

REVISED

Regular Board Meeting

September 10, 2002

10:00 a.m. -- Board Room

Tuesday, September 10, 2002 Meeting Schedule		
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

MWD Headquarters Building • 700 N. Alameda Street • Los Angeles, CA 90012

1. Call to Order

- (a) Invocation: Larry Rosen, President & CEO, YMCA of Metropolitan Los Angeles
- (b) Pledge of Allegiance: Chief Greg Gibson, Los Angeles City Fire Department

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 August 13 and 20, 2002. (Copies have been mailed to each Director)
Any additions, corrections, or omissions
- B. Committee appointments. (Exec.)
- C. Authorize preparation of Commendatory Resolutions for former Directors Peer A. Swan and George Wein. (Exec.)
- D. Approve 30-day leave of absence for Director Helen Z. Hansen, commencing October 4, 2002
- E. 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 August. **(Written report to be sent separately)**
- B. General Counsel's summary of Legal Department activities for the month of August. **(Written report to be sent separately)**
- C. General Auditor's summary of activities for the month of August
- D. Ethics Officer's summary of activities for the month of August

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 Authorize \$300,000 for final design for the F. E. Weymouth – Renovation of the Softener Building Program (Approp. 15370). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination for the project described herein, appropriate \$300,000 in CIP budgeted funds, and authorize all work performed in advance of the award of a competitively bid contract for the renovation of the existing Softener Building No. 3 at Weymouth.

- 8-2 Authorize \$8.64 million to fund seven Capital Investment Plan projects for the Distribution System Rehabilitation Program (Approp. 15377). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination for all seven projects and appropriate \$8.64 million so that Metropolitan forces can implement the following projects:

- **\$6.63 million of budgeted funds to repair and upgrade the 5.5-mile leased portion of the West Valley Feeder No. 1 valve structures.**
- **\$0.5 million of budgeted funds to replace valves on the Santiago Lateral.**
- **\$0.41 million of budgeted funds to replace valves at the Covina Pressure Control Structure.**
- **\$0.19 million of budgeted funds to replace valves at the Greg Avenue Control Structure.**
- **\$0.424 million of budgeted funds to perform flow meter modifications at three Metropolitan facilities.**
- **\$0.376 million of unbudgeted funds to replace needle valve operators at the Etiwanda Hydroelectric Plant.**
- **\$0.109 million of budgeted funds to perform design activities and prepare environmental documentation necessary to recoat the Sepulveda canyon Control Facility tanks.**

- 8-3 Authorize \$196,000 to replace the heating, ventilating and air conditioning system serving the Henry J. Mills Filtration Plant Administration Building (Approp. 15381). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination for the project described herein:

- a. **Appropriate \$196,000 in budgeted CIP funds; and**
- b. **Authorize the Chief Executive Officer to have all work performed to replace the Mills plant Administration Building HVAC system.**

- 8-4 Amend an existing agreement with United States Forest Service for reimbursement of staff support on the Arrowhead Tunnels by increasing the maximum compensation from \$1.8 million to \$3.0 million. (E&O)

Recommendation:

Adopt the CEQA determination and amend the agreement with the USFS for reimbursable staff time on the Arrowhead Tunnels portion of the Inland Feeder Program to an amount not to exceed \$3.0 million.

- 8-5 Authorize \$20.5 million in budgeted CIP funds to implement Phase 1 of the Water System Control Master Plan (Approps. 15397, 15398 and 15399). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize funds in the amount of \$11.0 million for the Control System Enhancement Program (Approp. 15398), \$8.10 million for the Distribution System Control and Equipment Upgrade Program (Approp. 15398) and \$1.40 million for the Treatment Plants Control and Equipment Upgrade Program (Approp. 15399).

- 8-6 Authorize \$472,000 and award contract(s) to upgrade the PeopleSoft Human Resources/Payroll System (Approp. 15378). (ARE&IP)

Recommendation:

Option #1:

Adopt the CEQA determination and
a. Appropriate \$472,000; and
b. Award contract(s) to upgrade PeopleSoft.

- 8-7 Approve agreement with the Bureau of Reclamation and Imperial Irrigation District to advance funds to initiate preliminary work necessary for the All American Canal Lining Project, not to exceed \$450,000. (WPQ&R)

Recommendation:

Option #1:

Adopt the CEQA determination and approve the Advance Funding Agreement among Metropolitan, the Bureau of Reclamation and the Imperial Irrigation District.

- 8-8 Approve amendment to contract for legal services with Harkins Cunningham by \$500,000 and report on Colorado River negotiations. (LC&P)

[Conference with real property negotiators; property is Colorado River water rights; agency negotiators: Dennis Underwood and Jeffrey Kightlinger; negotiating parties: U.S. Department of the Interior, State of California, Imperial Irrigation District, Coachella Valley Water District and San Diego County Water Authority; under negotiation: price and terms of agreement; to be heard in closed session pursuant to Gov. Code § 54956.8]

Recommendation:

Option #1:

Adopt the CEQA determination and authorize the amendment of the contract with the law firm of Harkins Cunningham to increase the maximum compensation by \$500,000 to complete negotiations of the QSA and related documents for the California 4.4 Plan.

- 8-9 Authorize \$80.1 million for the Jensen and Mills Oxidation Retrofit Program and award a \$69,729,000 construction contract to Kiewit Pacific Company for the construction of oxygen/ozone facilities at the Joseph Jensen Filtration Plant (Approp. 15173). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Appropriate \$80,1 million in budgeted and unbudgeted CIP funds.**
- b. **Award a competitively bid contract in the amount of \$69,729,000 for the construction of oxygen/ozone facilities as part of the Jensen plant ORP.**

- 8-10 Approve an implementation plan for the San Diego Pipeline 6 project. (E&O, WPQ&R)

- 8-11 Amend Administrative Code to add standardized guidelines for consideration of a waiver under the "Revolving Door" Policy. (Exec. 8/27)

Recommendation:

Option #1:

Adopt the CEQA determination and approve the proposed standardized guidelines for consideration of a waiver and amendment to the Metropolitan Water District Administrative Code § 7305.

(END OF CONSENT CALENDAR)

9. OTHER BOARD ITEMS – ACTION

- 9-1 Approve annual authorization for purchase or tender of Metropolitan's bonds in the secondary market and adopt Supplemental Resolution. (BF&I) **(Two-thirds vote required)**

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Authorize the Chief Executive Officer to use up to \$75 million of unrestricted funds in an amount not to exceed \$75 million to purchase discounted Metropolitan bonds in the secondary market; and**
- b. **Adopt the form of Supplemental Resolution of the Master Revenue Bond Resolution authorizing the issuance of variable rate bonds to be used to purchase outstanding bonds with a formal bond tender program. These authorizations will expire on September 30, 2003.**

- Added** 9-2 Report on contract negotiations with Cadiz Inc. and amend agreement for legal services with the law firm of Riordan & McKinzie to increase amount payable by \$75,000. (LC&P)
[Conference with real property negotiators; property is real property and related groundwater rights located in the Cadiz and Fenner Valleys, San Bernardino County; agency negotiator: Jeffrey Kightlinger; negotiating party: Cadiz Inc.; under negotiation: price and terms of agreement; to be heard in closed session pursuant to Gov. Code § 54956.8]

10. BOARD INFORMATION ITEMS

- 10-1 Status report for the Inland Feeder Program for activities through July 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 Seawater Desalination Program Update. (WPQ&R)

11. REPORTS OF SPECIAL COMMITTEES

12. DEPARTMENT HEADS' EVALUATION PROCESS

12-1 Approve Department Heads' Evaluation Process. (Exec. 8/27)

Recommendation:

Adopt the CEQA determination and approve the Committee recommendation that the Board no longer use the existing formal process to evaluate Department Heads. The Committee recommends a revised process with respective committee chairs leading the evaluation and submitting a recommendation to the Executive Committee for final consideration and approval by the Board.

13. FUTURE AGENDA ITEMS

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