

Adjourned Regular Board Meeting

November 19, 2002

10:00 a.m. -- Board Room

Tuesday, November 19, 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: (Guest)
- (b) Pledge of Allegiance: Director Deborah Dentler

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 October 8 and 22, 2002.
(Copies have been mailed to each Director)
Any additions, corrections, or omissions
- B. Presentation of Commendatory Resolution to former Director George Wein
- C. Committee appointments. (Exec.)
- D. 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 October. **(Written report to be sent separately)**
- B. General Counsel's summary of Legal Department activities for the month of October. **(Written report to be sent separately)**
- C. General Auditor's summary of activities for the month of October
- D. Ethics Officer's summary of activities for the month of October

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 negotiation and execution of bilateral contracts with California investor-owned utilities for sale of power from Metropolitan's small hydroelectric plants and interruptible load from certain Colorado River Aqueduct pumping plants pursuant to California Public Utilities Commission procurement process. (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Authorize the Chief Executive Officer to negotiate and execute new bilateral agreements, in form approved by the General Counsel, with a maximum term of five years for the sale of capacity and energy from some of Metropolitan's small hydroelectric generation plants pursuant to the CPUC procurement process described in the letter; and**
- b. **Authorize the Chief Executive Officer to negotiate and execute new bilateral contracts, in form approved by the General Counsel, with a maximum term of five years for load sheds from Hinds pumping plant and possibly supplemental load sheds from the Gene and Intake pumping plants.**

- 8-2** Authorize increases in appropriations of \$200,000 to pay the costs associated with the sale of water revenue bonds, general obligation bonds and interest rate swaps through June 30, 2003 (Approps. 15396 and 15372). (BF&I)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Approve an increase in Appropriation No. 15396 in the amount of \$65,000 against which to charge expenses associated with the issuance of debt;**
- b. **Approve an increase in Appropriation No. 15372 in the amount of \$135,000 against which to charge expenses associated with the issuance of debt and interest rate swaps; 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.**

- 8-3** Adopt resolution providing for changes in Metropolitan's contributions to medical plans maintained by Public Employees' Retirement System for the calendar year 2003. (LC&P)

Recommendation:

Adopt the CEQA determination and in accordance with the negotiated labor agreements with Metropolitan's four bargaining units, adopt the resolution increasing Metropolitan's contributions to the medical plans maintained by PERS for employees and annuitants in classifications represented by these units, said changes to be effective January 1, 2003 through December 31, 2003.

- 8-4** Authorize entering into an agreement for acquisition of land in an amount not to exceed \$600,000 to offset impacts to endangered species caused by Inland Feeder construction. (ARE&IP)

Recommendation:

Adopt the CEQA determination and authorize the CEO to enter into an agreement in an amount not to exceed \$600,000 to acquire ten acres of off-site mitigation lands for the Inland Feeder Project in compliance with the requirements of the amended biological opinion issued by the Fish and Wildlife Service.

- 8-5** Authorize \$200,000 for design of site grading for the Southern California Water Education Center and Western Center at the Diamond Valley Lake East Recreation Area (Approp. 15334). (DVR 10/22)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Appropriate \$200,000; and**
- b. Authorize all work in advance of award of a construction contract for site grading at the Southern California Water Education Center and Western Center.**

- 8-6** Appropriate \$1.7 million and authorize entering into agreement(s), not to exceed \$1.4 million, to provide consulting design services for infrastructure at the Diamond Valley Lake East Recreation Area (Approp. 15334). (DVR 10/22)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Authorize an increase in Appropriation No. 15334 by \$1.7 million to a total of \$15.5 million and authorize all work in advance of award of a construction contract for supporting infrastructure at the DVL East Recreation Area; and**
- b. Authorize the CEO to enter into agreement(s) for design services with the selected respondents(s) in an amount not to exceed \$1.4 million.**

- 8-7** Grant conditional approval for Calleguas Annexation No. 79 to Calleguas Municipal Water District and Metropolitan; and adopt resolution of intention to impose water standby charge. (Exec. 10/22)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Grant conditional approval for Annexation No. 79, concurrently to Calleguas and Metropolitan, conditioned upon receipt in full of annexation fee of \$168,104.40 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 of Attachment 3 to the letter.

- 8-8** Adopt final resolutions for Annexation No. 80 to Calleguas Municipal Water District and Metropolitan and to impose water standby charge; and authorize entering into an agreement with Calleguas for installment payments. (Exec. 10/22)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Adopt a resolution granting Calleguas' request for approval of Annexation No. 80, concurrently to Metropolitan and Calleguas, conditioned upon approval by the Ventura Local Agency Formation Commission, and establishing Metropolitan's terms and conditions for this annexation;
- b. Adopt a resolution to impose water standby charge at a rate of \$9.38 per acre or per parcel of less than one acre within the proposed annexation; and
- c. Authorize the CEO to enter into an agreement with Calleguas to pay a portion of the annexation fee through installments in accordance with Metropolitan's Administrative Code Section 3106(b) and(c) and in form approved by General Counsel.

(END OF CONSENT CALENDAR)

9. OTHER BOARD ITEMS – ACTION

- 9-1** Appropriate \$18.14 million for final design and enter into professional services agreements for the Hayfield Groundwater Storage Program (Approp. 15402). (E&O)

Recommendation:

Option #1:

Proceed with design of Phase 1 facilities for the Hayfield Groundwater Storage Project on an accelerated schedule with an on-line date of 2004.

Adopt the CEQA determination and

- a. Appropriate \$18.14 million in budgeted CIP funds;**
- b. Authorize amending Agreement No. 40443 for an additional \$2.5 million for additional aquifer characterization;**
- c. Authorize completion of design, preparation of construction bid documents, and performance of all other work in advance of award of competitively bid contracts for Phase 1 facilities and completion of design for the entire Hayfield Groundwater Storage Project; and**
- d. Delegate to the CEO the authority to enter into professional service agreements for hydrogeology and groundwater modeling for Phase 1 facilities; design of Phase 1 wells; design of equipping of Phase 1 wells; and design of conveyance facilities and appurtenant structures in amounts not to exceed \$800,000, \$400,000, \$5,000,000, and \$3.5 million, respectively.**

- 9-2** Award a construction contract in the amount of \$2.229 million to J.R. Pipeline Co., Inc. for the North Rim adit liner at Diamond Valley Lake. (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and award a fixed price construction contract in the amount of \$2.229 million to J.R. Pipeline Co., Inc. for the construction of the North Rim adit lining. Improvement would address access and worker safety concerns. Improved access would facilitate timeliness of monitoring and response capabilities for performing additional seepage control measures should they be required.

- 9-3** Authorize entering into an agreement with Kern Delta Water District for a water management program establishing the coordination of resources and facilities to improve water supply reliability and water quality. (WPQ&R)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize the CEO to enter into a Program agreement with Kern Delta based on the contractual principles of the letter, all in form approved by the General Counsel.

- 9-4** Approve principles for entering into one-year water transfer option agreements with various Sacramento Valley water districts. (WPQ&R)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize pursuit of up to 205,000 AF of one-year water transfer option agreements with various Districts, based on the principles in Attachment 1 to the letter.

- 9-5** Authorize \$2.374 million for a region-wide public outreach program to seek water use efficiency for summer 2003 and beyond. (CO&L)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize the expenditure of \$2.374 million for a public outreach campaign aimed at reducing water use in Metropolitan's service area in summer 2003 and beyond.

- 9-6** Amend Administrative Code "Revolving Door" provision. (Rules, Exec. 10/22)

Recommendation:

Option #1:

Adopt the CEQA determination and amend the Administrative Code as shown in Attachment 1 to the letter.

- 9-7 Authorize amendment to agreement with Flavell, Tennenbaum & Edwards to increase by \$75,000 the maximum amount to be paid for appraisal services and litigation support in the eminent domain action for the Inland Feeder Project entitled *Metropolitan Water District of Southern California v. Campus Crusade for Christ*, San Bernardino Superior Court Case No. SCV 34598. (LC&P)
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(a)]
- 9-8 Approve amendment to contracts for litigation support and expert witness services with Geoscience Support Services by \$50,000 in *Metropolitan Water District v. Hartford Fire Insurance Co.*, U.S.D.C. Case No. CV00-105350-GHK (Mxc). (LC&P)
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(a)]
- 9-9 Approve Memorandum of Understanding between The Metropolitan Water District of Southern California and the Management and Professional Employees Association/AFSCME Chapter 1001. (LC&P) **(To be mailed separately)**
[Any conference with labor negotiators will be heard in closed session pursuant to Gov. Code § 54957.6. Agency representatives: Joseph E. Tait, Henry Torres, and Don Becker. Employee organization: The Management and Professional Employees Association]

10. BOARD INFORMATION ITEMS

- 10-1 Status report for the Inland Feeder Program for activities through September 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 Water supply update. (WPQ&R)

11. REPORTS OF SPECIAL COMMITTEES

12. PERFORMANCE EVALUATION AND COMPENSATION

- 12-1** General Counsel Evaluation Compensation and Recommendation. (Exec. 10/22)

Recommendation:

Approve as recommended by the Executive Committee.

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.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.