

**Adjourned Regular Meeting of the
Board of Directors
The Metropolitan Water District
of Southern California**

**October 12, 1999
10:00 AM**

MWD Headquarters Building • Board Room • 700 North Alameda Street • Los Angeles, CA 90012

1. **Call to Order**
 - (a) Invocation: Director Wyatt L. Troxel
 - (b) Pledge of Allegiance, led by Director James T. Edwards
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))**

PUBLIC HEARING

Comments on the proposed standby charges for Annexations Nos. 59, 60, and 61 to Calleguas Municipal Water District

6.

OTHER MATTERS

- A. Approval of the Minutes of the Meetings held July 13, August 10, August 17, and September 14, 1999. (Copies have been mailed to each Director)

Any additions, corrections, or omissions
- B. Presentation of five-year service pin to Director Wyatt L. Troxel, representing Inland Empire Utilities Agency
- C. Authorize Commendatory Resolution for former Director Dan Webster. (Exec.)
- D. Adopt motion to adjourn the November Committee and Board Meetings to November 15 and 16, 1999. (Exec.)
- E. Committee appointments. (Exec.)
- F. Chairman's Monthly Activity Report
- G. Report on the Strategic Plan re (1) Continuing role of Strategic Plan Steering Committee, and (2) Direction to staff to focus technical analysis on Regional Provider and Contractor Models. (Exec.)
- H. Report on Colorado River matters, including negotiations to develop a California plan for river operations, settlement of the San Luis Rey water rights dispute and Salton Sea issues.
[Conference with Real Property Negotiators; Agency Negotiator: Paul Cunningham; 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, Colorado River Allocations; Under Negotiation: Price and Terms; to be heard in closed session pursuant to Gov. Code § 54956.8]
- I. Discussion of Bay-Delta related issues; including progress on developing and implementing the CALFED program; potential litigation regarding the EIR/EIS regarding the CALFED program; the State Water Resources Control Board's Phase 8 hearings to allocate responsibility to meet Bay-Delta environmental obligations. (WP&R)
[Conference with Legal Counsel—(1) Existing Litigation; Parties: Water Right Holders in Bay-Delta Watershed; to be heard in closed session pursuant to Gov. Code § 54956.9(a); SWRCB Consideration of Alternatives to Implement Water Quality Objectives for the Bay-Delta Estuary and Related Matters; (2) Anticipated Litigation (one potential case); Parties: CALFED State and Federal Agencies; including California Resources Agency; Litigation to Challenge the EIR/EIS Certified by the CALFED Agencies Regarding the CALFED Program; to be heard in closed session pursuant to Gov. Code § 54956.9(c)]

- J. General Manager's oral summary of District activities for the month of September
- K. General Counsel's oral summary of Legal Department activities for the month of September

7. ORAL REPORTS OF STANDING COMMITTEES

- 7-1 Executive Committee (Phillip J. Pace, Chairman)
- 7-2 Budget and Finance (Robert J. Huntley, Chairman)
- 7-3 Engineering and Operations (William G. Luddy, Chairman)
- 7-4 Legal and Claims (Gary A. Morse, Chairman)
- 7-5 Communications and Legislation (Glen D. Peterson, Chairman)
- 7-6 Water Planning and Resources (Langdon W. Owen, Chairman)

8. CONSENT CALENDAR ITEMS (Action)

- 8-1** Appropriate \$220,000 and authorize design and construction to relocate the main entrance at the Henry J. Mills Filtration Plant. (E&O)

Recommendation:

Option 1: Appropriate \$220,000 and authorize design and construction of approximately 500 feet of realigned entrance road on Metropolitan's property utilizing primarily District forces for construction. Determine that the proposed project qualifies for Categorical Exemption under the California Environmental Quality Act.

- 8-2** Approve Metropolitan Water District Asset Financing Corporation Bylaw Amendments. (Exec.)

Recommendation:

It is recommended that the Board approve the amended Bylaws of the Metropolitan Water District Asset Financing Corporation (AFC), as adopted by the AFC on June 7, 1999, and keep the AFC as available funding mechanism option.

- 8-3** Authorize expansion of the Conservation Credits Program with other utilities and other agencies. (WP&R)

Recommendation:

Option 1: Authorize the General Manager to expand the Conservation Credits Program (CCP) to include partnerships with energy utilities, waste water utilities, and state, federal and other public agencies. No unbudgeted fiscal impact. Funding incentives of all conservation programs, including regional conservation programs, will not exceed the level of funding already approved by the Board for CCP. Both Metropolitan and the member agencies can achieve substantial savings in program administration costs. Substantial leveraging of resources will result in greater customer participation and greater water savings. Member agency budgets can be used more efficiently by allowing their staff to dedicate their efforts to managing local conservation programs. Such partnerships comply with the Memorandum of Understanding on Best Management Practices, to which Metropolitan and 25 member agencies are signatories.

- 8-4** Adopt Resolutions for annexations and to impose water standby charges for (1) Fortieth Fringe Area to Western MWD and Metropolitan; and (2) for Annexation No. 61 to Calleguas MWD and Metropolitan. (Exec.)

Recommendation:

Option 1:

Item 1 - Formal Terms and Conditions for Western Fortieth Fringe Area Annexation

- 1. Certify that the Board has reviewed and considered the information contained in the Notice of Exemption prior to reaching a decision on the project;**
- 2. Adopt resolution granting Western's request for consent to the annexation of Fortieth Fringe Area concurrently to Metropolitan and Western by establishing Metropolitan's terms and conditions for the annexation; and**
- 3. Adopt the resolution to impose standby charges at a rate of \$9.23 per acre or per parcel of less than one acre within the proposed annexation.**

Item 2 - Formal Terms and Conditions Calleguas Annexation No. 61

- 1. Certify that the Board has reviewed and considered the information contained in the Environmental Impact Report (EIR) for the project, and adopt the lead agency's findings and statement of overriding consideration related to the EIR;**

2. **Adopt resolution granting Calleguas' request for consent to Annexation No. 61 concurrently Metropolitan and Calleguas by establishing Metropolitan's terms and conditions for the annexation; and**
3. **Adopt the resolution to impose water standby charges at a rate of \$9.58 per acre or per parcel of less than one acre within the proposed annexation.**

8-5 Authorize amendment to contract with Harkins Cunningham for an additional \$250,000 for Colorado River negotiations. (Exec.)

Recommendation:

Option 1: Authorize the General Counsel to amend the contract with Harkins Cunningham for an additional \$250,000 to complete negotiation of quantification issues for California's share of the Colorado River.

8-6 Eastside Reservoir Project Naming.

Recommendation:

It is recommended that the Board of Directors authorize the General Manager to take steps necessary to name the Eastside Reservoir by adopting one of the following options:

1. **Authorize an essay contest open to all Southern Californians**
2. **Authorize an essay contest open to school grades 6 - 12**
3. **Seek a commercial sponsor**
4. **Select a name as developed by the Board's Committee on Facilities in 1998**

(END OF CONSENT CALENDAR)

9. OTHER BOARD ITEMS (Action)

- 9-1** Authorize amendment to agreement with San Bernardino County Museum, an increase of \$1,793,488 for a total agreement value of \$5,744,278, to complete paleontological resource monitoring, recovery, and curation services for the Eastside Reservoir Project. (E&O)

Recommendation:

Option 1: Authorize the General Manager to amend an existing agreement with the San Bernardino County Museum to complete ongoing services needed for paleontological mitigation of the Eastside Reservoir Project. This would amend the agreement by an additional \$1,793,488 from a current value of \$3,950,790 to a total agreement amount of \$5,744,278.

- 9-2** Authorize amendment to agreement with Parsons Infrastructure and Technology Group, Inc., an increase of \$930,000 to a total agreement value of \$21,550,000, for completion of Eastside Reservoir Project Program Management Services. (E&O)

Recommendation:

Option 1: Authorize the General Manager to amend the agreement with Parsons for support services needed to complete Eastside Reservoir Project forecasted to conclude project closeout activities by August 2000. This would amend the agreement by an additional amount of \$930,000 from a current value of \$20,620,000 to a total of \$21,550,000.

- 9-3** Authorize amendment to agreement with Parsons Constructors Inc., an increase of \$1,860,000 for a total agreement of \$2,840,000, for Project Labor Agreement Administrative Services on the Inland Feeder Project. (E&O)

Recommendation:

Option 1: Amend Agreement No. 12788 in the amount of \$1,860,000, for a total agreement of \$2,840,000, with Parsons Constructors Inc., for administrative services for the Project Labor Agreement (PLA) of the Inland Feeder Project. This amendment will provide PLA services to the completion of the project in late 2003.

- 9-5** Adopt Resolution giving notice of potential discontinuance of discount water in 2000. (WP&R) [Two-thirds vote required]

Recommendation:

Adopt the Resolution of the Board of Directors of The Metropolitan Water District of Southern California Directing the Giving of Notice of Potential Discontinuance of Service of Interim Agricultural Water Program Water in 2000-2001.

- 9-6 Report on Dewayne Cargill, et al. v. Metropolitan, LASC Case No. BC 191881 (Consolidated with LASC Case Nos. BC 19444 and BS 052318); and authorization to amend contract with Consultant KPMG Peat Marwick for further litigation support services. (L&C)
[Conference with Legal Counsel--Existing Litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(a)]
- 9-7 Status report on Metropolitan Water District v. Hartford Fire Insurance Company, United States District Court Case No. 99-03825-GHK (Mex). (L&C)
[Conference with Legal Counsel--Existing Litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(a)]

10. REPORTS OF SPECIAL COMMITTEES

11. 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.