

**REVISED**

**Adjourned Regular Board Meeting**

**July 10, 2001**

**11:00 a.m. -- Board Room**

Tuesday, July 10, 2001 Meeting Schedule		
9:30 a.m.	Rm. 2-456	CO&L
11:00 a.m.	Board Room	Board Meeting

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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 James H. Blake

**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. Approve Minutes of the Meeting held June 12, 2001. (A copy has been mailed to each Director)  
Any additions, corrections, or omissions
- B. Approve leaves of absence for Directors
  - Betty H. Harris, 75 days commencing June 20, 2001
  - George Wein, 30 days commencing July 7, 2001
  - James H. Blake, 60 days commencing July 15, 2001
  - John T. Morris, 30 days commencing August 16, 2001
- C. Committee appointments. (Exec.)
- D. Chairman's Monthly Activity Report
- E. Report from the Subcommittee on Rate Structure Implementation
- F. Chief Executive Officer'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. Chief Executive Officer's summary of District activities for the month of June. **(Written report to be sent separately)**
- G. General Counsel's summary of Legal Department activities for the month of June. **(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 \$280,000 for design and construction to reroof the Administration Building and Service Building No. 1 at the Robert A. Skinner Filtration Plant. (Appn. 15365) (EO&RP)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination, appropriate \$280,000, and authorize the Chief Executive Officer to have all work performed to reroof the Administration Building and Service Building No. 1 at the Skinner plant.**

- 8-2 Authorize amending the reimbursement agreement with the City of Industry Urban-Development Agency for relocating the Orange County Feeder to cover costs exceeding \$500,000. (EO&RP)

**Recommendation:**

**Adopt the CEQA determination and authorize the Chief Executive Officer to amend the reimbursement agreement with the IUDA to exceed \$500,000 to account for the increased costs in relocating the Orange County Feeder.**

- 8-3 Authorize entering into a 5-year agreement with the California Department of Forestry and Fire Protection, with a yearly amount not to exceed \$600,000, to provide cost-effective weed abatement services. (EO&RP)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and authorize the Chief Executive Officer to enter into a 5-year agreement with the California Department of Forestry and Fire Protection, with a yearly amount not to exceed \$600,000.**

- 8-4 Approve award of two service contracts in the amount of \$1.1 million for hazardous waste management, emergency response and remediation services. (EO&RP)

**Recommendation:**

**Metropolitan's Board retains both firms to provide these specialized professional services on an apportioned geographic basis. This will assure essential services are readily available on a continuous basis to reduce the risk of harm to area residents and the environment, and to insure compliance with applicable statutes and regulations in a timely manner. Consolidated Waste Industries, Inc. will routinely service Metropolitan facilities of the eastern and desert regions, and HazPak, Inc. Environmental Services will routinely service Metropolitan facilities of the western and central regions. Both firms will provide emergency response and remediation services across Metropolitan facilities. These contracts are renewable yearly, based on vendor performance and availability of funds, for a period of time not to exceed three years.**

- 8-5 Authorize payment of contributions to the Six Agency Fund and Colorado River Association - Six Agency Committee. (AB&F)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and authorize the Chief Executive Officer to pay Metropolitan's expected share of the total contribution to the Six Agency Fund, approximately \$424,000 for FY 2001-02. Authorize the Chief Executive Officer to pay Metropolitan's share of the total contribution to the Colorado River Association in the approximate amount of \$13,000 for FY 2001-02.**

- 8-6 Authorize payments for State Water Contractors membership dues, Monterey Amendment litigation, State Water Contractors Bay-Delta Fund, and Bay-Delta Urban Fund. (AB&F)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and authorize the Chief Executive Officer to make payments of \$502,875 for SWC member dues; \$502,875 for Monterey Amendment Litigation; \$150,000 for Bay-Delta Fund; and \$24,000 for Bay-Delta Urban Fund from Metropolitan's FY 2001-02 Operations and Maintenance Fund under the General District Requirement and the Water Resource Management budgets.**

- 8-7 Adopt resolutions to accept \$1.309 million in state grants for three water conservation projects and a groundwater feasibility study. (WPQ&R)

**Recommendation:**

**Option #1:**

**Adopt CEQA determination. Adopt resolutions pertaining to acceptance of \$1.059 million in CALFED funding for three conservation projects and accept \$250,000 in AB 303 funding for a feasibility study of the Upper Chuckwalla Groundwater Storage project. Authorize the Chief Executive Officer to enter into funding contracts and to designate the project directors.**

- 8-8 Grant conditional approval for Annexation No. 74 to Calleguas Municipal Water District and Metropolitan, and adopt resolution of intention to impose water standby charges. (Exec. 6/26)

**Recommendation:**

**Option #1:**

**Adopt CEQA determination and:**

- a. **Grant conditional approval, as defined in the Metropolitan Water District Administrative Code Section 3100(b), for Annexation No. 74, concurrently to Calleguas and Metropolitan; conditioned upon receipt in full of annexation fee of \$60,463.80 to Metropolitan if subject annexation is completed by December 31, 2001, or if completed after said date, at the then current annexation charge rate;**
- b. **Approve Calleguas' proposed Plan for Implementing Water Use Efficiency Guidelines; and**
- c. **Adopt the resolution of intention to impose water standby charges within the proposed annexation territory.**

- 8-9 Adopt final resolutions for annexation and to impose water standby charges for 68<sup>th</sup> Fringe Area to Eastern Municipal Water District and Metropolitan. (Exec. 6/26)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and:**

- a. **Adopt a resolution granting Eastern's request for approval of 68th Fringe Area annexation, concurrently to Metropolitan and Eastern, by establishing Metropolitan's terms and conditions for this annexation; and**
- b. **Adopt a resolution to impose water standby charges at a rate of \$6.94 per acre or per parcel of less than one acre within the proposed annexation.**

- 8-10 Adopt resolution supporting the Business Outreach Program. (LC&P)

**Recommendation:**

**Option #1:**

**Adopt CEQA determination and resolution approving the modified Business Outreach program and policy.**

- 8-11 Approve funding of the Community Partnering Program proposals for fiscal year 2001-02. (CO&L)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and approve funding of the Community Partnering Program, fiscal year 2001-02, for discretionary community activities.**

- 8-13 **Withdrawn**

**(END OF CONSENT CALENDAR)**

## 9. OTHER BOARD ITEMS (Action)

- 9-1 Authorize \$2.425 million for the complete conversion of all pump-motor units to turbine-generators at the Hiram W. Wadsworth Pumping Plant. (Appn. 15360) (EO&RP)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and appropriate \$2.425 million to finance the conversion of eight pump-motor units at DVL to automated turbine generators. Upgrade four previously converted units from manual to automatic operation. Authorize the Chief Executive Officer to amend the consulting agreement with Alstom to a total amount up to \$800,000 for this purpose.**

- 9-2 Authorize entering into (1) a reimbursable agreement of \$3 million per year for 5 years with the Department of Water Resources to provide services for State Water Project operations and maintenance activities; and (2) subcontracts greater than \$250,000 necessary to complete work under the agreement. (EO&RP)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and authorize the Chief Executive Officer to enter into the proposed new reimbursable agreement to provide services to DWR related to SWP O&M activities in a form approved by Metropolitan's General Counsel; and authorize the Chief Executive Officer to enter into subcontracts pursuant to the agreement with DWR.**

- 9-3 Approve Principles of Agreement for a Land Management, Crop Rotation and Water Supply Program with Palo Verde Irrigation District, and appropriate \$500,000 for the preparation of environmental documentation and other preliminary activities for the Program. (Appn. 15368) (WPQ&R)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination, approve the Principles of Agreement for a Land Management, Crop Rotation and Water Supply Program with Palo Verde Irrigation District, and appropriate \$500,000 for the preparation of environmental documentation and other preliminary activities for the Program.**

- 9-4 Report on Dewayne Cargill, et al. v. *Metropolitan*, L.A.S.C. Case No. BC 191881 (consolidated with L.A.S.C. Case Nos. BC 194444 and BS 052318); and authorize amendment of contract with Bergman, Wedner & Dacey to defend Metropolitan in related lawsuits challenging the employment status of temporary workers. (LC&P)  
**[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(a)]**

- 9-5 Authorize the Chief Executive Officer to execute the Third Amendment to the District-Edison 1987 Service and Interchange Agreement. (EO&RP)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and authorize the Chief Executive Officer to execute the Third Amendment. This Amendment will designate three widely recognized and publicized energy indices as the contractual basis for valuing Exchange Energy between Metropolitan and Edison in lieu of the now-defunct PX, as well as provide increased flexibility in Metropolitan's scheduling of economy energy.**

- 9-6 Authorize the Chief Executive Officer to execute two Electric Transmission Service Agreements (TSAs) with the Western Area Power Administration (Western). (EO&RP)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and authorize the Chief Executive Officer to execute both TSAs with the Western Area Power Administration. The TSAs will provide Metropolitan with firm transmission rights from Parker to Gene Substation and, in 2003, from Yuma to Gene Substation. If Metropolitan determines the Yuma market has not developed as anticipated, it would have the opportunity to terminate the Yuma to Gene Substation TSA prior to the contract's effective date of June 1, 2003, so long as Western changes its transmission rate before then.**

- 9-7 Potential Participation in Litigation regarding environmental review of East Bay Municipal Utility District amended contract for Central Valley Project Water. (LC&P)  
**[Conference with Legal Counsel – potential litigation; parties: East Bay Municipal Utility District, United States Bureau of Reclamation and entities with contracts for export of water from the Bay-Delta; to be held in closed session pursuant to Gov. Code § 54956.9 (c); Execution of amended EBMUD-USBR contract for CVP supplies and related environmental documentation]**



- 9-8 Recommend Support and Amend, Assembly Constitutional Amendment 8 (Keeley, D-Boulder Creek), California Water and Land Protection Trust Fund. (CO&L)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and authorize Metropolitan to support Assembly Constitutional Amendment 8 and seek amendment to include the acquisition of water for environmental uses as one of the purposes of the Fund.**

**10. BOARD INFORMATION ITEMS**

- 10-1 Status report for the Inland Feeder Project for the month ending May 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)]**
- 10-2 Issuance of a Request for Proposal to hire an investment management firm(s) to manage the long-term portion of Metropolitan's investment portfolio. (AB&F)
- 10-3 Senate Bill 221 (Kuehl) and Senate Bill 610 (Costa), Legislation Regarding Land Use and Water Supply. (CO&L)

**11. REPORTS OF SPECIAL COMMITTEES**

Special Committee on the Museum and Water Education Center

## **12. PERFORMANCE EVALUATION AND COMPENSATION**

- 12-1 Report from Executive Committee on evaluation rating and compensation for Chief Executive Officer and General Counsel. (Exec. 6/26)  
**[Public employees' performance evaluation; to be heard in closed session pursuant to Gov. Code § 54957]**
- 12-2 Ratify pay-for-performance for Chief Executive Officer and General Counsel.

## **13. FUTURE AGENDA ITEMS**

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### **PUBLIC HEARING**

Comments on the proposed standby charge for Annexation No. 72 to Calleguas Municipal Water District

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## **14. 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.