

**MINUTES OF A REGULAR MEETING OF
THE TORRANCE WATER COMMISSION**

1. CALL TO ORDER

The Torrance Water Commission convened in a regular session at 7:02 p.m. on Thursday, January 19, 2006.

2. ROLL CALL:

Present: Commissioners Deemer, Lew, Rizzardi, Warner, White, and Chairperson Hoffman.

Absent: Commissioner Gonzalez.

Also Present: Deputy Public Works Director van der Linden, Senior Administrative Analyst Schaich, Public Works Director Beste, and Metropolitan Water District Director Wright.

MOTION: Commissioner White moved to grant an excused absence to Commissioner Gonzalez for the January 19, 2006 Water Commission meeting. Commissioner Lew seconded the motion; a voice vote reflected unanimous approval.

3. FLAG SALUTE

Commissioner Lew led the Pledge of Allegiance.

4. AFFIDAVIT OF POSTING

MOTION: Commissioner Warner moved to accept and file the report of the City Clerk on the posting of the agenda for this meeting. Commissioner White seconded the motion; a voice vote reflected unanimous approval (absent Commissioner Gonzalez).

5. APPROVAL OF MINUTES

5A. MINUTES FROM DECEMBER 15, 2005

Minutes from the December 15, 2005 Water Commission meeting were not available.

6. NEW BUSINESS

6A. PRESENTATION REGARDING AUTOMATIC METER READING (AMR) SYSTEM

Senior Administrative Analyst Schaich introduced the item and noted that a pilot program was underway to convert the City's hand held meter reading devices to an

automatic meter reading (AMR) system. He stated that the Department was looking to increase efficiency of reading, decrease long-term costs, and address safety issues. He stated that there were 26,000 meters in the City's system and that they were initially focusing on converting approximately 300 large meters to AMR units. He welcomed Andy Bohn, Territory Manager for Neptune Technology Group, Inc., David Hughes, Vice President of Measurement Control Systems, and Eric Tracy, Territory Manager of Measurement Control Systems.

With the aid of a power point presentation, Territory Manager Bohn provided an overview of AMR technology and the mobile collection system. He discussed the history of meter reading from the use of paper route books, telephone AMR systems, touch-read AMR systems, and radio-read AMR systems that include use of a hand held probe approach, hand held RF approach, mobile RF approach, or fixed network RF approach. He advised that the mobile laptop was by far the most efficient and cost affordable way to read meters and discussed advantages of its use. He noted that it currently takes multiple people several days to read the City's meters and with the new technology it would only take one person a day and a half. Other advantages include the ability to pass the cost onto customers in new construction developments, increased meter reading reliability, conservation initiatives, work force demands, data integrity, and decrease of liabilities.

Public Works Director Beste noted that water meters get less accurate the older they get. He stated that the City needed to change its meters anyway because small meters were 15 years old and large meters 20 to 30 years old.

Senior Administrative Analyst Schaich added that more accurate readings would capture some of the cost of the change out program.

Vice President Hughes explained why especially aging large meters contributed to inaccurate readings and loss of revenue.

Territory Manager Bohn stated that there were many ways to maintain large meters and using the large meter revenue to justify small meter programs, with pay back often in one year.

In response to Commissioner Rizzardi's inquiry, Senior Administrative Analyst Schaich advised that vandalism was not a major consideration.

Commissioner Deemer received clarification from Vice President Hughes that replacement cycles of new meters would not change significantly from the product taken out.

Territory Manager Bohn distributed samples of a residential meter and register currently used in the City. He stated that with AMR technology, a register would be put on the meter that has a circuit board that communicates with the radio, and that the radio has a small transmitter in it that sends out a frequency that is received by hand held gear or a lap top mobile computer.

Territory Manager Tracy provided information about the Pro Read Absolute Encoder and the E-Coder Conservation Meter that shows current rate of flow every five seconds, flags if there is a leak, shows no flow, and registers backflow vents. He

demonstrated a radio and the transmitter of the radio frequency, both having the capability to put an antenna on it, and noted that the range of the mobile laptop data collector was greater than a mile.

At Chairperson Hoffman's request, Vice President Hughes explained the disadvantages of using telephone lines to collect and transmit data.

Territory Manager Tracy discussed usage analysis, the CE handheld computer, and the MRX 950 mobile laptop that is capable of reading 30,000 accounts per day and 70 meters per second. He noted that the mapping module allows easy operation by meter readers and shows read meters, unread meters, and failed meters.

Responding to Chairperson Hoffman's inquiry regarding warranty, Vice President Hughes explained that meter reads are guaranteed or Neptune would pay the difference in the bill, noting that fixed network units transmit data every 15 seconds.

When Commissioner White expressed concern about potential loss of jobs, Deputy Public Works Director van der Linden advised that water meter readers are Water Service Technicians and can perform other tasks in the distribution system.

Senior Administrative Analyst Schaich stated that conversion to AMR would give them the tools they need to provide residential water audits as a conservation service to customers. He advised that they were in the process of conducting a cost/benefit analysis and that initially approximately 200 large meters would be analyzed in the next two months for potential change out. He added that installation would start in July 2006 if approved by City Council.

In response to Commissioner Warner's inquiry, Deputy Public Works Director van der Linden advised that in house City employees would be responsible for most of the installation. He noted that they were focusing on large meters that are read on a monthly basis and that most of the recent large meters that have been installed are Neptune and can be therefore be retrofitted.

Responding to Deputy Public Works Director van der Linden inquiry, Territory Manager Bohn stated that 35 days of data could be stored in the E-coder.

The Commission was in recess from 8:10 to 8:16 p.m.

Chairperson Hoffman introduced newly appointed Commissioner Rizzardi.

Commissioner Rizzardi stated that he has been on City Commissions for 25 years and was looking forward to working on the Water Commission.

6B. UPDATE REGARDING PASS THROUGH WATER RATE ADJUSTMENT TO OFFSET HIGHER WATER COSTS

Senior Administrative Analyst Schaich introduced the item and noted a typographical error on page 3, advising that the Metropolitan Water District (MWD) has increased its wholesale water rate by \$10 per acre-foot from \$443 to \$453. He stated that the Water Replenishment District (WRD) has also increased its groundwater pumping assessment. He noted that these adjustments in wholesale water rates are

projected to increase Torrance Municipal Water costs by \$220,000 annually, and that the average residential customer's water bill will increase 40 cents per month effective March 2006. He distributed Water Service Rate Adjustment notifications that were mailed to customers with conservation tips included on the back of the notice. He encouraged Commissioners to attend Protecta del Agua classes in March 2006 on Saturday mornings at the Madrona Marsh Nature Center.

MWD Director Wright distributed the January 10, 2006 MWD Board Meeting 8-1 recommending an increase in the Treatment Surcharge of \$25 per acre-foot, along with an increase in the System Power Rate of \$9 per acre-foot for 2006/07. He stated that the increase was because MWD was converting all its treatment plants to ozone, that the cost of chlorine increased 275%, and that there was a \$9 increase in the power rate. He noted that the untreated water rate stayed the same for the third year in a row and that the system access charge went down \$9. He stated that next year MWD would increase their water rates by 3.4% and encouraged outdoor water conservation.

7. WEST BASIN WATER ASSOCIATION DIRECTOR'S REPORT

Chairperson Hoffman reported that former Commission Haddon was the representative to West Basin and that a staff member was being considered to replace him.

Deputy Public Works Director van der Linden stated that the West Basin Association meetings used to involve more policy and procedure but the Board has now become more technical and operated by staff members. He noted that, even though Commissioner Haddon attended the meetings, a staff member always accompanied him to provide support. He advised that all voting members were staff and recommended that a Public Works staff member represent the City at West Basin Water Association meetings.

Chairperson Hoffman, with concurrence by Commissioner White, proposed that the item be put on next month's agenda for further discussion.

In response to Commissioner Lew's inquiry, he was informed that Deputy Public Works Director van der Linden has been selected to be the representative.

Senior Administrative Analyst Schaich reported that major topics of discussion at the West Basin Association meeting in early January 2006 included the Conservation Master Plan being done by West Basin and Central Basin Municipal Water Districts, the Integrated Regional Plan for Los Angeles County with Proposition 50 funds, and conjunctive use. He informed Commissioners that there was tentative support by pumpers in attendance to amend adjudication legislation that would provide more flexibility and larger scale conjunctive use programs. He advised that the Department of Water Resources has selected a mediator and was moving forward with the meeting to reopen formal talks.

MWD Director Wright discussed the importance of having a conjunctive use program to store water in the ground. He advised that with conjunctive use there would not be 8-10% evaporation, that it would raise the level of the groundwater, that pumping costs would decrease, that there would be less operation of the sea water barrier, and that there would be a reliable water supply in case of emergency.

A brief discussion centered on increased pressure on deltas and levees and the Trans Delta Canal.

8. MONTHLY DEPARTMENT REPORT

8A. DEPUTY PUBLIC WORKS DIRECTOR'S REPORT

Deputy Public Works Director van der Linden reported that there were 20 water main breaks in December 2005 due to old pipes, change in water temperature, and abnormally high pressures in the distribution system. He noted, however, that main breaks have declined by more than 50% since their peak in the early 1990s.

Responding to Commissioner Deemer's inquiries, he stated that Well #6 would be back in production in three to four months and that Walnut Avenue Transmission Main (I-83) and Water Main Replacements, North Torrance Residential (I-73) have been designed and would be going out to bid.

Commissioner Rizzardi received clarification from Public Works Director Beste that three bids for Downtown Water Main Replacements (I-60) were received on January 19, 2006 and would be awarded to one of the bidders even though the bids were higher than estimated.

MWD Director Wright noted the increasing cost of construction materials.

MOTION: Commissioner Warner, seconded by Commissioner Deemer, moved to accept and file the Deputy Public Works Director's Report; a voice vote reflected unanimous approval (absent Commissioner Gonzalez).

9B. MWD DIRECTOR'S REPORT

MWD Director Wright reported that the Colorado River trip will be on April 21-23, 2006, would be similar to last year's excursion, and that Commissioners would be receiving their invitations in the next two weeks.

Chairperson Hoffman suggested that Planning Commissioners be invited to participate on the trip.

Chairperson Hoffman noted that Marcie Edwards was chosen as the Public Utilities General Manager for the City of Anaheim as Anaheim's Board representative.

Commissioner's Deemer initiated a brief discussion on the snow pack in the Sierra Mountains.

9. ORALS

9A. Chairperson Hoffman proposed that in future meetings discussion be kept on topic, that roll call votes be taken for ruling motions, and that presentations be limited to 20 minutes.

9B. Commissioner White suggested that questions be held to the end of presentations.

9C. Chairperson White discussed a League of Women Voters publication from the Claremont area.

9D. Chairperson White shared information from a Manhattan Beach newsletter regarding ET controllers.

9E. It was clarified that Commissioner Lew was voted to replace Commissioner Gonzalez on the Conservation subcommittee.

9F. Senior Administrative Analyst Schaich confirmed that the City was exploring other vendors for an AMR system.

9G. Commissioner Deemer requested that the Capital Project budget cycle be brought before the Commission before going to City Council.

9H. Commissioner Lew discussed a January 9, 2006 article in the Los Angeles Times regarding Owens Valley and State water.

10. ADJOURNMENT

MOTION: At 9:18 p.m., Commissioner White moved to adjourn the meeting to Thursday, February 16, 2006 at 7:00 p.m. in the West Annex Commission Meeting Room. Commissioner Rizzardi seconded the motion and, hearing no objection, Chairperson Hoffman so ordered.

Approved as Submitted February 16, 2006 s/ Sue Herbers, City Clerk
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