tool to be used against water transfers.
DATE: MARCH 25, 2004
TO: INTER-AGENCY COMMITTEE
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: DEPARTMENT REPORT

SUMMARY
Staff will provide an update of department activities.

FISCAL IMPACT
None.

STAFF RECOMMENDATION
For information.
Government and Public Affairs Report (February)
Compiled March 15, 2004

Government Affairs
- Coordinating tour for the city officials at Signal Hill.
- Coordinating briefing for city of Inglewood.
- Preparations for annual WRD state and federal legislative visits.
- Overview WRD presentation provided to the following cities and commission:
  - Torrance Water Commission
  - Hermosa Beach
  - Rancho Palos Verdes

Public Outreach
- *the Source* newsletter
  - Staff is working on articles for the next issue, which is scheduled to be sent to the printer soon.
- WRD Groundwater Tour Program
  - Director Murray attended the Feb 17 tour in which 51 people attended.
  - The next tour is March 23 and Director Acosta will serve as host. A total of 52 people registered for the March 23 event, included 15 from the Inglewood Public Works Dept.
  - Future tour dates include May 6 and June 10. Staff is working on dates for July and August.
- Educational Partnership Program
  - Division 1: Staff made presentation to 235 students during February at Monroe Middle School in Inglewood. A field trip with Director Murray is scheduled for April 8.
  - Division 2: Staff made presentation to students in Torrance. Teacher is working to schedule a date for a student field trip. Teachers at Harbor City School have returned from school break (school is year-round) and plan to schedule a field trip in May. Staff has already made presentation to students.
  - Division 3: Talked with teacher at Powell School in Long Beach and the WRD will participate in a daylong, citywide science fair on April 24. Staff will make presentation to science students at the school in May. A field trip is scheduled for June 17.
  - Division 4: Staff made presentation to nearly 200 students in South Gate. Director Acosta attended. The other partnership schools have already attended field trips for the year. Staff is still working with educator to set up a T-shirt drawing contest with South Gate Middle School. Staff made presentation to students at San Antonio School in Huntington Park. A field trip to a wellhead facility located two blocks from the school will be planned for students.
Division 5: Staff made presentation to more than 130 students at South Ranchito School in Pico Rivera. A field trip is tentatively set for late April. The principal of the school has also invited staff to make a presentation to the school’s parent group in April.

WRD Speakers Bureau
- Presentations have been made to the following organizations
  - Pico Rivera Rotary
  - Manhattan Beach Lions

- Upcoming presentations scheduled for the following organizations:
  - Compton Rotary
  - Huntington Park Kiwanis
  - Whittier Lions Club
  - Vernon Rotary

Press Relations
- Wrote and sent out news release on article published in textbook by Robb Whitaker and Ted Johnson.

Miscellaneous
- Coordinating tour for Central Basin Municipal Water District Directors Gonzalez and Cole, and West Basin Municipal Water District Director Fernandez
- Drafted and sent letter inviting Central and West Basin Municipal Water Districts to co-host a Spring reception
- Staff worked on District Reception for Robb Whitaker
- Continued support provided on state audit
- Ongoing activities
  - Monitor legislation
  - Monitor county and council meetings
  - Press clippings