

APPROVED  
by the Board of Directors of  
The Metropolitan Water District  
of Southern California  
at its meeting held

APR 12 1994

*Loren E. Duff*  
EXECUTIVE SECRETARY

MINUTES

REGULAR MEETING OF THE  
BOARD OF DIRECTORS

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

FEBRUARY 8, 1994

**40655** The Board of Directors of The Metropolitan Water District of Southern California met in Regular Meeting on the 12th Floor of the building located at 818 West Seventh Street in the City of Los Angeles, State of California, on Tuesday, February 8, 1994.

The Meeting was called to order by Chairman Foley at 12:52 p.m.

**40656** The Meeting was opened with an invocation by Director Larry L. Stamper.

**40657** The Pledge of Allegiance to the Flag was given, led by Director David Y. Handelman.

**40658** Secretary Murph called the roll. Those answering present were: Directors Bannister, Barker, Blake, Boen, Brandt, Brick, Davenport, Fellow, Foley, French, Grandsen, Griffen, Handelman, Hawkins, Ibbetson, Kazarian, King, Krauel, Krieger, Lombard, Luddy, Malburg, Mason, McMurray, Miller, Milne, Moret, Morris, Morse, Murph, Mylne, O'Neil, Parker, Peterson, Reed, Rez, Stamper, Stuart, Watton, Webster, Witt, and Wysbeek.

Those not answering were: Directors Frahm (entered 1:35 p.m.), Goldsworthy, Green, Hill, Meyer, Pak, and Wein (entered 1:47 p.m.).

Not represented: City of Torrance.

**40659** Chairman Foley 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.

**40660** Chairman Foley invited members of the public to address the Board on matters within the Board's jurisdiction.

Mrs. Robin Burkel and Mrs. Bobbie Faulkner, property owners in Domenigoni Valley, expressed their dissatisfaction in connection with Metropolitan's process to acquire their properties for the Domenigoni Valley Reservoir Project and specifically referring to concerns arising out of the settlement of the Mission Viejo litigation.

General Counsel Taylor stated that Metropolitan has abided with the provisions of the Mission Viejo settlement, and in the acquisition process both parties are represented by counsel who are in negotiations.

Jules Kimmett, Chairman, Concerned Citizens of Burbank, referred to Agenda Item 9-21, the letter of the General Counsel reporting on the Ralph M. Brown Act requirements for 1994, and in that regard questioned Metropolitan's authority to impose a three-minute time limit for public comment.

**40661** There being no objection, the Chair declared the Minutes for the January 11, 1994 Board Meeting are deferred.

**40662** The General Counsel's letter, dated January 25, 1994, was presented, transmitting the credentials evidencing the appointment by the City of Santa Ana of Lee J. Harry for an indefinite term, replacing Daniel H. Young, who resigned.

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.

**40663** Executive Secretary Dorff, Notary Public, administered the Oath of Office to Mr. Harry.

Following an introduction by Vice Chairman Blake, Mr. Harry took his seat as a Director representing the City of Santa Ana.

**40664** Vice Chairman Barker moved, seconded by Vice Chairman Blake and carried, approving the recommendation of the Executive Committee that Director Lee J. Harry be assigned to the Finance and Insurance and the Legal and Claims Committees.

**40665** Chairman Foley announced that he has appointed Vice Chairman Barker to serve as an additional member of the Blue Ribbon Task Force Ad Hoc Committee.

**40666** Chairman Foley announced his appointments to the Ad Hoc Committee on Agricultural Water Policy (M.I. 40630): Directors Miller (Chairman), Barker, Blake, Frahm, Green, Hawkins, Hill, Krieger, McMurray, Mason, Morris, and Morse.

**40667** Chairman Foley announced that the charge of the Bay/Delta Ad Hoc Committee has been expanded to include oversight of the Integrated Resource Planning process.

**40668** Chairman Foley presented a Commendatory Resolution to former Director Helen Romero Shaw, who represented the City of Los Angeles from September 11, 1984, to November 8, 1993.

**40669** Chairman Foley presented a Commendatory Resolution to former Director Edward L. Kussman, who represented the City of Los Angeles from October 8, 1974, to November 8, 1993.

**40670** Vice Chairman Barker moved, seconded by Director O'Neil and carried, authorizing the preparation of a Memorial Resolution for former Director A. B. Smedley, who represented Foothill Municipal Water District from April 13, 1965, to August 1, 1990.

**40671** Vice Chairman Barker moved, seconded by Vice Chairman Blake and carried, reestablishing the Special Committee on Department Head Compensation.

Chairman Foley announced the membership of the Committee will be the Chairs of the Standing Committees.

Director Frahm took her seat at 1:35 p.m.

**40672** Legal and Claims Committee Chairman Krauel announced there is no report on legal issues arising out of space problems.

**40673** Vice Chairman Blake moved, seconded by Director Morris and carried, and the Board approved (1) effective January 1, 1994, the lifting of the moratorium on Directors' travel and the return to the provisions of the Administrative Code, Sections 6324(a), Authorization for Domestic Travel, Directors; and 6325(b), Authorization for International Travel; and (2) effective July 1, 1994, the lifting of the moratorium on Director-sponsored inspection trips and the return to the provisions of the Administrative Code Sections

2610 through 2614, Authorization, Colorado River Aqueduct System, State Water Project, One-Day Inspection Trips, and General Provisions, respectively.

Vice Chairman Blake advised that by taking action at this time, the Public Affairs Division will be in a position to provide all Directors with a date reservation form in late March and commence taking reservations for the upcoming fiscal year on April 1 as provided in Section 2614(m) of the Code.

Directors Brandt, Brick, Davenport, Fellow, Frahm, Krauel, Moret, Peterson, Reed, Watton, and Webster requested to be recorded as voting no.

**40674** Vice Chairman Barker moved, seconded by Vice Chairman Blake and carried, ratifying the action of the Executive Committee taken at its January 26 meeting, authorizing the implementation of an Employee Assistance Program as set forth in the Board Chairman's letter dated January 31, 1994, to assist Metropolitan's employees damaged by the January 17 Northridge earthquake.

Director Wein took his seat at 1:47 p.m.

**40675** Assistant General Manager Balcerzak, using a video, was able to graphically report on the damage to the Jensen Filtration Plant as a result of the January 17 Northridge earthquake and staff's remarkable efforts to put it on line within 72 hours.

Assistant Chief of Operations Young introduced Ezell Culver, Superintendent of the Valley Branch, responsible for the operations of the Jensen Plant. Mr. Young advised that, under his direction, his crew worked non-stop for 72 hours to make the necessary repairs to put the Plant into full operation.

General Manager Wodraska stated Assistant General Manager Balcerzak, Superintendent Culver, Assistant Chief of Operations Young, and the crew at Jensen, among others, should be considered heroes for their outstanding efforts in responding to this emergency. Management will be meeting with the crew at the Jensen Plant tomorrow, he said, to recognize them for their outstanding efforts.

Assistant General Manager Horne reported on the emergency assistance offered to employees to help restore their homes, find shelter, solve commuting and child care problems, and provide continuing compassion, support, and counseling.

Assistant General Manager Georgeson reported on the resolution of the recent differences between the urban contractors, including Metropolitan, and the Department of Water Resources regarding State Project water allocations. He stated that there will be several public workshops on the Integrated Resource Plan, with participation by representatives of the business sector, community organizations, and public interest groups; requesting Directors to submit names of individuals they recommend attend.

Director Brick withdrew from the Meeting at 2:01 p.m.

Assistant Director of Finance Becker gave a slide-illustrated presentation on Metropolitan's financial condition. Assistant General Manager Horne announced that the Special Budget Committee has scheduled its annual three-day meeting to conduct its review of the proposed 1994-95 budget on May 2, 3, and 4.

Director King withdrew from the meeting at 2:08 p.m.

Director Morris moved, seconded by Vice Chairman Blake and carried, and the Board approved the Consent Calendar Items, M.I. 40676 through M.I. 40679, as follows:

**40676** Adopted two Resolutions in the form transmitted with the General Manager's letter dated January 12, 1994, 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:

**Resolution 8431** Crenshaw Corridor Recovery and Revitalization Program, City of Los Angeles

**Resolution 8432** Perris Redevelopment Project - 1994, City of Perris

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**

**40677** Amended Sections 6767(e) and 6787(e) of the Administrative Code as shown in Attachment A to the General Manager's letter dated January 12, 1994, relating to the Articles of The Metropolitan Water District of Southern California Savings Plan I and Savings Plan II.

**40678** Authorized the General Manager to negotiate with and to enter into a professional services contract for broker/administrator services in support of the Owner-Controlled Insurance Program with Sedgwick/McAllister/Dickerson, joint venture, in an amount not to exceed \$1,380,000 over a period of three years, subject to the contract being in form approved by the General Counsel, as set forth in the General Manager's letter dated January 20, 1994.

Director Brandt requested to be recorded as abstaining.

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

**40679** Authorized the General Manager to make payment of \$325,000 (a \$25,000 increase over 1993) to the American Water Works Association Research Foundation (AWWARF) as Metropolitan's contribution to fund AWWARF's applied research program during calendar year 1994, as set forth in the General Manager's letter dated January 5, 1994.

**40680** Engineering and Operations Committee Chairman Miller moved, seconded by Finance and Insurance Committee Chairman Mason and carried, and the Board authorized (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 protection of a portion of the Upper Feeder; and (2) Appropriation No. 674 in the

amount of \$310,000 from the Pay-As-You-Go Fund to finance the estimated cost for this protection to accommodate the Santa Fe Railway expansion, as set forth in the General Manager's letter dated January 13, 1994.

**40681** Finance and Insurance Committee Chairman Mason moved, seconded by Water Problems Committee Chairman Malburg and carried, (1) increasing the existing \$12 million ultra-low-flush (ULF) toilet allocation by \$3 million for fiscal year 1993-94; and (2) authorizing the General Manager to continue to enter into ULF toilet agreements in excess of \$250,000 with member agencies and other parties as he deems necessary to implement ULF toilet projects as outlined in his letter dated January 19, 1994, subject to the agreements being in form approved by the General Counsel.

Director Bannister inquired about the status of the audit of this program. The Chair instructed staff to submit the results of this audit as soon as possible.

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

**40682** Finance and Insurance Committee Chairman Mason moved, seconded by Vice Chairman Blake and carried, and the Board (1) amended Administrative Code Sections 5101 and 5114 as shown in Attachment 4 to the General Manager's letter dated January 19, 1994; and (2) approved the Statement of Investment Policy dated January 11, 1994, as shown in Attachment 1 to the foregoing letter.

Director King returned to the Meeting at 2:15 p.m.

**40683** Finance and Insurance Committee Chairman Mason moved, seconded by Engineering and Operations Committee Chairman Miller and carried, authorizing (1) the General Manager to have all work performed, other than work to be performed under competitively bid contracts and consulting contracts involving an expenditure over \$250,000, for the expansion of Local Area Networks (LAN) equipment and services to all field facilities, and the upgrade of LAN equipment in San Dimas, La Verne, Cal Plaza, and Sacramento; and (2) Revision No. 6 to Appropriation No. 584, an increase of \$2,519,000 from the Pay-As-You-Go Fund to a total of \$5,669,000, to fund the expansion of the communications upgrade capital project to include the expansion of LAN services to all field facilities, as set forth in the General Manager's letter dated January 13, 1994.

**40684** Finance and Insurance Committee Chairman Mason moved, seconded by Engineering and Operations Committee Chairman Miller and carried, authorizing Appropriation No. 675 in the amount of \$6,576,000 from the Pay-As-You-Go Fund to finance the estimated costs for the installation of a Supervisory Control and Data Acquisition System for the water and power operations of the Colorado River Aqueduct Pumping System, as set forth in the General Manager's letter dated January 25, 1994.

**40685** Land Committee Chairman Kazarian moved, seconded by Engineering and Operations Committee Chairman Miller and carried, and the Board (1) adopted the Statement of Findings and Supplemental Mitigation Monitoring Plan attached as Exhibit A to the General Manager's letter dated January 12, 1994; certified that the Final SEIR for the proposed modifications to the Eastside Pipeline Feature of the Domenigoni Valley Reservoir Project has been completed in compliance with the California Environmental Quality Act; certified that the Board has reviewed and considered the information contained in the Final SEIR prior to approving the proposed modifications; and found that the Final SEIR reflects the independent judgment of Metropolitan; (2) approved the proposed modifications to the Eastside Pipeline Feature of the Domenigoni Valley Reservoir Project and Alternative 1 for the proposed Secondary Inlet Pipeline; and (3) authorized the General Manager to acquire all lands and other interests in real property required for construction, operation, and maintenance of the proposed modifications to the Eastside Pipeline Feature of the Domenigoni Valley Reservoir Project.

**40686** Organization and Personnel Committee Chairman Rez moved, seconded by Engineering and Operations Committee Chairman Miller and carried, authorizing the General Manager to enter into agreements with Bechtel Corporation for a maximum amount payable of \$8,250,000; Daniel, Mann, Johnson, Mendenhall with a maximum amount payable of \$5,700,000; and Parsons Brinckerhoff with a maximum amount payable of \$2,550,000 for geologic/geotechnical and tunnel design services for the Inland Feeder system, subject to the agreements being in form approved by the General Counsel, as set forth in the General Manager's letter dated January 13, 1994.

**40687** Organization and Personnel Committee Chairman Rez moved, seconded by Land Committee Chairman Kazarian and carried, authorizing the General Manager to enter into agreements with Hunsaker and Associates, Inc., The Keith Companies, Psomas and Associates, Inc., and Robert Bein,

William Frost and Associates, Inc., for the combined maximum amount payable not to exceed \$2.75 million for land surveying, utility location/identification and mapping services in accordance with the General Manager's letter dated January 12, 1994, subject to the agreements being in form approved by the General Counsel.

Director Mason withdrew from the Meeting at 2:17 p.m.

**40688** Legal and Claims Committee Chairman Krauel moved, seconded by Land Committee Chairman Kazarian, that by a two-thirds vote, the Board adopt **Resolution 8433** transmitted with the General Manager's letter dated February 7, 1994, revised from his January 20 letter, 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 8433** 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)**

**40689** Organization and Personnel Committee Chairman Rez moved, seconded by Vice Chairman Barker and carried, approving the Incentive Payment Plan for Unrepresented Employees as described in the General Manager's letter dated January 20, 1994, and that up to \$168,750 be authorized to be used as incentive payments for fiscal year 1993/94.

**40690** Legal and Claims Committee Chairman Krauel moved, seconded by Director Morris and carried, approving the recommendation contained in the confidential letter of the General Manager and the General Counsel dated January 28, 1994, concerning the settlement in Bloom, et al. v. MWD, et al.

**40691** Vice Chairman Barker reported the Executive Committee tabled the letter of the Auditor dated January 25, 1994, regarding revision to the Administrative Code to establish the Auditor's performance evaluation appraisal process.

**40692** Land Committee Chairman Kazarian moved, seconded by Vice Chairman Barker and carried, and the Board (1) authorized the General Manager to execute an agreement for approximately 7,000 rentable square feet of space, with associated parking, in a location as near as possible to downtown Los Angeles, for lease costs not to exceed \$500,000, plus incidental expenses for the building, required tenant improvements and materials, and equipment necessary to sustain Printshop operations, with the agreement to commence on or about March 1, 1994, and run coterminous with Metropolitan's Two California Plaza leases (approximately five years), subject to the agreement being in form approved by the General Counsel; and (2) ratified the Executive Committee's action, pursuant to Section 2417(h)(1) of Metropolitan's Administrative Code, to authorize the General Manager to make necessary arrangements with the Southern California Association of Governments, and other necessary parties, to provide temporary, appropriate and suitable meeting facilities for Metropolitan's Board of Directors regularly scheduled meetings in February, March, and April of 1994, as set forth in the General Manager's letter dated January 27, 1994.

Director Brick returned to the Meeting at 2:20 p.m.

**40693** Legal and Claims Committee Chairman Krauel moved, seconded by Engineering and Operations Committee Chairman Miller and carried, approving the recommendation contained in the General Manager's confidential letter dated January 28, 1994, regarding acquisition of Parcels 144-1-611 and 144-1-667 for relocation of Newport Road.

**40694** Chairman Foley announced that the letter of the General Counsel reporting on the Ralph M. Brown Act requirements for 1994 (Agenda Item 9-21) has been withdrawn.

**40695** The following listed communications were submitted for the information of the Board:

- a. Reports of the General Manager
  - i. Activities for the month of January, dated January 31, 1994.
  - ii. Operating data for the month of December, dated January 13, 1994.

- b. Report of the General Counsel on the activities of the Legal Department for the month of January, dated January 31, 1994.
- c. Report of the Auditor on the activities of the Audit Department for the month of January, dated February 1, 1994.
- d. Letter of the General Manager dated February 8, 1994, transmitting the Monthly Financial Report for the month of December.
- e. Letter of the General Manager dated January 11, 1994, presenting the quarterly status report for the Domenigoni Valley Reservoir Project.
- f. Letter of the General Manager dated January 12, 1994, reporting on the Waste Management Contractor Assessment Program.
- g. Letter of the General Manager dated November 29, 1993, reporting on the accounting for overhead and contingency allocations.
- h. Letter of the General Manager dated January 12, 1994, submitting the quarterly report on changes in funding sources for capital program expenditures.
- i. Letter of the General Manager dated January 19, 1994, submitting an update on the ultra-low-flush toilet program.
- j. Letter of the General Manager dated January 19, 1994, submitting the Los Angeles Department of Water and Power Headworks Spreading Grounds Pilot Study Final Report.
- k. Letter of the General Manager dated January 19, 1994, submitting the status report on Metropolitan activities responding to Bay/Delta Federal regulatory proposals.
- l. Letter of the General Manager dated February 4, 1994, presenting a water supply update.
- m. Letter of the General Manager dated January 19, 1994, submitting an update on the Areias Dairy Farms water transfer.

- n. Letter of the General Manager dated January 19, 1994, reporting on the water transfer discussions with Sacramento River Water Contractors Association.
- o. Letter of the General Manager dated January 19, 1994, regarding the revision of the Urban Water Management Planning Act.
- p. Letter of the Chairman, Task Force to Review Office Space and Building Sites, dated January 24, 1994, submitting an update on California Plaza tenant improvements.
- q. Letter of the General Manager dated January 10, 1994, transmitting the statement of Metropolitan's boundary changes.
- r. Letter of the General Manager dated January 25, 1994, transmitting the Engineering and Operations Peer Review Committee Report.
- s. Letter of the General Manager dated January 28, 1994, submitting an update on the Chino Basin Conjunctive Use activities.
- t. Letter of the General Manager dated February 1, 1994, submitting a response to comments made by property owner in Domenigoni Valley, Mrs. Burkel, at the January 1994 Board Meeting.

**40696** Water Problems Committee Chairman Malburg reported the committee revised the recommendation set forth in the General Manager's supplemental letter dated February 4, 1994, and as revised, moved, seconded by Director Stuart and carried, approving, in the interim, the Readiness-to-Serve Charge allocation based on the average total water sales by agency for fiscal years 1992-93 and 1993-94 except for long-term storage water.

**40697** Director Morris moved, seconded by Director Stuart and carried, that M.I. 40692 be reconsidered.

Director Morris moved, seconded by Director Stuart and carried, amending the action of the Board in M.I. 40692, thereby authorizing the Board Officers to select the location for the site of future Board Meetings.

40698 There being no objection, Chairman Foley adjourned the Meeting at 2:28 p.m.

REGINA MURPH  
SECRETARY

JOHN V. FOLEY  
CHAIRMAN