

MINUTES
REGULAR MEETING OF THE
BOARD OF DIRECTORS
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
APRIL 12, 1994

40756 The Board of Directors of The Metropolitan Water District of Southern California met in Regular Meeting on the third floor of the building located at 350 South Grand Avenue in the City of Los Angeles, State of California, on Tuesday, April 12, 1994.

The Meeting was called to order by Chairman Foley at 12:38 p.m.

40757 The Meeting was opened with an invocation by Director Kenneth H. Witt.

40758 The Pledge of Allegiance to the Flag was given, led by Director Mark W. Watton.

40759 Secretary Murph called the roll. Those answering present were: Directors Bannister, Barker, Blake, Boen, Brick, Fellow, Foley, Frahm, French, Grandsen, Griffen, Handelman, Harry, Hawkins, Kazarian, Krauel, Krieger, Little, Lombard, Malburg, Mason, McMurray, Meyer, Miller, Milne, Moret, Morris, Morse, Murph, Mylne, O'Neil, Pak, Parker, Peterson, Rez, Stuart, Watton, Webster, Wein, Witt, and Wright.

Those not answering were: Directors Brandt (entered 12:57 p.m.), Davenport, Green, Hill, Ibbetson, King (entered 2:27 p.m.), Luddy (entered 12:49 p.m.), Reed, Stamper, and Wysbeek.

The Chair declared a quorum present.

40760 Chairman Foley inquired if there were any additions to the agenda.

Committee Chairman Malburg advised that the Water Problems Committee, at its meeting of April 11, received information that if action is not taken to implement the Cooperative Storage Program at today's Board Meeting, some water presently available to Metropolitan will be lost. Committee Chairman Malburg stated that knowledge of the need to act on this matter arose subsequent to the posting of the Agenda, and, therefore, moved that the Board, by a two-thirds vote, add this item to the Agenda for action at today's Meeting. The motion was seconded by Vice Chairman Barker and carried unanimously, representing more than the required two-thirds vote.

Vice Chairman Blake reported that at its meeting of April 11, 1994, the Water Problems Committee voted to take action on the informational Agenda Item 9-12 (Seasonal Storage Service), and moved, seconded by Director Krieger and carried, that this matter be considered for action at today's Meeting.

Vice Chairman Blake reported that at its meeting of April 12, 1994, the Legislative Committee voted to take action on the informational Agenda Items 9-14 and 9-15 (SB 1924, McCorquodale, and AB 2673, Cortese, respectively), and moved, seconded by Director Krieger and carried, that these issues be considered for action at today's Meeting.

Chairman Foley announced that these matters will be considered for action at today's Meeting.

40761 Chairman Foley invited members of the public to address the Board on matters within the Board's jurisdiction. No member of the public responded.

40762 Chairman Foley called the Meeting into a Public Hearing to receive comments on the proposed Water Standby Charge for 1994-95.

Keith Lewinger, General Manager of Otay Water District, expressed support for the Water Standby Charge. He pointed out that it would be prudent to continue the Water Standby Charge after fiscal year 1994-95 citing its benefits to his and other agencies, and urged the Board to develop a program that will allow the simultaneous imposition of both the Water Standby Charge and the Readiness-to-Serve Charge, with each member agency in a position to select the charge proving to be most beneficial.

Director Luddy took his seat at 12:49 p.m.

Mitchell H. Hunt, private citizen, voiced strong opposition to the imposition of the Standby Charge, stating there is no distribution system to his property nor is any planned. Therefore, he has not and will not receive any benefit.

Dennis Kahlie, representing the Mayor and Council of the City of San Diego, reported that the City adopted a resolution supporting the continuance of the Standby Charge beyond fiscal year 1994-95 as the Readiness-to-Serve Charge would adversely impact the economy of the City.

The Chair determined there were no further comments. He thanked the speakers, and, at 12:54 p.m., called the public hearing to a close. He stated the comments received will be taken into consideration prior to Board action on May 10, 1994.

40763 There being no objection, the Chair ordered the reading of the Minutes of February 8 and March 8, 1994, dispensed with, copies having been mailed to all Directors.

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

40764 Chairman Foley presented a Commendatory Resolution to former Director John Killefer who had represented Coastal Municipal Water District from January 12, 1982, to September 9, 1993.

40765 Vice Chairman Blake moved, seconded by Vice Chairman Barker and carried, authorizing the preparation of a Commendatory Resolution for former Director Robert Goldsworthy who had represented West Basin Municipal Water District from April 9, 1991, to March 8, 1994.

40766 Vice Chairman Blake moved, seconded by Director Morris and carried, approving the recommendations of the Executive Committee, as follows:

1. Director Bill D. Wright be assigned to the Engineering and Operations and the Land Committees;

2. Director Edward C. Little be assigned to the Finance and Insurance and the Land Committees;

3. Director Wesley M. Bannister be reassigned to the Finance and Insurance Committee from the Organization and Personnel Committee; and

4. Directors Jerry A. King, Gary A. Morse, Regina Murph, John M. Mylne, and Glen D. Peterson be assigned to the Committee on Legislation.

Vice Chairman Blake announced that Director Alf W. Brandt has resigned from the Finance and Insurance Committee.

40767 Chairman Foley announced that he has appointed Director David Y. Handelman to the Special Budget Committee and Director Kenneth T. Lombard to the Special Committee on Financial Policy, to fill the vacancies created by the resignation of Director Alf W. Brandt from those committees.

40768 Vice Chairman Blake moved, seconded by Director McMurray and carried, amending the Administrative Code to read as detailed in Attachment A to the March 14, 1994, letter from the Subcommittee on Travel and Inspection Trips, thereby providing for Standing, Special, Ad Hoc, and Sub-committees' inspection trips, as well as additional flexibility to the Director-sponsored inspection trip program; formalizing the responsibilities incumbent on new Directors; and deleting the quarterly reporting function by the General Manager.

Vice Chairman Blake advised that the Subcommittee on Travel will be submitting the Directors' travel expense report to the Executive Committee.

Directors Brick, Frahm, Handelman, Peterson, and Webster requested to be recorded as voting no.

Director Brandt took his seat at 12:57 p.m.

40769 Building Site Task Force Chairman Brick presented an update on the development of the criteria and the negotiating process in connection with the evaluation of sites for the selection of the permanent headquarters building. Director of Administrative Services Ivey reported on the staff activities in this regard.

Director Mason withdrew from the Meeting at 1:10 p.m.

At 1:10 p.m., pursuant to Government Code Section 54956.8, Chairman Foley called the Meeting into closed session to confer with Metropolitan's Real Estate Negotiator in

connection with the selection of a permanent headquarters facility: Union Station (Catellus Development Corporation); redevelopment of Metropolitan-owned property at 1111 Sunset Boulevard; and office space at 350 South Grand Avenue (MS Management Services).

At 2:05 p.m., the Chair announced the Meeting will resume in open session, following a fifteen-minute recess.

At 2:25 p.m., Vice Chairman Blake reported that in closed session, the Board received and considered information from its negotiators regarding the most recently submitted proposals from Catellus Development Corporation and MS Management. The Board considered the costs and public policy criteria previously discussed and evaluated the public purposes of Metropolitan during its deliberations of which site would enable Metropolitan to most efficiently accomplish its mission.

Vice Chairman Blake moved, seconded by Director Brick, Chairman of the Building Site Task Force, and carried, authorizing the General Manager to execute a Letter of Intent to enter into exclusive negotiations with Catellus Development Corporation, consistent with the terms and conditions discussed in closed session, for development of a permanent headquarters at the Union Station site, and to proceed with the preparation of final documentation of the transaction for Board consideration and approval, subject to the documentation being in form approved by the General Counsel; further authorizing staff to take all appropriate measures to accomplish these tasks.

Directors Milne and Webster requested to be recorded as voting no.

Director King took his seat at 2:27 p.m.

40770 Legal and Claims Committee Chairman Krauel announced there is no report in connection with Board Agenda Item G; legal issues arising out of space problems.

Directors Bannister, Brick, Lombard, Pak, and Webster withdrew from the Meeting at 2:35 p.m.

40771 Assistant General Manager Balcerzak announced that the Engineering and Operations two-day inspection trip of Metropolitan's facilities, scheduled for April 28-29, has been canceled. He urged all Directors to participate when the inspection trip is rescheduled. He reported that, as

recommended by the Peer Review Group and the Blue Ribbon Task Force, an RFP has been distributed to receive proposals for an organizational review of the Engineering Division.

Acting Chief of Operations Young gave a water supply update, stating that it is anticipated, even with the below average precipitation on both the State Water Project and Colorado River Aqueduct, Metropolitan will be able to meet all demands and have water available for storage.

Directors Brandt and Luddy withdrew from the Meeting at 2:40 p.m.

Assistant General Manager Georgeson reported that the State Water Contractors, including Metropolitan, are developing a policy to deal with the issue of water transfers outside the State Water Project, with the goal of completing the policy this year. The issue of the quantity of water considered essential for storage in the San Luis Reservoir is under discussion between the urban and agricultural interests and the Department of Water Resources, he said. He commended the efforts of Associate Director of Resources Schempp and Colorado River Water Resources Branch Manager Matusak which played a major role in having the Environmental Impact Report on the lining of the All-American Canal circulated.

Assistant General Manager Horne urged all Directors to attend two extremely important activities: the Board Workshop on the Integrated Resource Planning at 10:00 a.m., April 28; and the Special Budget Committee meetings on May 2, 3, and 4 to conduct its review of the proposed 1994-95 Annual Budget, he advised.

Directors Fellow and Hawkins withdrew from the Meeting at 2:43 p.m.

Director of Finance Leddy gave a slide-illustrated presentation on Metropolitan's financial condition.

Director Rez withdrew from the Meeting at 2:46 p.m.

40772 General Manager Wodraska reported the Standards & Poor's statement in its March 23 Municipal Weekly that water issues in California will have a genuine effect on the State's credit quality has generated considerable statewide interest, including the Bay/Delta proceedings. He advised that public forums on the Integrated Resource Planning are scheduled in Agoura on May 17 and in Temecula on May 20. The Strategic

Assembly is scheduled to be conducted in San Pedro on June 9, 10, and 11, and urged all Directors to mark these dates in their calendars. He then reported on the status of his priority items.

40773 General Counsel Taylor reported on the meetings in Washington, D.C., between representatives of the Western Urban Water Organization, the Department of the Interior, House and Senate Committees, to assist in bringing solutions in the Endangered Species area. He informed the Board of the amendments to the Brown Act as set forth in his letter to the Board dated March 9, 1994.

Directors Lombard and Luddy returned to the Meeting at 2:54 p.m.

Director Wein withdrew from the Meeting at 2:55 p.m.

Director Morris moved, seconded by Director Stuart and carried, and the Board approved the Consent Calendar Items, M.I. 40774 through M.I. 40782, as follows:

40774 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, to protect a portion of the Upper Feeder; and (2) Revision No. 1 to Appropriation No. 674, an increase of \$95,000 to a total of \$405,000 from the Pay-As-You-Go Fund, to finance the estimated cost to protect a portion of the Upper Feeder to accommodate the Santa Fe Railway Expansion, as set forth in the General Manager's letter dated March 21, 1994.

40775 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 modifications to the Metropolitan's facilities to comply with the Americans with Disabilities Act; and (2) Appropriation No. 677 in the amount of \$498,000 from the Pay-As-You-Go Fund to finance all estimated costs for necessary modifications to comply with the Act, as set forth in the General Manager's letter dated March 15, 1994.

40776 Authorized the General Manager to enter into agreements for geologic and geotechnical services for the Inland Feeder System Project, with Law/Crandall, Inc., for a maximum amount payable of \$700,000 for the Riverside County segment; and Dames & Moore for a maximum amount payable of \$700,000 for the San Bernardino County segment, as set forth in the General Manager's letter dated March 11, 1994.

40777 Approved an increase in the General Counsel's contracting authority to enter into contracts not to exceed \$100,000 in any one year in connection with any assignment without prior Board approval (previously authorized in the amount of \$25,000); and amended Section 6431 of the Administrative Code to read as shown on Attachment A to the General Counsel's letter dated March 14, 1994, to reflect such change.

40778 Amended specified sections of the Administrative Code to read as shown on Attachment B to the General Counsel's letter dated March 9, 1994, to comply with the 1994 amendments to the Ralph M. Brown Act.

40779 Authorized the General Manager to acquire Domenigoni Valley Reservoir Property 144-001-249 owned by Mr. and Mrs. Philip Pinard, as set forth in his confidential letter dated March 24, 1994.

40780 Authorized the General Manager to acquire Domenigoni Valley Reservoir Property 144-001-251 owned by Mr. and Mrs. Edward Dilginis, as set forth in the confidential letter signed jointly by the General Manager and the General Counsel dated March 22, 1994.

40781 Authorized the General Counsel to make a final offer in the eminent domain action titled Metropolitan Water District of Southern California v. Harley M. Faulkner, et al., Riverside County Superior Court Case No. 225219 to acquire Domenigoni Valley Reservoir Property 144-001-263, as set forth in the General Counsel's confidential letter dated March 22, 1994.

40782 Authorized the General Counsel to acquire Etiwanda Pipeline Project Property 1607-7-43 and 45 owned by Mr. and Mrs. Daniel Plies, and settle the related litigation titled Metropolitan Water District of Southern California v. American Pac. Concrete Pipe, Inc., San Bernardino County Superior Case No. RCV 056018, as set forth in the General Counsel's confidential letter dated March 31, 1994.

Director Brandt returned to the Meeting at 3:00 p.m.

40783 Chairman Foley announced that Agenda Items 8-11 (Stanifer Family Trust, and Mr. and Mrs. Dennis J. Bennett); 8-12 (Mr. and Mrs. John K. Stanifer); and 8-14 (Mr. and Mrs. Norman Morse, and Mr. and Mrs. James T. Goode), regarding the acquiring of properties for the Domenigoni Valley Reservoir Project, have been withdrawn.

40784 Water Problems Committee Chairman Malburg moved, seconded by Director Krieger, that the Board approve (1) Metropolitan's participation in a regional CBO training program to be developed in partnership with Department of Water Resources/Executive Partnership for Environmental Resource Training (EXPERT) and Southern California Edison/Regional Job Training Center at Compton; and (2) \$650,000 for a fully funded 5,000-unit ultra-low-flush toilet project to be implemented for regional Community Based Organization Water Conservation program training, as set forth in the General Manager's letter dated March 23, 1994.

It was noted that funds are available in the current 1993-94 Conservation Branch budget.

Director Stuart offered an amendment to the motion, and moved, seconded by Director French, recommending language be added to the original motion to read "... provided that Metropolitan's funding for a 5,000 unit ultra-low-flush toilet project is matched by an alternate source of funding."

The Chair called for a vote on the amendment to the original motion which was voted upon and did not carry.

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

Directors French and Milne requested to be recorded as voting no.

Board Secretary Murph requested to be recorded as abstaining.

Directors Luddy, Milne, and Murph withdrew from the Meeting at 3:05 p.m.

40785 Vice Chairman Blake moved, seconded by Director Brick and carried, amending the Administrative Code to add the Bay/Delta Political Advisory Ad Hoc Committee with the membership, procedures, duties and responsibilities as shown on the General Manager's revised letter dated April 12, 1994.

As suggested by Legal and Claims Committee Chairman Krauel, the Board approved changing the name of the committee to Bay/Delta Political Advisory Committee, deleting reference to "Ad Hoc".

Director Harry withdrew from the Meeting at 3:06 p.m.

40786 Organization and Personnel Committee Vice Chairman McMurray moved, seconded by Vice Chairman Blake and carried, that, in order to assist in attaining the objectives outlined in the Strategic Plan relating to the workforce, the General Manager be authorized to proceed with the development of an early retirement incentive program as outlined in the General Manager's letter dated March 14, 1994, supplemented by his letter of April 7, 1994, and to present a Resolution of Intent to amend Metropolitan's Public Employees' Retirement System contract to include Government Code Section 20818 (Two Years Additional Service Credit) at the May 1994 meeting.

40787 Chairman Foley announced that Agenda Item 8-3 has been withdrawn, the General Manager's letter dated March 23, 1994, regarding the Chino Basin Groundwater Storage Program studies.

40788 Water Problems Committee Chairman Malburg moved, seconded by Director Kazarian and carried, approving Metropolitan's (1) participation in cooperation with the San Diego County Water Authority in support of the City of Escondido's Ordinance provisions limiting use of self-regenerating water softeners, in pending litigation entitled Water Quality Association vs. City of Escondido, including participation in any related appellate proceedings; and (2) financial contributions of up to \$5,000 of the costs of Escondido's outside counsel in defending those provisions in that litigation, as set forth in the General Counsel's letter dated March 31, 1994.

40789 Water Problems Committee Chairman Malburg moved, seconded by Vice Chairman Blake and carried, and the Board (1) found that the interests of Metropolitan will not be adversely affected by the new resulting windows; (2) approved the Plans for Implementing Water Use Efficiency Guidelines for these proposed annexations; (3) informally approved the concurrent annexation of Annexation Nos. 43 and 44 to Calleguas Municipal Water District and Metropolitan conditioned upon the payment to Metropolitan of the annexation charges shown on Attachment J to the General Manager's letter dated March 28, 1994, if completed by December 31, 1994, subject to such terms and conditions as may be fixed by the Board in granting formal consent to such annexation when a request therefor has been received; and (4) authorized the General Manager to enter into an Agreement with Calleguas and the City of Oxnard to establish the procedures for annexation of unannexed areas being served water, as set forth in the foregoing letter of the General Manager, subject to the Agreement being in form approved by the General Counsel.

40790 Water Problems Committee Chairman Malburg moved, seconded by Vice Chairman Blake and carried, and the Board (1) found that the interests of Metropolitan will not be adversely affected by the partial filling in of the existing window; (2) approved the Plan for Implementing Water Use Efficiency Guidelines for this proposed annexation; and (3) informally approved the concurrent annexation of Annexation No. 45 to Calleguas Municipal Water District and Metropolitan conditioned upon a cash payment to Metropolitan of the annexation charge of \$7,366.52 if completed by December 31, 1994, or at the then current per-acre rate if completed after December 31, 1994, subject to such terms and conditions as may be fixed by the Board in granting formal consent to such annexation when a request therefor has been received, as set forth in the General Manager's letter dated March 21, 1994.

40791 Water Problems Committee Chairman Malburg moved, seconded by Vice Chairman Blake and carried, and the Board (1) in reaching a decision on this action, considered the environmental effects of the proposed annexation as shown on the environmental documentation; and (2) adopted **Resolution 8436** transmitted with the General Manager's letter dated March 14, 1994, granting Calleguas Municipal Water District's request for consent to the concurrent annexation of Annexation No. 40 to Calleguas and Metropolitan, and fixing Metropolitan's terms and conditions for the annexation, including a cash payment of \$117,079.24 if completed by December 31, 1994, or at the then current per-acre rate if completed during the 1995 calendar year, said Resolution entitled:

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA CONSENTING TO ANNEXATION NO. 40 UPON CONCURRENT ANNEXATION TO CALLEGUAS MUNICIPAL WATER DISTRICT AND FIXING THE TERMS AND CONDITIONS OF SAID ANNEXATION TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

40792 Water Problems Committee Chairman Malburg moved, seconded by Vice Chairman Blake and carried, and the Board (1) in reaching a decision on this action, considered the environmental effects of the proposed annexation as shown on the environmental documentation; and (2) adopted **Resolution 8437** transmitted with the General Manager's letter dated March 17, 1994, granting San Diego County Water Authority's request for consent to the concurrent annexation of Olympic Training Center Boathouse to Otay Water District, the Authority, and Metropolitan, and fixing Metropolitan's terms and conditions for the annexation, including a cash payment of

\$14,892.48 if completed by December 31, 1994, or at the then current per-acre rate if completed during the 1995 calendar year, said Resolution entitled:

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA CONSENTING TO THE ANNEXATION OF OLYMPIC TRAINING CENTER BOATHOUSE ANNEXATION UPON CONCURRENT ANNEXATION TO SAN DIEGO COUNTY WATER AUTHORITY AND FIXING THE TERMS AND CONDITIONS OF SAID ANNEXATION TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

40793 Legal and Claims Committee Chairman Krauel moved, seconded by Land Committee Chairman Kazarian and carried, that by a two-thirds vote, the Board adopt **Resolution 8438** transmitted with the General Manager's supplemental letter dated April 11, 1994, revised from his March 21 letter, declaring the necessity for the Domenigoni Valley Reservoir Project and for the properties described in Exhibits A and B to the March 21 letter, and directing the General Counsel to commence condemnation proceedings in Riverside County to acquire those properties.

The Chair called for a vote on the motion. the Chair declared **Resolution 8438** was adopted by a unanimous vote, representing more than the required two-thirds vote, said Resolution 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)

40794 Water Problems Committee Chairman Malburg moved, seconded by Vice Chairman Blake and carried, and the Board:

1. Authorized the General Counsel to add a section to the Administrative Code consistent with the description of the Cooperative Storage Program as set forth in the General Manager's pending letter dated March 23, 1994, and in his revised letter dated April 11, 1994, including:

- A. Following the conclusion of each fiscal year, the Metropolitan Water District staff shall evaluate how much carryover storage Metropolitan has available and how much more is needed. The needed storage shall be allotted by reservoir and by basin to optimize the availability and usefulness of the storage. The ability to withdraw and use storage

shall be such that 50 percent of the stored water must be accessible in any fiscal year. No Cooperative Storage shall be permitted beyond these limits.

- B. Metropolitan's deliveries to the Cooperative Storage program after April 12, 1994, would be exempted from Readiness-to-Serve and New Demand Charge determinations upon its delivery to storage but included in the year Metropolitan releases the program water. The program water deliveries made prior to April 12, 1994, would be exempted from the Readiness-to-Serve and New Demand Charge determinations.

2. General Manager to implement the Cooperative Storage Program consistent with the program description in the pending letter dated March 23, 1994, including recommendation 1A and 1B above.

3. General Manager to transfer water from Metropolitan's drought storage account with the City of Pasadena to a Cooperative Storage account.

40795 Committee on Legislation Chairman Brandt moved, seconded by Vice Chairman Blake and carried, approving the policy principles outlined in Senate Bill 1924 (McCorquodale) which, if enacted, would amend the Water Code provisions relating to the State Water Resources Development System, as set forth in the General Manager's letter dated March 23, 1994.

40796 Committee on Legislation Chairman Brandt moved, seconded by Director Morris and carried, and the Board expressed its opposition, unless amended, to Assembly Bill 2673 (Cortese) regarding Local Public Water Systems: Service Needs, as set forth in the General Manager's revised letter dated April 8, 1994.

Director Peterson requested to be recorded as voting no.

40797 Water Problems Committee Chairman Malburg moved, seconded by Vice Chairman Blake and carried, and the Board approved the continuance of the Seasonal Storage Service, thereby (1) reaffirming the February 4, 1994, Board letter policy that the Readiness-to-Serve Charge allocation be based on the average total water sales by agency for fiscal years 1992-93 and 1993-94 except for long-term storage water. Long-

term storage water includes direct groundwater replenishment; water taken under the Cooperative Storage Program, the 1993 Demonstration Storage Program, cyclic storage, and the May through September 1993 Seasonal Storage Program; and seasonal storage water defined as long term in the 1988-89 Seasonal Storage Service Handbook. It is the intent of the Board to include long-term storage water upon recovery of the water in the Readiness-to-Serve Charge effective in fiscal year 1994-95; (2) reducing the Readiness-to-Serve Charge by about \$10 million in fiscal year 1995-96 and by about \$7 million in fiscal year 1996-97. The shortfall in revenues due to the reduction in the Readiness-to-Serve Charge would be funded from the Water Rate Stabilization Fund; and (3) making Seasonal Storage Water Service available until June 30, 1994, as set forth in the General Manager's letter dated April 11, 1994, revised from his letter of March 23, 1994.

40798 The following listed communications were submitted for the information of the Board:

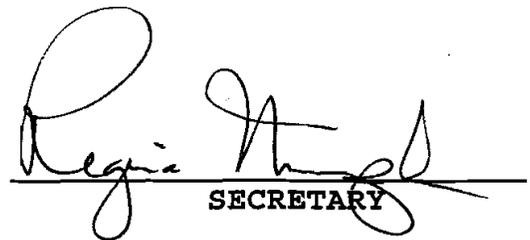
- a. Reports of the General Manager
 - i. Activities for the month of March, dated March 28, 1994
 - ii. Operating data for the month of February, dated March 17, 1994.
- b. Report of the General Counsel on the activities of the Legal Department for the month of March, dated April 1, 1994.
- c. Report of the Auditor on the activities of the Audit Department for the month of March, dated March 31, 1994.
- d. Letter of the General Manager dated March 31, 1994, transmitting the Monthly Financial Report for the month of February.
- e. Letter of the Auditor dated March 14, 1994, transmitting the Audited Cash Basis Financial Statements as of December 31, 1993.
- f. Letter of the General Manager dated March 14, 1994, reporting on rebatable arbitrage--Appropriation No. 680.

- g. Letter of the General Manager dated March 23, 1994, reporting on the Funding Proposal to the United States Bureau of Reclamation Supporting Best Management Practices.
- h. Letter of the General Manager dated March 28, 1994, regarding cost benefit review of self-insured worker compensation.
- i. Letter of the General Manager dated March 23, 1994, submitting a report on Hoover negotiations.
- j. Letter of the General Manager dated March 23, 1994, submitting the third quarter status report on the Local Projects Program.
- k. Letter of the General Manager dated March 14, 1994, reporting on the Information Collection Rule.
- l. Letter of the General Manager dated April 8, 1994, presenting a water supply update.

40799 Water Problems Committee Chairman Malburg announced there will be a public hearing on the proposed Interim Agricultural Water Program on Monday, May 9, 1994, at 1:30 p.m.

40800 There being no objection, Chairman Foley adjourned the Meeting at 3:19 p.m.


CHAIRMAN


SECRETARY