

**REVISED**

**Regular Board Meeting**

**September 11, 2001**

**1:00 p.m. -- Board Room**

<b>Tuesday, September 11, 2001 Meeting Schedule</b>		
9:00 a.m.	Board Room	CALFED Workshop
11:30 a.m.	Rm. 2-456	CO&L
1:00 p.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 Harold W. Ball
- (b) Pledge of Allegiance: Director Timothy F. Brick

**2. Roll Call**

**3. Determination of a Quorum**

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**PUBLIC HEARING**

Comments on the proposed standby charge for Annexation No. 74 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))

## 6. OTHER MATTERS

- A. Approval of the Minutes of the Meetings for August 14 and 20, 2001.  
(Copies have been mailed to each Director)  
Any additions, corrections, or omissions
  
- B. Reappointment of Director Helen Z. Hansen, representing city of Long Beach
  
- Added** B-1 Induction of new Director, Carol Kwan, from West Basin Municipal Water District
  - (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. 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 August. **(Written report to be sent separately)**
  
- G. General Counsel's summary of Legal Department activities for the month of August. **(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 \$600,000 for a Capital Investment Plan project for preliminary design and preparation of environmental documentation to renovate Softener Building No. 3 at the F. E. Weymouth Filtration Plant for office space; and delegate authority to award a contract for architectural and engineering services pursuant to Metropolitan policies and procedures (Appn. 15370). (EO&RP)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and**

- a. **Appropriate \$600,000 and authorize performing preliminary design and preparing any necessary environmental documentation required for the renovation of the existing Softener Building No. 3 at the Weymouth facility; and**
- b. **Authorize the Chief Executive Officer to award a contract for architectural/engineering services in an amount not to exceed \$400,000. The consultant will be selected with a qualifications-based process in accordance with appropriate Metropolitan policy.**

- 8-2 **Withdrawn**

- 8-3 Grant conditional approval for Mountain Cove Annexation to Upper San Gabriel Valley Municipal Water District and Metropolitan; and adopt resolution of intention to impose water standby charges.

**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 Mountain Cove Annexation concurrently to USGV and Metropolitan, conditioned upon receipt in full of annexation fee of \$80,268.84 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 USGV's 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.**

- 8-4 Adopt final resolutions for annexation and to impose water standby charge for Annexation No. 73 to Calleguas Municipal Water District and Metropolitan.

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and**

- a. **Adopt a resolution granting Calleguas' request for approval of Annexation No. 73, concurrently to Metropolitan and Calleguas, by establishing Metropolitan's terms and conditions for this annexation; and**
- b. **Adopt a resolution to impose water standby charges at a rate of \$9.58 per acre or per parcel of less than one acre within Annexation No. 73.**

- 8-5 Adopt final resolutions for annexation and to impose water standby charge for 69<sup>th</sup> Fringe Area Annexation to Eastern Municipal Water District and Metropolitan.

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and**

- a. **Adopt a resolution granting Eastern's request for approval of 69<sup>th</sup> Fringe Area Annexation concurrently to Metropolitan and Eastern, conditioned upon approval by the Local Agency Formation Commission of Riverside County, 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.**

- 8-6 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)
- 8-7 Approve amendment of contract for legal services with Weston, Benshoof, Rochefort, Rubalcava & MacCuish, LLP in *Metropolitan Water District v. San Diego County Water Authority* (Brown Act). (LC&P)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and authorize amendment of the contract with Weston, Benshoof, Rochefort, Rubalcava & MacCuish, LLP to increase the maximum compensation from \$100,000 to \$175,000.**

**(END OF CONSENT CALENDAR)**

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

- 9-1 Authorize funding and delegate authority to award contracts for two Capital Investment Plan Information Technology projects: (1) increase of \$3.353 million to \$6.482 million in Appn. 15282 to replace outdated equipment and leased communications lines; and (2) \$1.334 million in Appn. 15376 to replace outdated data network and radio equipment. (EO&RP)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and**

- a. **Regarding the Digital Microwave Services program, authorize an increase of \$3.353 million for Phase II of the program, to a total of \$6.482 million, and delegate authority to the Chief Executive Officer (CEO) to award contracts over \$250,000 to continue replacement of outdated equipment and leased communications lines with more reliable digital microwave services to "convey" large volumes of voice and data traffic between Metropolitan facilities primarily located in the coastal plain.**
- b. **Regarding the Telecommunication Infrastructure Upgrade program, authorize \$1.334 million and delegate authority to the CEO to award contracts over \$250,000 to purchase equipment to replace outdated data network and radio equipment that "distribute" voice and data traffic when it reaches Metropolitan facilities.**

**This option addresses the needs, saves approximately \$4.1 million when compared to Option #2, and provides more reliable service.**

9-2 Adopt (1) a Master Swap Resolution providing for the execution and delivery of interest rate swaps; (2) a Master Swap Policy; and (3) authorize a swap program appropriation of \$200,000 to pay the costs of issuance associated with interest rate swaps through September 30, 2002 (Appn. 15372). (AB&F) **(To be distributed at meeting)**

9-3 Authorize entering into a construction agreement with U.S. Bureau of Reclamation and Coachella Valley Water District for the Coachella Canal Lining Project. (WPQ&R)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and authorize the Chief Executive Officer to enter into the construction agreement with Reclamation and CVWD for the Project.**

9-4 Authorize entering into an agreement to facilitate a water transfer transaction between Western Water Company and the city of San Diego. (LC&P, WPQ&R)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and authorize the Chief Executive Officer to execute, in a form acceptable to the General Counsel, an agreement to facilitate the transfer of water from Western Water company to the city of San Diego.**

9-5 Authorize amendment to contract for legal services with the law firm of Latham & Watkins to aid in negotiations with the San Manuel Band of Mission Indians and the United States Forest Service re Arrowhead East and West Tunnels of the Inland Feeder Project. (LC&P)  
**[Conference with legal counsel—significant exposure to litigation (one matter); to be heard in closed session pursuant to Gov. Code § 54956.9(b)]**

9-6 Authorize amendment to contract for legal services with the Law Offices of Charles S. LiMandri in *Metropolitan Water District v. Hartford Fire Insurance Company*, United States Central District Court Case No. 99-03825-GHK (Mcs). (LC&P)  
**[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code §§ 54956.9(a) and (b)]**

- Revised**            9-7        Approve boating policy for Diamond Valley Lake and Lake Skinner.  
(EO&RP, WPQ&R)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and**

- a. Approve the boating policy for DVL and Skinner to be effective immediately at DVL and December 31, 2003, at Lake Skinner that allows:**

- 1. Boats powered by humans, sail, or electric motor.**
- 2. Gasoline powered boats provided that:**

**only MTBE-free fuel is used and**

**engines are four-stroke or two-stroke equipped with direct injection and comply with the California Air Resources Control Board (CARB) 2001 or later model year spark-ignition marine engine standard (or federal equivalent).**

- 3. No personal watercraft or other watercraft that result in body contact; and**

- b. Authorize the CEO to take all steps necessary or appropriate to establish, apply, monitor and modify, as needed, boating rules and regulations at DVL and Skinner that implement the approved boating policy.**

- 9-8            Approve rates for previously authorized emergency water service for Tijuana, Mexico. (WPQ&R)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and set the charges to be obtained for emergency deliveries for Tijuana at a rate of \$230, plus the greater of \$90 per acre-foot or the average cost of supplemental energy purchased for the month that the water was delivered (\$/megawatt hour) multiplied by 2.38 through June 30, 2002.**

- Added**            9-9        Oral report on settlement discussion regarding *Metropolitan Water District and Atkinson-Washington-Zachry v. Hartford Fire Insurance Company*, U.S. District Court Case No. CV 00-10536-GHK (Mcx) and *Metropolitan Water District v. Hartford Fire Insurance Company*, U.S. District Court Case No. 99-03825-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)]**

## 10. BOARD INFORMATION ITEMS

- 10-1 Status report for the Inland Feeder Project for the month ending July 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 Status report on Senate Bill 221 (Kuehl) and Senate Bill 610 (Costa), Legislation regarding Land Use and Water Supply. (CO&L) **(To be distributed at meeting)**

## 11. REPORTS OF SPECIAL COMMITTEES

Special Committee on the Water Education Center and Museum

## 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.