

**REVISED**

**Adjourned Regular Board Meeting**

**March 13, 2001**

**12:00 p.m. -- Board Room**

<b>Tuesday, March 13, 2001 Meeting Schedule</b>		
8:00 a.m.	Rm. 2-145	Museum
9:30 a.m.	Rm. 2-456	CO&L
12:00 p.m.	Board Room	Board Meeting
1:30 p.m.	Rm. 1-102	Inspection Trips

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**MWD Headquarters Building**

**• 700 N. Alameda Street •**

**Los Angeles, CA 90012**

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**1. Call to Order**

- (a) Invocation: Director Wyatt L. Troxel
- (b) Pledge of Allegiance: Director Marion V. Ashley

**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 Meeting held February 13, 2001. (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 from the Subcommittee on Rate Structure Implementation
- E. Oral report on the Water Surplus and Drought Management Plan
- F. General Manager's Reports:
  - 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, Salton Sea issues, and resolution of remaining issues in Arizona v. California before U.S. Supreme Court. (LC&P) **[Any discussion of real property negotiations will be held in closed session. 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. Any discussion of existing litigation will be heard in closed session. Conference with legal counsel--pursuant to Gov. Code § 54956.9(a)]**
  - b. Discussion of Bay-Delta related issues; including progress on developing and implementing the CALFED program; potential litigation regarding the EIR/EIS for the CALFED program and the EIR for the Monterey Amendments to the State Water Contract; and State Water Resources Control Board's Phase 8 hearings to allocate responsibility to meet Bay-Delta environmental obligations. (LC&P, WPQ&R) **[Any discussion of litigation will be held in closed session. 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); (2) initiation of litigation (one potential case); to be heard in closed session pursuant to Gov. Code § 54956.9(c)]**
  - c. General Manager's oral summary of District activities for the month of February. **(Written report to be sent separately)**
- G. General Counsel's oral summary of Legal Department activities for the month of February. **(Written report to be sent separately)**

## 7. ORAL REPORTS OF STANDING COMMITTEES

- 7-1 Executive Committee (Phillip J. Pace, Chair)
- 7-2 Audit, Budget and Finance (Wesley M. Bannister, Chair)
- 7-3 Engineering, Operations and Real Property (Henry S. Barbosa, Chair)
- 7-4 Legal, Claims and Personnel (Gary A. Morse, Chair)
- 7-5 Communications, Outreach and Legislation (Helen Z. Hansen, Chair)
- 7-6 Water Planning, Quality and Resources (Langdon W. Owen, Chair)

## 8. CONSENT CALENDAR ITEMS (Action)

- 8-1 Authorize increasing the General Manager's authority to execute change orders by \$395,743 for the Cajalco Creek Dam and Detention Basin Project (Appn. 15253). (EO&RP)

**Recommendation:**

**Option #1:**

**Authorize an increase in the General Manager's authority to execute change orders on contract 1517 by \$395,743 (from \$1,104,257 to \$1.5 million).**

- 8-2 Authorize \$1.15 million for the conversion of four pump-motor units to turbine-generators at the Hiram W. Wadsworth Pumping Plant, and delegate authority to the General Manager to award an agreement to complete the work and to execute all agreements necessary to obtain financial incentives and to enable Metropolitan to sell the hydroelectric energy thereby produced (Appn. 15360). (EO&RP)

**Recommendation:**

**Option #1:**

**Appropriate \$1.15 million to finance the conversion of four pump-motor units to turbine-generator units for operation in a manual mode. Authorize the General Manager to award an agreement to Alstom in an amount up to \$650,000 for this purpose.**

- 8-3 Grant conditional approval for Annexation Nos. 69, 70 and 71 to Calleguas Municipal Water District and Metropolitan, and adopt resolutions of intention to impose water standby charges.

**Recommendation:**

**Option #1:**

- a. Determine that the proposed actions are not subject to CEQA per Sections 15378(b)(5) and 15061(b)(3) of the State CEQA Guidelines;
- b. Grant conditional approval, as defined in the Metropolitan Water District Administrative Code 3100(b), for Annexation No. 69, concurrently to Calleguas and Metropolitan; conditioned upon receipt in full of annexation charge payment of \$159,973.40 to Metropolitan if subject annexation is completed by December 31, 2001, or, if completed after said date, at the then current annexation charge rate;
- c. Approve Calleguas' proposed Annexation No. 69 Plan for Implementing Water Use Efficiency Guidelines;
- d. Adopt the resolution of intention to impose water standby charges within the proposed annexation territory for Annexation No. 69;
- e. Grant conditional approval, as defined in the Metropolitan Water District Administrative Code 3100(b), for Annexation No. 70, concurrently to Calleguas and Metropolitan; conditioned upon receipt in full of annexation charge payment of \$15,310.80 to Metropolitan if subject annexation is completed by December 31, 2001, or, if completed after said date, at the then current annexation charge rate;
- f. Approve Calleguas' proposed Annexation No. 70 Plan for Implementing Water Use Efficiency Guidelines;
- g. Adopt the resolution of intention to impose water standby charges within the proposed annexation territory for Annexation No. 70;
- h. Grant conditional approval, as defined in the Metropolitan Water District Administrative Code 3100(b), for Annexation No. 71, concurrently to Calleguas and Metropolitan; conditioned upon receipt in full of annexation charge payment of \$17,767.40 to Metropolitan if subject annexation is completed by December 31, 2001, or, if completed after said date, at the then current annexation charge rate;
- i. Approve Calleguas' proposed Annexation No. 71 Plan for Implementing Water Use Efficiency Guidelines; and
- j. Adopt the resolution of intention to impose water standby charges within the proposed annexation territory for Annexation No. 71.

- 8-4 Adopt resolutions for annexation and to impose water standby charges for Annexation No. 68 to Calleguas Municipal Water District and Metropolitan.

**Recommendation:**

**Option #1:**

- a. **Certify that the Board has reviewed and considered the information contained in the Mitigated Negative Declaration and Notice of Determination for the project, and adopt the Lead Agency's findings related to the project;**
- b. **Adopt resolution granting Calleguas' request for consent of Annexation No. 68, concurrently to Metropolitan and Calleguas, by establishing Metropolitan's terms and conditions for this annexation; and**
- c. **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 Adopt final resolution to amend contract to increase to the Fourth Level of the 1959 Survivor Benefits through the Public Employees' Retirement System. (LC&P) **(To be mailed separately)**

- 8-6 Approve Cesar Chavez's birthday as a recognized Metropolitan holiday and a paid holiday for all regular full-time employees. (LC&P)

**Recommendation:**

**Approve Cesar Chavez's birthday as a recognized Metropolitan holiday and a paid holiday to all regular full-time employees, and therefore declare March 30, 2001 (Friday) as the observance of Cesar Chavez's birthday for all employees.**

- 8-7 Authorize entering into agreements with GeoPentech to perform feasibility investigations of the Chuckwalla Groundwater Basin and Kennedy Jenks/Todd to perform additional aquifer tests in the Hayfield Groundwater Basin. (LC&P, WPQ&R)

**Recommendation:**

**Option #1:**

**Determine that executing an agreement with GeoPentech does not constitute a project under the California Environmental Quality Act (Public Resources Code Section 21065, State CEQA Guidelines Section 15378(a); and**

**Authorize the General Manager to enter into an agreement with GeoPentech when appropriate, in an amount not to exceed \$1,850,000 for consulting services for a feasibility investigation of a groundwater storage program in the Upper Chuckwalla Valley; authorize the General Manager to enter into an agreement with Kennedy Jenks/Todd in an amount not to exceed \$500,000 for consulting services for additional aquifer testing of the Hayfield Groundwater Basin.**

- 8-8 Authorize payment of the California Municipal Utilities Association Annual Supplemental Assessment of \$10,000 for activities regarding electric restructuring. (Exec.)

**Recommendation:**

**Option #1:**

**Determine that the authorizing of payment is not subject to CEQA per Sections 15378(b)(5) and 15061(b)(3) of the State CEQA Guidelines. Authorize payment of the \$10,000 CMUA supplemental assessment for the electric restructuring activities.**

**(END OF CONSENT CALENDAR)**

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

- 9-1 Authorize \$12.6 million for design and construction of chlorine containment and handling facilities at the Robert A. Skinner and Henry J. Mills filtration plants (Appn. 15346). (EO&RP)

**Recommendation:**

**Option #1:**

- a. Determine that pursuant to CEQA, the proposed actions qualify for categorical exemption (Sections 15301, 15302, 15303 and 15311 of the State CEQA Guidelines).
- b. Appropriate \$12.6 million, authorize the General Manager to have all work performed and delegate to the General Manager the authority to award contracts for the two CIP projects described in the letter:
  - Construct sodium hypochlorite storage and feed facilities at the Mills plant for post-disinfection and as a standby disinfectant for the new ozone facilities.
  - Move the existing chlorinators and evaporators out of the Skinner administration building and construct new chlorine process, containment and handling facilities at the Skinner plant.

- 9-2 Authorization to: (1) proceed with site engineering activities and environmental documentation for the Robert A. Skinner Filtration Plant Improvements Program, and conceptual design for the addition of Module 7, and appropriate \$1.95 million for these purposes (Appn. 15365); and (2) proceed with all necessary right-of-way acquisition and preliminary design for San Diego Pipeline No. 6 (Appn. 15121). (EO&RP)

**Recommendation:**

**Option #1:**

- a. Determine that authorizing funds for the preparation of site engineering studies and preparation of environmental documentation for the Skinner Filtration Plant Improvements Program, and the conceptual design for the addition of Module 7 is statutorily exempt under the provisions of the California Environmental Quality Act (CEQA) as feasibility and planning studies (State CEQA Guidelines Section 15262).
- b. Appropriate \$1.95 million, authorize the General Manager to have all work performed and delegate to the General Manager the authority to award contracts for site engineering studies and environmental documentation for the Skinner Filtration Plant Improvements Program, and conceptual design for the addition of Module 7.
- c. Determine that the proposed action for the San Diego Pipeline No. 6 has been previously addressed in the certified 1993 FEIR for the San Diego Pipeline No. 6 project.

**d. Authorize the General Manager to have all work performed for the preliminary design and procurement of necessary rights-of-way, including the authority to award professional services contracts for geotechnical engineering, tunnel design, and environmental documentation for construction of San Diego Pipeline No. 6.**

**This option provides treatment and conveyance capacity to meet the projected demands in the Skinner service area, as well as increased reliability for the Skinner filtration plant.**

9-3 Adopt (1) recommended water rates and charges; and (2) resolutions to impose charges, for fiscal year 2001-2002. (AB&F)

**Recommendation:**

**1. Determine that the proposed actions are not subject to California Environmental Quality Act (CEQA) per Sections 15378(b)(2)(4) and 15061(b)(3) of the State CEQA Guidelines. Additionally, find that the resolutions incorporated herein by reference establish that the setting of rates and charges recommended in the letter is exempt from the CEQA by Public Resources Code Section 21080(b)(8) since it is for the purposes of: (a) meeting operating expenses; (b) purchasing or leasing supplies, equipment or materials; (c) meeting financial reserve needs and requirements; and (d) obtaining funds for capital projects necessary to maintain service within existing service areas.**

**2. Adopt the water rates and charges as defined in the letter for fiscal year 2001-02 effective January 1, 2001 as required by Metropolitan Water District Administrative Code Section 4304.**

**3. Approve the following resolutions:**

**(a) Resolution to fix and adopt the readiness-to-serve (RTS) charge for fiscal year 2001-02 in the form shown as Attachment 3 to the letter.**

**(b) Resolution of intention to impose a new demand charge (NDC) at the current level and suspend collection of the charge for fiscal year 2001-02 in the form shown as Attachment 4 to the letter.**

9-4 Amendment of contract for legal services with the Law Offices of Charles S. LiMandri, and Gibbs, Giden, Locher & Turner and amendment of contract for expert services with PriceWaterhouseCoopers in Metropolitan Water District v. Hartford Fire Insurance Co., U.S.D.C. Case No. CV 00-10536-GHK (Mcx). (LC&P)  
**[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(a)]**



- 9-5 Ratify intervention in Natural Resources Defense Council, Inc., et al. v. United States Department of the Interior, et al., United States District Court for the Central District of California, Case No. CV-99-5246 SVW (CTx). (LC&P)  
**[Conference with legal counsel—initiation of litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(c)]**
- 9-6 Authorize entering into (1) an agreement with San Bernardino Valley Municipal Water District to coordinate the use of facilities and State Water Project supplies, and (2) Principles of Agreement with Kern Delta Water District to proceed with feasibility and environmental studies and final negotiations on a dry-year supply program. (WPQ&R) **(To be mailed separately)**
- 9-8 Authorize entering into an environmental water account agreement with the California Department of Water Resources to purchase water stored in Metropolitan's Semitropic account. (WPQ&R)

**Recommendation:**

**Option #1:**

**Certify that the Board has reviewed and considered the information contained in the Negative Declaration for the project, and adopt the Lead Agency's findings relating to the Negative Declaration. Authorize the General Manager to enter into an EWA Agreement with the Department to purchase water stored in Metropolitan's Semitropic account consistent with the terms set forth in the letter, and in a form approved by the General Counsel.**

- 9-9 Consider position on SB 350 (Alpert) – Metropolitan Water District reserve policy. (CO&L) **(To be mailed separately)**
- 9-10 Approval of negotiations with Management and Professional Employees Association on revised terms of Memorandum of Understanding. (LC&P) **(To be distributed at meeting)**  
**[Any conference with labor negotiators will be heard in closed session pursuant to Gov. Code § 54957.6. Agency representatives: Joseph E. Tait, Debbie Dillon. Employee organization: Management and Professional Employees Association]**
- Added** 9-11 Request support for pending legislation to reimburse State Water Project funds for State power purchases. (CO&L)
- Added** 9-12 Recommend support of Assembly Bill 378 (Calderon – Montebello), legislation authorizing regional water quality control boards to contract with water districts for services related to investigation of threatened groundwater pollution. (CO&L)

## 10. BOARD INFORMATION ITEMS

- 10-1 Status report for the Diamond Valley Lake Project for the month ending January 2001. (EO&RP)
- 10-2 Status report for the Inland Feeder Project for the month ending January 2001. (EO&RP)  
**[Any discussion of potential litigation to 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 2000-2001 Innovative Conservation Program. (CO&L)
- 10-4 Report on member agencies' recommendations for Metropolitan's Water Conservation Program. (WPQ&R)
- 10-5 Status of ground lease agreement between Metropolitan and the Western Center Community Foundation. (EO&RP)
- 10-7 Report on settlement with Sacramento Valley upstream interests as a potential means of resolving the State Water Resources Control Board's Phase 8 Water Rights Hearings. (LC&P)  
**[Conference with legal counsel—existing litigation; parties: water rights 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]**

## 11. REPORTS OF SPECIAL COMMITTEES

## 12. 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. (EO&RP, AB&F). Committee agendas may be obtained from the Executive Secretary.