



AGENDA

DESALINATION COMMITTEE and SPECIAL MEETING OF THE BOARD OF DIRECTORS

WEST BASIN MUNICIPAL WATER DISTRICT

January 15, 2019 – 1:00 PM

West Basin Municipal Water District
17140 S. Avalon Blvd.
Carson, CA 90746

Donald Dear, Chair | Gloria Gray, Member | Scott Houston, Alternate

* The Desalination Committee meeting is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board, who are not assigned to the Desalination Committee, may attend and participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the Committee as advisory to the Board, members of the Board who are not assigned to the Desalination Committee will not vote on matters before the Committee.

1. **CALL TO ORDER**
2. **DETERMINATION OF QUORUM**
3. **PUBLIC COMMENT**
4. **PRESENTATIONS**
5. **ACTION CALENDAR**
6. **INFORMATION CALENDAR**
 - A. Ocean Water Desalination Project Environmental Impact Report Preparation Update
 - B. Consultant Team Selection Progress Update
7. **CLOSED SESSION**
8. **DIRECTORS COMMENTS/FUTURE AGENDA ITEMS**
9. **ADJOURNMENT**
10. **NEXT SCHEDULED MEETING** The next Regular meeting is scheduled to be held on February 12, 2019.

NOTE: At the discretion of the Board, all items appearing on this agenda, whether or not expressly listed for action, may be deliberated and may be subject to action by the Board.

Notice of this agenda and materials may be found at the District's Office located at 17140 S Avalon Boulevard, Carson, California and on the District's website at www.westbasin.org. For further information or questions, please

contact the Board Secretary at (310) 660-6229. Disability-related aids, language translation or other services are available to enable persons with a disability to participate in this meeting, consistent with the federal Americans with Disabilities Act of 1990 and can be provided by the Board Secretary upon request. Should you require special accommodations to participate in the meeting due to a disability, please contact the Board Secretary at least 72 hours in advance of the meeting at (310) 660-6229.



AGENDA NO. 6.A

DESALINATION COMMITTEE January 15, 2019

INFORMATION

Ocean Water Desalination Project Environmental Impact Report Preparation Update

Summary:

West Basin Municipal Water District (West Basin) has investigated the feasibility of a potential full-scale Ocean Water Desalination Project (Project) since Year 2000 through a step-wise approach. The current step is to complete the California Environmental Quality Act (CEQA) documentation process and prepare an Environmental Impact Report (EIR). West Basin, as the Lead Agency, released the EIR Notice of Preparation (NOP) on August 31, 2015. Staff completed the public scoping meeting on September 30, 2015, in addition to the special briefings for the local impacted community (El Porto-Manhattan Beach), the environmental stakeholders and interested local agencies. The preparation of an Administrative Draft EIR (ADEIR) began at the end of the scoping and comment period on October 15, 2015 using the comments received.

West Basin finalized the ADEIR and released a Draft EIR on March 27, 2018 to provide the responsible and trustee agencies, other public agencies, and interested parties, as well as the public, with information about the potential environmental effects anticipated as a result of the proposed Project. The Draft EIR describes the potential direct, indirect, and cumulative environmental impacts of the Project. Given the scale and complexity of the project, West Basin Board of Directors (the Board) took two separate actions to extend the public comment period by a total of 46 days to 91 days, beyond the legal obligation of 45 days under the CEQA requirement. The public comment period concluded on June 25, 2018 at 5:00pm. Comments received during the public comment period will be responded and used as a basis for preparation of a Final EIR document for the Board's consideration for certification.

As part of the response-to-comments preparation, staff and the team have been working on four supplemental studies to aid the development of responses to address pertinent technical comments. These studies are:

- Compilation of 316(b) Data;
- Near Field Dispersion Modeling;
- Coastal Hazards Analysis; and
- Subsurface Intake Summary Report.

As a parallel effort, all comments have been categorized based on the environmental resource areas, such as air quality, energy, and marine resources and other topics evaluated in the Draft EIR. To facilitate the response preparation process, a list of master response topic areas has been identified and is being further refined and developed. Master responses are commonly utilized to re-establish context and to provide responses to important common themes identified in individual comments. These master responses will be included as part of the Response-to-Comment document and will be cited in the responses to individual comments as deemed

appropriate. Staff will continue working with the team to complete the studies as well as develop responses to comments for the purpose of finalizing the EIR document.

Benefit to West Basin:

The EIR is a critical component of delivering an engineering project within California, ensuring all facets of environmental impact are considered and characterized, and offering an opportunity for the public to contribute to the process and potentially shape the path forward for the project.

Strategic Business Plan Implementation:

Goal 1: Water Reliability – West Basin is committed to innovative planning and investments to provide water supply reliability and drought protection.

Goal 2: Water Quality – West Basin is committed to providing safe, high quality water by meeting current and anticipated water quality requirements.

Goal 3: Customer Service – West Basin is committed to providing value by understanding and meeting the needs of our customers and the communities we serve.

Goal 4: Sound Financial & Resources Management – West Basin is committed to efficient business operations, financial planning and asset management.

Goal 5: Environmental Stewardship – West Basin is committed to sustainable and environmentally-friendly business practices.

Fiscal Impact:

Funds for the EIR are included in the Fiscal Year 2018-2019 Capital Improvement Program Budget.

Environmental Compliance:

The EIR is being performed in response to the CEQA, a statute that requires state and local agencies to identify the significant environmental impacts of their actions and to avoid or mitigate those impacts, if feasible.

Committee History:

This item will be reviewed by the Desalination Committee on January 15, 2019.

Recommendation:

This item is for information only.

Prepared by: Zita Yu, Technical Planning Supervisor
Submitted by: Zita Yu, Technical Planning Supervisor
Reviewed by: Patrick Sheilds, General Manager



AGENDA NO. 6.B

DESALINATION COMMITTEE January 15, 2019

INFORMATION

Consultant Team Selection Progress Update

Summary:

West Basin Municipal Water District (West Basin) has investigated the feasibility of implementing a potential full-scale Ocean Water Desalination Project (Project or OWDP) since early 2000s through a step-wise approach. It includes conducting a pilot study in El Segundo (2002-2009) and a demonstration study in Redondo Beach (2010-2014). Building upon the 13 years of thorough field research and operational experience, West Basin completed a Program Master Plan (PMP) which identified the critical path forward for adding desalinated ocean water as a second drinking water source provided by the District to offset imported water demand.

The current stage of the step-wise approach is to prepare an Environmental Impact Report (EIR) as part of the California Environmental Quality Act (CEQA) process. West Basin released a Draft EIR on March 27, 2018 to solicit public comments during the 91-day public comment period. The Draft EIR document identified and evaluated the potential environmental impacts resulting from a proposed facility with an initial treatment capacity of 20 million gallons per day (MGD) potentially expandable to up to 60 MGD located in the City of El Segundo, CA.

While the Draft EIR describes the potential direct, indirect, and cumulative environmental impacts of the proposed Project, West Basin recognizes that there is a need to evaluate potential wholesale drinking water rate impacts on customer agencies resulting from the implementation of such a local water reliability project. Furthermore, the potential costs and benefits of the proposed project should be considered and analyzed in the context of local water supply reliability and drought resiliency.

As such, staff released a request for proposal on October 4, 2018 through the Network to solicit a qualified consultant team to evaluate the costs and benefits of implementing a potential OWDP as a local drinking water supply in West Basin's service area. The objectives of the study are as follows:

- Determine the cost range of implementing a potential OWDP under the current regulatory conditions;
- Determine the potential wholesale drinking water rate impacts resulting from and pricing stability offered by a potential OWDP.
- Determine the tangible and intangible costs and benefits of implementing OWDP, such as increased water supply reliability and drought resiliency.

The deadline for submitting proposal was extended from November 8, 2018 to December 6, 2018 based on the written feedback provided by the potential bidders. A total of three proposals were received on December 6, 2018.

A selection panel consisting of five panelists (four internal and one external panelists) has been formed to evaluate the proposals as well as the team based on their quality, respondent's qualifications and experience, proposed fees and rate schedules, team availability and organization, and past experience from references. The selection panel conducted in-person interviews with three teams on December 19, 2018. The panel is currently working on finalizing the scores. A recommendation will be made and presented to the Board of Directors during the January 28, 2019 Board Meeting for approval based on the final score.

Benefit to West Basin:

The findings of this project will inform the Board of Directors (Board) regarding the costs and benefits of implementing an ocean water desalination project (OWDP) within the service area. Such information coupled with the environmental impact findings documented in the Environmental Impact Report will provide the Board the full picture of the potential outcomes of the OWDP and how this project may benefit the service area as well as the region in the long run.

Strategic Business Plan Implementation:

Goal 1: Water Reliability – West Basin is committed to innovative planning and investments to provide water supply reliability and drought protection.

Goal 3: Customer Service – West Basin is committed to providing value by understanding and meeting the needs of our customers and the communities we serve.

Goal 4: Sound Financial & Resources Management – West Basin is committed to efficient business operations, financial planning and asset management.

Goal 5: Environmental Stewardship – West Basin is committed to sustainable and environmentally-friendly business practices.

Fiscal Impact:

Funds for this study are included in the Fiscal Year FY2018-2019 Budget.

Environmental Compliance:

The District is currently preparing an Environmental Impact Report (EIR) for the proposed Ocean Water Desalination Project in accordance with the California Environmental Quality Act as a parallel but separate effort. The EIR will identify the significant environmental impacts of their actions and to avoid or mitigate those impacts, if feasible.

Committee History:

This item will be reviewed by the Desalination Committee on January 15, 2019.

Recommendation:

This item is for information only.

Prepared by: Zita Yu, Technical Planning Supervisor
Submitted by: Zita Yu, Technical Planning Supervisor
Reviewed by: Patrick Sheilds, General Manager