

MINUTES
REGULAR MEETING OF THE
BOARD OF DIRECTORS
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
JULY 13, 1993

40309 The Board of Directors of The Metropolitan Water District of Southern California met in Regular Meeting in the Board Room located in the Building at 1111 Sunset Boulevard in the City of Los Angeles, State of California, on Tuesday, July 13, 1993.

The Meeting was called to order by Chairman Gage at 12:31 p.m.

40310 The Meeting was opened with an invocation by Director Larry L. Stamper.

40311 The Pledge of Allegiance to the Flag was given, led by Director Henry J. Meyer.

40312 Secretary Killefer called the roll. Those answering present were: Directors Bannister, Barker, Blake, Boen, Brandt, Brewer, Brick, Davenport, Fellow, Foley, Frahm, French, Gage, Goldsworthy, Grandsen, Green, Griffen, Hawkins, Hill, Ibbetson, Kazarian, Killefer, Krauel, Krieger, Kussman, Kymla, Leach, Malburg, Mason, McMurray, Meyer, Miller, Morris, Murph, O'Neil, Parker, Peterson, Reed, Rez, Shaw, Stamper, Stuart, Witt, Wysbeek, and Young.

Those not answering were: Directors Abernethy, Ferguson, Luddy (entered 1:15 p.m.), Milne (entered 12:54 p.m.), Scott (entered 12:45 p.m.), and Webster.

The Chair declared a quorum present.

40313 Chairman Gage inquired if there were any additions to the agenda. There being none, the Chair declared only those matters listed on the agenda would be considered.

40314 Chairman Gage invited members of the public to address the Board on matters within the Board's jurisdiction.

Jules Kimmett, Chairman, Concerned Citizens of Burbank, requested information on Agenda Items G, Space Problems; 7-3, Bond Refunding Expenses; 7-10, Cooperative Storage Program; 8-5, Ultra-Low-Flush Toilet Project; and 9-9, Financial Structure Study.

Director Scott took his seat at 12:45 p.m.

William S. Seelig, President, Institute of Human Engineering Sciences, Inc., referred to the proposal for a North American Water Transport System presented to the Board at its June Meeting, and introduced Paul J. Meichtry, President/C.E.O. of Delta Two Corporation, a colleague on the project.

David Phares of Chaparral Investments in Riverside County stated he was representing several property owners in Domenigoni Valley; the Swaim family, the Pinard family, and the Darling family, each seeking an extension to the date of possession, in order to obtain appraisals and continue with the negotiations.

Peggy Swaim, property owner in Domenigoni Valley, explained why an extension to the date of possession was necessary.

General Counsel Taylor expressed a desire to continue negotiating with the property owners, stating there are serious time constraints remaining for the negotiating process due to the Domenigoni Valley Reservoir Project entering into a blasting phase requiring evacuation of the area.

David Czamanske, chairman of the Water Committee of the Angeles Chapter of the Sierra Club, welcomed General Manager Wodraska on behalf of the environmental community. He commended Metropolitan for its achievements in mitigating impacts on the environment over the past ten years. He expressed concerns that the size of Metropolitan's Capital Improvement Program should be reviewed in light of changing growth patterns, and the fact that water rates will increase to finance these projects.

Steven Lamb, Altadena Town Council member, expressed concerns about the La Vina Annexation and urged the Board to deny the request for annexation.

Director Milne took his seat at 12:54 p.m.

Adolfo F. Miralles, Chairman of Friends of La Vina, distributed copies of his written statement, and requested water conservation be an enforceable condition of the La Vina Annexation.

David James, chairman of the Forest Preservation Society, distributed copies of his written statement, and urged that the Board withhold approval of the La Vina Annexation until such time as the developer and Foothill Municipal Water District agree to adopt reasonable measures to prevent the waste of water.

Andrew Oliver, project manager for the La Vina development by Southwest Diversified, Inc., objected to having a further condition added to the annexation, and urged the Board to consent to the annexation.

Director Scott withdrew from the Meeting at 1:00 p.m.

40315 There being no objection, the Chair ordered the reading of the Minutes of June 8 and 15, 1993, dispensed with, copies having been mailed to all Directors.

Director Stuart moved, seconded by Director Shaw and carried, that the foregoing Minutes be approved as mailed.

40316 The General Counsel's letter dated June 21, 1993, was presented, transmitting the credentials evidencing the reappointment by San Diego County Water Authority of Francesca M. Krauel as one of its representatives on Metropolitan's Board for a four-year term ending December 31, 1996.

General Counsel Taylor reported the credentials had been examined and found legally sufficient.

The Chair ordered the credentials, together with the General Counsel's letter, received and filed.

Executive Secretary Dorff, Notary Public, administered the Oath of Office to Mrs. Krauel.

Chairman Gage ordered the Oath of Office filed.

40317 Manager of Education Programs Meltzer gave a video-illustrated report showing the accomplishments achieved during

the programs' ten-year history, and thanked the Board for its continuing support.

The Board commended Mrs. Meltzer and her staff for the outstanding achievements during the education programs' ten-year history.

40318 Land Committee Chairman Kussman moved, seconded by Vice Chairman Barker and carried, amending Section 2450 of the Administrative Code to change the regular meeting time of the Land Committee from 8:00 a.m. to 7:30 a.m. on the Monday preceding regular Board Meetings, as set forth in Land Committee Chairman Kussman's letter dated May 17, 1993.

40319 Vice Chairman Barker moved, seconded by Vice Chairman Blake and carried, authorizing the preparation of a Memorial Resolution for former Director John Garthe, who represented the City of Santa Ana on Metropolitan's Board from November 6, 1977, to July 9, 1991.

40320 Legal and Claims Committee Chairman Krauel announced there is no report on legal issues arising out of space problems.

Director Scott returned to the Meeting at 1:23 p.m.

40321 Assistant General Manager Balcerzak reported that water sales are lower than projected. He advised that delivery of exchange water to Desert and Coachella has begun. Mr. Balcerzak commented that the State Health Service Department has approved an extension for the use of chlorine through the end of July, thereby enabling the City of Los Angeles to take additional deliveries.

Chief of Operations Adams gave a slide-illustrated presentation on some of the operations for the month.

Director Killefer requested, and received assurance, that the issue of the San Joaquin Reservoir will be an item on the agenda for the August meetings.

Chief Engineer Snyder, gave a slide-illustrated presentation reporting the progress on some of the construction projects.

Director Griffen inquired about the type of covering contemplated for the Jensen and Mills Plants. Chief Engineer Snyder advised that both plants will have floating hypalon covers.

Assistant General Manager Horne reported that costs for the 1992-93 fiscal year were \$128 million below budget.

Director Hill withdrew from the Meeting at 1:36 p.m.

Director of Finance Leddy reported on Metropolitan's financial condition. Mr. Leddy advised that interest savings from refunding of bonds will total \$11.3 million with net present value savings of \$5.9 million.

Assistant General Manager Georgeson reported the Cooperative Storage Program concept (Agenda Item 7-10) was introduced to the member agencies at the June 22 workshop, and was enthusiastically received. He advised that, if approved by the Board, and once in operation, it is anticipated some modifications will be necessary. He then described the pending restrictions on the operation of the State Water Project in order to comply with the requirements of the Endangered Species Act. Accordingly, the State Water Contractors have started discussions with the Department of Water Resources to arrange for storing 1992 carryover water in San Luis Reservoir as a contingency in the event that 1994 is a dry year.

40322 General Manager Wodraska reported on the progress of the program he outlined to the Board when accepting the position of General Manager; namely, met with a majority of staff and all of the member agency managers; scheduled tours of member agencies' facilities; arranged to meet with appointed and elected officials in Sacramento. He thanked the Board for their expression of confidence in him and its continuing support.

40323 General Counsel Taylor reported that a tour of Orange, San Diego, and Western Riverside Counties was conducted for the staff attorney from the House of Representatives Merchant Marine and Fisheries Committee which is in the process of hearings on the reauthorization of the Endangered Species Act. The Santa Rosa Plateau and the Domenigoni Valley were viewed during this tour, he said, with all participants sufficiently impressed and convinced that projects can be successful if there is a multi-species planning effort comparable to Metropolitan's. He announced that the first in a series of dinner meetings to be attended by all member agencies' staff attorney and/or the attorney representing their agency will take place at 6:30 p.m. in the Sunset Building dining room on August 5. Mr. Taylor advised that the reorganization of the Legal Department continues on schedule.

40324 Chairman Gage announced that Agenda Item 7-12, the General Manager's June 22, 1993, letter regarding working capital policy, has been withdrawn.

Director Stuart moved, seconded by Vice Chairman Blake and carried, and the Board approved the Consent Calendar Items, M.I. 40325 through M.I. 40335, as follows:

40325 Authorized Appropriation No. 661 in the amount of \$1,500,000 from the Pay-As-You-Go Fund to finance capital projects costing less than \$250,000 during fiscal year 1993-94, as set forth in the General Manager's letter dated June 22, 1993.

40326 Authorized Appropriation No. 663 in the amount of \$527,000 for marketing expenses arising from the sale of Water Revenue Refunding Bonds, 1993 Series B, and Waterworks General Obligation Refunding Bonds, 1993 Series B, to be paid from the General Fund, as set forth in the General Manager's letter dated June 24, 1993.

40327 Authorized (1) the General Manager to have all work performed, other than consultant agreements over \$250,000, to prepare right-of-way acquisition and environmental studies for lands adjacent to the Diemer Filtration Plant as shown in Table 1 to the General Manager's letter dated June 25, 1993; and (2) Appropriation No. 664 for \$975,000, from the Revenue Bond Construction Fund, or other construction funds, as available, for the above work.

40328 Approved Revision No. 6 to Appropriation No. 559 to delete the contingency in connection with the execution of the Memorandum of Understanding with Moreno Highlands in connection with the \$102,900,000 increase in Appropriation No. 559 to finance all costs in advance of construction for the Inland Feeder Project, as set forth in the General Manager's letter dated June 30, 1993.

40329 Authorized (1) the General Manager to have all work performed in advance of award of a construction contract for an Operations Control Center at Eagle Rock; and (2) Revision No. 1 to Appropriation No. 567, an increase of \$400,000 to a total of \$750,000 from the 1992 Revenue Bond Construction Fund, to finance all estimated costs in advance of award of a construction contract for an Operations Control Center at Eagle Rock, as set forth in the General Manager's letter dated June 25, 1993.

40330 Authorized (1) the General Manager to have all work performed in advance of award of a construction contract for seismic modifications to the pumping plant buildings and a geotechnical investigation and preliminary design for seismic modifications of the discharge pipelines on the Colorado River Aqueduct; and (2) Revision No. 1 to Appropriation No. 607, an increase of \$605,000 to a total of \$1,280,000 from the 1992 Revenue Bond Construction Fund, to finance all estimated costs in advance of award of a construction contract for the above work, as set forth in the General Manager's letter dated June 25, 1993.

40331 Authorized the General Manager to enter into a contract with CH2M Hill for facility planning services, not to exceed \$750,000, for the Chino Basin Conjunctive-Use Demonstration Program in accordance with the terms of the General Manager's letter dated June 29, 1993, subject to the contract being in form approved by the General Counsel.

Director Brandt requested to be recorded as abstaining.

40332 Authorized staff to seek the introduction of legislation to amend Government Code Section 4420 in order to facilitate the development of an owner-controlled insurance program for the Domenigoni Reservoir Project, as set forth in the letter jointly signed by the General Manager and the General Counsel dated June 25, 1993.

Directors Bannister and Davenport requested to be recorded as voting no.

40333 Expressed support for (1) Assembly Bill 1888 (Sher) with minor clarifying amendments, which, if enacted, would maintain the substance of the California Environmental Quality Act (CEQA), but streamlines the documentation and litigation procedures, whereby Metropolitan would benefit from this legislation in that its capital improvement program and operations and maintenance activities must comply with CEQA; and (2) Senate Bill 919 (Dills) if it is amended to exclude certain statements of legislative intent involving the standard of review for the determination of whether to prepare an EIR, which legislation could benefit Metropolitan in that it provides for exemptions for industrial facilities that may apply to its water filtration plants and other facilities, as set forth in the General Manager's letter dated June 29, 1993.

40334 Authorized the General Counsel to amend the existing contract with Liebert, Cassidy & Frierson, dated June 2, 1993, to increase the maximum payable under the contract from \$25,000 to \$50,000, to provide assistance to the General Counsel on disciplinary appeal hearings and associated matters, as set forth in the General Counsel's letter dated July 2, 1993.

40335 Authorized the General Counsel to make a final offer to settle the eminent domain action titled Metropolitan Water District v. Cornerstone Properties, Inc., et al., Riverside County Superior Court Case No. 224988 (Metropolitan Parcel No. 144-1-191), as set forth in the General Counsel's confidential letter dated July 1, 1993.

40336 Water Problems Committee Chairman Malburg moved, seconded by Director Stuart, that the Board find that the joint participation in the 1993 Demonstration Local Storage Program proposed by Western Municipal Water District with a Metropolitan member public agency from the Orange County Basin as described in the General Manager's letter dated June 29, 1993, is consistent with the conditions and objectives of the Program.

General Manager Wodraska advised there will be a member agency managers' meeting on July 16 at which time this matter will be reviewed and, therefore, requested the Board defer taking action on this item until the August Board Meeting.

Director Mason pointed out that the Board, at its May 1993 Meeting, approved the 1993 Demonstration Local Storage Program, thereby establishing the policy. If this matter is deferred to the August Meeting it will cause serious negative impacts upon the agricultural groves that could be benefiting from delivery of this water, he advised.

Director Reed offered a substitute motion, seconded by Director Morris, that this matter be deferred to the August Board Meeting as requested by the General Manager.

Director Hill returned to the Meeting at 1:58 p.m.

Director Bannister asked what date could delivery of this water occur if the Board approves the recommendation at the August 24 Meeting. Assistant General Manager Georgeson stated, if approved by the Board on August 24, delivery would begin on August 25.

Director Krieger stated that the efforts of a small agency to bring new water into the area should be applauded and serve as a model for other agencies. She expressed concern about the motion to defer due to the action being recommended complies with the program approved by the Board and established as a policy of the Board. Notwithstanding her grave disappointment caused by the proposed delay, she said, she will vote in favor of the substitute motion as a gesture of support for the newly appointed General Manager.

Following a lengthy discussion on the substitute motion, the Chair called for a roll call vote.

The following is a record of the roll call vote:

Ayes: Anaheim (Dir. Kazarian, 1,547 votes), Burbank (Dir. Stamper, 781 votes), Calleguas Municipal Water District (Dirs. Grandsen and Miller, 2,923 votes), Coastal Municipal Water District (Dirs. Killefer and McMurray, 2,638 votes), Compton (Dir. Murph, 140 votes), Foothill Municipal Water District (Dir. O'Neil, 467 votes), Fullerton (Dir. Blake, 676 votes), Glendale (Dir. Rez, 1,056 votes), Las Virgenes Municipal Water District (Dir. Peterson, 812 votes), Long Beach (Dir. Meyer, 1,855 votes), Los Angeles (Ayes: Dirs. Brandt, Gage, Green, Kussman, Luddy, Scott, and Shaw. Absent: Dir. Abernethy. 18,801 votes), Pasadena (Dir. Brick, 859 votes), San Diego County Water Authority (Dirs. Frahm, Griffen, Krauel, Leach, and Parker, 10,871.67 votes), San Fernando (Dir. Wysbeek, 70 votes), San Marino (Dir. Morris, 166 votes), Santa Monica (Dir. Reed, 920 votes), West Basin Municipal Water District (Dir. Stuart, 2,035 votes), Western Municipal Water District of Riverside County (Dir. Krieger, 2,515 votes). Total 49,032.67 votes.

Noes: Central Basin Municipal Water District (Noes: Dirs. Ibbetson and Malburg. Absent: Dir. Ferguson. 5,211 votes), Chino Basin Municipal Water District (Dirs. French and Hill, 3,002 votes), Eastern Municipal Water District (Dir. Boen, 1,835 votes), Municipal Water District of Orange County (Dirs. Bannister, Davenport, Foley, Kymla, and Witt, 10,964 votes), San Diego County Water Authority (Dir. Mason, 2,154.33 votes), Santa Ana (Dir. Young, 1,143 votes), Three Valleys Municipal Water District (Dir. Milne, 2,336 votes), Torrance (Dir. Brewer, 1,095 votes), Upper San Gabriel Valley Municipal Water District (Dirs. Fellow and Hawkins, 3,237 votes), West Basin Municipal Water District (Dirs. Barker and Goldsworthy, 4,070 votes). Total 35,047.33 votes.

Abstains: None.

Absent: Beverly Hills (Dir. Webster, 898 votes).
Total 898 votes.

The Chair declared the substitute motion carried by a vote of 49,032.67 ayes to 35,047.33 noes.

Directors Fellow, Green, Griffen, and Hawkins withdrew from the Meeting at 2:12 p.m.

40337 Water Problems Committee Chairman Malburg moved, seconded by Vice Chairman Miller and carried, and the Board (1) authorized the General Manager to execute agreements with the member agencies to store and sell water consistent with the Cooperative Storage Program described in the General Manager's letter dated June 29, 1993, subject to the agreements being in form approved by the General Counsel; and (2) found that the approval of the proposed Cooperative Storage Program is exempt from the provisions of the California Environmental Quality Act since the Board's delegation to the General Manager is a preliminary step with no inherent environmental effect.

Director Davenport requested to be recorded as voting no.

Vice Chairman Blake requested staff submit a report to the Board and committees at the October meetings advising the quantity of water sold and stored under each of the programs, indicating the interest expressed by the member agencies to participate in one or more of the programs in the near future. Vice Chairman Blake stated the goal should be to consolidate all of the storage programs.

Director Bannister expressed concern that the existing storage programs will not meet the needs of Southern California. Understanding that there is approximately 500,000 acre-feet of surplus water in San Luis Reservoir which, if not used, could be lost, he urged a program be developed to enable storing this water in the groundwater basins of Southern California.

Directors Green and Hawkins returned to the meeting at 2:15 p.m.

40338 Finance and Insurance Committee Chairman Mason moved, seconded by Director Leach and carried, granting the General Manager discretion to consider late applications for exemptions from the water standby charge on a case-by-case basis for reasonable cause shown, as set forth in the General Manager's letter dated June 23, 1993.

Director Reed objected to applications requesting exemptions for fiscal year 1992-93 being included, and requested to be recorded as voting no.

Directors Ibbetson and Witt withdrew from the Meeting at 2:18 p.m.

40339 Finance and Insurance Committee Chairman Mason moved, seconded by Engineering and Operations Committee Chairman Foley and carried, authorizing Appropriation No. 659 in the amount of \$9,265,400 from the Pay-As-You-Go Fund to finance an additional three years of demonstration plant operations, as set forth in the General Manager's letter dated June 3, 1993.

Director Brewer inquired if Metropolitan could obtain a research grant through the AWWA Research Fund. Assistant General Manager Georgeson stated this possibility will be investigated.

40340 Finance and Insurance Committee Chairman Mason moved, seconded by Engineering and Operations Committee Chairman Foley and carried, authorizing (1) the General Manager to have all work performed, other than work to be performed under competitively bid contracts involving an expenditure of \$250,000 or more, for the replacement of 45 gate valves at the Lake Mathews Outlet Tower; and (2) Appropriation No. 662 in the amount of \$3,700,000 from the 1992 Revenue Bond Construction Fund to finance all estimated costs for the replacement of the valves, as set forth in the General Manager's letter dated June 22, 1993.

40341 Organization and Personnel Committee Chairman Rez moved, seconded by Engineering and Operations Committee Chairman Foley and carried, authorizing the General Manager to amend existing contracts and enter into new contracts with employment service agencies and consultants supplying temporary personnel in excess of the \$250,000 limitation and to employ temporary and part-time personnel for the Engineering Division in addition to the Board-approved, District-wide personnel limit for fiscal year 1993-94, with an overall limitation in amounts paid of \$4,300,000 for the first

quarter of fiscal year 1993-94, substantially in accordance with the terms outlined in the General Manager's letter dated June 22, 1993, subject to the contracts being in form approved by the General Counsel.

Directors Bannister, French, and Hill requested to be recorded as voting no.

Director Ibbetson returned to the Meeting at 2:26 p.m.

40342 Organization and Personnel Committee Chairman Rez moved, seconded by Director Shaw and carried, approving the recommendation contained in the General Manager's letter dated July 12, 1993, revised from the recommendation set forth in his June 22, 1993 letter, thereby authorizing the General Manager to amend existing agreements and enter into new agreements with temporary employment agencies in excess of the \$250,000 limitation, as specified in the District's Administrative Code, with the overall limitation to this delegation of authority to be \$1,984,425 for the first quarter of fiscal year 1993-94 substantially in accordance with the terms outlined in the July 12 letter, subject to the agreements being in form approved by the General Counsel.

Director Green urged there be an increase in the number of women/minority-owned businesses participating in this program.

40343 Water Problems Committee Chairman Malburg moved, seconded by Finance and Insurance Committee Chairman Mason, that (a) member agency ultra-low-flush toilet replacement projects be funded at a flat rate of \$60 per ULF toilet installed; (b) \$12 million be allocated for ultra-low-flush toilet replacement projects for fiscal year 1993-94; and (c) the General Manager be authorized to enter into ultra-low-flush toilet replacement agreements in excess of \$250,000 with member agencies, subject to the agreements being in form approved by the General Counsel.

Director Davenport suggested the cost-benefit of ULF toilet replacement program be reviewed.

Director Green withdrew from the Meeting at 2:30 p.m.

Director Hill inquired if a reporting procedure for the ULF toilet replacement project has been established, and will there be an opportunity for future Board involvement.

Assistant General Manager Georgeson advised that reports will be submitted to the Board as applications to participate in the program are received, and, where appropriate, submitted to the Board for approval.

Director Hill offered a substitute motion, seconded by Director Bannister, that each application be submitted to the Board for approval prior to executing an agreement. The substitute motion was voted upon and did not carry.

The Chair called for a vote on the original motion. The original motion was voted upon and carried.

Directors Bannister, Davenport, Foley, French, Hill, and Kymla requested to be recorded as voting no.

Director Witt returned to the Meeting at 2:32 p.m.

40344 Water Problems Committee Chairman Malburg moved, seconded by Director Morris, that the Board adopt the revised form of resolution transmitted with the General Manager's letter dated July 13, 1993, a copy before each Director, thereby consenting to the annexation of the La Vina Annexation to Foothill Municipal Water District and Metropolitan.

Director Brick offered an amended motion, seconded by Director Peterson, that the intent of the condition in Section 1 of the form of Resolution transmitted with the General Manager's letter dated June 28 be reinserted; namely, this annexation shall be conditioned on providing Metropolitan with the necessary documentation to confirm that a conservation easement to retain stream flow is granted and recharge credits be given to Foothill Municipal Water District or one of its subagencies.

Director O'Neil quoted the opinion from the Foothill Municipal Water District's attorney that the condition offered by Director Brick is not Metropolitan's responsibility.

The Chair called for a vote on the amended motion, which did not carry.

Directors Bannister and Foley withdrew from the Meeting at 2:38 p.m.

Director Reed urged staff to provide information on the impact of the proposed project upon the water resources when preparing environmental documentation.

The Chair called for a vote on the original motion, which carried.

Directors Brick, Reed, and Scott requested to be recorded as voting no.

The Chair declared Resolution 8411 has been adopted, entitled:

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA AMENDING RESOLUTION 8339 CONSENTING TO THE ANNEXATION OF THE LA VINA ANNEXATION AND FIXING THE TERMS AND CONDITIONS OF SAID ANNEXATION TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

40345 Legal and Claims Committee Chairman Krauel reported that the General Manager's letter dated June 28, 1993, concerning the annexation provisions in the Administrative Code, has been deferred (Agenda Item 8-7).

Directors Mason and Scott withdrew from the Meeting at 2:45 p.m.

40346 Legal and Claims Committee Chairman Krauel moved, seconded by Land Committee Chairman Kussman, that by a two-thirds vote, the Board adopt the Resolution transmitted with the General Manager's letter dated June 22, 1993, declaring the necessity for the Domenigoni Valley Reservoir Project and for the property described in Exhibits A and B attached thereto, and directing the General Counsel to commence condemnation proceedings in Riverside County to acquire the property.

The Chair called for a vote on the motion. The Chair declared Resolution 8412 was adopted by a unanimous vote, representing more than the required two-thirds vote, entitled:

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA DIRECTING THE CONDEMNATION OF CERTAIN PROPERTIES SITUATED IN RIVERSIDE COUNTY (DOMENIGONI VALLEY RESERVOIR PROJECT)

40347 Land Committee Chairman Kussman moved, seconded by Director Killefer and carried, authorizing the General Manager to acquire Domenigoni Valley Reservoir Property 144-001-115 (APN 454-150-006 -- Gilbert Y. Nishino, et al.), as set forth in the General Manager's confidential letter dated June 25, 1993.

40348 Land Committee Chairman Kussman moved, seconded by Director Killefer and carried, authorizing the General Manager to acquire Domenigoni Valley Reservoir Property 144-001-121 (APN 454-150-029 -- Mr. and Mrs. Mel D. Spaniol), as set forth in the General Manager's confidential letter dated June 25, 1993.

40349 On behalf of the Organization and Personnel Committee, Director Krauel moved, seconded by Director Morris and carried, authorizing the General Manager to make special payments for a disabled employee, as set forth in the General Manager's confidential letter dated July 2, 1993

Director Stuart requested to be recorded as voting no.

Director Barker withdrew from the Meeting at 2:47 p.m.

40350 Water Problems Committee Chairman Malburg moved, seconded by Vice Chairman Blake and carried, approving the recommendation as revised by the Water Problems Committee and set forth in the General Manager's letter dated July 13, 1993, revised from his two previously submitted letters each dated July 2, 1993, authorizing the General Manager to approve, on behalf of Metropolitan, the transfer of water from Wheeler Ridge-Maricopa Water Storage District to Western Municipal Water District of Riverside County, and, on an interim basis, to enter into agreements for this and other transfers to transport water through facilities to appropriate Metropolitan service connections, such approvals and agreements subject to: (a) approvals required from other entities, and (b) reasonable provisions that protect Metropolitan's water supplies, operations, and financial conditions, and subject to the agreements being in form approved by the General Counsel; directing staff to submit a report to the Water Problems Committee at its August 1993 meeting on how the rate for wheeling water is established and to present, at that meeting, a draft of a policy governing wheeling requests.

As set forth in the General Manager's letter dated July 13, 1993, "protection of financial conditions" means

compensation to recover costs attributable to the use of the Metropolitan's distribution system and other facilities to deliver transferred water which is determined to be equal to the untreated water rate, less avoided costs, including, but not limited to, energy, plus resulting increased costs and, if appropriate, the treated water surcharge.

Directors Barker and Foley returned to the Meeting at 2:50 p.m.

Directors Hawkins and Kussman withdrew from the Meeting at 2:50 p.m.

40351 Vice Chairman Blake moved, seconded by Special Committee on Legislation Chairman Brandt and carried, expressing support for Assembly Bill 1542 (Umberg), if amended to read as set forth in Attachment A to the General Manager's July 6, 1993 letter, regarding reporting of gifts and expense reimbursements to employees of special districts.

40352 The following listed communications were submitted for the information of the Board:

- a. Reports of the General Manager
 - i. Activities for the month of June, dated July 9, 1993.
 - ii. Operating data for the month of May, dated June 25, 1993.
- b. Report of the General Counsel on the activities of the Legal Department for the month of June, dated June 30, 1993.
- c. Report of the Auditor on the activities of the Audit Department for the month of June, dated July 6, 1993.
- d. Letter of the General Manager dated July 8, 1993, transmitting the Monthly Financial Report for the month of May.
- e. Letter of the General Manager dated June 29, 1993, reporting on Hoover negotiations.
- f. Letter of the General Manager dated June 29, 1993, submitting the fourth quarter status report on the Local Projects Program.

- g. Letter of the General Manager dated June 24, 1993, reporting on sale of 1993 Refunding Bonds--Series B.
- h. Letter of the General Manager dated June 29, 1993, reporting on the status of Financial Structure Study.
- i. Letter of the General Manager dated June 29, 1993, transmitting a status report on the All American Canal and Coachella Canal Lining Projects.
- j. Letter of the General Counsel dated June 16, 1993, reporting on Internal Revenue Code Section 415--Limits on Retirement Benefits.
- k. Letter of the General Manager dated June 22, 1993, reporting on the major organization membership list.


40353 Task Force to Review Office Space and Building Sites Chairman Killefer announced that the next meeting of the Task Force is scheduled on Tuesday, August 3, 1993, at 10:00 a.m., and urged all Directors to attend.

Director Bannister returned to the Meeting at 2:51 p.m.

40354 Vice Chairman Blake announced that the next meeting of the Special Committee on Legislation is scheduled at 10:00 a.m. on August 10, 1993, and urged all Directors to attend.

40355 Special Audit Committee Chairman O'Neil announced that the committee will meet at 10:00 a.m., July 27, 1993, and urged all Directors to attend.

40356 There being no objection, at 2:53 p.m., the Chair adjourned the Meeting to August 24, 1993, at 12:30 p.m.



CHAIRMAN



SECRETARY