

**Adjourned Regular Board Meeting**

**August 20, 2002**

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

<b>Tuesday, August 20, 2002 Meeting Schedule</b>		
8-8:30 a.m.	Rm. 2-413	Dirs. Computer Training
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 Carol W. Kwan

**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 Meetings for June 24 and July 9, 2002.  
(Copies have been mailed to each Director)  
Any additions, corrections, or omissions
- B. Induction of new Director, Deborah Dentler, from City of Los Angeles
  - (a) Receive credentials
  - (b) Report on credentials by General Counsel
  - (c) File credentials
  - (d) Administer Oath of Office
  - (e) File Oath
- C. Presentation of five-year service pin to Director Helen Z. Hansen, representing the City of Long Beach

- D. Committee appointments. (Exec.)
- E. Chairman's Monthly Activity Report
- F. Tax levy for fiscal year 2002/03. (BF&I)
  - F-1 Report on list of certified assessed valuations for fiscal year 2002/03 and tabulation of assessed valuations, percentage participation, and vote entitlement of member public agencies as of August 20, 2002. (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 2002/03. **(Roll call vote—two-thirds vote required) (To be distributed at meeting)**
- G. Consideration of Administrative Code Section 2201 regarding term limits for Board Chairman

## 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 July. **(Written report to be sent separately)**
- B. General Counsel's summary of Legal Department activities for the month of July. **(Written report to be sent separately)**
- C. General Auditor's summary of activities for the month of July
- D. Ethics Officer's summary of activities for the month of July

## 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 (Anthony R. Fellow, 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** Approve the proposed modifications to the Diemer Plant Improvements Program and authorize \$760,000 for Phase 2 final design of the Diemer Filtration Plant-Construct Sedimentation Basins Spillways Program (Approp. 15331). (E&O)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and**

- a. Approve the proposed modifications to the Improvements Program; and**
- b. Authorize funds and all work up to award of a competitively bid contract for Phase 2 of the Diemer Filtration Plant-Construct Sedimentation Basins Spillways Program.**

- 8-2** Authorize execution of the Fourth Amendment to the District-Edison 1987 Service and Interchange Agreement. (E&O)

**Recommendation:**

**Option #1:**

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

- 8-4** Approve amendments to Metropolitan's Administrative Code provisions relating to savings plans and deferred compensation plan. (BF&I)

**Recommendation:**

**Adopt the CEQA determination and approve the amendments to the plans as required by law.**

- 8-5** Authorize two conservation programs and new items to receive incentives under the Conservation Credits Program. (WPQ&R)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and authorize:**

- a. an incentive of \$2,000 per unit for retrofit installation of an x-ray film processing recycling unit for hospital-scale applications.
- b. an incentive of \$100 per unit for the purchase of a pressurized water broom for CII customers.
- c. an incentive of \$65 per unit for the retrofit installation of evapotranspiration controllers in residential landscapes.
- d. an incentive of \$80 per unit for the retrofit installation of dual-flush toilets in CII and residential dwellings.
- e. the Innovative Conservation Program on a biennial basis with a proposed cost of \$250,000 per program.
- f. the Hotel/Motel Restaurant Customer Education Card Program with a proposed annual cost of up to \$75,000.

**(END OF CONSENT CALENDAR)**

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

- 9-1** Approve boating rules and regulations for Diamond Valley Lake and Lake Skinner. (DVR 8/8)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and approve the boating rules and regulations for DVL and Lake skinner.**

- 9-2** Adopt (1) Second Supplemental Resolution to Resolution 8386 relating to the issuance of Waterworks General Obligation Refunding Bonds; and (2) authorize Appropriation No. 15396 in the amount of \$300,000 to pay the costs of issuance. (BF&I) **(Two-thirds vote required)**

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and**

- a. **Adopt the Second Supplemental Resolution to Resolution 8386 to negotiate the sale of Waterworks General Obligation Refunding Bonds. The supplemental resolution will expire on August 31, 2003;**
- b. **Approve General Fund Appropriation No. 15396 against which to charge expenses associated with the sale of bonds; and**
- c. **Authorize the Chief Executive Officer to effect such reimbursement to the extent permitted under federal laws and regulations in accordance with instructions from bond counsel.**

- 9-3 Amend contract in the amount of \$60,000 with the law firm of Kane, Ballmer & Berkman for legal services and report on *Diamond Valley Recreation Group, LLC. v. Metropolitan Water District, et al.*, Riverside County Superior Court Case No. RIC 377291. (LC&P)  
**[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(a)]**
- 9-4 Approve amendment to professional services contract with the law firm of Duncan, Weinberg, Genzer & Pembroke in the amount of \$250,000 for electric industry restructuring legal services and other energy related matters. (LC&P)  
**[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(a)]**
- 9-5 Approve amendment to contracts for legal services with the Law Office of Charles S. LiMandri by \$350,000, and Gibbs, Giden, Locher & Turner by \$90,000 in *Metropolitan Water District v. Hartford Fire Insurance Co.*, U.S.D.C. Case No. CV 00-105360-GHK (Mcx). (LC&P)  
**[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(a)]**
- 9-6 Report on mediation regarding the *Planning and Conservation League, et al. v. Department of Water Resources, et al.*, Sacramento County Superior Court Case No. 95CS03216. (LC&P) **(To be distributed at meeting)**  
**[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 activities through June 2002. (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)]
- 10-2** Status report on the preliminary design, right of way acquisition, and member agency coordination for the San Diego Pipeline No. 6 project. (E&O, WPQ&R)  
[Any discussion regarding real property negotiations may be required to be heard in closed session pursuant to Gov. Code § 54956.8]

## 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.