

CENTRAL BASIN MUNICIPAL WATER DISTRICT

JANUARY 9, 2006 - Water Resources
Cole, Vasquez
JANUARY 23, 2006 - Board Meeting
Prepared by: Van M. Jew
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Approved by: Rich Nagel

ACTION CALENDAR

WATER QUALITY PROTECTION PLAN (WQPP)
OPERATIONS CONTRACT

SUMMARY:

At the September 2005 Board meeting, staff was directed to negotiate a one-year contract extension with American States Utility Services (ASUS) to operate the WQPP. ASUS's current contract is a two-year contract with a not-to-exceed amount of \$200,000 and will expire in February 2006.

Two Changes

ASUS and staff believe that the current terms of the contract appropriately provide the level of service desired by the District and appropriately compensates ASUS for services rendered. In addition to the current contract terms, the following language is recommended as an addition to a one-year contract extension:

1. In the event that the DISTRICT will terminate the operations of WQPP or in the event that WQPP operations oversight responsibility will be transferred to another party, the DISTRICT may terminate this agreement upon thirty (30) days written notice to ASUS; and
2. In the event the DISTRICT transfers operations oversight responsibility to another party, the DISTRICT shall issue a written notice of transfer (TRANSFER NOTICE) to ASUS. Within thirty (30) days of issuance of the TRANSFER NOTICE, ASUS may, at its option, terminate this agreement. Should ASUS exercise its option to terminate this agreement under the conditions stated above, ASUS shall submit written notification of its intent to terminate this agreement (NOTICE OF TERMINATION) to the DISTRICT. ASUS shall submit its NOTICE OF TERMINATION a minimum of one hundred twenty (120) days prior to the intended termination date.

The above language is designed to give both the District and ASUS reasonable consideration to exercise the option to terminate the contract under changed conditions regarding the operations of WQPP.

FISCAL IMPACTS:

Costs for the one-year contract extension are covered in the in the Capital Investment Budgets for FY 2005-06 and 2006-07.

ENVIRONMENTAL COMPLIANCE:

No new requirements.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Committee on January 9, 2006 and was recommended for approval at the January 23, 2006 Board meeting.

RECOMMENDED MOTION:

That the Board directs the Co-General Managers to enter into a one-year contract extension with American States Utility Services, Inc. for a not-to-exceed amount for \$100,000 to operate the Water Quality Protection Plan under the current contract terms with the addition of the termination clauses contained in this Board memorandum.

LIST OF EXHIBITS:

None.

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