

# AGENDA

## ADJOURNED REGULAR MEETING OF THE BOARD OF DIRECTORS

### THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

**November 10, 1998**

**11:00 AM**

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Two California Plaza • Room 311, Third Floor • 350 South Grand Avenue • Los Angeles, CA 90071

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1. **Call to Order**
  - (a) Invocation: Director Wyatt L. Troxel
  - (b) Pledge of Allegiance, led by Director William G. Luddy
2. **Roll Call**
3. **Determination of a Quorum**
4. **Additions to Agenda** (As required by Gov. Code, § 54954.2(b))
5. **Opportunity for members of the public to address the Board on matters within the Board's jurisdiction.** (As required by Gov. Code, § 54954.3(a))
6. **OTHER MATTERS**
  - A. Approval of the Minutes of the Meetings held August 10 and October 13, 1998. (Copies have been mailed to each Director)  
  
Any additions, corrections, or omissions
  - B. Presentation of five-year service pin to Director Katherine E. Moret, representing the City of Los Angeles.

- C. Confirm creation of ad hoc committee on transitional matters. (Exec.)
- D. Chairman's Monthly Activity Report
- E. Report on development of the permanent Headquarters facility at Union Station and other activities of the Special Committee on Real Property Management
- F. Report on Colorado River matters, including negotiations to develop a California plan for river operations, settlement of the San Luis Rey water rights dispute, Salton Sea issues, and matters pertaining to the Southwest Center for Biological Diversity v. United States Bureau of Reclamation, U.S. Dist. Court Case No. CIV 97-0786 PHX (EHC). (WP&R)  
[Conference with Real Property Negotiator and Legal Counsel--Existing Litigation, Negotiating Parties: United States Department of the Interior, State of California, State of Nevada, State of Arizona, Palo Verde Irrigation District, Imperial Irrigation District, Coachella Valley Water District, Los Angeles Department of Water and Power, San Diego County Water Authority, Colorado River Indian Tribes Coalition, San Luis Rey Settlement Parties; Property: Water Rights; Property: Colorado River Allocations; Under Negotiation: Price and Terms; to be heard in closed session pursuant to Gov. Code §§ 54956.8 and 54956.9(a)]
- G. Report on discussions with San Diego County Water Authority regarding SDCWA/IID transfer and status of validation action entitled The Metropolitan Water District of Southern California v. All Persons Interested, etc., Los Angeles County Superior Court Case No. BC164076. (Exec., WP&R)  
[Conference with Real Property Negotiator and Legal Counsel--Existing Litigation, Negotiating Parties: San Diego County Water Authority, Metropolitan Water District; Property: Colorado River Allocations and Facilities; Under Negotiation: Price and Terms; to be heard in closed session pursuant to Gov. Code §§ 54956.8 and 54956.9(a)]
- H. General Manager's oral summary of District activities for the month of October
- I. General Counsel's oral summary of Legal Department activities for the month of October

**7. CONSENT CALENDAR ITEMS (Action)**

- 7-1 Authorize \$580,000 to repair the Sepulveda Feeder pipeline. (Appn. 15348) (E&O, B&F)

**Recommendation:**

**To repair the Sepulveda Feeder pipeline it is recommended that the Board:**

- 1. Appropriate \$580,000 to finance all estimated costs; and**
- 2. Authorize the General Manager to have all work performed using Metropolitan forces.**

- 7-2 Adopt Resolution to revise terms for payment of annexation charges established under Resolution 7013 for the Fourteenth Fringe Area Annexation to Eastern Municipal Water District. (B&F, WP&R)

**Recommendation:**

**It is recommended that the Board adopt a resolution in the form of Exhibit A, revising the terms for payment of annexation charges established under Resolution 7013 to permit a single payment, in cash, of the outstanding annexation charges for the Fourteenth Fringe Area Annexation to Eastern Municipal Water District allocable to the 128.4-acre property described on Schedule 1 to Exhibit A, and requesting a statement of boundary change to permit creation of a separate tax rate area.**

- 7-3 Authorize execution of a First Amendment to the District-Edison 1987 Service and Interchange Agreement with Southern California Edison Company. (WP&R)

**Recommendation:**

**It is recommended that the Board authorize the General Manager to execute the First Amendment to the District-Edison 1987 Service and Interchange Agreement substantially in accordance with the terms outlined in this letter, such amendment to be approved as to form by the General Counsel.**

- 7-4 Certify review and consideration of the Initial Findings and Mitigated Negative Declaration for the Sepulveda Desalter Project; and authorize entering into an agreement with West Basin Municipal Water District to implement the project. (WP&R)

**Recommendation:**

**It is recommended:**

- 1. That the General Manager be authorized to execute a Groundwater Recovery Program agreement with West Basin Municipal Water District to implement the Sepulveda Desalter Project consistent with the major terms and conditions in this letter in form approved by the General Counsel, and**
- 2. That the Board certify that it has reviewed and considered the Initial Findings and Mitigated Negative Declaration for the Sepulveda Desalter Project (Project) and adopt the Lead Agency's finding related to the Project.**

- 7-5 Authorize entering into an agreement with Resource Management International, Inc., not to exceed \$400,000, to assist Metropolitan in protection of its power interests and the continuing restructuring of the electric utility industry. (O&P, WP&R)

**Recommendation:**

**It is recommended that the Board authorize the General Manager to enter into an agreement with Resource Management International, Inc. for an amount not to exceed \$400,000 for consulting services to assist Metropolitan in protection of its power interests as restructuring of the electric utility industry continues.**

- 7-6 Withdrawn

- 7-7 Approve amendment of the Conflict of Interest and Disclosure of Personal Finances Code. (L&C, O&P)

**Recommendation:**

**That Chapter 2 of Division VII of Metropolitan's Administrative Code be amended to read as set forth in Attachment B to this letter.**

- 7-8 Authorize payment of \$13,420 to the Association of California Water Agencies for 1999 membership dues. (Exec.)

**Recommendation:**

**It is recommended that the Board authorize payment of 1999 annual dues of \$13,420.00 for membership in the Association of California Water Agencies (ACWA).**

- 7-9 Amend specified sections of the Administrative Code to conform with pertinent laws. (Exec.)

**Recommendation:**

**It is recommended that sections 5113, 6201, 6226, 6231, 6232, 6249, 6266 and 8121 of the Metropolitan Water District Administrative Code be amended to read as set forth in Attachment A.**

**(END OF CONSENT CALENDAR)**

**8. OTHER BOARD ITEMS (Action)**

- 8-1 Extend authority to the Ad Hoc Committee to issue Refunding Bonds under Board Resolutions 8386 and 8387. (B&F)  
[Two-thirds vote required]

**Recommendation:**

**It is recommended that the Board of Directors, by a vote of two-thirds of the total vote of the Board, extend the authority of the Ad Hoc Committee to negotiate the sale of refunding bonds under Board Resolutions 8386 and 8387, through December 31, 1999, with the guidelines of achieving at least a 3 percent present value savings for current refundings and a target of a 5 percent present value savings for advance refundings.**

- 8-2 Adopt Ninth Supplemental Resolution to Master Revenue Bond Resolution to authorize issuance of Water Revenue Bonds to retire Commercial Paper Notes. (B&F)  
[Two-thirds vote required]

**Recommendation:**

**It is recommended that the Board of Directors:**

- 1. By a vote of two-thirds of the total vote of the Board, adopt the Ninth Supplemental Resolution to Metropolitan's Master Revenue Bond Resolution, in the form attached hereto, authorizing the sale of Water Revenue Bonds, 1998 Authorization, Series A, for the purpose of purchasing and retiring up to \$180 million of Metropolitan's outstanding short-term revenue certificates (commercial paper). The authorization will be effective through December 31, 1999.**
- 2. Authorize Appropriation No.15349, in the amount of \$495,000 from the General Fund, for the costs of issuance arising from the sale of refunding bonds; and**
- 3. Authorize the reimbursement of expenses paid from the General Fund from bond proceeds, if deemed appropriate, and authorize the General Manager to effect such reimbursement to the extent permitted under federal laws and regulations in accordance with instructions from bond counsel.**

- 8-3 Withdrawn

- 8-4 Authorize entering into an agreement with Woodward Clyde International Americas, Inc., not to exceed \$1,950,000, for development of a feasibility plan and environmental studies for the Hayfield/Chuckwalla Groundwater Storage Demonstration Program. (Appn. 15325) (E&O, WP&R)

**Recommendation:**

**It is recommended that the Board authorize the General Manager to enter into an agreement with Woodward Clyde International Americas, Inc., in an amount not to exceed \$1,950,000, for consulting services for the development of a demonstration project, the facility plans and the environmental studies needed for the Hayfield/Chuckwalla Groundwater Storage Demonstration Program.**

- 8-5 Authorize entering into agreements for the Cadiz Groundwater Storage and Dry-Year Supply Program with (1) Geoscience Support Services, Inc., not to exceed \$1,650,000, for hydrogeologic investigations of groundwater basins; (2) P&D Environmental, not to exceed \$1,100,000, for environmental documentation; and (3) Black & Veatch Inc., not to exceed \$450,000, for feasibility/optimization studies. (E&O, WP&R)

**Recommendation:**

**It is recommended that the Board:**

- 1. Authorize the General Manager to enter into an agreement with Geoscience Support Services, Inc., in an amount not to exceed \$1,650,000 (to be equally shared between Metropolitan and Cadiz), for consulting services involving the development of an optimization plan and groundwater demonstration project for spreading/extraction facilities;**
- 2. Authorize the General Manager to enter into an agreement with P&D Environmental, in an amount not to exceed \$1,100,000 (to be equally shared between Metropolitan and Cadiz), for consulting services involving environmental documentation; and**
- 3. Authorize the General Manager to enter into an agreement with Black & Veatch Inc., in an amount not to exceed \$450,000 (to be equally shared between Metropolitan and Cadiz), for consulting services involving the development of a conveyance facility optimization.**

- 8-6 Withdrawn

- 8-7 Authorize entering into an agreement with Western Water Company to facilitate transfer of water from Western Water Company to Santa Margarita Water District; and approve Negative Declaration. (WP&R)

**Recommendation:**

**It is recommended that the Board:**

- 1. Authorize the General Manager to execute, in a form acceptable to the General Counsel, an agreement to facilitate the transfer of water from Western Water Company to Santa Margarita Water District; and**
- 2. Review and consider the related Negative Declaration on file at the Executive Secretary's office.**

- 8-8 Adopt Resolution of Necessity directing the General Counsel to condemn property required for the Inland Feeder Project in San Bernardino County, identified by Assessor's Parcel No. 0299-021-14, -20, and -21, MWD's Right-of-Way Parcel No. INFED1-25-100TEA1, and Owner's Name: Beverly L. Buoye, Trustee. (L&C)  
**[Two-thirds vote required]**

**Recommendation:**

**It is recommended that the Board of Directors adopt, by a two-thirds vote, the resolution of necessity to condemn the property described in Exhibits A and B, attached hereto, in accordance with the eminent domain, and directing the General Counsel to commence condemnation proceedings to acquire the property.**

- 8-9 Adopt Resolution of Necessity directing the General Counsel to condemn property required for the Inland Feeder Project in San Bernardino County, identified by MWD's Right-of-Way Parcel No. INFED1-28-370PEA1 and -TEA1, and Owner's Name: Frank Tyler. (L&C)  
**[Two-thirds vote required]**

**Recommendation:**

**It is recommended that the Board of Directors adopt, by a two-thirds vote, the resolution of necessity to condemn the property described in Exhibits A and B, attached hereto, in accordance with the eminent domain, and directing the General Counsel to commence condemnation proceedings to acquire the property.**

- 8-10 California Plaza Lease Audit. (L&C)  
**[Conference with Legal Counsel--Potential Litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(b)]**

**9.****BOARD INFORMATION ITEMS**

- 9-1 Letter of the General Manager reporting on the operating data for the month of September
- 9-2 Letter of the General Counsel transmitting the activity report of the Legal Department for the month of October
- 9-3 Letter of the Auditor transmitting the activity report of the Audit Department for the month of October
- 9-4 Executive Financial Summary for the month of September. (B&F)
- 9-5 Letter of the General Manager submitting the September 1998 Variance Report. (B&F)
- 9-6 Withdrawn
- 9-7 Letter of the General Manager submitting the Integrated Resources Plan Status Report. (WP&R)
- 9-8 Letter of the General Manager reporting on the status of State Water Resources Control Board Water Rights Hearings to implement Water Quality Control Plan. (WP&R)
- 9-9 Letter of the General Manager reporting on findings from regional consumer survey. (E&O, C&L)
- 9-10 Letter of the General Manager reporting on the uranium mill tailings pile near the Colorado River in Moab, Utah. (E&O, C&L)
- 9-11 Letter of the General Manager reporting on the Environmental Division Benchmarking Project. (E&O)
- 9-12 Letter of the General Manager transmitting the Operations Division October Update to the 1998 Operating Plan. (E&O, B&F, WP&R)
- 9-13 Letter of the General Manager transmitting the Quarterly Status Report for the Inland Feeder Project--July through September 1998. (E&O)
- 9-14 Letter of the General Manager transmitting the Quarterly Project Status Report for the Eastside Reservoir Project--July through September 1998. (E&O)

**10.****PENDING ITEMS**

- 10-1 Letter of the General Manager regarding Revenue Requirements for Fiscal Year 1999-2000. (B&F, WP&R)

10-2 Letter of the General Manager regarding Amendment of Metropolitan's State Water Project Contract. (B&F, WP&R)

**11. ORAL REPORTS OF STANDING COMMITTEES**

11-1 Executive Committee (John V. Foley, Chairman)

11-2 Budget and Finance (James H. Blake, Chairman)

11-3 Engineering and Operations (Patrick H. Miller, Chairman)

11-4 Legal and Claims (James M. Rez, Chairman)

11-5 Committee on Communications and Legislation (Phillip J. Pace, Chairman)

11-6 Organization and Personnel (George Wein, Chairman)

11-7 Water Planning and Resources (Timothy F. Brick, Chairman)

**12. Reports of Special Committees**

**13. Adjournment**

NOTE: At the discretion of the Board, all items appearing on this agenda and all committee agendas, whether or not expressly listed for action, may be deliberated and may be subject to action by the Board.

Each agenda item with a committee designation will be considered and a recommendation may be made by one or more committees prior to consideration and final action by the full Board of Directors. The committee designation appears in parenthesis at the end of the description of the agenda item e.g. (E&O, B&F). Committee agendas may be obtained from the Executive Secretary.