

**Revised Adjourned Regular Board Meeting**

**May 15, 2001**

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

<b>Tuesday, May 15, 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 Henry S. Barbosa

**2. Roll Call**

**3. Determination of a Quorum**

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**PUBLIC HEARING**

Comments on the proposed standby charge for Annexation Nos. 69, 70, and 71 to Calleguas Municipal Water District

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**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))

Remarks by Hon. Bob Filner, U.S. House of Representatives

## 6. OTHER MATTERS

- A. Approval of the Minutes of the Meeting held April 10, 2001. (A copy has been mailed to each Director)  
Any additions, corrections, or omissions
- B. Induction of new Director, Harold Ball, from San Diego County Water Authority
  - (a) Receive credentials
  - (b) Report on credentials by General Counsel
  - (c) File credentials
  - (d) Administer Oath of Office
  - (e) File Oath
- C. Committee appointments. (Exec.)
- D. Chairman's Monthly Activity Report
- E. Report from the Subcommittee on Rate Structure Implementation
- F. General Manager's Reports:
  - a. Oral report on Colorado River matters. (LC&P)
  - b. Oral report on Bay-Delta and State Water Project matters. (LC&P, WPQ&R)
  - c. General Manager's summary of District activities for the month of April. **(Written report to be sent separately)**
- G. General Counsel's summary of Legal Department activities for the month of April. **(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 Approve casualty and property insurance program costs not to exceed \$633,500 for fiscal year 2001-02. (AB&F)

**Recommendation:**

**Option #1:**

**Determine that the proposed Excess Liability insurance coverage is not subject to CEQA per Sections 15061(b)(3) and 15378(b)(2) of the State CEQA Guidelines.**

- a. **Approve the Excess Liability insurance premium not to exceed \$500,000, all other lines of insurance coverage not to exceed \$115,000 and \$18,500 in broker fees effective July 1, 2001 to June 30, 2002. Total payments not to exceed \$633,500. This option meets bond covenant requirements.**
- b. **Amend the Driver contracts adding \$500,000 for the Excess Liability insurance premium; contracts contain funds to pay the \$115,000 for other lines of insurance and the \$18,500 broker fees.**
- c. **Extend the contract period from July 1 to September 30, 2001.**

- 8-2 Adopt resolution reporting the value of employer paid-member contributions to the Public Employees' Retirement System and approve action to implement benefits parity. (LC&P)

**Recommendation:**

**Option #1:**

a. **Determine that the proposed action is not subject to CEQA per Sections 15061(b)(3) and 15378(b)(2) of the State CEQA Guidelines.**

b. **In accordance with (1) the Supervisors' Association and the Management and Professional Employees Association negotiated labor agreements with Metropolitan, (2) the Association of Confidential Employees upcoming favored nations benefit election, and (3) Government Code Section 20636 (c)(4), adopt the attached resolution. This resolution reports the value of employer-paid member contributions to the Public Employees' Retirement System for employees in classifications represented by these units, and all Unrepresented employees, effective May 27, 2001.**

c. **In accordance with Metropolitan's philosophy of benefits parity, approve the revision of Administrative Code Section 6523 to implement a change in dental benefits for Unrepresented employees effective June 1, 2001 in line with all other employee bargaining units.**

- 8-3 Adopt resolutions in support of proposals for Proposition 13 funding requests for groundwater storage and urban water conservation projects. (WPQ&R)

**Recommendation:**

**Option #1:**

**Determine that the resolutions relating to the DWR grant proposals are not subject to CEQA per Sections 15061(b)(3) and 15378(b)(4) of the State CEQA Guidelines. Adopt the attached resolutions in support of the grant proposals.**

- 8-5 Approve funding for External Affairs operational memberships for fiscal year 2001-02. (CO&L)

**Recommendation:**

**Option #1:**

**Determine that the proposed action is not subject to CEQA per Section 15378(b)(4) of the State CEQA Guidelines. Approve operational association memberships deemed essential to Metropolitan. These aforementioned memberships do not fall into Corporate Resources, Water System Operations, or Water Resource Management fiscal responsibilities.**

- 8-6 Legislative support for chromium 6 funding. (CO&L)

**Recommendation:**

**Option #1:**

**Adopt legislative policy principle:  
Support legislative and administrative efforts to secure funding for the purpose of studying the health effects of chromium 6 and if necessary fund treatment technology development in order to establish drinking water regulations.**

- 8-7 Authorize payment of \$213,000 for AWWARF's Voluntary Research Subscription Program. (Exec.)

**Recommendation:**

**Determine that the proposed financial contribution to the AWWARF program is not subject to CEQA per Section 15378(b)(4) of the State CEQA Guidelines.**

**Authorize the remaining payment of AWWARF's subscription for fiscal year 2000-01.**

- 8-8 Grant conditional approval for Annexation No. 72 to Calleguas Municipal Water District and Metropolitan; and adopt resolution of intention to impose standby charges. (Exec.)

**Recommendation:**

**Option #1:**

- a. Determine that the proposed actions are not subject to CEQA per Sections 15378(b)(4) and 15061(b)(3) of the State CEQA Guidelines;
- b. Grant conditional approval, as defined in the Metropolitan Water District Administrative Code Section 3100(b), for Annexation No. 72, concurrently to Calleguas and Metropolitan; conditioned upon receipt in full of annexation charge payment of \$10,674.40 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. 72 Plan for Implementing Water Use Efficiency Guidelines; and
- d. Adopt the resolution of intention to impose water standby charges within the proposed annexation territory for Annexation No. 72.

**(END OF CONSENT CALENDAR)**

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

- 9-1 Adopt resolution to impose a water standby charge for fiscal year 2001-02. (AB&F)

**Recommendation:**

**Option #1:**

**Determine that the resolution relating to the water standby charge is not subject to CEQA per Section 15378(b)(4) of the State CEQA Guidelines.**

**Approve the resolution to impose and extend a water standby charge.**

- 9-2 Award a \$2.2 million contract to Kiewit Pacific Co. for the construction of the South High Water Road at Diamond Valley Lake (Appn. 15123). (EO&RP)

**Recommendation:**

**Option #1:**

a. Determine that the proposed action has been previously addressed in the certified 1991 FEIR and subsequent environmental documentation for the DVL Project and that no further environmental analysis is required.

b. Award a fixed price construction contract in the amount of \$2,214,700 to Kiewit Pacific Co. for the construction of the South Rim High Water Road at Diamond Valley Lake.

- 9-3 Authorize amendment to agreement with Flavell, Tennenbaum & Edwards to increase the maximum amount to be paid for appraisal services and litigation support in the eminent domain action for the Inland Feeder Project entitled *Metropolitan v. Campus Crusade for Christ*, San Bernardino Superior Court Case No. SCV34598. (LC&P)  
**[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(a)]**
- 9-4 Authorize amendment to agreement for legal services with the law firm of Hunton & Williams in *Defenders of Wildlife, et al. v. Bruce Babbitt, et al.*, United States District Court for the District of Columbia case number 1:00CV01544. (LC&P)  
**[Conference with legal counsel—existing litigation; may be heard in closed session pursuant to Gov. Code § 54956.9(a)]**
- 9-5 Authorize amendment of contract for legal services with the Law Offices of Charles S. LiMandri in *Metropolitan Water District v. Hartford Financial Services Group, et al.*, U.S.D.C. Case No. CV-00-4040 GHK (Mcx). (LC&P)  
**[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(a) and (b)]**
- 9-6 Authorize settlement of claim of Dominick and Brenda Vitelli regarding vibrations emanating from Olinda Pressure Control Structure. (LC&P)  
**[Conference with legal counsel—significant exposure to litigation (one case); to be heard in closed session pursuant to Gov. Code § 54956.9(b)(1)]**
- 9-7 Authorize entering into the Interim Surplus Guidelines Forbearance Agreement with the United States and the Arizona Department of Water Resources. (Exec.)

**Recommendation:**

**Option #1:**

**Determine that the execution of the Interim Surplus Guidelines Forbearance Agreement with the United States and the Arizona Department of Water Resources is categorically exempt from CEQA (Section 15301 of the State CEQA Guidelines) and authorize the General Manager to enter into the proposed Agreement in a form approved by the General Counsel.**

- 9-8 Approve the Seawater Desalination Action Plan and authorize the General Manager to commence program development. (WPQ&R)

**Recommendation:**

**Option #1:**

**Determine that the proposed action is not subject to CEQA per Sections 15378(b)(2) and 15061(b)(3) of the State CEQA Guidelines, approve the Seawater Desalination Action Plan, and authorize the General Manager to commence program development.**

**10. BOARD INFORMATION ITEMS**

- 10-1 Status report for the Diamond Valley Lake Project for the month ending March 2001. (EO&RP)
- 10-2 Status report for the Inland Feeder Project for the month ending March 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 Report on proposed modifications to the Business Outreach Program. (LC&P)
- 10-4 Report on fiscal year 2000-01 Innovative Conservation Program Applicant Recommendations. (CO&L)
- 10-5 Final Water Surplus and Drought Management Plan Supply/Demand Report for calendar year 2001.

**Revised**

- 10-6 Report on SB 350 (Alpert): Metropolitan Water Districts. (CO&L)

## **11. REPORTS OF SPECIAL COMMITTEES**

Special Committee on Museum Feasibility and Development

## **12. FUTURE AGENDA ITEMS**

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