

**Regular Board Meeting**

**February 12, 2002**

**10:00 a.m. -- Board Room**

<b>Tuesday, February 12, 2002 Meeting Schedule</b>		
7:30-8:00 a.m.	Rm. 2-413	Dirs. Computer Training
8:00 a.m.	Rm. 2-145	Audit
8:30 a.m.	Rm. 2-456	CO&L
10:00 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: (Guest)
- (b) Pledge of Allegiance: Director Glenn A. Brown

**2. Roll Call**

**3. Determination of a Quorum**

**4. 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))**

**5. OTHER MATTERS**

- A. Approval of the Minutes of the Meeting for January 8, 2002. (A copy has been mailed to each Director)  
Any additions, corrections, or omissions
- B. Presentation of five-year service pin to Director Henry S. Barbosa, representing Three Valleys Municipal Water District
- C. Committee appointments. (Exec.)
- D. Confirm appointment of the General Auditor and approval of terms of employment

- E. Confirm the appointment of Charisse L. Anderson as Ethics Officer and approval of terms of employment
- F. Consideration of pay-for-performance for General Counsel. (LC&P)  
**[Evaluation of the performance of the General Counsel may be heard in closed session pursuant to Gov. Code § 54957]**
- G. Consideration of filling the General Counsel position. (LC&P)  
**[Public employment—General Counsel: discussion on selection of person to fill vacancy in position of General Counsel; to be heard in closed session pursuant to Gov. Code § 54957]**
- H. Chairman's Monthly Activity Report

## **6. DEPARTMENT HEADS' REPORTS**

- A. Chief Executive Officer's Reports:
  - i. Oral report on Colorado River matters. (LC&P)
  - ii. Oral report on Bay-Delta and State Water Project matters. (LC&P, WPQ&R)
  - iii. Chief Executive Officer's summary of Metropolitan's activities for the month of January. **(Written report to be sent separately)**
- B. General Counsel's summary of Legal Department activities for the month of January. **(Written report to be sent separately)**

## **7. ORAL REPORTS OF STANDING COMMITTEES**

- 7-1 Executive Committee (Phillip J. Pace, Chair)
- 7-2 Asset, Real Estate and Infrastructure Policy (Glen D. Peterson, Chair)
- 7-3 Budget, Finance and Investment (Jorge G. Castro, Chair)
- 7-4 Communications, Outreach and Legislation (Henry S. Barbosa, Chair)
- 7-5 Engineering and Operations (Marion V. Ashley, Chair)
- 7-6 Legal, Claims and Personnel (Langdon W. Owen, Chair)
- 7-7 Water Planning, Quality and Resources (Gary A. Morse, Chair)

## 8. CONSENT CALENDAR ITEMS (Action)

- 8-1** Authorize \$208,000 for a Capital Investment Plan project for final design and construction of a road crossing to restore access to the Yorba Linda Feeder Portal Structure (Approp. 15377). (E&O)

**Recommendation:**

**Adopt the CEQA determination and authorize \$208,000 for final design and construction of a road crossing to restore access to the Yorba Linda Feeder Portal Structure.**

- 8-2** Authorize \$820,000 for design and construction and delegate authority to award a construction contract for the Entry Court Improvement Project at the F. E. Weymouth Filtration Plant (Approp. 15336). (E&O)

**Recommendation:**

**Adopt the CEQA determination and**

- a. Increase the appropriation by \$820,000 from \$1,948,000 to a total of \$2,768,000.**
- b. Delegate to the Chief Executive Officer the authority to award a competitively bid construction contract in an amount not to exceed \$2,000,000 for the revised Entry Court Improvement Project at the F. E. Weymouth Filtration Plant.**

- 8-3** Authorize \$660,000 for the Distribution System Dispenser Spill Containment and Remediation Program (Approp. 15386). (E&O)

**Recommendation:**

**Adopt the CEQA determination and**

- a. Appropriate \$660,000.**
- b. Authorize the Chief Executive Officer to have the following work performed for the Distribution System Dispenser Spill Containment and Remediation Program:**
  - 1. Performance of all design work and award of a competitively bid contract exceeding \$250,000 for the UST repairs and upgrades at the Skinner plant.**
  - 2. Performance of all work in advance of award of competitively bid contracts for the remaining UST repairs and upgrades.**

- 8-4** Authorize \$760,000 for final design and all activities in advance of an award of a construction contract for a Capital Investment Plan project within the Henry J. Mills Filtration Plant Improvements Program (Approp. 15381). (E&O)

**Recommendation:**

**Adopt the CEQA determination and**

- a. Appropriate \$760,000.**
- b. Authorize the Chief Executive Officer to perform all activities in advance of an award of a construction contract to support the process upgrades at the Mills plant.**

- 8-5** Approve initial trail system and authorize \$1 million for trail development at Diamond Valley Lake (Approp. 15387). (E&O)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and**

- a. Approve an initial trail system at DVL and Lake Skinner providing 28 to 32 miles of multi-use trails, including a loop trail around DVL.**
- b. Appropriate \$1 million in non-budgeted funds for planning, designing and implementing the early phases of the trails program.**
- c. Delegate to the CEO the authority to award contracts exceeding \$250,000, but not to exceed \$500,000 for planning, designing and implementing the early phases of the trails program.**

- 8-6** Adopt resolutions to support applications for Proposition 13 grants for groundwater storage construction projects. (WPQ&R)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and resolutions to support Metropolitan's grant applications.**

- 8-7** Approve Amendment No. 1 to Agreement No. 40443 for an additional \$900,000 for aquifer characterization for the Hayfield Groundwater Storage Project. (WPQ&R)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and authorize the CEO to amend Agreement No. 40443 for an additional \$900,000 for aquifer characterization for the Hayfield Groundwater Storage and Dry-Year Supply Program.**

- 8-8** Grant conditional approval for Annexation No. 77 to Calleguas Municipal Water District and Metropolitan; and adopt resolution of intention to impose water standby charge. (Exec. 1/15/02)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and**

- a. **Grant conditional approval for Annexation No. 77, concurrently to Calleguas and Metropolitan, conditioned upon receipt in full of annexation fee of \$174,505.40 to Metropolitan if completed by December 31, 2002, or if completed later, 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 charge within the proposed annexation territory, substantially in the form attached to the letter.**

**(END OF CONSENT CALENDAR)**

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

- 9-2** Authorize CEO to enter into a contract with J. F. Shea Construction, Inc. and Kenny Construction Company, A Joint Venture, for construction of the Arrowhead Tunnels of the Inland Feeder Program in an amount not to exceed \$242.3 million (Approp. 15122). (E&O)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and authorize the CEO to enter into a contract with J. F. Shea Construction, Inc. and Kenny Construction Company, A Joint Venture, for construction of the Arrowhead Tunnels in an amount not to exceed \$242.3 million.**

- 9-3** Authorize \$5.429 million to implement security system improvements at all Metropolitan facilities (Approp. 15295). (E&O)  
**[Conference with an Officer representing the Los Angeles County Sheriff's Department and/or the Los Angeles Police Department regarding threat to public services or facilities; to be heard in closed session pursuant to Gov. Code § 54957]**

**Recommendation:**

**Option #1:**

**Adopt the CEQA determinations for all projects described in the letter and**

- a. Appropriate an increase of \$5.429 million to a total of \$6.429 million;**
- b. Authorize the Chief Executive Officer to have all work performed; and**
- c. Delegate to the Chief Executive Officer the authority to award competitively bid contracts in an amount not to exceed \$2 million per contract.**

**9-4** Implementation of long-term investment management. (BF&I)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and**

- a. Approve the hiring of investment managers as recommended; and**
- b. Authorize the Chief Executive Officer and Chief Financial Officer to negotiate contracts with Merganser Capital Management, Reams Asset Management and SEB Asset Management.**

**9-5** Authorize entering into a one-year Environmental Water Account demand shifting agreement with California Department of Water Resources. (WPQ&R)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and authorize the CEO to amend the EWA Demand Shifting Agreement with DWR consistent with terms in Attachment 1 to the letter, and in form approved by the General Counsel.**

**9-6** Approve grant agreement with the Foundation for the Southern California Water Education Center for \$2 million. (ARE&IP)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and approve transfer of funds to the Foundation for the Southern California Water Education Center.**

- 9-7** Support March 2002 Ballot Proposition 40: "California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002". (CO&L)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and support Proposition 40.**

- 9-8** Hearing on adoption of resolution of necessity directing the General Counsel to condemn property required for the Inland Feeder Project in San Bernardino County, California, identified by San Bernardino County Assessor's Parcel No. 270-111-03, Metropolitan's right-of-way Parcel No. INFED1-30-150PEA3, and owner's name: Campus Crusade for Christ, Inc. **(Two-thirds vote required)**

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and a resolution of necessity directing the General Counsel to condemn Metropolitan Parcel No. INFED1-30-150PEA3.**

- 9-9 Status report on *Metropolitan Water District v. Superior Court (Cargill)*, Supreme Court Case No. S10237, and request for authorization to settle pending grievance. (LC&P) **(To be mailed separately)**  
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(a)]

## **10. BOARD INFORMATION ITEMS**

- 10-1** Status report for the Inland Feeder Program for the month ending December 2001. (E&O)  
[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)]

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

## **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. (E&O, BF&I). Committee agendas may be obtained from the Executive Secretary.