

MINUTES
ADJOURNED REGULAR MEETING OF THE
BOARD OF DIRECTORS
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
AUGUST 19, 1994

40945 The Board of Directors of The Metropolitan Water District of Southern California met in Adjourned 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 Friday, August 19, 1994.

The Meeting was called to order by Chairman Foley at 12:39 p.m.

40946 The Meeting was opened with an invocation by Director Larry L. Stamper.

40947 The Pledge of Allegiance to the Flag was given, led by Director Edward C. Little.

40948 Secretary Murph called the roll. Those answering present were: Directors Bannister, Barker, Blake, Boen, Brick, Davenport, Foley, Frahm, Grandsen, Green, Griffen, Handelman, Harry, Hawkins, Hill, Ibbetson, King, Krauel, Krieger, Little, Lombard, Malburg, Mason, McMurray, Meyer, Miller, Morris, Morse, Murph, Mylne, Pak, Parker, Reed, Stamper, Stuart, Wein, Witt, Wright, and Wysbeek.

Those not answering were: Directors Brandt (entered 12:42 p.m.), Fellow, Luddy, Milne (entered 1:19 p.m.), Moret, O'Neil, Peterson, Rez, Watton, and Webster.

Not represented: City of Anaheim.

The Chair declared a quorum present.

40949 Chairman Foley inquired if there were any additions to the agenda.

Legal and Claims Committee Chairman Krauel reported the General Counsel advised the committee at its August 18 meeting that the efforts of the last several days have

resulted in a proposed settlement in the Cameron v. MWD case. Committee Chairman Krauel stated the urgency to take action on this matter at today's Meeting is the need to curtail the activities of expert witnesses and trial preparation, which will cost Metropolitan thousands of dollars between now and the next Meeting of the Board. Due to the fact that knowledge of the need to act on this matter arose subsequent to the posting of the Agenda, Committee Chairman Krauel moved that the Board, by a two-thirds vote, add this item to the Consent Calendar for action at today's Meeting. The motion was seconded by Vice Chairman Blake and carried unanimously, representing more than the required two-thirds vote.

Chairman Foley announced that this matter will be added to the Consent Calendar for action at today's Meeting.

Director Brandt took his seat at 12:42 p.m.

40950 Chairman Foley invited members of the public to address the Board on matters within the Board's jurisdiction.

Donald W. Reeder, Chairman, Southern California Agricultural Water Team of the California Avocado Commission, reported on the intensive program to inform the agricultural community about Metropolitan's agricultural water rate policy, resulting in an anticipated one hundred percent acreage participation.

40951 Chairman Foley presented to former Director Edward L. Kussman a plaque acknowledging his service as Chairman of the Land Committee.

40952 Chairman Foley welcomed the Reverend Cecil Murray, Pastor, First AME Church of Los Angeles. Reverend Murray advised the Board how beneficial Metropolitan's community outreach program is proving to be in South Central Los Angeles.

40953 There being no objection, the Chair ordered the reading of the Minutes of July 12, 1994, dispensed with, a copy having been mailed to all Directors.

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

40954 Chairman Foley received and filed a Declaration from the Executive Secretary dated July 13, 1994, stating that she had posted the Notice of Adjournment of the Board of Directors Meeting of August 9, 1994, to August 19, 1994, at 12:30 p.m.

40955 The General Counsel's letter, dated August 2, 1994, was presented, transmitting the credentials evidencing the appointment by Chino Basin Municipal Water District of Wyatt L. Troxel for an indefinite term, replacing Dwight M. French.

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. Troxel by Executive Secretary Dorff, Notary Public, and ordered the Oath filed.

Following an introduction by Director Hill, Mr. Troxel took his seat as a Director representing Chino Basin Municipal Water District.

40956 Vice Chairman Griffen moved, seconded by Vice Chairman Blake and carried, approving the recommendation of the Executive Committee that Director Troxel be assigned to the Land and the Legal and Claims Committees.

Director Milne took his seat at 1:19 p.m.

40957 A letter from the General Manager dated August 18, 1994, 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 1994-95 assessed valuations of all property used for calculating Metropolitan's tax. There being no objection, Chairman Foley 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 19, 1994, based on certificates of assessed valuation of property taxable by Metropolitan for fiscal year 1994-95, 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 19, 1994

| | <u>Assessed Valuation</u> | | <u>Vote Entitlement</u> |
|---|------------------------------|-----------------------------|-----------------------------|
| | <u>Amount Certified</u> | <u>Percent of Total</u> | |
| Anaheim | \$ 15,747,530,720 | 1.81 | 1,575 |
| Beverly Hills | 8,881,484,385 | 1.02 | 888 |
| Burbank | 8,097,947,997 | 0.93 | 810 |
| Calleguas MWD | 30,386,978,522 | 3.49 | 3,039 |
| Central Basin MWD | 55,864,299,667 | 6.41 | 5,586 |
| Chino Basin MWD | 31,229,275,960 | 3.58 | 3,123 |
| Coastal MWD | 25,726,299,810 | 2.95 | 2,573 |
| Compton | 1,558,125,661 | 0.18 | 156 |
| Eastern MWD | 18,773,363,837 | 2.15 | 1,877 |
| Foothill MWD | 5,044,634,292 | 0.58 | 504 |
| Fullerton | 6,682,571,015 | 0.77 | 668 |
| Glendale | 11,105,248,468 | 1.28 | 1,111 |
| Las Virgenes MWD | 8,391,681,137 | 0.96 | 839 |
| Long Beach | 18,558,375,977 | 2.13 | 1,856 |
| Los Angeles | 191,957,704,155 | 22.02 | 19,196 |
| MWD of Orange County | 109,895,112,928 | 12.61 | 10,989 |
| Pasadena | 8,729,924,183 | 1.00 | 873 |
| San Diego County Water Authority | 132,233,567,556 | 15.17 | 13,223 |
| San Fernando | 740,375,463 | 0.09 | 74 |
| San Marino | 1,765,849,289 | 0.20 | 177 |
| Santa Ana | 10,817,696,319 | 1.24 | 1,082 |
| Santa Monica | 9,595,027,090 | 1.10 | 959 |
| Three Valleys MWD | 24,427,384,353 | 2.80 | 2,443 |
| Torrance | 11,409,890,964 | 1.31 | 1,141 |
| Upper San Gabriel Valley MWD | 34,568,371,507 | 3.97 | 3,457 |
| West Basin MWD | 63,182,731,728 | 7.25 | 6,318 |
| Western MWD | <u>26,177,826,898</u> | <u>3.00</u> | <u>2,618</u> |
| TOTAL ASSESSED VALUATIONS WITHIN DISTRICT | <u>\$871,549,279,881</u> | <u>100.00</u> | <u>87,155</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.

40958 Finance and Insurance Committee Chairman Mason moved, seconded by Vice Chairman Blake, that the Board adopt **Resolution 8449** transmitted with the General Manager's letter dated August 18, 1994, which fixes Metropolitan's secured property tax rate for its purposes for fiscal year 1994-95 at .0089 percent of assessed valuations and the unsecured rate at .0089 percent (the same rates as for fiscal year 1993-94), together with the various tax rates for annexation charges due Metropolitan, thereby producing a total levy of \$90,826,770 which, together with an allocation estimated at \$6,134,600 from countywide taxes on utilities, resulting in projected net tax revenues of \$80,966,825, 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, 1994 AND ENDING JUNE 30, 1995 FOR THE PURPOSES OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Chairman Foley called for a vote on the motion.

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

Ayes: Burbank (Dir. Stamper, 810 votes), Calleguas Municipal Water District (Dirs. Grandsen and Miller, 3,039 votes), Central Basin Municipal Water District (Dirs. Ibbetson, Malburg, and Morse, 5,586 votes), Chino Basin Municipal Water District (Dirs. Hill and Troxel, 3,123 votes), Coastal Municipal Water District (Dir. McMurray, 2,573 votes), Compton (Dir. Murph, 156 votes), Eastern Municipal Water District (Dir. Boen, 1,877 votes), Fullerton (Dir. Blake, 668 votes), Long Beach (Dir. Meyer, 1,856 votes), Los Angeles (Ayes: Dirs. Brandt, Green, Handelman, Lombard, Pak, and Wein. Absent: Dirs. Luddy and Moret. 19,196 votes), Municipal Water District of Orange County (Dirs. Bannister, Davenport, Foley, King, and Witt, 10,989 votes), Pasadena (Dir. Brick, 873 votes), San Diego County Water Authority (Ayes: Dirs. Frahm, Griffen, Krauel, Mason, and Parker. Absent: Dir. Watton. 13,223 votes), San Fernando (Dir. Wysbeek, 74 votes), San Marino (Dir. Morris, 177 votes), Santa Ana (Dir. Harry, 1,082 votes), Santa Monica (Dir. Reed, 959 votes), Three Valleys Municipal Water District (Dir. Milne, 2,443 votes), Torrance (Dir. Wright, 1,141 votes), Upper San Gabriel Valley Municipal Water District (Dirs. Fellow and Hawkins, 3,457 votes), West Basin Municipal Water District (Dirs. Barker, Little, and Stuart, 6,318 votes), Western Municipal Water District of Riverside County (Dirs. Krieger and Mylne, 2,618 votes). Total 82,238 votes.

Noes: None.

Abstains: None.

Absent: Beverly Hills (Dir. Webster, 888 votes), Foothill Municipal Water District (Dir. O'Neil, 504 votes), Glendale (Dir. Rez, 1,111 votes), Las Virgenes Municipal Water District (Dir. Peterson, 839 votes). Total 3,342 votes.

Not Represented: Anaheim (1,575 votes). Total 1,575 votes.

The Chair declared **Resolution 8449** adopted by a unanimous vote of the Board.

40959 Vice Chairman Griffen moved, seconded by Vice Chairman Blake and carried, authorizing the preparation of a Memorial Resolution for Bob Kazarian, who had represented the City of Anaheim on Metropolitan's Board since November 20, 1990.

40960 Vice Chairman Griffen presented to Chairman Foley a pin emblematic of his completion on August 22 of five years of service representing Municipal Water District of Orange County.

Director King withdrew from the Meeting at 1:29 p.m.

40961 Vice Chairman Griffen moved, seconded by Vice Chairman Blake and carried, approving the recommendation of the Executive Committee that Director Wysbeek be appointed Chairman of the Land Committee; and Director Harry be assigned to the Engineering and Operations Committee.

40962 Chairman Foley announced that he has appointed Director Ibbetson to Chair the Special Committee on WCT Transaction with Director Wysbeek serving as a member of that committee; Directors Hawkins, King, Morris, and Pak to the Task Force to Review Office Space and Building Sites; Directors Troxel and Wright to the Ad Hoc Committee on Energy and Desalination; Director Grandsen to the Special Audit Committee; and Directors Blake, Brick, Hill, Meyer, Pak, and Parker to serve on the Information Systems Ad Hoc Committee chaired by Director Mylne.

40963 Director Krieger moved, seconded by Vice Chairman Blake and carried, approving the salary adjustments and benefit packages for the Department Heads as follows:

1. Effective July 3, 1994, the General Manager's contract be amended to include: (a) an annual salary at a flat rate of \$183,000, (b) payment of a disability insurance premium not to exceed \$2,800 per fiscal year for two years, (c) modification of the existing life insurance policy from \$360,000 to \$600,000 at a cost of \$500, and (d) an accrued leave bank;

2. Effective July 3, 1994, the General Counsel's flat rate annual salary shall be \$156,555 with Metropolitan making the payment of the PERS member contribution. Effective January 1, 1995, the General Counsel's flat rate annual salary shall be increased by 5% to \$164,383; and

3. Metropolitan is to pay the PERS member contribution for the Auditor;

as recommended in the July 20, 1994, letter from the Special Committee on Department Head Compensation, signed by Chairman Foley.

Directors Frahm, Krauel, and Mason requested to be recorded as voting no.

40964 Vice Chairman Griffen announced that the report of the Blue Ribbon Task Force Ad Hoc Committee was deferred by the Executive Committee to the September meetings.

40965 Legal and Claims Committee Chairman Krauel announced there is no report on legal issues arising out of space problems.

40966 General Manager Wodraska reported that, as requested by the National Academy of Science, a Hydrologic Review of the Proposed Ward Valley Low-Level Radioactive Waste Facility was prepared by consultants retained by Metropolitan and will be mailed to the Academy today, with copies available for all Directors. He advised that the report deals only with the technical aspects of the site, with Metropolitan taking no position. When the National Academy of Science has made a recommendation, it will be reported to the Board for appropriate action, he said.

He advised of Metropolitan's leadership role in developing the source protection provision for the Safe Drinking Water Act and he was optimistic of approval by the House. He advised that the National Resource Defense Council recently issued a press release reporting on the many violations by agencies of water quality standards, citing Metropolitan among others, that such report was inaccurate as to Metropolitan and some others, and that the Environmental Protection Agency is sending a letter of apology.

Mr. Wodraska reported that the Urban Coalition is finalizing its position and will be testifying at the State Water Resources Control Board hearing on September 1, the last hearing before making a recommendation. He announced that on October 6, in the Water Court, the 167 employees retiring from Metropolitan will be recognized, and he urged all Directors to attend.

Vice Chairman Griffen withdrew from the Meeting at 1:45 p.m.

40967 Deputy General Manager Horne reported the efforts to improve the method of furnishing information to the Board. He commended Auditor Hondorp for his participation in negotiating the payment to Santa Margarita Water District for Metropolitan's capacity share of the South County Pipeline, resulting in substantial savings.

Chief of Operations Means, using a video tape, described the break in the Santa Monica Feeder which occurred early in the morning of August 12 on Sunset Boulevard.

Chief Engineer Snyder gave a slide-illustrated report on the status of construction projects.

Director Pak withdrew from the Meeting at 2:02 p.m.

Chief of Planning and Resources Man discussed the schedule for the Integrated Resource Plan, a copy before each Director. She advised that the 1995 operating plan for the Colorado River has been prepared, and all reasonable beneficial consumptive needs will be met.

Chief Financial Officer Leddy reported on Metropolitan's financial condition. He introduced Roger Marumoto, recently appointed as Acting Treasurer.

Vice Chairman Blake moved, seconded by Board Secretary Murph and carried, and the Board approved the Consent Calendar Items, M.I. 40968 through M.I. 40994, as follows:

40968 The Board (1) adopted **Resolution 8450** transmitted with the General Manager's letter dated July 28, 1994, changing Metropolitan's contributions to the medical plans maintained by the Public Employees' Medical and Hospital Care Act for all employees and annuitants, said changes to be effective August 1, 1994, through July 31, 1995; and (2) amended Section 6522 of the Administrative Code to read as shown in Attachment B to the foregoing letter; said Resolution entitled:

RESOLUTION FIXING THE EMPLOYER'S CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT

40969 Added Sections 4118, 4119, and 4517 to the Administrative Code and amended Section 4206, to read as shown in Attachment A to the General Manager's letter dated August 5, 1994, relating to the Cooperative Storage Program.

40970 Ratified the General Counsel's intervention in Bay Institute of San Francisco, et al., v. United States Fish and Wildlife Service, et al., and authorized the General Counsel to do all things and take all actions necessary to protect Metropolitan's interest in that litigation, as set forth in the General Counsel's letter dated August 1, 1994.

40971 Authorized the General Manager to contribute a total of \$69,446.76 to the State Water Contractors (\$37,500 for the Bay/Delta Fund and \$31,946.76 for the Bay/Delta Special Urban Account) for projects and programs in fiscal year 1994-95 related to Bay/Delta issues affecting the State Water Project interests of Metropolitan, as set forth in the General Manager's letter dated August 5, 1994.

40972 Authorized the General Manager to execute a contract with Serrot Corporation in the amount of \$817,000 to construct a floating cover for Jensen Finished Water Reservoir No. 2 in accordance with Specifications No. 1259, as amended, as set forth in the General Manager's letter dated July 29, 1994.

40973 Authorized the General Manager to pay the State Water Contractors' dues in the amount of \$221,265 for 1994-95 (an increase of \$20,110 over 1993-94), as set forth in the General Manager's letter dated August 5, 1994.

40974 Authorized the General Manager to pay Metropolitan's share of the total contribution to the Six Agency Fund for fiscal year 1994-95 in the amount of \$526,429 (an increase of \$14,053 over 1993-94), as set forth in the General Manager's letter dated July 20, 1994.

40975 Authorized the General Manager to pay Metropolitan's share of the total contribution to the Colorado River Association-Six Agency Committee for fiscal year 1994-95 in the amount of \$16,850 (an increase of \$4,329 over 1993-94), as set forth in the General Manager's letter dated July 20, 1994.

40976 Amended Sections 4516, 5200, 5201, 6329, 6331, 9306, and 1202 of the Administrative Code to reflect changes and conform with pertinent laws, as set forth in the General Counsel's letter dated August 1, 1994, and supplemented by his letter of August 18, 1994.

40977 Authorized the General Manager to amend existing agreements and enter into new contracts with employment service agencies and consultants supplying temporary personnel in excess of the \$250,000 limitation with an overall limitation in amounts paid of \$3,522,450 for the first half of fiscal year 1994-95, substantially in accordance with the terms outlined in the General Manager's letter dated July 26, 1994, subject to the contracts being in form approved by the General Counsel.

40978 Directed staff to continue monitoring the progress of Assembly Bill 2790 (Lee and Polanco) and other State actions regarding the Disabled and Disabled Veterans Business Enterprise legislation, as set forth in the General Manager's letter dated July 29, 1994.

40979 The Board (1) approved the implementation of the Lake Mathews Drainage Water Quality Management Plan (Plan), and authorized the General Manager to have all work performed, other than work performed under contracts involving an expenditure of \$250,000 or more, for the studies and design of Metropolitan's facilities within the Plan, provided the County of Riverside has adopted an Area Drainage Plan which will partially reimburse Metropolitan as development occurs; (2) authorized the General Manager to participate with the County of Riverside in seeking grant funding for reimbursement of the project costs; and (3) authorized Appropriation No. 683 in the amount of \$3.5 million from the Pay-As-You-Go Fund, including approximately \$1 million for studies already completed, to finance the studies and design of Metropolitan's facilities

included in the Plan for the Lake Mathews Watershed, as set forth in the General Manager's letter dated August 5, 1994.

40980 Authorized (1) the General Manager to have all work performed in advance of award of a contract for construction of a sludge dewatering and handling facility at the Weymouth filtration plant; and (2) Appropriation No. 691 in the amount of \$1,000,000 from the Pay-As-You-Go Fund to finance all estimated costs of design and environmental documentation work for the project, as set forth in the General Manager's letter dated August 1, 1994.

40981 Authorized (1) the General Manager to have all work performed for reimbursable projects, other than work to be performed under contracts involving an expenditure of \$250,000 or more; and (2) Revision No. 4 to Appropriation No. 102, an increase of \$13,300,000 to a total of \$15,800,000 from the General Fund, to finance all estimated costs incurred for reimbursable projects, as set forth in the General Manager's letter dated August 3, 1994.

40982 The Board (1) authorized Revision No. 11 to Appropriation No. 560, an increase of \$952,000 to a total of \$422,909,000 from the Revenue Bond Construction Fund, for the demolition of the San Diego Canal and for all estimated costs in advance of award of other construction contracts for the Domenigoni Valley Reservoir Project; and (2) awarded a \$591,235 contract to Iconco, Inc., for demolition of the San Diego Canal; and upon execution of the contract, authorized the General Manager to reject all other bids received, as set forth in the General Manager's letter dated July 18, 1994.

40983 The Board (1) approved the placement of the Owner-Controlled Insurance Program as described in the General Manager's letter dated July 25, 1994; and (2) authorized Revision No. 12 to Appropriation No. 560, an increase of \$19,621,000 to a total of \$442,530,000 from the Revenue Bond Construction fund, to accommodate the insurance premium payment plan.

Director Bannister requested to be recorded as voting no.

40984 Authorized (1) the General Manager to have all work performed, other than work performed under contracts involving an expenditure of \$250,000 or more, to continue operation of the 2,000-gpd test unit as part of the preliminary engineering phase of the Seawater Desalination Demonstration Project; and (2) Revision No. 4 to Appropriation No. 604, an increase of

\$800,000 to a total amount of \$5 million from the 1992 Revenue Bond Construction Fund to finance this work, as set forth in the General Manager's letter dated July 13, 1994.

40985 The Board (1) certified that it has reviewed and considered the information contained in the Mitigated Negative Declaration (MND) completed in compliance with CEQA prior to approving the project for the Joseph Jensen Filtration Plant Oxidation Retrofit, and adopted the Mitigation Monitoring Program which accompanied the MND; (2) authorized Revision No. 2 to Appropriation No. 610, an increase of \$24,000,000 to a total of \$34,000,000 from the 1992 Revenue Bond Construction Fund, to finance all costs in advance of award of construction contracts for the Oxidation Retrofit Program (ORP) at the Joseph Jensen and the Henry J. Mills Filtration Plants; (3) authorized the General Manager to amend an agreement with Los Angeles Department of Water and Power, substantially on the terms outlined in the General Manager's letter dated August 5, 1994, subject to the amendment being in form approved by the General Counsel, to provide engineering labor services for the preliminary and final design phases of the ORP at the Jensen and Mills plants, with the fee for this work not to exceed \$4,012,000 including expenses; and (4) authorized the General Manager to have all work performed, other than work to be performed under contracts involving expenditures of \$250,000 or more, in advance of award of construction contracts for the ORP at the Jensen and Mills plants.

40986 Ratified the actions of the Board Officers in delegating to the Acting Treasurer of Metropolitan the authority to invest or reinvest funds of Metropolitan, subject to the terms and conditions set forth in Administrative Code Section 5101, such delegation to remain in effect until a new Treasurer is appointed and assumes office, as set forth in the General Manager's letter dated July 29, 1994.

40987 By a two-thirds vote, the Board adopted **Resolution 8451** transmitted with the General Manager's supplemental letter dated August 18, 1994, revised from his July 28 letter, declaring the necessity for the Domenigoni Valley Reservoir Project and for the property described in Exhibits A and B to the July 28 letter, and directing the General Counsel to commence condemnation proceedings in Riverside County to acquire the property, 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)**

40988 Authorized (1) payment to Santa Margarita Water District for Metropolitan's capacity share of the South County Pipeline; (2) Revision No. 4 to Appropriation No. 571, an increase of \$24,000,000 to a total of \$71,000,000, for Metropolitan's share; and (3) Revision No. 9 to Appropriation No. 031, an increase of \$930,000 to a total of \$11,930,000, for three uninstalled valves, as set forth in the confidential letter of the General Manager dated August 2, 1994.

40989 Authorized the General Manager to acquire Domenigoni Valley Reservoir Property 144-001-299 owned by Paul T. Morgan and Helen E. Morgan, and settle the related litigation titled Metropolitan Water District v. Paul T. Morgan, et ux., Riverside County Superior Court Case No. 250262, as set forth in the General Manager's confidential letter dated July 29, 1994.

40990 Authorized the General Manager to acquire Domenigoni Valley Reservoir Property 144-001-501 owned by Thomas E. Knox, and settle the related litigation titled Metropolitan Water District v. Thomas E. Knox, Riverside County Superior Court Case No. 250265, as set forth in the General Manager's confidential letter dated July 29, 1994.

40991 Authorized the General Counsel to make a final offer in the eminent domain action titled Metropolitan Water District v. Olivia Pien, et al., Riverside County Superior Court Case No. 227231, to acquire Domenigoni Valley Reservoir Property 144-1-241, as set forth in the General Counsel's confidential letter dated July 29, 1994.

40992 Authorized the General Counsel to make a final offer in the eminent domain action titled Metropolitan Water District v. Percy Stiles, et al., Riverside County Superior Court Case No. 225011, to acquire Domenigoni Valley Reservoir Property 144-1-265, as set forth in the General Counsel's confidential letter dated July 29, 1994.

40993 Authorized the General Counsel to make a final offer in the eminent domain action titled Metropolitan Water District v. Charles Johnson, et al., Riverside County Superior Court Case No. 225162, to acquire Domenigoni Valley Reservoir Property 144-1-49, -405, -407, -409, -411, -413, -415, -417, -419, -421, and -423, as set forth in the General Counsel's confidential letter dated July 29, 1994.

40994 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 confidential letter dated August 18, 1994.

40995 Organization and Personnel Committee Vice Chairman McMurray moved, seconded by Director Stuart and carried, authorizing (1) increases of 2.8% in payroll for salary and benefits for unrepresented management classifications effective July 3, 1994, and that Administrative Code Section 6500 be amended as set forth in Attachment A to reflect these increases; and (2) the provision of benefits to unrepresented management employees consistent with the benefits of those provided to the Management and Professional Employees Association and those described in the General Manager's letter dated July 26, 1994.

40996 Vice Chairman Miller announced the Executive Committee approved the addition of a third part to the recommendation contained in the General Manager's letter dated August 5, 1994, regarding Semitropic Groundwater Banking Project and, accordingly, moved, seconded by Water Problems Committee Chairman Malburg and carried, and the Board (1) certified it has reviewed and considered the information contained in the Final Environmental Impact Report and find that modifications necessary to avoid or mitigate environmental impacts have been adopted by Semitropic Water Storage District (Semitropic); (2) authorized the General Manager to enter into an agreement with Semitropic, substantially based on the Principles for an Agreement between Metropolitan and Semitropic attached to the General Manager's August 5 letter, subject to the agreement being in form acceptable to the General Counsel; and (3) authorized the General Manager to negotiate agreements with local agencies for groundwater storage programs in Southern California, substantially based on the Principles attached to the foregoing letter of the General Manager for the Agreement between Metropolitan and Semitropic; subject to the agreements being brought to the Board for action and in a form approved by the General Counsel.

40997 Engineering and Operations Committee Chairman Miller moved, seconded by Legal and Claims Committee Chairman Krauel and carried, authorizing the General Manager to seek membership in the Santa Margarita River Watershed Steering Committee appointed by the Federal District Court pursuant to

the 1966 water rights adjudication in United States v. Fallbrook Public Utility District, et al. (So. District No. 1247-SD-T), as recommended in the letter from the General Manager and the General Counsel dated July 11, 1994.

40998 Legislative Committee Chairman Brandt moved, seconded by Vice Chairman Blake and carried, that the Board support the enactment of Federal legislation which would (1) authorize a Colorado River Basin-wide salinity control effort to be implemented through the Bureau of Reclamation; and (2) modify the Federal appropriations ceiling, and further authorizing the General Manager to participate in negotiations to secure enactment of such legislation, as recommended in the General Manager's letter dated August 5, 1994.

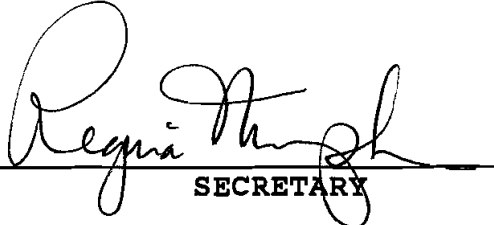
40999 The following listed communications were submitted for the information of the Board:

- a. Reports of the General Manager
 - i. Activities for the month of July, dated July 28, 1994.
 - ii. Operating data for the month of June, dated July 22, 1994.
- b. Report of the General Counsel on the activities of the Legal Department for the month of July, dated July 29, 1994.
- c. Report of the Auditor on the activities of the Audit Department for the month of July, dated August 1, 1994.
- d. Letter of the General Manager dated August 12, 1994, transmitting the Monthly Financial Report for the month of June.
- e. Letter of the Auditor dated July 5, 1994, transmitting the single audit reports for the fiscal year ended June 30, 1993.
- f. Letter of the General Manager dated July 12, 1994, transmitting the quarterly report on changes in funding sources for capital program expenditures.
- g. Letter of the General Manager dated July 14, 1994, reporting on the casualty insurance program for 1994-1995.

- h. Letter of the General Manager dated August 2, 1994, reporting on the inactive appropriations.
- i. Letter of the General Manager dated July 28, 1994, reporting on the selection process for recommending professional consultant services.
- j. Letter of the General Manager dated August 3, 1994, submitting the quarterly status report for the Domenigoni Valley Reservoir Project.
- k. Letter of the General Manager dated August 5, 1994, reporting on the Senate hearing on State Water Project financing options.
- l. Letter of the General Manager dated July 19, 1994, reporting on the status of Metropolitan's Waste Minimization Program.
- m. Letter of the General Manager dated August 5, 1994, reporting on conjunctive use in the North Las Posas Groundwater Basin.
- n. Letter of the General Manager dated August 5, 1994, reporting on the Association of Groundwater Agencies study to define conjunctive use programs.
- o. Letter of the General Manager dated August 5, 1994, transmitting San Diego County Water Authority Water Repurification Feasibility Study.
- p. Letter of the General Manager dated August 2, 1994, reporting on the Copper External Issues Management Plan.
- q. Letter of the General Counsel dated July 18, 1994, reporting on Assembly Bill 1542 (Umberg) -- Gift limitation and disclosure requirements for special district officers and employees.
- r. Letter of the General Manager dated July 22, 1994, transmitting a draft of the General Manager's priorities for fiscal year 1994-95.

41000 There being no objection, Chairman Foley adjourned the Meeting at 2:17 p.m.


CHAIRMAN


SECRETARY