

MINUTES
REGULAR MEETING OF THE
BOARD OF DIRECTORS
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
FEBRUARY 8, 2000

43866 The Board of Directors of The Metropolitan Water District of Southern California met in 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, February 8, 2000.

The Meeting was called to order by Chairman Pace at 11:05 a.m.

43867 The Meeting was opened with an invocation by Director Gary A. Morse.

43868 The Pledge of Allegiance to the Flag was given, led by Director Betty H. Harris.

43869 Vice Chair/Secretary Hansen called the roll. Those answering present were: Directors Abdo, Bannister, Barbosa, Battey, Blake, Brick, Castro, Coughran, Edwards, Fellow, Foley, Forbes, Grandsen, Harris, Hansen, Herman, Koopman, Kosmont, Krauel, Krieger, Lewis, Little, Luddy, McMurray, Moret, Morris, Morse, Murph, Murray, Mylne, Owen, Pace, Parker, Peterson, Rascon, Record, Rez, Royce, Stanton, Swan, Tinker, Treviño, Turner, Wein, Witt, and Wright.

Those not answering were: Directors Barker, Borenstein, Freeman, Troxel, and Watton.

The Chair declared a quorum present.

43870 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.

43871 Chairman Pace invited members of the public to address the Board on matters within the Board's jurisdiction.

Eluid Martinez, Commissioner, Bureau of Reclamation, U.S. Department of the Interior, acknowledged the efforts of Metropolitan, particularly Chairman Pace, General Manager Gastelum, and Executive Assistant to General Manager Underwood, in working to bring together the California 4.4 Plan. Commissioner Martinez also acknowledged the ongoing efforts and work on other water management programs that involve Metropolitan and the Bureau. Mr. Martinez made reference to his inspection of Diamond Valley Lake, and his discussions with Central and West Basin districts on recycling matters. The Commissioner referred to his prior experiences in New Mexico regarding water management issues such as movement of water across state lines and the factors that states look to when evaluating these matters, such as imposing water conservation standards both on internal permittees and those who would move water out of the state. He emphasized that the Secretary of the Interior will look at efficiencies in water use in evaluating transfers and the California Water Plan. He stated that water rights administration issues have changed over the last ten years, and that having a law that allows water transfers is only a first step.

Chairman Pace and General Manager Gastelum presented a proclamation to Commissioner Martinez, acknowledging the work he has accomplished.

Director Murray withdrew from the Meeting at 11:32 a.m.

43872 There being no objection, the Chair ordered the reading of the Minutes of the Meeting held January 11, 2000, dispensed with, a copy having been mailed to each Director.

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

43873 The General Counsel's letter signed February 4, 2000, was presented, transmitting the credentials evidencing the appointment by Municipal Water District of Orange County of Ed Royce, Sr., as one of its representatives on Metropolitan's Board for a term ending December 31, 2002, replacing Robert J. Huntley.

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. Royce on February 7, 2000, and ordered the Oath filed.

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

43874 On behalf of the Board and in recognition of their outstanding services, Chairman Pace presented plaques to the following listed Directors, as follows:

Henry S. Barbosa	Board Vice Chairman January 1999-January 2000
Timothy F. Brick	Board Vice chairman January 1998-January 2000
Helen Z. Hansen	Board Secretary February 1999-February 2000
James M. Rez	Chair, Special Nominating Committee June 1995-January 2000
Ted Grandsen	Chair, Special Audit Committee June 1997-January 2000
Francesca M. Krauel	Vice Chair, Special Audit Committee January 1999-January 2000
George Wein	Chair, Subcommittee on Organization and Personnel January 1999-January 2000
Sergio Rascon	Vice Chair, Subcommittee on Organization and Personnel

January 1999-January 2000

43875 Director Blake moved, seconded by Director Stanton and carried, approving the requests for sixty-day leaves of absence for Director Barker commencing January 24, 2000; and Director Tinker commencing February 29, 2000.

43876 Special Nominating Committee Vice Chairman Fellow reported the committee, with four members present, met to consider the candidates for Board Secretary for the unexpired portion of the term ending December 31, 2000, to fill the vacancy created by the appointment of Director Hansen as Board Vice Chair. Director Fellow then moved the nomination of Director Thom Coughran for the position of Board Secretary. The motion was seconded by Director Blake.

The Chair called for other nominations from the floor. Hearing none, Director Mylne moved, seconded by Director Blake and carried, that the nominations be closed.

The Chair then called for a vote on the nomination of Director Coughran to fill the unexpired portion of the term ending December 31, 2000, as Board Secretary. The motion was voted upon and carried.

43877 Director Blake moved, seconded by Director Murph and carried, approving the committee appointments as recommended by the Chair and approved by the Executive Committee, as follows:

Director Royce to the Legal and Claims and the Communications and Legislation Committees, and the Subcommittee on Real Property and Asset Management

Director Rez as Vice Chairman of the Legal and Claims Committee

Director Treviño to the Special Nominating Committee for a portion of term ending February 28, 2001

Director Rascon to the Special Nominating Committee for a term ending February 28, 2001

Director Moret to the Special Nominating Committee for a term ending February 28, 2002

The Chair then stated the terms of the current members of the Special Nominating Committee are as follows:

Director Troxel (Chair)--term ends February 28, 2002
Director Fellow (Vice Chair)--term ends February 28, 2001
Director McMurray--term ends February 28, 2001
Director Turner--term ends February 28, 2000

The Chair announced the resignation of Director Moret from the Subcommittee on Real Property and Asset Management.

43878 Chairman Pace reported that as part of the governance process and in conference with the Legislature who amended Section 52 of the Metropolitan Water District Act, it was agreed that the size of Metropolitan's Board would be reduced, using an allocation of five percent of assessed valuation instead of the current three percent. This reduction will take effect January 1, 2001. All agencies are entitled to a minimum of one representative. To ensure an uninterrupted operation of the Board, Chairman Pace announced he is sending letters to the governing or appointing authorities of the affected agencies and cities so they can begin planning for this transition, and asked that he receive responses no later than May 1. The affected agencies and cities are as follows:

Calleguas Municipal Water District
Central Basin Municipal Water District
City of Los Angeles
Coastal Municipal Water District
Inland Empire Utilities Agency
Municipal Water District of Orange County
San Diego County Water Authority
Upper San Gabriel Valley Municipal Water District
West Basin Municipal Water District
Western Municipal Water District of Riverside County

Chairman Pace reported on events in which he participated on behalf of Metropolitan, as follows: As part of the development of the Office of Ethics, he attended a workshop

conducted by Michael Josephson for management employees, and stated that one has been scheduled for the Board on February 14. Chairman Pace referred to his meetings with Congresswoman Grace Napolitano regarding the uranium tailings in Moab, Utah, and her efforts to have them removed to protect the Colorado River supplies. On Friday, February 11, U.S. Secretary of Energy Bill Richardson will hold a ceremony at Metropolitan's Weymouth Filtration Plant to sign a memorandum of understanding regarding the Department of Energy's leadership in moving the uranium mill tailings away from the Colorado River at Moab. On a recent inspection trip to the Colorado River with members from Central Basin Municipal Water District, a main issue of concern was MTBE, a gasoline additive that has leaked into some of the water supplies in Southern California. The Chair reported on the ongoing efforts with the Federal government to remove MTBE from gas in order to eliminate possible adverse effects on the water supply.

43879 Strategic Plan Steering Committee Chairman Kosmont gave a report from the joint meeting of the Strategic Plan Steering Committee and the member agency managers held on February 2. He made reference to the proposals received by the committee, including discussion from the Managers' workgroup, the Northern group of agencies and cities, and San Diego County Water Authority. Director Kosmont stated the difficult issues of rate structure are now coming to the forefront, and staff has been requested to prepare background material on the topics of peaking and preferential rights. The steering committee requested that any further proposals to be submitted should be received by February 17, and the proposals are to be accompanied with a list of key policy issues and each should provide an analysis of how the proposal relates to key policies. With the aid of slides, Director Kosmont reported on the revised schedule and milestones for the strategic planning process. He made reference to the next meeting of the committee the week of March 6, to be followed by a Board workshop in March which will be facilitated by Vic Fazio. Reference was also made to the April schedule; and Director Kosmont stated at the April meeting, the Board may adopt a preferred alternative and provide direction to the staff.

Director Wein withdrew from the Meeting at 11:58 a.m.

Director Parker referred to the San Diego County Water Authority's proposal which was distributed at an earlier Strategic Plan Committee meeting, but not yet approved by the Authority's board due to the timing of meetings. However, he stated the Authority's board since then had a special meeting where it authorized the distribution of the documents which are intended to serve as a basis of discussion. The proposal was distributed to all Directors at today's meeting.

Director Barbosa withdrew from the Meeting at 12:05 p.m.

43880 Special Committee on Ethics Chairman Coughran thanked the committee members for their efforts in bringing together a policy regarding the Office of Ethics. However, Director Coughran reported that this item was tabled by the Executive Committee, to be brought back to the Board in March, because of concerns and issues raised by San Diego. These concerns will be considered at the February 22 meeting of the committee, and the policy will be brought back to the Board in March for consideration and adoption. Director Coughran stated he expects the committee to have its work done by April to fulfill the sunset date set for completion. Director Coughran reminded Directors of the February 14 ethics workshop and encouraged all to attend.

43881 Board Executive Officer Ivey reported that the Carver principles will be brought before the Subcommittee on Rules on February 22 and to the Board at its March meeting.

43882 Regarding the Colorado River matters, General Manager Gastelum referred to his activity report for January dated February 8, 2000, which is at each Director's place, giving an update on the Colorado River negotiations.

43883 Water Planning and Resources Committee Chairman Owen reported the committee heard a detailed report on Bay-Delta matters, but the fish-related problem is the primary topic being considered and the committee has encouraged staff to pursue this matter.

Director Blake reminded Directors of the CALFED briefing to be sponsored by ACWA on February 10, 2000, at Metropolitan's Headquarters, and urged all Directors to attend.

Director Murray returned to the Meeting at 12:11 p.m.

43884 General Manager Gastelum referred to his written activity report dated February 8, 2000, which was distributed earlier. Regarding the presence of perchlorate in the Colorado River water, Mr. Gastelum reported he has raised the issue with Felicia Marcus, Region 9 EPA Administrator, and Pat Mulroy, Manager of Southern Nevada Water Authority, who stated they are approaching the problem diligently and they would solve it. Recent indications have shown there is no perchlorate moving to the Colorado River from the source north of Las Vegas, and they are confident that this matter will be under control.

43885 General Counsel Taylor reported that the briefs in the wheeling case have been filed, and on March 7, 2000, at 1:00 p.m. (subsequently changed to 8:00 a.m.) the Court of Appeals will be hearing oral arguments on the wheeling case.

43886 The reports of the Standing Committees are as follows:

On behalf of the Executive Committee, Chairman Pace had no further report.

Director Wein returned to the Meeting at 12:15 p.m.

Budget and Finance Committee Chairman Bannister had nothing further to report.

Engineering and Operations Committee Chairman Luddy requested that Agenda Item 9-3 be added to the Consent Calendar. General Counsel Taylor reported that in the 9-3 Board letter, it erroneously stated the contract be awarded to Shea Construction, Inc. instead of J.F. Shea Co., Inc., and asked that this be noted when approved.

Legal and Claims Committee Chairman Morse reported that in closed session the committee approved Agenda Items 9-4 through 9-6, and requested that they be added to the Consent Calendar.

Communications and Legislation Committee Chairman Peterson reported the committee had a lively discussion on the issue of allowing high school children to participate in a Colorado River tour, as requested by Eastern Municipal Water District. The committee voted unanimously to allow this request as an experiment, but the policy still remains that a participant is to be over the age of 18. The committee was also shown the new format of the outreach videos, which are very user friendly, and it is hoped they will be used on local cablevision.

Water Planning and Resources Committee Chairman Owen reported that about two years ago the Board had approved going ahead with fourteen projects in the Local Resources Program and the committee is approaching the end of that process with the approval of the three that are on today's Board agenda. Director Owen therefore requested that Agenda Items 9-1 and 9-2 be added to the Consent Calendar. (Agenda Items 8-3, 9-1, and 9-2, all relating to the Local Resources Program, were subsequently removed from the Consent Calendar for separate discussion.) Director Owen stated that the committee was briefed on Metropolitan's desalination activities. The committee directed staff to come back at a later date with an update on what has changed since 1995 when the desalination policy was established. The committee also requested staff to provide proposed modifications if required. Director Owen reminded Directors of the joint meeting of the Legal and Claims and Water Planning and Resources Committees to be held on February 22, at 1:00 p.m. to discuss State Water Project management issues.

43887 Director Swan requested that Agenda Item 8-5 be taken off the Consent Calendar for separate discussion.

Director Swan moved, seconded by Director Blake and carried, and the Board approved the Consent Calendar Items, **M.I. 43888** through **M.I. 43897**, as follows:

43888 Authorized the General Manager to enter into a three-year agreement, in the amount not to exceed \$400,000 per year, with United Testing & Inspection, Inc., to provide supplemental technicians and inspectors in accordance with Request for Proposals (RFP) 419, for testing and inspection of soils,

concrete, asphalt and miscellaneous materials on Capital and Operations and Maintenance construction projects, as set forth in the letter signed by the General Manager on January 21, 2000. United has been selected through a competitive process under RFP 419.

43889 The Board (1) approved No. 2 in Appropriation No. 15335, an increase of \$673,200 to a total amount of \$2,148,200, from the Pay-As-You-Go Fund, for financing five additional proposed capital projects costing less than \$250,000 each for fiscal year 1999-2000; and (2) determined that the proposed minor capital projects qualified for a Categorical Exemption pursuant to the California Environmental Quality Act, as set forth in the letter signed by the General Manager on January 24, 2000.

43890 Authorized the General Counsel to amend the contract with Harkins Cunningham for an additional \$150,000 to complete negotiation of quantification issues for California's share of the Colorado River, as set forth in the letter signed jointly by the General Counsel on January 20, and the General Manager on January 21, 2000.

43891 The Board (A) granted conditional approval, as defined in Administrative Code Section 3100(b), for Annexation No. 66 concurrently to Calleguas Municipal Water District and Metropolitan, conditioned upon receipt in full of annexation charge payment of \$27,117.92 to Metropolitan if subject annexation is completed by December 31, 2000, or if completed after said date, at the then annexation current charge rate, as set forth in Attachment 1 to the General Manager's letter signed on January 21, 2000; (B) subject to approval of Item (A), approved Calleguas' proposed Annexation No. 66 Plan for Implementing Water Use Efficiency Guidelines set forth in Attachment 2 of the foregoing letter; and (C) subject to the approval of Items (A) and (B), approved the Resolution of Intention (**Resolution 8669**) to impose water standby charges within the proposed annexation territory, substantially in the form of Attachment 3 to the foregoing letter; said Resolution entitled:

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN
WATER DISTRICT OF SOUTHERN CALIFORNIA GIVING NOTICE OF**

**INTENTION TO IMPOSE WATER STANDBY CHARGE CONTINGENT UPON
ANNEXATION**

43892 Authorized (A) Appropriation No. 15351 in the amount of \$1,484,000 from the Pay-As-You-Go Fund for the replacement of current Pyramid Nile enterprise servers; and (B) the General Manager to award a contract for design and migration consulting services in an amount not to exceed \$879,000, as set forth in Attachments 1 and 2 to the General Manager's letter signed on January 21, 2000. Hardware purchase or lease was previously authorized as part of the fiscal year 1999-2000 operating equipment budget.

43893 Approved the amendment to Administrative Code Section 2204 as set forth in Attachment 1 to the Board Chairman's letter signed on January 25, 2000, which will make the Vice Chairs ex officio members of standing and special committees.

43894 Awarded a construction contract in the amount of \$15,397,000 to the low bidder, J.F. Shea Co., Inc., (changed from Shea Construction, Inc.) to perform the construction of the Mentone Pipeline of the Inland Feeder Project, as set forth in the letter signed by the General Manager on January 24, 2000.

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

43895 Authorized settlement in Metropolitan Water District et al. v. Aera Energy et al., Orange County Superior Court Case No. 796705, facilitating transfer of 25 acres of wetlands in Bolsa Chica to the California State Lands Commission, as set forth in the revised confidential letter signed jointly by the General Counsel and the General Manager on February 3, 2000.

43896 Authorized proposed settlement of construction claims filed by Atkinson, Washington and Zachery (AWZ) relating to construction of the West Dam, Saddle Dam and Forebay of the Diamond Valley Lake (Eastside Reservoir) Project, as set forth in the confidential letter signed jointly by the General Counsel and the General Manager on January 27, 2000.

43897 Authorized proposed settlement of drill and grout claims filed by Kiewit-Granite relating to construction of the East Dam of the Diamond Valley Lake (Eastside Reservoir) Project, as set forth in the confidential letter signed jointly by the General Counsel and the General Manager on February 4, 2000.

43898 Due to the discussion on the Local Resources Program, the Chair removed Agenda Items 8-3, 9-1, and 9-2 from the Consent Calendar, and considered them together in a separate motion.

Item 8-3 Certify review and consideration of the Negative Declaration for the Rincon del Diablo Recycled Water Program; and authorize entering into an agreement with the San Diego County Water Authority and the Rincon del Diablo Municipal Water District to implement the program.

Item 9-1 Certify review and consideration of the Negative Declaration for the Capistrano Valley Non-Domestic Water System Expansion Project; and authorize entering into an agreement with the Municipal Water District of Orange County and the Capistrano Valley Water District to implement the project.

Item 9-2 Certify review and consideration of the Negative Declaration for the Encina Basin Water Reclamation Project--Phase 2 Expansion; and authorize entering into an agreement with the San Diego County Water Authority and the Carlsbad Municipal Water District to implement the project.

Director Little referred to the above three local projects and stated they do not contain the provision that would discontinue a subsidy if it is no longer necessary. Prior agreements have contained such a provision. A provision should be added that would discontinue the subsidy if the project no longer needs the subsidy.

Director Owen referred to the above three projects and indicated that they were approved on the terms that were provided for in the Request for Proposal (RFP), and those agencies have relied upon that in putting together the projects.

Director Turner indicated that under the program, Metropolitan audits the projects and when they reach zero, they are no longer subsidized.

Director Krauel withdrew from the Meeting at 12:00 p.m.

A lengthy discussion ensued to clarify the issue of subsidizing the local projects.

Directors Herman and Kosmont withdrew from the Meeting at 12:40 p.m.

Referring to the three projects for approval today, Director Little emphasized that Metropolitan should not subsidize these projects if they result in a profit for the member agency.

Stephen Arakawa, Acting Manager of Water Resource Management, stated that these projects are set on defined schedules of contribution and do not include provisions for adjustments because they were selected on a competitive basis. The fourteen projects selected under the RFP are different from previous projects.

Director Owen referred to the history of the RFP process and stated it is not fair to change the terms now. In the future they may wish to revisit the terms, but that the fourteen projects already approved should be finalized.

Andrew Sienkiewich, Section Manager of Resource Procurement, described the RFP process that the Board approved in 1998 and stated it was intended to rely on an array of other factors that provided selection of the most competitive projects.

Director Morris then moved, seconded by Director Foley and carried, approving the three items relating to the Local Resources Program (LRP), as follows:

Item 8-3 The Board (A) reviewed and considered the information provided in the Rincon del Diablo Recycled Water Program project's mitigated Negative Declaration and adopted the lead agency's findings related to the project; and (B) authorized the General Manager to execute a LRP agreement for this project to provide incentive payments over 11 years that begin at \$250 per acre-foot and that incrementally decrease in subsequent years. The payment in year 11 would be \$15 per acre-foot, as set forth in the letter signed by the General Manager on January 24, 2000.

Item 9-1 The Board (A) reviewed and considered the information provided in the Capistrano Valley Non-Domestic Water System Expansion Project's mitigated Negative Declaration and adopted the lead agency's findings related to the project; and (B) authorized the General Manager to execute a LRP agreement for this expansion project to provide incentive payments of \$150 per acre-foot over 25 years, as set forth in the letter signed by the General Manager on January 24, 2000.

Item 9-2 The Board (A) reviewed and considered the information provided in the Encina Basin Water Reclamation Project--Phase 2 Expansion mitigated Negative Declaration and adopted the lead agency's findings related to the Phase 2 project; and (B) authorized the General Manager to execute a LRP agreement that combines both Phases 1 and 2 of the Encina Basin Water Reclamation Project to provide incentive payments that begin at \$210 per acre-foot in fiscal year 2000-01 and are incrementally reduced in future years. The payment in fiscal year 2018-19 (last year) would be \$100 per acre-foot, as set forth in the letter signed by the General Manager on January 24, 2000.

Directors Royce and Witt requested to be recorded as abstaining on Item 9-1.

Directors Lewis, Parker, Tinker, and Turner requested to be recorded as abstaining on Items 8-3 and 9-2.

Directors Castro, Luddy, Moret, and Wein requested to be recorded as abstaining on Items 8-3, 9-1, and 9-2.

Directors Lewis, Rascon, and Tinker withdrew from the Meeting at 1:10 p.m.

43899 Regarding the medical insurance coverage for domestic partners through the Public Employees' Retirement System (PERS), Director Swan stated that the California Legislature has authorized as a discretionary basis to PERS that domestic partners be offered health benefits. These are benefits heretofore only offered to married people. He respects the rights of people to have relationships, and he requested that all people be put on an equivalent basis. Director Swan therefore moved that the recommendation in the General Manager's letter

signed on January 21, 2000, to adopt a Resolution amending the PERS contract to include registered domestic partnerships' medical coverage be amended to add that the couples who certify that they have a domestic partnership arrangement should also enter into a community property arrangement consistent with married couples. The motion was seconded by Director Royce.

In answering a question, General Counsel Taylor stated this matter is preempted by statute, and that the statute was a comprehensive one which precludes the ability to do what Director Swan is offering in his motion.

Director Abdo requested that the Board follow up on whatever action it has already taken by allowing domestic partnership within the Metropolitan structure. The Board agreed to offer the same benefits to domestic partners under the rules and for health benefits to be added to the package; therefore, it should approve this implementing action.

Director Coughran withdrew from the Meeting at 1:14 p.m.

Director Luddy therefore moved a substitute motion, seconded by Director Moret, adopting **Resolution 8670** amending the Public Employees' Retirement System contract to include registered domestic partnerships medical coverage, as set forth in the letter signed by the General Manager on January 21, 2000, said Resolution entitled:

RESOLUTION ELECTING TO BE SUBJECT TO SECTION 22873 OF THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT

The Chair called for a vote on the motion.

The following is a record of the vote on the motion:

Ayes: Calleguas Municipal Water District (Aye: Dir. Grandsen. Absent: Dir. Borenstein. 3,813 votes), Central Basin Municipal Water District (Dirs. Morse and Treviño, 4,046 votes), Compton (Dir. Murph, 176 votes), Eastern Municipal Water District (Dir. Record, 1,857 votes), Glendale (Dir. Rez, 1,191 votes), Inland Empire Utilities Agency (Aye: Dir. Koopman. Absent: Dir. Troxel. 3,507 votes), Las Virgenes Municipal Water District

(Dir. Peterson, 960 votes), Long Beach, (Dir. Hansen, 1,806 votes), Los Angeles (Ayes: Dirs. Castro, Luddy, Moret, and Wein. Absent: Dirs. Freeman, Herman, and Kosmont. 19,855 votes), Pasadena (Dir. Brick, 973 votes), San Diego County Water Authority (Ayes: Dirs. Parker and Turner. Absent: Dirs. Krauel, Lewis, Tinker, and Watton. 16,443 votes), Santa Monica (Dir. Abdo, 1,129 votes), Torrance (Dir. Wright, 1,241 votes), Upper San Gabriel Valley Municipal Water District (Dirs. Fellow and Forbes, 3,837 votes), West Basin Municipal Water District (Aye: Dir. Little. Absent: Dirs. Barker and Murray. 6,980 votes), Western Municipal Water District of Riverside County (Dir. Mylne, 1,441-1/2 votes). Total 69,255-1/2 votes.

Noes: Anaheim (Dir. Stanton, 1,776 votes), Coastal Municipal Water District (No: Dir. McMurray. Absent: Dir. Owen. 3,151 votes), Fullerton (Dir. Blake, 707 votes), Municipal Water District of Orange County (Dirs. Bannister, Foley, Royce, Swan, and Witt, 13,363 votes), San Marino (Dir. Morris, 221 votes), Western Municipal Water District of Riverside County (Dir. Krieger, 1,441-1/2 votes). Total 20,659-1/2 votes.

Abstains: Beverly Hills (Dir. Harris, 959 votes), Burbank (Dir. Battey, 935 votes), Central Basin Municipal Water District (Dir. Pace, 2,023 votes), Foothill Municipal Water District (Dir. Edwards, 630 votes). Total 4,547 votes.

Absent: San Fernando (Dir. Rascon, 78 votes), Santa Ana (Dir. Coughran, 1,118 votes), Three Valleys Municipal Water District (Dir. Barbosa, 2,711 votes). Total 3,907 votes.

The Chair declared the motion carried by a vote of 69,255-1/2 ayes, 20,659-1/2 noes, 4,547 abstain, and 3,907 absent.

43900 The Chair reported that Agenda Item 10-5 on dry weather and potential drought planning and preparedness activities for February 2000 was withdrawn from the agenda.

43901 The following communications were submitted to the Board for information:

- a. Status report for the Diamond Valley Lake Project for the month ending December 1999, signed by the General Manager on January 24, 2000.
- b. Status report for the Inland Feeder Project for the month ending December 1999, signed by the General Manager on January 24, 2000.
- c. Letter of the General Manager signed on January 24, 2000, reporting on Metropolitan Initiatives 2000.
- d. Letter of the General Manager signed on January 24, 2000, reporting on integrating Metropolitan's seawater desalination activities.

43902 Subcommittee on Organization and Personnel Chairman Parker reported that at its last meeting the subcommittee heard a report from Metropolitan's diversity group and after reviewing the District's diversity efforts, he stated Metropolitan's efforts are noteworthy, and which other organizations might wish to emulate.

Suresh Radhakrishnan, Acting Equal Employment Opportunity Officer, gave a summary report on the diversity item as set forth in the letter signed by the General Manager on January 21, 2000.

43903 There being no objection, Chairman Pace adjourned the Meeting at 1:13 p.m.

THOM COUGHRAN

SECRETARY

PHILLIP J. PACE

CHAIRMAN