

**MINUTES**  
**ADJOURNED REGULAR MEETING OF THE**  
**BOARD OF DIRECTORS**  
**THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**  
**AUGUST 24, 1993**

**40358** The Board of Directors of The Metropolitan Water District of Southern California met in Adjourned 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, August 24, 1993.

The Meeting was called to order by Chairman Gage at 12:37 p.m.

**40359** The Meeting was opened with an invocation by Director Larry L. Stamper.

**40360** The Pledge of Allegiance to the Flag was given, led by Director Joseph Parker.

**40361** Secretary Killefer called the roll. Those answering present were: Directors Abernethy, Bannister, Barker, Blake, Boen, Brandt, Brick, Davenport, Fellow, Foley, Frahm, French, Gage, Goldsworthy, Grandsen, Green, Griffen, Hawkins, Hill, Ibbetson, Kazarian, Killefer, Krauel, Krieger, Kussman, Kymla, Leach, Luddy, Malburg, McMurray, Meyer, Miller, Milne, Morris, Morse, Murph, O'Neil, Parker, Peterson, Reed, Rez, Shaw, Stamper, Stuart, Witt, and Wysbeek.

Those not answering were: Directors Brewer, Mason, Scott (entered 12:58 p.m.), Webster, and Young.

The Chair declared a quorum present.

**40362** 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.

40363 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, expressed concern that the public is limited to three minutes to discuss issues being considered by the Board.

In connection with Agenda Item 8-6, the San Joaquin Reservoir Improvement Project, support for the installation of the floating cover alternative was expressed by:

LeAnne Mader, aide to Assemblywoman Doris Allen  
 Ed Fawcett, Executive Director of the Costa Mesa Chamber of Commerce  
 Mary Urashima, Public Affairs Supervisor, Mesa Consolidated Water District  
 Fred Gilbert, member of the South Coast Water District Advisory Committee  
 Roy Andreen, President of Mesa Del Mar Homeowners Association  
 Hank Panion, elected Director on the Board of Mesa Consolidated Water District

Director Scott took his seat at 12:58 p.m.

Speaking to Agenda Item N, RFP No. 047, Permanent Headquarters Preferred Candidate Recommendations, were:

Roy Willis, representing the Community Redevelopment Agency of Los Angeles, urged the Board to select a site for Metropolitan's permanent headquarters located within the City of Los Angeles. He assured the Board that his agency will cooperate and offer whatever assistance is necessary to ensure this matter will move forward expeditiously.

Harold Jensen, Chairman, Metropolitan Structures, the managing partner of California Plaza Development, described the benefits of Three California Plaza as the site for Metropolitan's permanent Headquarters Building.

Stan Michota of The Michota/Stewart Partnership, protested bringing the RFP process to conclusion; stating that the Cal Plaza proposal is nonresponsive to RFP No. 047, and must be rejected. Mr. Michota pointed out the advantages to Metropolitan of the South Park site.

Steven Hess, representing Catellus Development Corporation, stated the Union Station site will be developed to represent the future of Los Angeles, and urged favorable consideration of that site by the Board.

William S. Seelig, President, Institute of Human Engineering Services, Inc., introduced Robert H. Finch, Chairman of Citizens for Water and Power in North America, Inc., former Lieutenant Governor of the State of California, who spoke in support of the proposal for a North American Water Transport System.

**40364** There being no objection, the Chair ordered the reading of the Minutes of July 13, 1993, dispensed with, a copy having been mailed to all Directors.

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

**40365** Chairman Gage received and filed a Declaration from the Executive Secretary dated July 14, 1993, stating that she had posted the Notice of Adjournment of the Board of Directors Meeting of August 10, 1991, at 12:30 p.m. to August 24, 1993 at 12:30 p.m.

**40366** The General Counsel's letter dated June 29, 1993, was presented, transmitting the credentials evidencing the appointment by Central Basin Municipal Water District of Gary A. Morse as one of its representatives on Metropolitan's Board for an indefinite term, replacing Douglas W. Ferguson, who retired.

**40367** 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.

The Chair reported that the Oath of Office had been previously administered to Mr. Morse by Executive Secretary Dorff, Notary Public, and ordered the Oath filed.

Director Malburg introduced Mr. Morse to the Board.

**40368** Vice Chairman Miller moved, seconded by Director Blake and carried, approving the recommendation of the Executive Committee that Director Morse be assigned to the Land and the Legal and Claims Committees.

**40369** Chairman Gage announced that he has appointed Directors Meyer and Peterson to the Special Audit Committee to fill the existing vacancies. He reported Director Leach has resigned from that committee, and Director Frahm has been appointed as his replacement.

**40370** Chairman Gage presented to Mrs. Laura Garthe a Memorial Resolution in honor of the memory of former Director John Garthe, who had represented the City of Santa Ana on Metropolitan's Board from November 8, 1977, to July 9, 1991.

**40371** Chairman Gage presented a Commendatory Resolution to former Director Herbert H. Stickney, who had represented San Diego County Water Authority on Metropolitan's Board from November 14, 1989, to April 13, 1993.

**40372** Director Stuart moved, seconded by Director Hill and carried, granting the request of a sixty-day leave of absence for Director Dwight F. French, commencing September 15, 1993.

**40373** Vice Chairman Miller moved, seconded by Director Shaw and carried, adjourning the Board Meeting regularly scheduled for September 14, 1993, without transaction of business, to 12:30 p.m. on Tuesday, September 21, 1993, with most committees meeting on Monday, September 20, 1993.

**40374** A letter from the General Manager dated August 19, 1993, was presented, reporting that the original Certificates of the County Auditors for the six counties in which areas of the District lie are on file in the Office of the Controller, certifying the fiscal year 1993-94 assessed valuations of all property used for calculating Metropolitan's tax. There being no objection, Chairman Gage ordered the tabulations transmitted with the foregoing letter from the General Manager setting forth the assessed valuations, percentage participation, and vote entitlement of member public agencies of The Metropolitan Water District of Southern California, as of August 24, 1993, based on certificates of assessed valuation of property taxable by Metropolitan for fiscal year 1993-94, as submitted by the various County Auditors, be filed, spread on the Minutes, and that the Executive Secretary be directed to send a copy to each absent Director and to each member public agency.

**Assessed Valuations, Percentage Participation, and  
Vote Entitlement of Member Public Agencies of  
The Metropolitan Water District of Southern California  
as of August 24, 1993**

|                                                          | <u>Assessed Valuation</u>   |                             | <u>Vote<br/>Entitlement</u> |
|----------------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|
|                                                          | <u>Amount<br/>Certified</u> | <u>Percent<br/>of Total</u> |                             |
| Anaheim                                                  | \$ 15,700,746,838           | 1.81                        | 1,570                       |
| Beverly Hills                                            | 8,975,332,107               | 1.04                        | 898                         |
| Burbank                                                  | 8,057,805,208               | 0.93                        | 806                         |
| Calleguas MWD                                            | 29,760,209,115              | 3.44                        | 2,976                       |
| Central Basin MWD                                        | 54,401,768,927              | 6.28                        | 5,440                       |
| Chino Basin MWD                                          | 31,194,936,060              | 3.60                        | 3,119                       |
| Coastal MWD                                              | 25,905,525,077              | 2.99                        | 2,591                       |
| Compton                                                  | 1,493,579,676               | 0.17                        | 149                         |
| Eastern MWD                                              | 18,925,454,254              | 2.18                        | 1,893                       |
| Foothill MWD                                             | 4,835,567,388               | 0.56                        | 484                         |
| Fullerton                                                | 6,626,355,031               | 0.77                        | 663                         |
| Glendale                                                 | 10,693,465,957              | 1.23                        | 1,069                       |
| Las Virgenes MWD                                         | 8,224,402,274               | 0.95                        | 822                         |
| Long Beach                                               | 18,824,216,599              | 2.17                        | 1,882                       |
| Los Angeles<br>MWD of Orange                             | 191,120,120,903             | 22.07                       | 19,112                      |
| County                                                   | 110,931,233,962             | 12.81                       | 11,093                      |
| Pasadena                                                 | 8,562,302,598               | 0.99                        | 856                         |
| San Diego County<br>Water Authority                      | 131,342,012,870             | 15.17                       | 13,134                      |
| San Fernando                                             | 716,620,583                 | 0.08                        | 72                          |
| San Marino                                               | 1,690,009,737               | 0.20                        | 169                         |
| Santa Ana                                                | 11,211,836,920              | 1.29                        | 1,121                       |
| Santa Monica                                             | 9,436,634,458               | 1.09                        | 944                         |
| Three Valleys MWD                                        | 23,950,897,767              | 2.77                        | 2,395                       |
| Torrance                                                 | 11,265,745,361              | 1.30                        | 1,127                       |
| Upper San Gabriel<br>Valley MWD                          | 33,719,353,290              | 3.89                        | 3,372                       |
| West Basin MWD                                           | 62,428,005,172              | 7.21                        | 6,243                       |
| Western MWD                                              | <u>26,054,929,743</u>       | <u>3.01</u>                 | <u>2,605</u>                |
| <b>TOTAL ASSESSED<br/>VALUATIONS WITHIN<br/>DISTRICT</b> | <u>\$866,049,067,875</u>    | <u>100.00</u>               | <u>86,605</u>               |

The above valuations include only those which have been certified by the County Auditors, in accordance with Section 305 of the Metropolitan Water District Act, Statutes of 1969, as amended. The certified valuations have been reduced to reflect Homeowners' Property Exemptions and do not include areas excluded from the District.

40375 Finance and Insurance Committee Vice Chairman Green moved, seconded by Director Kymla, that the Board adopt **Resolution 8413** transmitted with the General Manager's letter dated August 19, 1993, which fixes Metropolitan's secured property tax rate for its purposes for fiscal year 1993-94 at .0089 percent of assessed valuations (the same rate as for fiscal year 1992-93) and the unsecured rate at .0089 percent, together with the various tax rates for annexation charges due Metropolitan, thereby producing a total levy of \$92,205,626 which, together with an allocation estimated at \$6,179,770 from countywide taxes on utilities, resulting in projected net tax revenues of \$86,467,569, after allowing for estimated delinquencies, allocations for redevelopment agencies and adjustments for supplemental tax collections and prior years tax collections, said Resolution entitled:

**A RESOLUTION LEVYING TAXES FOR THE FISCAL YEAR COMMENCING JULY 1, 1993 AND ENDING JUNE 30, 1994 FOR THE PURPOSES OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

Chairman Gage called for a vote on the motion.

The following is a record of the vote on the motion:

Ayes: Anaheim (Dir. Kazarian, 1,570 votes), Burbank (Dir. Stamper, 806 votes), Calleguas Municipal Water District (Dirs. Grandsen and Miller, 2,976 votes), Central Basin Municipal Water District (Dirs. Ibbetson, Malburg, and Morse, 5,440 votes), Chino Basin Municipal Water District (Dirs. French and Hill, 3,119 votes), Coastal Municipal Water District (Dirs. Killefer and McMurray, 2,591 votes), Compton (Dir. Murph, 149 votes), Eastern Municipal Water District (Dir. Boen, 1,893 votes), Foothill Municipal Water District (Dir. O'Neil, 484 votes), Fullerton (Dir. Blake, 663 votes), Glendale (Dir. Rez, 1,069 votes), Las Virgenes Municipal Water District (Dir. Peterson, 822 votes), Long Beach (Dir. Meyer, 1,882 votes), Los Angeles (Dirs. Abernethy, Brandt, Gage, Green, Kussman, Luddy, Scott, and Shaw, 19,112 votes), Municipal Water District of Orange County (Dirs. Bannister, Davenport, Foley, Kymla, and Witt, 11,093 votes), Pasadena (Dir. Brick, 856 votes), San Diego County Water Authority (Ayes: Dirs. Frahm, Griffen, Krauel, Leach, and Parker. Absent: Dir. Mason. 13,134 votes), San Fernando (Dir. Wysbeek, 72 votes), San Marino (Dir. Morris, 169 votes), Santa Monica (Dir. Reed, 944 votes), Three Valleys Municipal Water District (Dir. Milne, 2,395 votes), Upper San Gabriel Valley Municipal Water District (Dirs. Fellow and Hawkins, 3,372 votes), West Basin Municipal Water District (Dirs. Barker, Goldsworthy, and Stuart, 6,243 votes), Western

Municipal Water District of Riverside County (Dir. Krieger, 2,605 votes). Total 83,459 votes.

Noes: None.

Abstains: None.

Absent: Beverly Hills (Dir. Webster, 898 votes), Santa Ana (Dir. Young, 1,121 votes), Torrance (Dir. Brewer, 1,127 votes). Total 3,146 votes.

The Chair declared Resolution 8413 adopted by a unanimous vote of the Board.

40376 Director Ibbetson moved, seconded by Vice Chairman Blake and carried, amending Section 2416 of the Administrative Code to read as set forth in Attachment A to Chairman Gage's letter dated July 26, 1993, thereby changing the regular meeting time of the Executive Committee from 9:00 a.m. to 9:30 a.m.

40377 Chairman Gage announced that Agenda Items P-1, matter of potential litigation; and 8-9, to authorize the General Counsel to settle the eminent domain action titled Metropolitan Water District v. Cornerstone Properties, Inc., et al., Riverside County SCC No. 224988, have been withdrawn.

40378 At 1:40 p.m., pursuant to Government Code Sections 54956.8 and 54956.9, Chairman Gage called the Meeting into executive session to consider Agenda Items:

- L. Least Cost Planning for Interim Office Space and the Board Room.
- N. Permanent Headquarters Preferred Candidate Recommendations.
- O. Legal issues arising out of space problems.
- 8-8 Proposed settlement of pending litigation regarding Garvey Reservoir Restoration Project.
- 8-10 Acquisition of Domenigoni Valley Reservoir Properties 144-001-153 and 155 -- Victoria Bell, Ltd./Ramona Hills.

At 2:45 p.m., the Chair called the Meeting into open session.

Chairman Gage reported the actions taken in executive session as follows:

Item L: Approved the recommendations contained in the General Manager's letter dated August 19, 1993, regarding least cost planning for interim office space and the Board Room, thereby:

1. Authorizing the General Manager to enter into negotiations to secure approximately 50,000 rentable square feet of office space, within walking distance of Two Cal Plaza, in an amount not to exceed \$7.5 million, plus incidental expenses. This lease/sublease is to be coterminous with Metropolitan's existing direct lease of Two California Plaza space;
2. Maintaining the Board Room at the existing Sunset location, initiate the LAFD actions required-to-date and continue discussions with LAFD staff to determine additional activities necessary for compliance with the life/safety order;
3. Maintaining the fleet and motor pool at the existing Beaudry/Alpine location.

Item N. The Board selected the Union Station Site as the RFP No. 047 preferred proposal, rejecting any and all other proposals submitted in response to RFP No. 047;

Instructed staff to:

Notify the Union Station Site proponents that the proposal will be compared against the following alternatives:

An evaluation of the Times Mirror Square, a 10-acre existing facility, most of which is contained within a full city block bounded by Broadway, Spring, 1st and 2nd Streets;

An evaluation of the Sunset Site's redevelopment potential including any necessary zoning or permit requirements to construct a 600,000 gross-square-foot facility as generally portrayed in "Scheme M";

An evaluation of the construction of a new facility on property currently owned by Metropolitan located near Arrow Highway within the City of La Verne; and



Further directing the staff and the consultant evaluation team to investigate all of the foregoing options and report its findings with regard to the Times Mirror Square, the Sunset site and the Arrow Highway site to the Building Site Task Force and to the Board at its November Meeting.

Item 8-8: Approved the recommendation contained in the General Counsel's August 6, 1993, confidential letter in connection with the proposed settlement of pending litigation regarding Garvey Reservoir Restoration Project.

Item 8-10: Authorized the General Manager to purchase Parcels 144-001-153 and 155 in Domenigoni Valley in Riverside County, as recommended in his confidential letter dated July 26, 1993.

**40379** At 2:48 p.m., there being no objection, the Chair called the Meeting into a fifteen-minute recess.

Directors Hawkins, Hill, Kussman, and Witt withdrew from the Meeting at 3:00 p.m.

The Chair reconvened the Meeting at 3:05 p.m.

**40380** Assistant General Manager Horne announced that before each Director are charts showing actual and projected water sales, costs, and expenditures for fiscal year 1993-94.

Assistant General Manager Balcerzak reported that the study of the practices and procedures of the Engineering and the Operations Divisions being conducted by the peer review group will be completed in September, with a written report to be submitted to the Blue Ribbon Task Force in October.

Assistant General Manager Georgeson reported that the Imperial Irrigation District Board had approved a draft agreement regarding the lining of the All American Canal. It is expected that this matter will be presented to the Board for action at its October Meeting, he said.

**40381** General Manager Wodraska reported that on his recent trip to Sacramento he was introduced on the Assembly floor and to the Senate, and had an opportunity to meet with a number of legislators, as well as members of the Executive Branch. He announced a two-day staff planning session is scheduled for October 22-23. Meetings have been held with staff at the various field locations, and tours of the member agencies' facilities are continuing, he advised. He requested Directors

reserve October 29-30 for the two-day Strategic Planning session, with the member agencies' general managers and Metropolitan staff participating. The Blue Ribbon Task Force is proceeding on schedule, with a report to be submitted to the Board at its January Meeting. A list of the current members of the Blue Ribbon Task Force and the committees on which they serve will be furnished to the Board, he said. He advised that he will be meeting with the bond rating agencies in New York during the week of August 27. He identified his three top priorities: employee relations, headquarters building site, and the financial and rate structure.

**40382** General Counsel Taylor reported the General Manager will be testifying before the Civil Division of the Grand Jury which investigates and reports on agencies within the County and is conducted routinely. He advised that the City Council of Monterey Park, by a unanimous vote, approved the settlement offered by the Board regarding the Garvey Reservoir. The Legal Department will be reviewing the procedures imposed by the EPA on Ozone/Peroxone regulations, advising that Director of Resources Means was instrumental in establishing negotiated rule making, which will result in a more reasonable standard for water quality.

Director Morris moved, seconded by Vice Chairman Barker, and the Board approved the Consent Calendar Items, M.I. 40383 through M.I. 40401, as follows:

**40383** Authorized the General Manager to enter into an agreement with Riverside County, in an amount not to exceed \$500,000, to provide plan review, document processing, construction inspection, and General Plan Amendment processing services for the relocation of Newport Road, substantially in accordance with the terms of the General Manager's letter dated July 19, 1993, subject to the agreement being in form approved by the General Counsel.

**40384** Authorized the General Manager to (1) execute a contract with FMC Corporation for furnishing four dual-flow traveling screen assemblies, spare parts, and the services of a start-up engineer, if required by Metropolitan, for the inlet to Lake Skinner Bypass Pipeline No. 1, at the rate set forth in the proposal attached to the General Manager's letter dated July 27, 1993; and (2) reject all other bids after execution of the contract.

**40385** Authorized Revision No. 1 to Appropriation No. 589, an increase of \$535,000 to a total of \$710,000 from the Pay-As-You-Go-Fund, for construction of the seismic upgrading of the La Verne Facility maintenance shops building, as set forth in the General Manager's letter dated July 30, 1993.

**40386** Authorized (1) the General Manager to have all work performed for design, purchase of materials, and installation of backflow prevention assemblies at all filtration plants and the La Verne Facility; and (2) Revision No. 1 to Appropriation No. 608, an increase of \$620,000 to a total of \$1,400,000 from the Pay-As-You-Go Fund, to finance the above work, as set forth in the General Manager's letter dated July 30, 1993.

**40387** Adopted five Resolutions in the form transmitted with the General Manager's letter dated July 27, 1993, providing in substance that the District elects to be allocated that additional portion of revenue from taxes levied on redevelopment property which is attributable to either or both of the following: (1) any increase in the District's base year tax rate applied to incremental assessed value of project property; and (2) that portion of the increase in assessed valuation attributable to the annual inflation adjustment applied to the base year tax rate on the following specific redevelopment projects:

- |                        |                                                                                             |
|------------------------|---------------------------------------------------------------------------------------------|
| <b>Resolution 8414</b> | Brookhurst Commercial Corridor<br>Redevelopment Project, City of Anaheim                    |
| <b>Resolution 8415</b> | Commercial/Industrial Redevelopment<br>Project, City of Anaheim                             |
| <b>Resolution 8416</b> | Norco Redevelopment Project, Amendment<br>No. 3, City of Norco                              |
| <b>Resolution 8417</b> | Central Industrial Redevelopment<br>Project, Second Amendment, City of<br>Riverside         |
| <b>Resolution 8418</b> | Thousand Oaks Boulevard Redevelopment<br>Project, 1993 Amendments, City of<br>Thousand Oaks |

each Resolution entitled:

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN  
WATER DISTRICT OF SOUTHERN CALIFORNIA ELECTING TO RECEIVE  
ALLOCATION OF TAXES PURSUANT TO PROVISIONS OF THE COMMUNITY  
REDEVELOPMENT LAW**

**40388** Amended Sections 5200 and 5201 of the Administrative Code to read as set forth in Attachment A to the General Manager's letter dated July 23, 1993, to provide reference to the new funds established by the Board in connection with the sale and issuance of the Water Revenue Refunding Bonds, 1993 Series B, and the Waterworks General Obligation Refunding Bonds, 1993 Series B.

**40389** Amended Sections 4507(f) and 4514 of the Administrative Code to read as set forth in the General Manager's letter dated August 3, 1993, to accommodate automated communication system.

**40390** Authorized the General Manager to pay \$62,500 to the State Water Contractors (SWC) for consultant services for fiscal year 1993-94 related to Bay/Delta issues affecting the vested interests of the SWC, including Metropolitan, as set forth in the General Manager's letter dated August 3, 1993.

**40391** Authorized the General Manager to pay the State Water Contractors' membership dues for 1993-94 in the amount of \$201,150, as set forth in the General Manager's letter dated August 3, 1993.

**40392** Authorized the General Manager to pay Metropolitan's share of the budget of the Six Agency Fund for fiscal year 1993-94 in the amount of \$512,376, as set forth in the General Manager's letter dated August 23, 1993.

**40393** Approved membership in the Central City Association, and authorized the General Manager to pay the annual membership dues in the amount of \$5,340, and designated the General Manager as Metropolitan's representative to the association, as set forth in the General Manager's letter dated August 24, 1993.

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

Directors Kymla and Reed requested to be recorded as abstaining.

**40394** Expressed support for Assembly Bill 958 (Bronshvag-Kentfield), authorizing a public entity supplying water at retail to include reduced rates in its rate structure, as set forth in the General Manager's letter dated August 3, 1993.

**40395** Expressed support for Assembly Bill 1869 (Brown) regarding conflicts of interest, as set forth in the General Manager's letter dated July 26, 1993.

40396 Authorized staff to urge Assemblyman Cortese to change his bill, Assembly Bill 1222 regarding Water Transfers--Instream Flows, into a two-year bill to allow the necessary time to study the complicated nature of the bill and address a number of desired amendments, as set forth in the General Manager's supplemental letter dated August 17, revised from his letter dated August 3, 1993.

40397 Took no position on Assembly Bill 1497 (Peace), the California Job Creation Act of 1993, and directed staff to develop an administrative procedure to implement a California preference policy for the Engineering and Operations Committee and the Board to review, as set forth in the General Manager's supplemental letter dated August 17, 1993, revised from his letter dated August 2, 1993.

40398 Expressed support for Senate Bill 517 (Bergeson)-- Mediation of Land Disputes--if it is amended to provide that mediation satisfies the settlement meeting provisions of CEQA, and that the mediator's report to the court, if there is no settlement, be limited to a statement of the issues which have been settled and those that remain to be resolved, without stating any recommendation, as set forth in the General Manager's letter dated July 27, 1993.

40399 Expressed opposition to Senate Bill 1234 (Bergeson) regarding reallocation of property taxes, unless the bill is amended as shown in Attachment A to the General Manager's revised letter dated August 10, 1993.

40400 Authorized the General Manager to support, and give aid to the sponsor of, legislation confirming that the Department of Water Resources has exclusive jurisdiction over dam and reservoir safety in accordance with the terms set forth in the General Manager's letter dated July 26, 1993.

Director Scott requested to be recorded as voting no.

40401 Expressed opposition to Assembly Bill 1384 (Costa)-- extra-territorial condemnation for environmental mitigation-- unless it is amended to provide that local agencies may condemn property outside their boundaries for environmental mitigation purposes, at least when such mitigation is a legal necessity for the project, as set forth in the General Manager's letter dated July 27, 1993.

**40402** Vice Chairman Miller moved, seconded by Director Blake and carried, approving a payment to ACWA of \$435 towards Metropolitan's 1993 annual membership dues, bringing the total annual dues payment to \$16,021, the amount originally requested by ACWA in its invoice dated October 9, 1992.

**40403** Vice Chairman Miller moved, seconded by Vice Chairman Blake and carried, and the Board expressed support, if amended, for Senate Bill 158 (Thompson), the California Heritage Lands Bond Act of 1993, as recommended in the General Manager's letter dated August 23, 1993.

**40404** Water Problems Committee Chairman Malburg moved, seconded by Vice Chairman Barker and carried, and the Board found that the joint participation proposal of the Western Municipal Water District with the City of Anaheim described in the General Manager's letter dated August 3, 1993, is consistent with the conditions and objectives of the 1993 Demonstration Local Storage Program.

Director Kazarian requested to be recorded as abstaining.

**40405** Water Problems Committee Chairman Malburg reported that Agenda Item 8-2, the General Manager's letter dated August 3, 1993, regarding transporting water to Metropolitan's service area, has been deferred.

**40406** Water Problems Committee Chairman Malburg moved, seconded by Legal and Claims Committee Chairman Krauel and carried, amending Division III of the Administrative Code concerning annexations to read as set forth in Attachment A to the General Manager's letter dated July 29, 1993.

Director Scott requested to be recorded as abstaining.

**40407** Engineering and Operations Committee Vice Chairman Frahm moved, seconded by Director Malburg and carried, authorizing the General Manager to enter into an agreement with Eastern Municipal Water District, subject to the agreement being in form approved by the General Counsel, for supplying untreated water, pumping capacity, and water treatment during outages of the Box Springs Feeder and Santa Ana Valley Pipeline in conjunction with operation of Eastern's proposed pipeline directly connecting Metropolitan's Mills Plant and the existing Mills Pumpback Facility adjacent to Lake Perris, substantially in accordance with the terms set forth in the General Manager's revised letter dated August 20, 1993, revised from the terms set forth in his letter dated August 13, 1993.

**40408** Finance and Insurance Committee Vice Chairman Green moved, seconded by Engineering and Operations Committee Vice Chairman Frahm and carried, and the Board (1) authorized Revision No. 6 to Appropriation No. 557, an increase of \$120,000,000 to a total of \$160,000,000 from the 1992 Revenue Bond Construction Fund, for construction of the Henry J. Mills Filtration Plant Expansion No. 2; and (2) awarded a \$69,943,000 contract to M. A. Mortenson Co. for the aforementioned construction, and authorized the General Manager to reject all other bids after the contract has been executed, as recommended in the General Manager's letter dated August 2, 1993.

**40409** Engineering and Operations Committee Vice Chairman Frahm moved, seconded by Finance and Insurance Committee Vice Chairman Green and carried, and the Board (1) certified that the Final EIR (FEIR) for the San Joaquin Reservoir Improvement Project has been completed in compliance with the California Environmental Quality Act, and that the Board has reviewed and considered the information contained in the FEIR prior to approving the project; (2) approved the floating cover alternative for the improvement project; (3) adopted the Statement of Findings and Overriding Considerations and Mitigation Monitoring Plan that accompany the FEIR; and (4) authorized Revision No. 2 to Appropriation No. 561, an increase of \$2,183,000 to a total of \$2,933,000 from the 1991 Revenue Bond Construction Fund, for the proposed floating cover project, as recommended in the General Manager's letter dated July 28, 1993.

Director Morris requested to be recorded as abstaining.

**40410** Vice Chairman Miller moved, seconded by Vice Chairman Blake and carried, and the Board expressed (1) opposition to the provisions in S. 1195 (Boxer) and H.R. 350 (Edwards), that would (a) expand the scope of section 404 jurisdiction, (b) require adverse changes to the nationwide permit program, and (c) make adverse changes to the section 404(b)(1) guidelines as discussed in the General Manager's letter dated August 16, 1993; and (2) support, if amended as outlined in the alternatives presented in Attachment B to the foregoing letter, for S. 1304 (Baucus), all pertaining to the Wetlands Conservation and Regulatory Improvements Act.

**40411** Chairman Gage announced that Agenda Item 8-12, the General Manager's letter dated August 16, 1993, regarding policy principles, has been withdrawn.

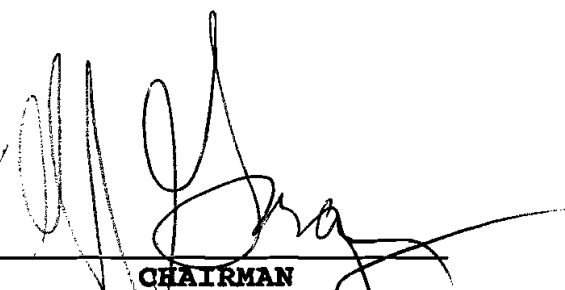
40412 The following listed communications were submitted for the information of the Board:

- a. Reports of the General Manager
  - i. Activities for the month of July, dated July 30, 1993.
  - ii. Operating data for the month of June, dated July 27, 1993.
- b. Report of the General Counsel on the activities of the Legal Department for the month of July, dated July 30, 1993.
- c. Report of the Auditor on the activities of the Audit Department for the month of July, dated July 26, 1993.
- d. Letter of the General Manager dated August 23, 1993, transmitting the Monthly Financial Report for the month of June.
- e. Letter of the General Manager dated July 23, 1993, transmitting the Quarterly Status Report for the Domenigoni Valley Reservoir Project.
- f. Letter of the General Manager dated July 28, 1993, reporting on Overview of Metropolitan's Oxidation (Ozone/PEROXONE) Retrofit Program.
- g. Letter of the General Manager dated July 27, 1993, transmitting the Quarterly Report on Changes in Funding Sources for Capital Program Expenditures.
- h. Letter of the General Counsel dated August 2, 1993, reporting on SWRCB Mono Basin Water Rights Proceedings.
- i. Letter of the General Manager dated August 3, 1993, reporting on San Gabriel Conjunctive-Use Project Update.
- j. Letter of the General Manager dated August 3, 1993, reporting on Ward Valley Low-Level Radioactive Waste Site.



- k. Letter of the General Manager dated August 3, 1993, reporting on California Urban Water Agencies letter to U.S. Environmental Protection Agency regarding Bay/Delta Water Quality Standards.
- l. Letter of the General Manager dated August 3, 1993, reporting on San Francisco Bay/Delta Estuary Restoration Act of 1993--H.R. 2320 (Pelosi).
- m. Letter of the General Manager dated July 15, 1993, reporting on the contract with the State of California, Department of Water Resources, to provide machining services.

40413 There being no objection, at 3:25 p.m., the Chair adjourned the Meeting to September 21, 1993, at 12:30 p.m.



CHAIRMAN



SECRETARY