

MINUTES

ADJOURNED REGULAR MEETING OF THE

BOARD OF DIRECTORS

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

JULY 14, 1998

43029 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 14, 1998.

The Meeting was called to order by Chairman Foley at 11:10 a.m.

43030 The Meeting was opened with an invocation by Director Wyatt L. Troxel.

43031 The Pledge of Allegiance to the Flag was given, led by General Manager John R. Wodraska.

43032 Secretary Murph called the roll. Those answering present were: Directors Abdo, Bannister, Barbosa, Barker, Blake, Brick, Castro, Coughran, Dymally, Fellow, Foley, Forbes, Frahm, Gastelum, Gilbert, Grandsen, Hansen, Hill, Huntley, King, Krauel, Krieger, Kwan, Lewis, Luddy, Mason, Mayér, McMurray, Miller, Moret, Morris, Murph, Mylne, O'Neil, Owen, Pace, Parker, Peterson, Rascon, Rez, Stanton, Troxel, Webster, Wein, Witt and Wright.

Those not answering were: Directors Freeman, Herman, Kosmont (entered 11:25 a.m.), McCauley, and Tinker.

The Chair declared a quorum present.

43033 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.

43034 Chairman Foley invited members of the public to address the Board on matters within the Board's jurisdiction. No member of the public responded.

43035 Director Krauel introduced Larry Gardner, newly appointed Director of Water Utility of the Water Department for the City of San Diego.

43036 There being no objection, the Chair ordered the reading of the Minutes of the Meeting held May 12, 1998, dispensed with, a copy having been mailed to each Director.

Director Blake moved, seconded by Director Pace and carried, approving the foregoing Minutes as mailed.

43037 Director Blake moved, seconded by Board Secretary Murph and carried, authorizing preparation of a Memorial Resolution for former Director Burton E. Jones, who represented the Upper San Gabriel Valley Municipal Water District from 1984 to 1993.

43038 Director Blake moved, seconded by Director Stanton and carried, approving sixty-day leaves of absences for the following Directors:

Director James Rez, commencing August 7, 1998

Director Lois B. Krieger, commencing August 19, 1998

Director Thomas H. McCauley, commencing July 10, 1998

43039 Regarding the Governance issue on the composition and size of the Board, Committee on Communications and Legislation Chairman Pace moved, seconded by Vice Chairman Luddy, that the Board (1) support changing the percentage formula from the current three percent to five percent of assessed valuation of property for a total of up to 38 Directors effective in two years (beginning January 1, 2001); (2) commit to the Board studying all of the issues raised in the Thompson bill (AB 1919) including an evaluation of the potential to cap agency representation at three Directors, with the study to be completed within the next two years; and (3) incorporate no cost shifting language for water transfers, as revised by the Committee on Communications and Legislation, and as set forth in the General Manager's letter dated July 9, 1998.

Director Lewis offered a substitute motion that as a part of the study, consideration be given to the consolidation of the smaller agencies into regionalization, therefore reducing further the number of Directors on Metropolitan's Board. The

motion was seconded by Director Krauel. The substitute motion did not carry.

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

Vice Chairman Frahm, Directors Krauel, Lewis, Mason, and Parker requested to be recorded as voting no.

43040 Chairman Foley presented to General Manager Wodraska a pin emblematic of five years of service to the District.

Director Kosmont took his seat at 11:25 a.m.

43041 Chairman Foley announced the following committee assignments:

1. The reinstatement of the Facility Naming Ad Hoc Committee with Directors Miller (Chair), Mylne, Parker, Wein, and Witt.

2. The addition of Director Stanton to the Bay-Delta Political Advisory Committee and the Information Systems Ad Hoc Committee.

3. The addition of Director Mayér to the Diversity Steering Committee.

4. The naming of Director Kosmont as Vice Chairman of the Strategic Plan Steering Committee.

5. The resignation of Director Kosmont from the Organization and Personnel Committee.

43042 Director Moret, Chair of the Diversity Steering Committee, announced that the meeting of the committee scheduled for tomorrow, July 15, has been canceled and rescheduled to Tuesday, July 28, 1998, at 2:00 p.m. She stated the committee will be considering the recommendations of the consultant, and will then submit its own recommendation to the Board at a later date.

43043 Special Committee on Real Property Management Chairman King reported on the continuing development and construction of the new Headquarters Building, and that six moving firms responded to Metropolitan's Request for Proposals, which are now being evaluated by staff. The project is still ahead of schedule and under budget.

43044 By video, the Board received the following reports:

Chief Financial Officer Becker reported on Metropolitan's financial condition through June 1998, the end of fiscal year 1997-98. Mr. Becker also reported that in the June 1998 edition of Controller Magazine, a professional business journal published in the United States and Canada, Metropolitan's Business Resumption Plan was prominently featured in an article on the importance of planning for disaster recovery not only in the operations area, as most large organizations do, but also on the business side. On June 17, 1998, Metropolitan received the Employer of the Year Award from the Records Managers and Administrators, also known as ARMA International, a professional association with over 10,000 members worldwide.

Assistant Chief of Operations Wattier reported on the final water sales for fiscal year 1997-98. He also reported on the recent taste-and-odor episode in Lake Skinner caused from Geosmin, a by-product released by naturally occurring algae which imparts an earthy/musty taste and odor to the water, which was checked via application of tons of copper sulfate into the lake.

Chief of Planning and Resources Man reported on the Local Resources Program (LRP) which will continue regional support of new water recycling and groundwater recovery projects in today's competitive environment. The LRP replaces Metropolitan's Local Projects and Groundwater Recovery Program, and transition procedures will allow Metropolitan to enter into agreements for certain grandfathered projects through December 9, 1998.

Chief Engineer Snyder reported that twenty-one construction projects are currently underway, representing over a billion dollars in total construction costs. He commented on the P-1 Pumping Plant and Pressure Tunnel, the PC-1 Pressure Control Structure, and the Arrowhead East Tunnel. Mr. Snyder also reported on the tunnel machine boring work currently underway on the Inland Feeder tunnels.

43045 General Manager Wodraska reported that last month Chairman Foley, Directors Pace and Kosmont, and himself were invited to join a small group of CEOs from Southern California to meet with Governor Pete Wilson and Secretary of State Bill Jones. The Governor made his commitment to the CALFED process with the hope of a proposal to be completed by the end of the year, and stated the business community in Southern California needs to increase its visibility and efforts on this issue. Mr. Wodraska

announced that Metropolitan will formally dedicate its state-of-the-art water quality facility on Thursday, July 23, 1998, from 10:00 a.m. to noon at the newly completed laboratory in La Verne, and urged all Directors to participate in this event.

Mr. Wodraska reported on the article titled "Developments in California Water Management", written by himself and Peter E. Von Haam, and published in the Water Resources Update by The Universities Council on Water Resources. The Water Resources Update is the premier water resource document in the universities' system looking at innovations in water management around the country.

43046 General Counsel Taylor reported that he has reached an agreement with the San Diego County Water Authority and the Imperial Irrigation District on the extension of the tolling agreement. He announced that Linda Santos, the Administrator of the Legal Department, has resigned and will be returning to the City of Torrance. Beverly Linderman from the Human Resources Division will be taking over Mrs. Santos' position in the Legal Department.

43047 General Manager Wodraska commented on the detailed report on the Colorado River matters given at the Water Planning and Resources Committee meeting held earlier today. He stated it appears that from the annual operating plan there will be a surplus declaration and a full aqueduct in calendar year 1999 for Metropolitan. Mr. Wodraska stated that detailed briefing on the salinity control measures are underway, and that at the Water Planning meeting, Chief of Operations Malinowski reported on some Federal legislation dealing with the Wellton Mohawk Irrigation District.

43048 Regarding the San Diego/IID transfer, Paul Cunningham, Metropolitan's lead negotiator, reported that Metropolitan and San Diego were closer than at any previous time to reaching an understanding regarding a transaction that would be in the interest of both agencies. The transaction is now structured as an exchange, rather than a wheeling arrangement. Under the current formulation, San Diego would purchase water, which was derived from extraordinary conservation, from IID and then exchange that for a like amount of water from Metropolitan. Metropolitan would take control of the conserved water at Havasu. Metropolitan would have the responsibility to deliver a like amount of water of comparable quality to San Diego, but the source of that water would be at Metropolitan's discretion. Metropolitan would sell the exchange water to San Diego at a price that would be lower than the basic untreated rate as part of this arrangement. San Diego could exchange up to 200,000

acre-feet of water under this arrangement. The term of the agreement would be 45 years, coincident with the term of the IID/San Diego agreement.

Mr. Cunningham indicated that the transaction remained contingent upon several events, the most notable being river re-operations and resolution of the agricultural entitlements (the quantification issue) for Colorado River water. In addition, he noted that both parties were in agreement on the difference (in both nominal and present value terms) in the amounts that San Diego was willing to pay and the amount that Metropolitan required of San Diego for the transaction. Metropolitan's Board has authorized the negotiating team to limit the impact on Metropolitan's rate payers over the first twenty years to \$785 million in nominal terms. At this point, both parties have agreed that the gap between what Metropolitan is seeking in payment to hit this \$785 million target and what San Diego is willing to pay is equal to \$70 million in present value terms. The administration has indicated that the State may fund the difference through the financing of projects that would further the California 4.4 Plan. In this manner, neither party has to change the terms that would be necessary to meet their respective objectives. The transaction is contingent upon receiving the necessary funding to close this gap. Mr. Cunningham stated that the gap in the first twenty years of the transaction (assuming the transaction began in 2000) was equal to \$70 million in present value terms. In the remaining 25 years, the gap was estimated to be \$30 million in present value terms.

He noted that two other major issues remained open, and needed to be resolved if both parties were to reach agreement. The first of these issues is related to the treatment of the exchange water under Metropolitan's various programs. At this point, the exchange water would be treated as "local" water in Metropolitan's drought allocation plan and interim agricultural program. San Diego's concern regarding this issue is that San Diego would receive less interim agricultural water than currently as a result of the exchange. Metropolitan's other member agencies were concerned that this treatment provided reliability gains to San Diego at the expense of the other member agencies.

Mr. Cunningham stated that the second major open issue is the question of the payments for the last 25 years of the contract--the re-opener issue. A significant amount of work has been conducted to provide assurance regarding the relative risks borne by each party during the first twenty years, but there are large uncertainties associated with the last twenty-five years of the contract. Metropolitan has argued that a general re-opener

would be appropriate under these circumstances, and that the re-opener should be tied to the loss of river re-operations since that is a major predicate of the transaction. San Diego desires more certainty regarding their obligations to Metropolitan. As a result, the parties are discussing different formulations and risk allocations for three specific risks: the cost of water in the future, Metropolitan's costs in the future, and costs that change due to hydrological variations on the Colorado River. This subject is now the center of discussions.

General Manager Wodraska commented on the ongoing negotiations between Metropolitan and San Diego and informed the Board of the meetings held with George Dunn, the Governor's chief of staff, relating to a possible water bond on the November ballot which would include moneys from the State to help facilitate the deal with Metropolitan and San Diego. Because there is the possibility of an agreement between Metropolitan's and San Diego's negotiating teams, Mr. Wodraska requested that a special Board Meeting be scheduled in the next few weeks.

43049 Water Planning and Resources Committee Chairman Brick moved, seconded by Director Blake and carried, authorizing the General Counsel to extend the tolling agreement between Imperial Irrigation District, San Diego County Water Authority, and Metropolitan from the current termination date of July 25 to August 25, 1998.

43050 Chief of Communications Maloy reported on current legislative issues affecting Metropolitan. The Assembly passed an education bond and sent it to the Senate. There are two potential vehicles for the water bond which were discussed in both the Assembly and the Senate. The House version was authored by Assemblyman Machado from Stockton, and the Senate version by Senator Costa from the Central Valley. They will deal with the language of the proposed water bond issue.

43051 The Chair reported that Agenda Items 8-1 through 8-3, 8-5, 8-7 through 8-9, 8-11 through 8-15, and 8-17 have been added to the Consent Calendar.

Director Blake moved, seconded by Director Stanton and carried, and the Board approved the Consent Calendar Items, M.I. 43052 through M.I. 43074, as follows:

43052 Authorized the General Counsel to retain Katherine E. Stone to continue with her representation in litigation related to Eastside Reservoir Project and assistance on the Eastside Reservoir Recreation entitlement and environmental activities in

an amount not to exceed \$250,000 per year, including expenses, as set forth in the General Counsel's letter dated June 23, 1998.

43053 To prepare environmental documentation and perform preliminary and final design activities for the replacement of the Cabazon Radial Gate Facility, the Board authorized (1) Appropriation No. 15320 (Board Action No. 1) in the amount of \$456,000 from the Pay-As-You-Go Fund, to finance all costs for work performed in advance of award of a construction contract; and (2) the General Manager to have all work performed in advance of award of a construction contract, as set forth in the General Manager's letter dated June 12, 1998.

43054 To construct the Santa Ana River Wash crossing segment of the Inland Feeder Program, the Board (1) reviewed and considered the information in the Final Environmental Impact Report as revised by the Supplemental EIR (SEIR); and based on independent judgment and analysis, certified that the SEIR has been completed in compliance with the California Environmental Quality Act; (2) approved the project modifications evaluated in the Final SEIR; and (3) found that the project as modified resulted in no new significant adverse unmitigated environmental impacts, as set forth in the General Manager's letter dated June 16, 1998.

Vice Chairman Frahm, Directors Krauel, Lewis, Mason, and Parker requested to be recorded as voting no.

43055 Ratified the General Manager's execution of Agreement No. 16410 with Ross Communications for legislative consulting services, as set forth in the General Manager's letter dated June 17, 1998.

Vice Chairman Frahm, Directors Krauel, Lewis, Mason, and Parker requested to be recorded as abstaining.

43056 Ratified the General Manager's execution of Agreement No. 16411 with Will & Carlson, Inc., for legislative consulting services, as set forth in the General Manager's letter dated June 17, 1998.

43057 To ensure uninterrupted administration of the Operations Division's Don Adams Memorial Apprentice Program, the Board authorized the General Manager to exercise his option to extend Agreement No. 12625 with COREStaff Support Services, Inc., for an additional year and to increase the maximum amount payable by \$784,000 to \$1,980,000, as set forth in the General Manager's letter dated June 8, 1998.

43058 Authorized the General Manager to amend Metropolitan's agreement with Bookman-Edmonston Engineering, Inc., for the Phase II Salinity Management Study for an additional expenditure of \$90,000, for a total amended cost not to exceed \$440,000, to support completing a salinity management policy for Metropolitan's service area, subject to the amendment being in form approved by the General Counsel, as set forth in the General Manager's letter dated June 23, 1998.

43059 Authorized the General Manager to execute the First Amendment to the Water Supply Management Agreement with Orange County Basin as described in the General Manager's letter dated June 18, 1998, subject to the amendment being in form approved by the General Counsel, as set forth in the General Manager's letter dated June 18, 1998.

Director Huntley requested to be recorded as abstaining.

43060 Expressed support for S. 1576 (Feinstein) and H.R. 630 (Bilbray) regarding reformulated gasoline requirements, as set forth in the General Manager's letter dated June 16, 1998.

43061 Authorized the General Counsel to amend an existing agreement with the law firm of Harkins Cunningham for rate analysis and legal advice with respect to wheeling rates, to increase the maximum amount payable by \$250,000, including expenses, as set forth in the General Counsel's letter dated June 29, 1998.

Vice Chairman Frahm, Directors Krauel, Lewis, Mason, and Parker requested to be recorded as abstaining.

43062 To construct the Riverside Badlands Tunnel of the Inland Feeder Program, the Board awarded a construction contract in the amount of \$112,817,046 to Shank/Balfour Beatty, in accordance with Specifications No. 1365, as amended; and upon execution of the contract, authorized all other bids be rejected, as set forth in the General Manager's letter dated May 19, 1998.

Vice Chairman Frahm, Directors Krauel, Lewis, Mason, and Parker requested to be recorded as voting no.

43063 To provide for construction services for the Arrowhead West Tunnel and other reaches of the Inland Feeder Program, the Board authorized the General Manager to enter into an agreement

with Hatch Mott MacDonald in the amount of \$11,500,000, as set forth in the General Manager's letter dated June 16, 1998.

Vice Chairman Frahm, Directors Krauel, Lewis, Mason, and Parker requested to be recorded as voting no.

43064 To provide fabricated steel pipe for the Santa Ana River Wash segment of the Inland Feeder Program, the Board delegated to the General Manager the authority to award a contract for an amount not to exceed \$4,000,000, subject to the agreement being in form approved by the General Counsel, as set forth in the General Manager's letter dated June 16, 1998.

Vice Chairman Frahm, Directors Krauel, Lewis, Mason, and Parker requested to be recorded as voting no.

43065 For the design, purchase of equipment, and construction of small capital projects costing less than \$250,000 during fiscal year 1998-99, the Board authorized (1) the General Manager to have all work performed including necessary environmental documentation; and (2) Appropriation No. 15327 (Board Action No. 1) in the amount of \$4,000,000 from the Pay-As-You-Go Fund, to finance all estimated costs, as set forth in the General Manager's letter dated June 16, 1998.

43066 Authorized Appropriation No. 15325. (Board Action No. 1) in the amount of \$2,200,000 from the General Fund, for a demonstration project, environmental review, and technical studies for the Hayfield/Chuckwalla Groundwater Storage Program, as set forth in the General Manager's letter dated June 23, 1998.

43067 Authorized (1) the preparation of an agreement among the Coachella Valley Water District, Desert Water Agency, and Metropolitan, along the terms described in the General Manager's letter dated June 23, 1998; and (2) Appropriation No. 15326 (Board Action No. 1) in the amount of \$750,000 from the General Fund, for Metropolitan's share of the cost of preparing environmental documentation and investigation of the feasibility of a groundwater storage program in the Coachella Valley lower groundwater basin.

Vice Chairman Frahm, Directors Krauel, Lewis, Mason, and Parker requested to be recorded as abstaining.

43068 The Board (1) gave informal approval as defined in Administrative code 3100(b) for the concurrent annexation of Thirty-Eighth Fringe Area Annexation concurrently to Metropolitan, Western Municipal Water District, and Murrieta

County Water District, conditioned upon a cash payment to Metropolitan of the annexation charge of approximately \$296,510.56, if completed by December 31, 1998, or at the then current annexation charge rate, if completed after December 31, 1998, 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; (2) approved the plans for Implementing Water Use Efficiency Guidelines for the proposed annexation; and (3) approved the resolution of intent (**Resolution 8592**) to impose standby charges at the rate of \$9.23 per acre or per parcel of less than one acre within the proposed annexation, substantially in the form of Exhibit A to the General Manager's letter dated June 16, 1998, said Resolution entitled:

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN
WATER DISTRICT OF SOUTHERN CALIFORNIA GIVING NOTICE OF
INTENTION TO IMPOSE STANDBY CHARGE CONTINGENT UPON
ANNEXATION**

43069 The Board adopted, by a two-thirds vote, **Resolution 8593** attached to the General Manager's letter dated June 20, 1998, to condemn property described in Exhibits A and B attached to the foregoing letter, in accordance with the eminent domain law, and directing the General Counsel to commence condemnation proceedings in San Bernardino County to acquire easements for the Inland Feeder Project, said Resolution entitled:

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN
WATER DISTRICT OF SOUTHERN CALIFORNIA DIRECTING THE
CONDEMNATION OF CERTAIN PROPERTY SITUATED IN THE COUNTY OF
SAN BERNARDINO (INLAND FEEDER PROJECT)**

Vice Chairman Frahm, Directors Krauel, Lewis, Mason, and Parker requested to be recorded as voting no.

43070 The Board adopted, by a two-thirds vote, **Resolution 8594** attached to the General Manager's letter dated June 23, 1998, to condemn property described in Exhibits A and B attached to the foregoing letter, in accordance with the eminent domain law, and directing the General Counsel to commence condemnation proceedings in Riverside County to acquire easements for the Inland Feeder Project, said Resolution entitled:

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN
WATER DISTRICT OF SOUTHERN CALIFORNIA DIRECTING THE
CONDEMNATION OF CERTAIN PROPERTY SITUATED IN THE COUNTY OF
RIVERSIDE (INLAND FEEDER PROJECT)

Vice Chairman Frahm, Directors Krauel, Lewis, Mason,
and Parker requested to be recorded as voting no.

- 43071 Authorized (1) the acquisition of property for the Eastside Reservoir Project (MWD Parcel 144-001-805) owned by Robert L. Rosenthal and Connie R. Rosenthal, Trustees of the Robert L. And Connie R. Rosenthal Trust-1982 dated August 12, 1982; and (2) the settlement of the eminent domain action Metropolitan Water District v. Rosenthal, Riverside County Superior Court Case No. 298200, as set forth in the General Manager's confidential letter dated June 16, 1998.
- 43072 Authorized the acquisition of property for the Eastside Reservoir Project (MWD Parcel 144-001-871) owned by Robert L. Shelton, as set forth in the General Manager's confidential letter dated June 16, 1998.
- 43073 Authorized an amendment in the contract with special counsel, Bergman & Wedner, to finance costs of litigation in Narainder Kohli v. Metropolitan Water District, Los Angeles County Superior Court Case No. BC 171378, as set forth in the confidential letter signed jointly by the General Manager and the General Counsel dated June 19, 1998.
- 43074 Expressed support for Assembly Bill 2739 (Mazzoni-Novato) which amends the Public Contract Code to authorize public agencies to pre-qualify prospective bidders based upon a standard questionnaire and financial statement, as set forth in the letter signed jointly by the General Manager and the General Counsel dated July 7, 1998.
- 43075 Water Planning and Resources Committee Chairman Brick moved, seconded by Budget and Finance Committee Chairman Blake, and the Board (1) approved the Principles of Agreement (Principles) between the Cadiz Land Company, Inc. and Metropolitan; (2) authorized preparation of an agreement along the terms of the Principles which will be brought back to the Board for approval; and (3) authorized Appropriation No. 15324 (Board Action No. 1) in the amount of \$2,000,000 from the General Fund, for Metropolitan's half of the cost of preparing environmental documentation, as set forth in the General

Manager's revised letter dated July 10, and the General Counsel's supplemental letter dated July 14, 1998.

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

Director Mason requested to be recorded as voting no.

43076 Water Planning and Resources Committee Chairman Brick moved, seconded by Director Blake and carried, and the Board authorized the General Manager to support certification of water recycling planning in resolving the CALFED alternatives for a Bay-Delta program consistent with the letter of the General Manager dated June 23, 1998.

43077 Vice Chairman McMurray moved, seconded by Director Mayér and carried, that the Board authorize the General Manager to enter into an agreement with the City of Oxnard/Oxnard Community Development Commission (City/Agency) on terms and conditions to be approved by the General Counsel to (a) jointly purchase and own the 308± acre parcel of vacant land adjacent to Ormond Beach in the City of Oxnard; (b) jointly exercise management of and planning for the subject 308± acre parcel of land; and (c) accept from the City/Agency for its one-half of the purchase price (\$5,100,000 plus or minus closing costs and prorations) a promissory note secured by a first lien Deed of Trust on the City/Agency's one-half interest in the property and by a pledge of City/Agency's tax increment, as set forth in the General Manager's letter dated July 6, 1998.

Director King stated that the property is coastal dependent industrial use and is in compliance with the local coastal plan for the State.

Vice Chairman Frahm, Directors Krauel, Lewis, Mason, and Parker requested to be recorded as voting no.

43078 The following listed communications were submitted for the information of the Board:

- a. Letter of the General Manager dated June 16, 1998, reporting on the operating data for the month of May.
- b. Letter of the General Counsel dated June 30, 1998, transmitting the activity report of the Legal Department for the month of June.

- c. Letter of the Auditor dated June 23, 1998, transmitting the activity report of the Audit Department for the month of June.
- d. Letter of the General Manager dated June 18, 1998, transmitting the Executive Financial Summary for the month of May.
- e. Letter of the Auditor dated June 10, 1998, transmitting the Audited Cash Basis Financial Statements as of March 31, 1998.
- f. Letter of the General Manager dated June 23, 1998, regarding Long Range Finance Plan Issues.
- g. Letter of the General Manager dated June 23, 1998, reporting on the regional assurances for distribution of benefits from a CALFED solution.
- h. Letter of the General Manager dated June 23, 1998, submitting the draft salinity management recommendations.
- i. Letter of the General Manager dated June 17, 1998, reporting on the California Energy Commission Applied Research Proposal.
- j. Letter of the General Manager dated June 22, 1998, reporting on Assembly Bill 1476 (Sweeney-Hayward)--Water Supply Reliability Assessments.
- k. Letter of the General Manager dated July 7, 1998, reporting on the Draft Water Rights Protection and Short-term Water Transfer Act of 1998.

43079 The following listed items were received as pending items and will be discussed at a later date:

- a. Letter of the General Manager dated June 16, 1998, regarding the determination of on-line date for the Lake Mathews Outlet Facility Program.
- b. Letter of the General Manager dated June 18, 1998, regarding the decision on acceleration of the Oxidation Retrofit Program at the Skinner, Weymouth, and Diemer Filtration Plants.

43080 At 12:32 p.m., there being no objection, Chairman Foley adjourned the Meeting to August 18, 1998, at 11:00 a.m.


SECRETARY


CHAIRMAN