

Date: **December 2, 1999**  
To: **Board of Directors**  
From: **Secretary, Board of Directors**

The Board of Directors of The Metropolitan Water District of Southern California will meet in Adjourned Session on **Tuesday, December 14, 1999 at 12:00 p.m.** in the **Board Room (First Floor)**, in the District's Headquarters Building, 700 North Alameda Street, Los Angeles.

**Helen Z. Hansen**

**Adjourned Regular Meeting of the  
Board of Directors**

**December 14, 1999  
12:00 PM**

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

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**1. Call to Order**

- (a) Invocation: Director Wyatt L. Troxel
- (b) Pledge of Allegiance, led by Director Charles M. Treviño

**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))**

Congressman David Dreier, Chairman, House Rules Committee

**6. OTHER MATTERS**

- A. Approval of the Minutes of the Meeting held November 16, 1999. **(A copy has been mailed to each Director)**  
Any additions, corrections, or omissions
- B. Committee appointments. (Exec.)
- C. Chairman's Monthly Activity Report
- D. Report on the Strategic Plan
- E. 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]**

- F. 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)]**
- G. General Manager's oral summary of District activities for the month of November
- H. General Counsel's oral summary of Legal Department activities for the month of November

**7. ORAL REPORTS OF STANDING COMMITTEES**

- 7-1 Executive Committee (Phillip J. Pace, Chairman)
- 7-2 Budget and Finance (Wesley M. Bannister, 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 Adopt Resolutions for annexations and to impose water standby charges for Annexation Nos. 57, 58, and 60 to Calleguas MWD and Metropolitan. (Exec.)

**Recommendation:**

**Option #1:**

**A. Item 1--EIR and Declaration for Calleguas Annexation No. 57:**

**Certify that the Board reviewed and considered the information contained in the Environmental Impact Report (EIR) for parcels A and C, and Mitigated Negative Declaration (Declaration) for parcel B for the project, and adopt both Lead Agency's findings related to the EIR and Declaration.**

**B. Item 2--Mitigated Negative Declaration for Calleguas Annexation No. 58:**

**Certify that the Board has reviewed and considered the information contained in the Declaration for the project, and adopt the Lead Agency's findings related to the Declaration.**

**C. Item 3--Mitigated Negative Declaration for Calleguas Annexation No. 60:**

**Certify that the Board has reviewed and considered the information contained in the Declaration for the project, and adopt the Lead Agency's findings related to the Declaration.**

**D. Items 1, 2, and 3--Formal Terms and Conditions for Calleguas Annexation Nos. 57, 58, and 60:**

**Subject to the approval of Options #1 A, B, and C, adopt Resolutions granting Calleguas' request for consent to Annexation Nos. 57, 58, and 60 concurrently to Calleguas and Metropolitan by establishing Metropolitan's terms and conditions for each separate annexation (see Items 1, 2, and 3 Attachments - Resolution Fixing Terms and Conditions); and**

**E. Items 1, 2, and 3--Water Standby Charges for Calleguas Annexation Nos. 57, 58, and 60:**

**Subject to the approval of Options #1 A, B, C, and D, adopt Resolutions to impose water standby charges at a rate of \$9.58 per acre or per parcel of less than one acre within each separate and respective proposed annexation territory (see Items 1, 2, and 3 Attachments - Resolution Fixing and Adopting Water Standby Charge).**

- 8-2 Adopt Resolution to accept \$12,897.13 as payment in full for outstanding annexation fees for Fourteenth Fringe Area Annexation to Eastern MWD. (Exec.)

**Recommendation:**

**Option #1:**

**Adopt Resolution to accept \$12,897.13 prior to June 30, 2000, as payment in full of outstanding annexation fees on the 107.1 acres identified in Attachment 2.**

- 8-3 Approve payment of \$425,000 to American Water Works Association Research Foundation's Voluntary Research Subscription Program for calendar year 2000. (Exec.)

**Recommendation:**

**Option #1:**

**Pay \$425,000 as Metropolitan's contribution to American Water Works Association Research Foundation's Voluntary Research Subscription Program for calendar year 2000.**

- 8-4 Certify review and consideration of the Negative Declaration for the Harbor Water Recycling Project; and authorize entering into an agreement with the City of Los Angeles Department of Water and Power to implement the project. (WP&R)

**Recommendation:**

**Option #1:**

- A. Review and consider information provided in the project's Mitigated Negative Declaration and adopt the Lead Agency's findings related to the project; and**
- B. Authorize the General Manager to execute a Local Resources Project agreement for this project to provide incentive payments over 24 years that begin at \$86 per acre-foot and are incrementally increased each year . The payment in year 24 would be \$139 per acre-foot.**

8-5 Amend Administrative Code to establish two Vice Chairs of the Board.  
(Exec.)

**Recommendation:**

**Option #1:**

**Approve the amendments to Administrative Code sections 2200, 2201, 2202, and 2204 set forth in Attachment 1, which will establish two Vice Chairs, both appointed by and serving at the pleasure of the Chair.**

**(END OF CONSENT CALENDAR)**

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

9-1 Award a \$22,085,140 contract to Kiewit Pacific Co. for construction of the Cajalco Creek Dam and Detention Basin; and authorize amendment to agreement with John Tetteimer and Associates, an increase of \$400,000 for a maximum agreement of \$2,467,000, to provide engineering and geotechnical support. (E&O)

**Recommendation:**

**Option #1:**

**Award a construction contract to the low bidder, Kiewit Pacific Co., to perform the construction of the Cajalco Creek Dam and Detention Basin and amend the John Tettmer and Associates contract to provide engineering and geotechnical support during construction. This would result in improved water quality in Lake Mathews, as well as allow Metropolitan to take advantage of both the \$20 million State Revolving Fund loan and the favorable low bid. It would also allow Metropolitan to meet its responsibilities as defined in the Plan MOU.**

9-2 Authorize (1) implementation of an automated dam deformation monitoring system; (2) award of a \$270,000 contract to Spectria for design and construction of a data communication and solar power system; and (3) General Manager to award a purchase requisition for survey instruments, not to exceed \$350,000. (E&O)

**Recommendation:**

**Option #1:**

**Implement an automated dam deformation monitoring system, award a contract in the amount of \$270,000 to Spectria for design and construction of a data communication and solar power system, and delegate authority to the General Manager to award a purchase requisition for survey instruments, in an amount not to exceed \$350,000.**

- 9-4 Approve transfer of Metropolitan's interests in San Joaquin Reservoir to Irvine Ranch Water District. (E&O)

**Recommendation:**

**Option #3:**

**Metropolitan would transfer to the Irvine Ranch Water District its trustee function under the 1980 Trust Storage Agreement and would sell to Irvine Ranch Water District its 300-acre-foot storage interest in San Joaquin Reservoir for \$100 per acre-foot. Metropolitan would no longer be responsible for operation and maintenance of the reservoir. Furthermore, the potential financial and contractual commitments of Metropolitan, as represented by Option #2, would be voided.**

- 9-5 Approve determination of water revenue requirements for fiscal year 2000-01. (B&F)

**Recommendation:**

**It is recommended that the Budget and Finance Committee:**

- 1. Make a determination that revenues required from water sales during fiscal year 2000-01 should not be less than \$694.0 million; and**
- 2. Use this determination for consideration at its January 2000 meeting in establishing water rates and charges to be effective January 1, 2001.**

- 9-8 Report on eminent domain actions (Metropolitan v. DeHaan, Riverside County Superior Court Case No. 293062; Metropolitan v. Ray, Riverside County Superior Court Case No. 293061; Metropolitan v. Blessed Hope, San Bernardino County Superior Court Case No. SCV 42457; and Metropolitan v. Shoemaker, Riverside County Superior Court Case No. 315405) for the Inland Feeder Project; and authorize amendment to agreement with special counsel. (L&C)

**[Conference with Legal Counsel--Existing Litigation (four cases pending); to be heard in closed session pursuant to Gov. Code § 54956.9(a)]**

- 9-9 Report on Dewayne Cargill et al. v. Metropolitan, LACSC Case No. BC 191881 (consolidated with LACSC Case Nos. BC 194444 and BS 052318) and Emirkhanian v. Metropolitan, LACSC Case No. BC 210658; and request for authorization to amend contract with Bergman & Wedner to defend Metropolitan in four related lawsuits challenging the employment status of temporary workers. (L&C, Exec.)

**[Conference with Legal Counsel--Existing Litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(a)]**

- 9-10 Report on claims of Kiewit-Granite arising out of the construction of Metropolitan's Eastside Reservoir East Dam; and amendment to contract

for legal services to finance costs of continued claims analysis, negotiations, and litigation. (L&C)  
**[Conference with Legal Counsel--Anticipated Litigation; Significant Exposure (two potential cases); to be heard in closed session pursuant to Gov. Code § 54956.9(b)]**

- 9-11 Report on claims of the joint venture of Atkinson-Washington-Zachry arising out of construction of Metropolitan's Eastside Reservoir West Dam, Saddle Dam, and Forebay; and amendment to contract for legal and consulting services to finance costs of continued claims analysis, mediation, and litigation. (L&C)  
**[Conference with Legal Counsel--Anticipated Litigation; Significant Exposure (one potential case); to be heard in closed session pursuant to Gov. Code § 54956.9(b)]**

## **10. BOARD INFORMATION ITEMS**

- 10-1 Status report for the Eastside Reservoir Project for the month ending October 1999. (E&O)  
**[Any discussion of claims will be heard in closed session. Conference with Legal Counsel--Significant Exposure to Litigation (two matters); to be heard in closed session pursuant to Gov. Code § 54956.9(b)]**
- 10-2 Status report for the Inland Feeder Project for the month ending October 1999. (E&O)  
**[Any discussion of claims will be heard in closed session. Conference with Legal Counsel--Significant Exposure to Litigation (two matters); to be heard in closed session pursuant to Gov. Code § 54956.9(b)]**
- 10-3 Update on the Desalination Research and Innovation Partnership (DRIP). (WP&R)
- 10-4 U.S. Bureau of Reclamation Final Rule on Offstream Storage of Colorado River Water; Development and Release of Intentionally Created Unused Apportionment in the Lower Division States. (WP&R)
- 10-5 Carver Model Policy Statements. (Exec., B&F, C&L, L&C, O&P, Rules, Audit, Ethics)
- 10-6 CALFED principles developed jointly by Northern and Southern interests. (WP&R)
- 10-7 Construction of a new Gene Guest Lodge.

## **11. PENDING ITEMS**

- 11-1 Raymond Basin Groundwater Storage Program. (WP&R)
- 11-2 **(Deferred)**



**Added 11-3** Master Development for the Entire Eastside Reservoir Recreation Component. (Exec.)

**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.