

MINUTES

ADJOURNED REGULAR MEETING OF THE

BOARD OF DIRECTORS

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

SEPTEMBER 14, 1999

43699 The Board of Directors of The Metropolitan Water District of Southern California met in Adjourned Regular Meeting in the Board Room located in the building at 700 North Alameda Street in the City of Los Angeles, State of California, on Tuesday, September 14, 1999.

The Meeting was called to order by Chairman Pace at 11:55 a.m.

43700 The Meeting was opened with an invocation by Director Gary A. Morse.

43701 The Pledge of Allegiance to the Flag was given, led by Director Regina Murph.

43702 In the absence of Board Secretary Hansen, Chairman Pace designated Director Murph as Secretary Pro Tem.

43703 Secretary Pro Tem Murph called the roll. Those answering present were: Directors Abdo, Bannister, Barbosa, Barker, Blake, Borenstein, Brick, Castro, Coughran, Edwards, Fellow, Foley, Forbes, Grandsen, Harris, Herman, Huntley, Koopman, Kosmont, Krauel, Krieger, Lewis, Little, Luddy, McMurray, Morris, Morse, Murph, Murray, Mylne, Owen, Pace, Parker, Peterson, Record, Rez, Stanton, Swan, Tinker, Turner, Wein, Witt, and Wright.

Those not answering were: Directors Battey, Freeman, Hansen, Moret, Rascon, Treviño, Troxel, and Watton (entered 12:05 p.m.).

The Chair declared a quorum present.

43704 Chairman Pace 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.

43705 Chairman Pace invited members of the public to address the Board on matters within the Board's jurisdiction. No member of the public responded.

43706 At 12:00 p.m., Chairman Pace called a public hearing to receive comments on the proposed standby charges for Calleguas Annexation No. 57 and Western's Thirty-Ninth Fringe Area Annexation.

No members of the public responded; and after tabulation of the ballots was completed and with no protests filed, Director Barker moved, seconded by Director Stanton and carried, that the public hearing be closed. Chairman Pace closed the public hearing at 12:02 p.m.

43707 There being no objection, the Chair ordered the reading of the Minutes of the Meetings held May 11 and June 8, 1999, dispensed with, copies having been mailed to each Director.

Director Morris moved, seconded by Director Stanton and carried, approving the foregoing Minutes as mailed.

43708 The General Counsel's letter dated August 30, 1999, was presented, transmitting the credentials evidencing the appointment by Municipal Water District of Orange County of Peer A. Swan, as one of its representatives on Metropolitan's Board for a term ending December 31, 2000, replacing Jerry A. King.

General Counsel Taylor reported the credentials had been examined and found legally sufficient.

The Chair reported the Oath of Office had been administered to Mr. Swan on August 31, 1999, and ordered the Oath filed.

Following an introduction by Director Witt, Director Swan took his seat as a Director representing Municipal Water District of Orange County.

Director Watton took his seat at 12:05 p.m.

43709 The General Counsel's letter dated August 30, 1999, was presented, transmitting the credentials evidencing the appointment by the City of Beverly Hills of Betty H. Harris, as its representative on Metropolitan's Board for an indefinite term, replacing Dan Webster.

General Counsel Taylor reported the credentials had been examined and found legally sufficient.

The Chair reported the Oath of Office had been administered to Mrs. Harris on September 8, 1999, and ordered the Oath filed.

Following an introduction by Director Brick, Director Harris took her seat as a Director representing the City of Beverly Hills.

43710 Director Fellow moved, seconded by Director Morris and carried, approving the committee appointments as recommended by the Chair, as follows:

Director Swan to the Budget and Finance and Communications and Legislation Committees

Director Harris to the Legal and Claims and Communications and Legislation Committees

Director Murph to the Subcommittee on Communications

43711 Special Nominating Committee Chairman Rez submitted the committee's nomination of Director Francesca M. Krauel to serve as a nonofficer member of the Executive Committee for the

unexpired portion of the term ending December 31, 1999, to fill the vacancy created by the resignation of Chester C. Gilbert.

The Chair called for other nominations from the floor.

Director Little nominated, seconded by Vice Chairman Barbosa, John M. Mylne to serve as a nonofficer member of the Executive Committee.

Chairman Pace announced that Director Mylne's name has been placed in nomination, and requested any other nominations from the floor. There being none, Director Barker moved, seconded by Director Blake and carried, closing the nominations for the nonofficer member of the Executive Committee.

Secretary Pro Tem Murph called the roll for a vote on the nominee of choice, and recorded the results from that vote. The majority of the weighted vote of the Board was cast in favor of John M. Mylne. Chairman Pace declared that John M. Mylne has been duly elected to serve as a nonofficer member of the Executive Committee for the unexpired portion of the term ending December 31, 1999.

43712 The Chair reported that following action on the regular items on the agenda, the item on Colorado River matters will be taken up in closed session, and the Board Meeting will continue in Committee Room 2-456 so that Paul Cunningham, Metropolitan's lead negotiator, can participate via video conference.

43713 Legal and Claims Committee Chairman Morse requested that Agenda Items 9-3 through 9-6 be added to the Consent Calendar. Engineering and Operations Committee Chairman Luddy requested that Agenda Item 9-1 be added to the Consent Calendar.

Director Morris moved, seconded by Director Blake and carried, and the Board approved the Consent Calendar Items, **M.I. 43714** through **M.I. 43721**, as follows:

43714 Authorized Metropolitan to extend and increase the value of its existing service contract with the Orange County Water District from \$280,000 to \$390,000 for water quality laboratory services, pursuant to an agreement approved as to form

by the General Counsel, as set forth in the General Manager's letter dated September 10, 1999.

Director Bannister requested to be recorded as abstaining.

43715 Authorized the General Manager to execute a Memorandum of Understanding with Santa Ana Watershed Project Authority and Western Municipal Water District of Riverside County to negotiate modifications to financial incentives for the Arlington Desalter Project and to toll applicable limitation periods, as set forth in the General Manager's letter dated August 20, 1999.

43716 The Board (1) reviewed and considered the information provided in the Otay Recycled Distribution Expansion Project's Environmental Impact Report and adopted the Lead Agency's findings related to the project; and (2) authorized the General Manager to execute a Local Resources Program agreement for this expansion project to provide incentive payments over 24 years that begin at \$200 per acre-foot and are incrementally reduced each year, with the payment in year 24 to be \$160 per acre-foot, as set forth in the letter signed by the General Manager on August 30, 1999.

Directors Krauel, Lewis, Parker, Tinker, Turner, and Watton requested to be recorded as abstaining.

43717 To construct the Tank Saddle Cut-off Wall and the Signal Spillway of the Eastside Reservoir Project, the Board authorized award of a fixed price construction contract in the amount of \$4,085,650 to J.F. Shea Company, Inc., as set forth in the General Manager's letter dated August 23, 1999.

43718 Authorized the General Manager to take all actions necessary, including compliance with the California Environmental Quality Act, to enter into and implement the San Joaquin River Agreement, as set forth in the General Manager's letter dated August 19, 1999.

43719 The Board adopted, by a two-thirds vote, a Resolution of Necessity (**Resolution 8648**) to condemn the property described in Exhibits A and B attached to the General Manager's letter

dated August 23, 1999, in accordance with the eminent domain law and directed the General Counsel to commence condemnation proceedings to acquire the property owned by Ruffen B. Kirkland; 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)

Directors Krauel, Lewis, Parker, Tinker, Turner, and Watton requested to be recorded as voting no.

43720 Authorized administrative settlement of Inland Feeder Project Parcels INFED1-28-160PEA1 and INFED1-28-170PEA1, San Bernardino County Assessor's Parcels Nos. 1210-211-16 and 18 (portions), owned by Charles M. Delameter, Jr., Thomas W. Delameter, and Richard J. Delameter, as set forth in the General Manager's confidential letter dated August 3, 1999.

Directors Krauel, Lewis, Parker, Tinker, Turner, and Watton requested to be recorded as voting no.

43721 Authorized final settlement offer in the eminent domain action entitled The Metropolitan Water District of Southern California v. Campus Crusade for Christ, et al., for the Inland Feeder Project, San Bernardino County Superior Court Case No. SCV 35498, as set forth in the General Counsel's confidential letter dated August 24, 1999, and supplemented by his confidential letter dated September 9, 1999.

Directors Krauel, Lewis, Parker, Tinker, Turner, and Watton requested to be recorded as voting no.

Directors Kosmont, Krauel, Stanton, Tinker, and Watton withdrew from the Meeting at 12:35 p.m.

43722 At 12:35 p.m., the Chair called the Meeting into closed session in Committee Room 2-456 to receive a 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, pursuant to Government Code Section 54956.8.

Director Record withdrew from the Meeting at 1:13 p.m.

Directors Barker and Krieger withdrew from the Meeting at 1:20 p.m.

At 1:34 p.m. the Chair declared the Meeting opened and stated that no action was taken.

43723 At 1:35 p.m., there being no objection, Chairman Pace adjourned the Meeting to Tuesday, September 21, 1999, at 10:00 a.m. (subsequently canceled).

REGINA MURPH
SECRETARY PRO TEM

PHILLIP J. PACE
CHAIRMAN