

Council Meeting of  
November 14, 2006

Honorable Mayor and Members  
of the Torrance City Council  
City Hall  
Torrance, California

Members of the Council:

**SUBJECT: Public Works - Fiscal 2005-2006 Water Commission Annual Report**

**RECOMMENDATION**

The Public Works Director and the Water Commission recommend that the City Council accept and file the 2005-2006 Water Commission Annual Report.

**BACKGROUND AND ANALYSIS**

The Annual Report for the period of July 1, 2005 through June 30, 2006, as prepared by the Water Commission, is attached for your information and review. The Water Commission was presented with the Annual Report at the regular meeting of September 21, 2006 and approved its acceptance, with minor revisions, and its submittal to City Council for acceptance.

Some of the major highlights of the report include:

- Approval of the City's 2005 Urban Water Management Plan, which assesses water supply reliability over the next 25 years and appropriate water management strategies.
- Adoption of a Five Point Water Conservation Statement to guide development of water conservation programs.
- Consideration and development of input into the Water Conservation section of the City's General Plan Update.
- Review of municipal water rates and pass-through adjustments for Metropolitan Water District and Water Replenishment District rate increases.
- Review of Water Capital Improvement (CIP) program and CIP projects.
- Consideration of the Torrance Municipal Water's (TMW) and the City's Emergency Preparedness Plans.

- Consideration of TMW's water resource situation and regional water management plans.
- Review of the City's water quality programs.
- Consideration of Metropolitan Water District, West Basin, Water Replenishment District and related regional water matters.

Respectfully Submitted,

WATER COMMISSION

*Ray White*  
for Robert Hoffman, Chair

*Robert J. Beste*  
ROBERT J. BESTE  
Public Works Director

*Charles J. Schaich*  
By Charles J. Schaich  
Senior Administrative Analyst

*Jack van der Linden*  
Jack van der Linden  
Deputy Public Works Director

*LeRoy J. Jackson*  
LeRoy J. Jackson  
City Manager

Attachment: A) Fiscal 2005-2006 Water Commission Annual Report

**2005-2006 WATER COMMISSION REPORT  
JULY 1, 2005 THROUGH JUNE 30, 2006**

**SUMMARY REPORT**

**PURPOSE AND GOALS OF THE WATER COMMISSION**

The Water Commission is an advisory board to the City Council on water policy matters. The Commission makes recommendations regarding plans for expansion of the City's water service facilities, as well the capital improvement programs of both the Torrance Municipal water system (TMW) and the Metropolitan Water District. In addition, the Commission advises the Council regarding water rates, development of adequate water supplies, matters regarding water service and other water policy issues.

In its role as an advisory body to City Council, the Water Commission focused on a number of policy areas during the past fiscal year including water conservation, the adoption of an Urban Water Management Plan, the conjunctive use program, water system capital improvements, water resource and reliability matters, water rates, input into the City's General Plan Update, emergency planning, and water quality issues. The major policy areas addressed were as follows:

- **Municipal Water Rates** – The Commission reviewed the automatic pass-through rate increase of approximately 1.3% that became effective the beginning of 2006 to compensate for higher water costs. There have been no rate increases beyond three pass-through adjustments in the last ten years, and Municipal rates have increased by approximately 6% during this period. The Commission reviewed a staff presentation on water rates and will be working with staff regarding future rate policies, including the development of a conservation based rate structure.
- **Water Conservation** – The Commission considered water conservation strategies and measures at several meeting. At the July Commission meeting, the Commission approved its Conservation Subcommittee's recommendations for a five point policy statement related to water conservation and demand management including: 1) expansion of community outreach; 2) promotion of drought tolerant (California Friendly) landscaping; 3) promotion of advanced water management technologies; 4) promotion of conservation based pricing and rate structures; and 5) updated water conservation provisions in the City's General Plan Update. The Commission also recommended the adoption of the City's 2005 Urban Water Management Plan, which assesses the City's water supply reliability over the next 25 years and provides recommendations to meet best management water conservation practices. The UWMP was subsequently approved by City Council in December 2005. The Commission supported the development of water efficient landscape at the Madrona Nature Center, which was dedicated in April 2006.

- **Conjunctive Use Program** – Conjunctive Use is a water resource program to improve reliability that involves the storage of surplus imported water supplies into the groundwater basins for future extraction, when the next water shortage situation occurs. The program could be extremely beneficial to the municipal water utility and fund certain infrastructure costs related to the development of new local water sources, such as new groundwater wells. Although formal Conjunctive Use negotiations were held in abeyance due to institutional and governance issues between various stakeholders, a new facilitator has been retained, and the process is scheduled to be resumed this fall to resolve outstanding issues. The Commission will be working with staff to develop a viable Conjunctive Use program for the City once these negotiations are concluded.
- **Water Capital Improvement Program (CIP)** – The Commission is appraised monthly regarding the status of major water capital projects and the Department's five year CIP program. The Commission will be considering with staff alternative means of funding future CIP requirements including bonds, grants, and MWD local project programs, contributions from other agencies, state loans and private financing options.
- **Metropolitan Water District (MWD) Matters** –The City's MWD Director, Bill Wright, attends Water Commission meetings and appraises the Commission important policy matters at MWD that could impact the City. Issues addressed by Mr. Wright during the past year included: MWD's conversion of its treatment plants to ozone as a primary disinfectant; projected MWD rate increases of 3-5% annually over the next 10 years; the new Center for Water Education in Hemet by Diamond Valley lake; pending development of a new MWD peaking charge; Colorado River Basin water allocation plans, MWD surplus water storage programs and MWD conservation programs. Director Wright sponsored an inspection tour of the Colorado River facilities in April 2006 that was attended by several Commissioners.
- **West Basin Water Association and Related Water Management Issues** – Until the expiration of his term as a Water Commissioner in January, Commissioner Deane Haddon served as the City's representative on the West Basin Water Association's Board of Directors for seven years. With Mr. Haddon's term expiration, the Water Commission unanimously supported the appointment of Deputy Public Works Director, Jack van der Linden, as the City's new representative on the West Basin Association Board of Directors, because of the increasing technical nature of this assignment. Mr. van der Linden was subsequently elected as president of the Association for fiscal 2006-07.

The Commission received reports from the City's West Basin representative on a number of regional water policy issues including: the expansion of the West Basin Municipal Water District's Water Recycling plant, the development of a pilot seawater desalination facility in the West Basin; the Water Replenishment's District's West Coast Operating Plan to optimize use of the local groundwater basin; future increases in groundwater pumping assessments and recycled water rates; the status of Proposition 50 State grants; the development of a required regional water management plan known as the Integrated Regional Watershed Management Plan (IRWMP); possible modifications to the current groundwater adjudication to permit more flexibility in carrying over unused groundwater pumping rights; the dissolution of the combined management and administration of the Central and West Basin Municipal Water Districts; and the Governor's Infrastructure Bond proposals. Various Commissioners attended West Basin sponsored events including quarterly meetings.

- **General Plan Revision** – The Water Commission has been engaged in reviewing the Conservation Element of the City's General Plan Update. In September 2005 and May 2006 the Commission received presentations from representatives of the Community Development Department regarding the Commission's role in providing input to the General Plan Update. In June 2006, the Commission unanimously voted to adopt draft goals, objectives and policies pertaining to the water conservation section of the City's General Plan Update. The Commission will be working with staff to provide additional input into the Plan Update.
- **Emergency Preparedness and Planning** – A major mission of the Commission is to provide oversight regarding the reliability of the Municipal water supplies. To gain a greater insight into emergency preparedness issues, the Commission received a presentation on the Municipal Water utility's role in emergency preparedness and planning, and reviewed TMW's emergency response plan. In addition, the Commission received a presentation from the City's Emergency Services Coordinator regarding the City's overall emergency preparedness functions, response and recovery plans.
- **Water Quality Issues** – The Water Commission reviewed the City's Cross Connection program to protect the integrity of municipal water supplies from contaminated sources. In addition, the Commission reviewed Exxon-Mobil Refinery's plans to contain and neutralize a plume of contaminated water near the southern boundary of the refinery.

- Water Resource and Related Matters – The Commission was apprised of the need to rehabilitate Well Number 6 located at McMaster Park, in order to restore the facility to active service to produce groundwater supplies until a series of new groundwater wells could be developed in the future. The Commission also received presentations regarding the status of the Water Replenishment's Goldsworthy Desalter project located at the City Yard; and the reconvening of the Desalter Working Group to consider the possible revocation of the facility's exemption from the terms of the West Basin groundwater adjudication. The Commission will be working with staff next year to diversify municipal water sources in the most cost effective manner.
- Membership and Organizational Changes – There was one membership change, the resignation of Commissioner Carmen Gonzales in January 2006, due to relocation. The vacancy was not filled by the end of this fiscal year. In October 2005, the Commission voted to change the term of the chairperson to a calendar year term beginning in January 2006. Chairperson Kay White's term was extended until that time. In December 2005, Commissioner Hoffman was elected as the Water Commission Chairman for calendar 2006.