

**CENTRAL BASIN MUNICIPAL WATER DISTRICT****JUNE 14, 2007 - Water Resources**

Vasquez, Montalvo

**JUNE 22, 2007 - Special Board Meeting**

Prepared by: Van M. Jew

Submitted by: Steven Apodaca

Approved by: Art Aguilar

**INFORMATION CALENDAR****WATER QUALITY PROTECTION PLAN (WQPP) UPDATE****SUMMARY:**

Earlier this month, Board President Apodaca, General Manager Aguilar and staff met with the City Managers of Santa Fe Springs, Pico Rivera and Whittier to discuss the status of the Water Quality Protection Plan (WQPP). The three cities expressed strong interest in keeping the WQPP in operation. As a result of the meeting, the four agencies collectively decided to put the WQPP back into service and have appointed staff from each agency coordinate the details and identify each agency's obligations.

Since agreements already exist between Central Basin and the cities, it was agreed that a Memorandum of Understanding (MOU) be drafted within the existing provisions to expedite the process. After several meetings with Central Basin and cities' staff, the following terms were drafted for City Managers' final approval:

- Central Basin will operate WQPP through September 30, 2007;
- Whittier, Pico Rivera and Santa Fe Springs will purchase WQPP water at a rate of \$250 per acre-foot; any WQPP operating or start-up costs not covered by the water rate will be paid for using WQPP grant funds;
- Whittier, Pico Rivera and Santa Fe Springs will enter into discussions to potentially form a Joint Powers Authority (JPA) which would purchase WQPP from Central Basin and/or identify any other funding partners or sources;
- Central Basin will discuss with the United States Department of the Interior - Bureau of Reclamation, who is the WQPP grant sponsor, the procedures and logistics on the transfer or sale of WQPP; and
- If there are no changes (i.e. no JFA or no new funding source/partners) by September 30, 2007, all parties agree to demolish WQPP.

Staff anticipates that WQPP will be back on-line by the end of the month if no start-up issues are encountered.

**FISCAL IMPACTS:**

The estimated total cost to operate WQPP over the next three months is \$350,000 and estimated revenue is \$280,000. The net loss of \$70,000 is reimbursable through the WQPP grant fund.

**ENVIRONMENTAL COMPLIANCE:**

WQPP will undergo various water quality tests before being put back into service.

COMMITTEE STATUS:

This item was presented to the Water Resources Committee on June 14, 2007 and was agendized to the June 22, 2007 Special Board meeting.

RECOMMENDED MOTION:

This item is for information only.

LIST OF EXHIBITS:

None.

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