

Adjourned Regular Board Meeting

August 20, 2001

2:00 p.m. -- Board Room

Monday, August 20, 2001 Meeting Schedule		
8:00 a.m.	Rm. 2-145	EO&RP
9:30 a.m.	Rm. 2-456	AB&F
10:30 a.m.	Board Room	LC&P
11:30 a.m.	Board Room	WPQ&R
1:00 p.m.	Rm. 2-456	CO&L
2:00 p.m.	Board Room	Board Meeting
3:00 p.m.	Rm. 1-102	R&E

MWD Headquarters Building

• 700 N. Alameda Street •

Los Angeles, CA 90012

1. Call to Order

- (a) Invocation: Director Wyatt L. Troxel
- (b) Pledge of Allegiance: Director Harold W. Ball

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 for July 10, 2001. (A copy has been mailed to each Director)
Any additions, corrections, or omissions
- B. Presentation of five-year service pin to Director Judy Abdo, representing City of Santa Monica

- C. Committee appointments. (Exec.)
- D. Chairman's Monthly Activity Report
- E. Report from the Subcommittee on Rate Structure Implementation Workshop
- F. Tax levy for fiscal year 2001/02. (AB&F)
 - F-1 Report on list of certified assessed valuations for fiscal year 2001/02 and tabulation of assessed valuations, percentage participation, and vote entitlement of member public agencies as of August 20, 2001. (Copies distributed—Compare with preceding year—Ordered received and filed, spread on the Minutes, a copy to be sent each Director and to each member public agency) **(To be distributed at meeting)**
 - F-2 Adopt resolution establishing the tax rate for fiscal year 2001/02. **(Roll call vote—two-thirds vote required) (To be distributed at meeting)**
- G. 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 July. **(Written report to be sent separately)**
- H. General Counsel's summary of Legal Department activities for the month of July. **(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)

- 8-2** Authorize funding for three Capital Investment Plan projects from Appn. 15369, the F. E. Weymouth Filtration Plant Improvements Program: (1) \$1.39 million to recoat/reline two washwater tanks; (2) \$206,000 to replace turbidity meters; (3) \$284,000 to perform studies and investigations. (EO&RP)

Recommendation:

Adopt the CEQA determinations, appropriate \$1.88 million, authorize the Chief Executive Officer to have all work performed (studies and turbidity meter replacement), and delegate to the CEO the authority to award contracts for the recoating and relining of washwater tanks and procurement of equipment.

- 8-3** Authorize funding for program planning, studies, preliminary design and preparation of environmental documentation for Capital Investment Plan projects: (1) \$920,000 for four projects in Appn. 15373, Colorado River Aqueduct Conveyance Reliability Program; (2) \$648,000 for four projects in Appn. 15374, Colorado River Aqueduct Pumping Plant Reliability Program. (EO&RP)

Recommendation:

Adopt the CEQA determination; and

- a. Appropriate \$920,000 to finance cost for program planning, studies, preliminary design and preparation of environmental documentation for the four CRA Conveyance Reliability projects as described in the board letter; and**
- b. Appropriate \$648,000 to finance cost for program planning, studies, preliminary design and preparation of environmental documentation for the four CRA Pumping Plant Reliability projects as described in the board letter.**

- 8-4** Authorize entering into professional services agreements with three firms for a total of up to \$500,000 per year for a three-year period to provide fabrication inspection and materials testing services for capital and procurement projects. (EO&RP)

Recommendation:

Option #1:

- a. **Adopt the CEQA determination;**
- b. **Authorize the CEO to enter into separate three-year agreements with Moody, Hunt, and United to provide fabrication inspection, materials testing and non-destructive testing services in accordance with the competitive process under RFP No. 437. The total amount of all three agreements shall not exceed \$500,000 per year. The CEO shall have the authority to amend the contract amounts with each consultant, as needed, provided the total for all three contracts does not exceed \$500,000 per year.**

- 8-5** Delegate authority to award contracts for budgeted replacement of outdated Supervisory Control and Data Acquisition equipment. (EO&RP)

Recommendation:

Option #1:

- a. **Adopt the CEQA determination; and**
- b. **Delegate authority to the Chief Executive Officer to award purchase contracts exceeding \$250,000 for budgeted replacement of outdated SCADA equipment. This option has the lowest overall cost.**

- 8-6** Delegate authority to award a budgeted professional services contract for the Information Technology Strategic Plan. (EO&RP)

Recommendation:

Option #:1

- a. **Adopt the CEQA determination; and**
- b. **Delegate authority to award a professional services contract exceeding \$250,000 for the ITSP. This option provides negotiating leverage to achieve the best pricing and contract terms. It also expedites completion of the ITSP by enabling the CEO to award the contract immediately after negotiations are complete and the contract is finalized.**

- 8-8** Authorize execution of Water Code Section 12562(b) Funding Agreement with the Department of Water Resources; and adopt a resolution for the Hayfield Groundwater Storage Project. (WPQ&R)

Recommendation:

Option #1:

Adopt the CEQA determination, authorize the CEO to execute Water Code Section 12562(b) Funding Agreement with DWR and adopt the resolution in support of the Project.

- 8-9** Appropriate \$1.6 million for the fifth year funding of the Desalination Research and Innovation Partnership for the treatment of brackish water sources (Appn. 15301). (WPQ&R)

Recommendation:

Option #1:

Adopt the CEQA determination and appropriate \$1.6 million for the fifth year funding of the Desalination Research and Innovation Partnership.

- 8-10** Grant conditional approval for Annexation No. 75 to Calleguas Municipal Water District and Metropolitan; and adopt resolution of intention to impose water standby charges. (Exec. 7/24)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Grant conditional approval, as defined in the Metropolitan Water District Administrative Code Section 3100(b), for Annexation No. 75, concurrently to Calleguas and Metropolitan, conditioned upon receipt in full of annexation fee of \$21,697.96 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.**

- 8-11** Adopt resolution creating the Foundation for the Southern California Water Education Center, a 501(c)(3) corporation to support Metropolitan's Water Education Center and Museum; and approve nominees for the foundation's board of directors. (Museum 7/24)

Recommendation:

Option #1:

Adopt the CEQA determination and resolution creating an independent entity to support Metropolitan's Water Education Center and Museum through fundraising and other support functions.

(END OF CONSENT CALENDAR)

9. OTHER BOARD ITEMS (Action)

9-1 Authorize \$1.2 million in extra work orders for the Riverside Badlands Tunnel construction contract of the Inland Feeder Program. (EO&RP) [Conference with legal counsel—potential litigation (one matter); to be heard in closed session pursuant to Gov. Code § 54956.9(b)]

9-2 Authorize funding for four Capital Investment Plan projects from Appn. 15371, the Joseph Jensen Filtration Plant Improvements Program: (1) \$5.2 million for ferric chloride retrofit; (2) \$700,000 to replace washwater return pump motor drives; (3) \$300,000 to repair Module No. 1 traveling bridges; (4) \$100,000 to perform studies and investigations. (EO&RP)

Recommendation:

Adopt the CEQA determinations, appropriate \$6.3 million, authorize the Chief Executive Officer to have all work performed, delegate to the CEO the authority to award contracts for the ferric chloride retrofit, replacing washwater return pump drives, repairing Module No. 1 traveling bridges, and conducting studies and investigations as described in the letter.

9-3 Approve boating rules for Diamond Valley Lake. (EO&RP, WPQ&R)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Approve the boating rules for DVL; and
- b. Authorize the CEO to take all steps necessary or appropriate to implement, monitor and modify, as needed, the boating rules at DVL.

- 9-4** Adopt Interest Rate Swap Resolution providing for the execution and delivery of two interest rate swap agreements in aggregate not to exceed \$200 million. (AB&F) **(Two-thirds vote required)**

Recommendation:

Option #1:

Adopt the CEQA determination and adopt the form of Interest Rate Swap Resolution to approve the execution of a \$200 million notional amount fixed to floating interest rate swap transaction.

- 9-5** Authorize an additional \$4 million to allow Metropolitan's Commercial, Industrial and Institutional Pilot Regional Conservation Program to continue until February 2004. (AB&F)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize:

- a. an additional \$4 million over three years to allow Metropolitan's Pilot program to continue until February 2004.
- b. an increase in the O&M budget of \$1.3 million for FY 2001/02.
- c. the maximum incentive rates listed in Attachment 2 to the letter.

- 9-6** Approve Seawater Desalination Program and Administrative Guidelines. (WPQ&R)

Recommendation:

Option #1:

Adopt the CEQA determination and approve implementation of the Seawater Desalination Program and Administrative Guidelines.

- 9-8** Authorize entering into an agreement with U.S. Bureau of Reclamation and San Diego County Water Authority establishing a funding mechanism and allocating responsibilities for implementation of conservation and mitigation measures for lower Colorado River water transfers. (WPQ&R)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize the Chief Executive Officer to enter into an agreement with Reclamation and SDCWA which establishes a funding mechanism and allocates responsibilities to Reclamation to implement the Environmental Measures described in the letter.

- 9-9** Adopt principles regarding proposed cooperative water management activities with the Kings River Water Association. (WPQ&R)

Recommendation:

Option #:

Adopt the CEQA determination and authorize the CEO to pursue water management activities with the Association based on the principles in Attachment 1 to the letter.

- 9-10** Adopt resolution in support of legislation to assist in implementation of the Quantification Settlement Agreement, California's Colorado River Water Use Plan, and reclamation of the Salton Sea. (CO&L)

Recommendation:

Option #1:

Adopt the CEQA determination and the resolution in support of legislation to assist in implementation of the QSA, California's Colorado River Water Use Plan, and reclamation of the Salton Sea.

- 9-11** Amend Metropolitan Water District Administrative Code revisions regarding new committee structure, contract authority and related cleanup items. (Exec. 7/24, LC&P)

Recommendation:

Option #1:

Adopt the CEQA determination and adopt the proposed revisions to the Metropolitan Water District Administrative Code set forth in Attachment 1 to the letter.

- 9-12** Express support for AB 978, (Steinberg-Sacramento), Native American Graves Protection and Repatriation Act of 2001. (CO&L)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize Metropolitan to support Assembly Bill No. 978.

- 9-13 Status report and request for authorization to settle pending equal employment opportunity complaints. (LC&P)
[Any discussion of potential litigation to be heard in closed session. Conference with legal counsel—significant exposure to litigation (three matters); to be heard in closed session pursuant to Gov. Code § 54956(b)]
- 9-14 Status report and approve amendment of contract for legal services with McCutchen, Doyle, Brown & Enersen, LLP in *San Diego County Water Authority v. Metropolitan Water District, et al.*, San Francisco Superior Court Case No. 320217 (Preferential Rights). (LC&P)
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(a)]
- 9-15 Authorize submittal of an offer to purchase 16,344 acres of land owned by San Diego Gas & Electric Company located in the Palo Verde Valley. (EO&RP)
[Conference with real property negotiators; property as described in Attachment 1 to board letter; agency negotiators: Dennis Underwood and Jeff Kightlinger; negotiating parties: San Diego Gas & Electric Company; under negotiation: price and terms of payment; to be heard in closed session pursuant to Gov. Code § 54956.8]

10. BOARD INFORMATION ITEMS

- 10-1** Status report for the Inland Feeder Project for the month ending June 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** Report on efforts regarding FERC relicensing of the Oroville Facilities. (EO&RP)

11. REPORTS OF SPECIAL COMMITTEES

Special Committee on the Water Education Center and Museum

12. FUTURE AGENDA ITEMS

PUBLIC HEARING

Comments on the proposed standby charge for 71st Fringe Area Annexation to Eastern Municipal Water District

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.