

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

40888 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, July 12, 1994.

The Meeting was called to order by Chairman Foley at 12:36 p.m.

40889 The Meeting was opened with an invocation by Director Larry L. Stamper.

40890 The Pledge of Allegiance to the Flag was given, led by Director Jerry A. King.

40891 In the absence of Secretary Murph, the Chair designated Director E. Thornton Ibbetson to act as Secretary Pro Tem.

40892 Secretary Pro Tem Ibbetson called the roll. Those answering present were: Directors Bannister, Blake, Brick, Davenport, Fellow, Foley, Frahm, French, Grandsen, Green, Griffen, Handelman, Harry, Hawkins, Hill, Ibbetson, King, Krauel, Luddy, Malburg, McMurray, Meyer, Miller, Milne, Moret, Morris, Morse, Mylne, O'Neil, Pak, Parker, Peterson, Reed, Rez, Stamper, Stuart, Watton, Webster, Wein, Witt, Wright, and Wysbeek.

Those not answering were: Directors Barker, Boen, Brandt (entered 1:29 p.m.), Kazarian, Krieger, Little, Lombard (entered 12:46 p.m.), Mason, and Murph.

The Chair declared a quorum present.

40893 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.

40894 Chairman Foley invited members of the public to address the Board on matters within the Board's jurisdiction. No member of the public responded.

40895 There being no objection, the Chair ordered the reading of the Minutes of June 14, 1994, dispensed with, a copy having been mailed to all Directors.

Director Stuart moved, seconded by Vice Chairman Blake and carried, approving the foregoing Minutes as mailed.

40896 The Chair presented a Resolution to Dr. Narendra Gunaji, in recognition of his distinguished career and wishing him every success upon his retirement as the United States Commissioner to the International Boundary and Water Commission between the United States and Mexico.

40897 In recognition of Metropolitan's support of water recycling projects, Director Malburg, acting in his capacity as president of the Board of Central Basin Municipal Water District, presented a poster depicting water reclamation projects.

40898 Chairman Foley presented to Director Charles L. Stuart a pin emblematic of his completion of five years of service on July 11, 1994, representing West Basin Municipal Water District.

40899 Legal and Claims Committee Chairman Krauel announced there is no report in connection with Board Agenda Item D; legal issues arising out of space problems.

40900 Task Force to Review Office Space and Building Sites Chairman Brick announced there is no report in connection with Board Agenda Item E; development of permanent headquarters facility at Union Station.

40901 Chairman Foley announced the Special Committee on Department Head Compensation will make its report at the August Board Meeting.

40902 Vice Chairman Blake moved, seconded by Director Krauel and carried, creating an Information System Ad Hoc Committee to monitor the activities of the Phase I Information System. Chairman Foley announced that he is appointing Director Mylne as Chair.

Director Lombard took his seat at 12:46 p.m.

40903 Vice Chairman Blake moved, seconded by Vice Chairman Griffen and carried, adjourning the Board Meeting regularly scheduled for August 9, 1994, without transaction of business, to Friday, August 19, 1994, to establish the 1994-95 tax levy. Most committees will meet on Thursday, August 18, 1994.

40904 Director Stuart moved, seconded by Director Reed and carried, granting the request for a sixty-day leave of absence from Director Patrick H. Miller, commencing July 21, 1994.

40905 General Manager Wodraska highlighted some of the activities occurring during his first year in office, most recently the reorganization and the responsibilities assigned to the Deputy General Managers. He distributed a draft list of priorities to be achieved during fiscal year 1994-95.

40906 Chairman Foley presented to General Manager Wodraska a pin emblematic of his completion of one year of service.

40907 Deputy General Manager Quinn reported on the activities relating to the Bay/Delta, the State Water Project, and the IRP process.

Deputy General Manager Horne reported that Board workshops will be scheduled throughout the year to present updates on the Integrated Resource Plan and the Capital Improvement Program. He advised that with the implementation of new procedures, conducting day-to-day business will prove more efficient and cost-effective.

Chief of Operations Means reported on setting an all-time record for water deliveries of 9,872 acre-feet on June 28. He remarked on the activities to reduce the taste-and-odor problem at the Jensen Plant. He advised that the Etiwanda Power Plant went on line on June 27.

Chief Engineer Snyder showed a video of the San Jacinto Wildlife Area Dedication ceremony, when approximately 75-acres of land was dedicated to the California Department of Fish and Game as part of the mitigation for the Inland Feeder Project.

Director of Finance Leddy reported on Metropolitan's financial condition.

Director Brandt took his seat at 1:29 p.m.

Chief of Planning and Resources Man reported on the progress of the Integrated Resources Plan, announcing there will be a three-day Strategic Assembly at the end of January.

General Manager Wodraska announced that Assistant General Manager Richard W. Balcerzak will be retiring after more than 32 years of outstanding and dedicated service, with a retirement dinner scheduled for August 12, 1994.

40908 General Counsel Taylor reported that all Directors will be receiving information regarding the reimbursement reporting requirements to go into effect January 1, 1995. He advised the State Water Resources Control Board is supporting the City of Escondido in the action with the soft water industry over the negative impacts of discharging high salt content water.

40909 Chairman Foley announced that Agenda Item 7-8 has been withdrawn, the General Manager's letter dated June 22, 1994, regarding agreement with CH2M Hill to study the impacts of new water quality regulations on groundwater production.

Director Stuart moved, seconded by Vice Chairman Blake and carried, and the Board approved the Consent Calendar Items, **M.I. 40910** through **M.I. 40923**, as follows:

40910 Authorized the General Manager to execute a contract with Pascal & Ludwig Engineers in the amount of \$872,000 to construct a chlorination system for the Jensen Plant Expansion No. 1, in accordance with Specifications No. 1283, as amended; and upon execution of the contract, reject all other bids received, as set forth in the General Manager's letter dated June 15, 1994.

40911 Authorized Appropriation No. 684 in the amount of \$390,000 from the Pay-As-You-Go Fund to finance all estimated costs in advance of award of a contract for installation of 33 buried insulation joint monitoring stations on various District pipelines, as set forth in the General Manager's letter dated June 22, 1994.

40912 Authorized Appropriation No. 687 in the amount of \$190,000 from the General Fund to fund Metropolitan's share of environmental documentation costs, projected Planning Division

(Environmental Planning Branch) expenditures, and continuing preliminary activities related to the All American Canal Lining Project, as set forth in the General Manager's letter dated June 22, 1994.

40913 Authorized (1) the General Manager to have all work performed, other than work performed under contracts involving an expenditure of \$250,000 or more, for the replacement of electrical conduits and wireways in Modules 1, 2, and 3 at the Skinner filtration plant; and (2) Appropriation No. 692 in the amount of \$760,000 from the Pay-As-You-Go Fund to finance the above work, as set forth in the General Manager's letter dated June 22, 1994.

40914 Consistent with the provisions of Administrative Code Section 8113, the Board authorized (1) the General Manager to have all work performed to remove and replace a portion of the effluent conduit at the Jensen Filtration Plant, and, because of the urgency of eliminating water leakage and preventing potential disruptions of water deliveries, delegated authority to the General Manager to award a contract, subject to the contract being in form approved by the General Counsel; and (2) Appropriation No. 695 in the amount of \$1,150,000 from the Pay-As-You-Go Fund to finance all estimated costs for the above work, as set forth in the General Manager's letter dated June 22, 1994.

40915 Authorized the General Manager to enter into a \$500,000 agreement with United Personnel Services to provide temporary unskilled labor under the Operations Division's Jobs Program aimed at unskilled minority and female youth, subject to the agreement being in form approved by the General Counsel, as set forth in the General Manager's letter dated June 20, 1994.

40916 Authorized the General Manager, with the advice of the General Counsel, to write off the uncollectible repair costs in the amount of \$11,662.87, as set forth in the General Manager's letter dated June 15, 1994.

40917 Authorized the General Counsel to file an application for leave to file a brief as amicus curiae on behalf of Santa Margarita Water District in the appeal of County of Orange v. Santa Margarita Water District, as set forth in the General Counsel's letter dated June 27, 1994.

40918 Authorized the General Manager to acquire Domenigoni Valley Reservoir Property 144-001-201 owned by Valentin and Jaclyn P. Cenoz, as set forth in his confidential letter dated July 5, 1994.

40919 Authorized the General Manager to acquire Domenigoni Valley Reservoir Property 144-001-033 and 144-001-507 owned by Mr. & Mrs. Stewart F. Chase and Ms. Alice D. Funk, and settle the related litigation titled Metropolitan Water District v. Chase, Riverside County Superior Court Case No. 238574, as set forth in his confidential letter dated July 5, 1994.

40920 Authorized the General Manager to acquire Domenigoni Valley Reservoir Property 144-001-231 owned by Robert J. Weyrauch, et al., as set forth in his confidential letter dated July 1, 1994.

40921 Authorized the acquisition of Domenigoni Valley Reservoir Property 144-001-001 and 144-001-005 owned by Yee Family Trust, and settle the related litigation titled Metropolitan Water District v. Kenneth N. Yee, et al., Riverside County Superior Court Case No. 234237, as set forth in the confidential letter signed jointly by the General Manager and the General Counsel dated July 5, 1994.

40922 Ratified the action of the General Counsel in filing a complaint for damages against JWP Controls, Inc., and Seaboard Surety Company for failure to perform Contract No. 1396, Specifications No. 1207, as set forth in the confidential letter signed jointly by the General Manager and the General Counsel dated June 24, 1994.

40923 Authorized the General Counsel to settle all claims in Cameron v. Metropolitan Water District, San Bernardino Superior Court Case No. RCV058172, as set forth in his letter dated July 12, 1994, revised from his June 28, 1994, letter.

40924 Organization and Personnel Committee Chairman Rez moved, seconded by Legal and Claims Committee Chairman Krauel and carried, authorizing the General Manager to execute the Memorandum of Understanding attached to his letter dated July 6, 1994, covering the wages, hours, terms, and working conditions of employees represented by the Management and Professional Employees Association of The Metropolitan Water District of Southern California.

Responding to Director Handelman's question, the annual cost of the salary and benefit package to the employees associated with MAPA is \$650,000, for a net increase of 2.9 percent.

40925 Vice Chairman Griffen reported that the Executive Committee amended the recommendation set forth in the General Manager's letter of June 21, 1994, and, as amended, moved, seconded by Organization and Personnel Committee Chairman Rez and carried, revising Metropolitan's existing minority and women participation goals from 12% minority business enterprises (MBE) and 3% women business enterprises (WBE), to 15% MBE and 5% WBE to be consistent with the goals for other State agencies.

Consideration of the goal for disabled and disabled veteran business enterprises was deferred to the August meetings pending receipt of additional information.

Director Bannister requested there be a Community Development Subcommittee created to ensure that the MBE/WBE enterprises participating in Metropolitan's projects are legally qualified and comply with the spirit of the law. General Counsel Taylor stated Metropolitan is using only those businesses which have been certified by the State, but due to the concerns raised by Director Bannister, staff will investigate the verification process.

40926 Finance and Insurance Committee Vice Chairman Green 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 contracts involving an expenditure of \$250,000 or more, for the selection and installation of the Remote Meter System and related software; and (2) Appropriation No. 689 in the amount of \$4,409,000 from the Pay-As-You-Go Fund to finance all estimated costs for the above work, as set forth in the General Manager's letter dated June 16, 1994.

40927 Finance and Insurance Committee Vice Chairman Green moved, seconded by Engineering and Operations Committee Chairman Miller, that Appropriation No. 690 in the amount of \$2,689,200 from the Pay-As-You-Go Fund be authorized, to finance all estimated costs for the selection and installation of the Facilities Security System.

Following a discussion, Director Hill moved that this matter be deferred to provide time for staff to present information on the cost-benefits of this system and

Metropolitan's exposure to risk. The motion was seconded by Director Bannister and carried.

40928 Finance and Insurance Committee Vice Chairman Green moved, seconded by Engineering and Operations Committee Chairman Miller and carried, authorizing (1) the General Manager to approve and undertake capital projects costing less than \$250,000 during fiscal year 1994/95, provided that the General Manager report quarterly to the Engineering and Operations Committee on such projects; and (2) Appropriation No. 693 in the amount of \$3,000,000 from the Pay-As-You-Go Fund to finance capital projects costing less than \$250,000 during fiscal year 1994/95, as set forth in the General Manager's letter dated June 22, 1994.

40929 Finance and Insurance Committee Vice Chairman Green moved, seconded by Engineering and Operations Committee Chairman Miller and carried, authorizing (1) the General Manager to have all work performed for the repair of the steel liner, installation of a concrete liner in the Newhall Tunnel, and to negotiate and execute a cost-plus contract in an amount not to exceed \$6,000,000 with J. F. Shea Co., Inc., in accordance with the terms of the General Manager's letter dated June 22, 1994, subject to the contract being in form approved by the General Counsel; and (2) Appropriation No. 694 in the amount of \$8,000,000 from the 1992 Revenue Bond Construction Fund to finance all estimated costs for the repair of the steel liner and installation of a concrete liner in the Newhall Tunnel.

40930 Finance and Insurance Committee Vice Chairman Green moved, seconded by Engineering and Operations Committee Chairman Miller and carried, authorizing (1) the General Manager to have all additional work performed for facilities to interface the washwater reclamation facility enlargement with the Weymouth filtration plant; and (2) Revision No. 3 to Appropriation No. 544, an increase of \$250,000 to a total amount of \$12,950,000 from the 1992 Revenue Bond Construction Fund, for additional costs of facilities to interface the washwater reclamation enlargement with the Weymouth filtration plant, as set forth in the General Manager's letter dated June 22, 1994.

40931 Finance and Insurance Committee Vice Chairman Green moved, seconded by Engineering and Operations Committee Chairman Miller and carried, and the Board (1) authorized Revision No. 10 to Appropriation No. 560, an increase of \$987,000 to a total amount of \$421,957,000 from the 1992 Revenue Bond Construction Fund, for construction of the

Domenigoni Valley Project High-Water Road; and (2) awarded a \$692,600 contract to Calnex Engineering Co. for construction of the High-Water Road, as set forth in the General Manager's letter dated June 24, 1994.

40932 Engineering and Operations Committee Chairman Miller moved, seconded by Finance and Insurance Committee Vice Chairman Green and carried, and the Board (1) awarded a \$1,198,000 contract to J. W. Contracting Corporation of Corona, California, for construction of buttresses at Hinds, Eagle Mountain, and Iron Mountain pumping plants; and that after the contract has been executed, reject all other bids received; and (2) authorized Revision No. 3 to Appropriation No. 607, an increase of \$2,050,000 to a total of \$7,300,000 from the Pay-As-You-Go Fund, to finance all costs for construction of seismic modifications to the pumping plant buildings; and for all work in advance of award of a construction contract for seismic modifications to the discharge pipelines on the Colorado River Aqueduct, as set forth in the General Manager's letter dated June 22, 1994.

40933 Finance and Insurance Committee Vice Chairman Green moved, seconded by Engineering and Operations Committee Chairman Miller and carried, authorizing Revision No. 1 to Appropriation No. 688, an increase of \$3 million to a total of \$5 million from the Pay-As-You-Go Fund, to cover proposed activities pertaining to development of the District's permanent headquarters facility at Union Station, as set forth in the General Manager's letter dated June 22, 1994.

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

40934 Organization and Personnel Committee Chairman Rez moved, seconded by Engineering and Operations Committee Chairman Miller and carried, authorizing the General Manager to amend existing contracts and enter into new contracts with employment service agencies and consultants supplying temporary personnel in excess of the \$250,000 limitation and to employ temporary and part-time personnel for the Engineering Division in addition to the Board-approved, District-wide personnel limit for fiscal year 1994/95, with an overall limitation in amounts paid of \$9,150,000 for the first half of fiscal year 1994/95, substantially in accordance with the terms outlined in the General Manager's letter dated June 9, 1994, subject to the contracts being in form approved by the General Counsel.

40935 Organization and Personnel Committee Chairman Rez moved, seconded by Finance and Insurance Committee Vice Chairman Green and carried, authorizing the General Manager to (1) implement the proposed early retirement program as set forth in his letter dated June 16, 1994, and that the Board adopt the Amendment to Contract Between the Board of Administration of the Public Employees' Retirement System and the Board of Directors of The Metropolitan Water District of Southern California and Resolution Authorizing an Amendment to the Contract (**Resolution 8444**); and approving the Certification as Final Action of Governing Body, all as set forth in Attachments A, B, and C, respectively, to the General Manager's foregoing letter; and (2) increase the maximum number of participants in the program from 160 to 175.

Director Griffen withdrew from the Meeting at 1:55 p.m.

40936 Finance and Insurance Committee Vice Chairman Green moved, seconded by Water Problems Committee Chairman Malburg and carried, authorizing the General Manager to enter into an agreement for an amount not to exceed \$400,000 with Montgomery Watson, as primary contractor, to perform the review and evaluation of Metropolitan's water management incentive programs as set forth in the General Manager's letter dated June 22, 1994, supplemented by his letter dated July 8, 1994, subject to the agreement being in form approved by the General Counsel.

Director Morris requested to be recorded as abstaining.

Director Milne withdrew from the Meeting at 1:56 p.m.

40937 Water Problems Committee Chairman Malburg moved, seconded by Director Frahm and carried, and the Board approved (1) the Plan for Implementing Water Use Efficiency Guidelines for the proposed annexation; and (2) informally approved the concurrent annexation of Annexation No. 46 to Calleguas Municipal Water District and Metropolitan conditioned upon a cash payment to Metropolitan of the annexation charge of \$74,439.24 if completed by December 31, 1994, or at the then current 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 June 15, 1994.

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

40938 Water Problems Committee Chairman Malburg moved, seconded by Director Stuart and carried, and the Board (1) in reaching a decision on this action, certified consideration of the information contained in the EIR; and (2) adopted **Resolution 8445** transmitted with the General Manager's letter dated June 15, 1994, granting Calleguas Municipal Water District's request for consent to the concurrent annexation of Annexation No. 41 to Calleguas and Metropolitan and fixing Metropolitan's terms and conditions for the annexation, including a cash payment of \$48,215.64 if completed by December 31, 1994, or at the then current 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. 41 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

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

40939 Water Problems Committee Chairman Malburg moved, seconded by Director Frahm and carried, adopting **Resolution 8446** transmitted with the General Manager's letter dated June 15, 1994, granting Calleguas Municipal Water District's request for consent to the concurrent annexation of Annexation No. 43 to Calleguas and Metropolitan and fixing Metropolitan's terms and conditions for the annexation, including a cash payment of \$103,852.96 if completed by December 31, 1994, or an updated annexation fee using the same methodology 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. 43 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

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

40940 Water Problems Committee Chairman Malburg moved, seconded by Vice Chairman Blake and carried, adopting **Resolution 8447** transmitted with the General Manager's letter dated June 15, 1994, granting Calleguas Municipal Water District's request for consent to the concurrent annexation of Annexation No. 45 to Calleguas and Metropolitan and fixing Metropolitan's terms and conditions for the annexation, including a cash payment of \$7,366.52 if completed by December 31, 1994, or at the then current 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. 45 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

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

40941 Water Problems Committee Chairman Malburg moved, seconded by Director Frahm and carried, adopting **Resolution 8448** transmitted with the General Manager's letter dated June 15, 1994, granting Eastern Municipal Water District's request for consent to the concurrent annexation of the Fifty-Seventh Fringe Area (formerly known as Adobe Springs II Annexation) to Eastern and Metropolitan and fixing Metropolitan's terms and conditions for the annexation, including a cash payment of \$74,102.20 if completed by December 31, 1994, said Resolution entitled:

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA CONSENTING TO THE ANNEXATION OF THE FIFTY-SEVENTH FRINGE AREA UPON CONCURRENT ANNEXATION TO EASTERN MUNICIPAL WATER DISTRICT AND FIXING THE TERMS AND CONDITIONS OF SAID ANNEXATION TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

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

40942 The following listed communications were submitted for the information of the Board:

- a. Reports of the General Manager
 - i. Activities for the month of June, dated June 28, 1994.

- ii. Operating data for the month of May, dated June 16, 1994.
- b. Report of the General Counsel on the activities of the Legal Department for the month of June, dated June 30, 1994.
- c. Report of the Auditor on the activities of the Audit Department for the month of June, dated June 30, 1994.
- d. Letter of the General Manager dated June 30, 1994, transmitting the Monthly Financial Report for the month of May.
- e. Letter of the General Manager dated June 22, 1994, submitting the fourth quarter status report on the Local Projects Program.
- f. Letter of the General Manager dated June 16, 1994, transmitting the Draft Nexus Report for New Demand Charge.
- g. Letter of the General Manager dated June 27, 1994, reporting on the Areias Dairy Farms water transfer.
- h. Letter of the General Manager and the General Counsel dated July 1, 1994, reporting on proposed regulations for administering entitlements to Colorado River water in the lower basin.
- i. Letter of the General Manager dated June 27, 1994, reporting on the status of non-judicial foreclosure of 14.7 acres of vacant surplus land in La Verne.

40943 There being no objection, at 1:59 p.m., Chairman Foley adjourned the Meeting to Friday, August 19, 1994, at 12:30 p.m.



SECRETARY PRO TEM



CHAIRMAN