

**REVISION 2**

**Regular Board Meeting**

**April 8, 2003**

**12:00 p.m. -- Board Room**

<b>Tuesday, April 8, 2003 Meeting Schedule</b>		
7:30-8 a.m.	Rm. 2-413	Dirs. Computer Training
8:00 a.m.*	Rm. 2-145	ARE&IP
9:45 a.m.*	Rm. 2-456	CO&L
12:00 p.m.*	Board Room	Board Meeting

\*Meetings will begin at the posted time, or upon the conclusion of the preceding meeting if the preceding meeting exceeds its scheduled time period.

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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: Marion Mackenzie-Pyle, Principal Public Affairs Representative
- (b) Pledge of Allegiance: Director James F. Turner

**2. Roll Call**

**3. Determination of a Quorum**

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**PUBLIC HEARING**

Comments on the proposed standby charge for Calleguas Annexation No. 81 to Calleguas Municipal Water District

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**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 March 11, 2003. (A copy has been mailed to each Director)  
Any additions, corrections, or omissions
- B. Induction of new Director, Kenneth M. Orduna, from City of Compton
  - (a) Receive credentials
  - (b) Report on credentials by General Counsel
  - (c) File credentials
  - (d) Administer Oath of Office
  - (e) File Oath
- C. Authorize thirty-day leave of absence for Director John W. Morris, commencing March 21, 2003
- D. Authorize preparation of Commendatory Resolutions for former Directors Marion V. Ashley and Harold W. Ball. (Exec. 3/25)
- E. Committee assignments. (Exec.)
- F. Chairman's Monthly Activity Report

## 6. DEPARTMENT HEADS' REPORTS

- A. Chief Executive Officer's Reports:

*Revised*

- i. Oral report on Colorado River matters.  
**[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]**
  - B. 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 March
- B. General Counsel's summary of Legal Department activities for the month of March

- C. General Auditor's summary of activities for the month of March
- D. Ethics Officer's summary of activities for the month of March

## 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 (George I. Loveland, Chair)
- 7-5 Engineering and Operations (David D. De Jesus, Chair)
- 7-6 Legal, Claims and Personnel (Gary A. Morse, Chair)
- 7-7 Water Planning, Quality and Resources (Langdon W. Owen, Chair)

## 8. CONSENT CALENDAR ITEMS — ACTION

- 8-1** Appropriate \$843,015 to reimburse costs for protection of Metropolitan pipelines and to relocate a natural gas pipeline at the Diemer filtration plant (Approp. 15227). (E&O)

**Recommendation:**

**Adopt the CEQA determination for all projects herein and**

- a. **Appropriate \$368,015 for all work to reimburse the Vista Del Verde project developer for Metropolitan's share of the pipeline protection costs; and**
- b. **Appropriate \$475,000 for all work to relocate the natural gas pipeline for the Diemer plant northwest hill grading.**

- 8-2** Appropriate \$776,000 for design, fabrication and installation of a steel pipe section in the Box Springs Feeder. (E&O)

**Recommendation:**

**Adopt the CEQA determination and appropriate \$776,000 to finance costs for design, fabrication and installation of a steel pipe section in the Box Springs Feeder.**

- 8-3** Appropriate \$239,500 and amend an existing agreement, not to exceed \$1.049 million, with Moffatt & Nichol Engineers to provide consulting services for preliminary design of Phase II for the Diamond Valley East Marina Program (Approp. 15401). (ARE&IP)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and**

- a. Appropriate \$239,500 and authorize preliminary design of Phase II facilities at the DVL East Marina; and**
- b. Authorize amending an existing agreement for design services with Moffatt & Nichol Engineers in an amount not to exceed \$1.049 million.**

- 8-4** Appropriate \$1.575 million and enter into an agreement with PinnacleOne, in an amount not to exceed \$1.2 million, to provide project management support services for the Diamond Valley Recreation Program (Approps. 15334, 15387, and 15401). (ARE&IP)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and**

- a. Appropriate \$1.575 million to fund project management support services for the Diamond Valley Recreation program; and**
- b. Authorize entering into an agreement with PinnacleOne for project management support services in an amount not to exceed \$1.2 million.**

- 8-5** Appropriate \$189,000 to fund landscaping design services with Mia Lehrer Associates for the Diamond Valley East Recreation Program's Planning Area No. 1 (Approp. 15334). (ARE&IP)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and appropriate \$189,000 to fund landscaping design services with Mia Lehrer Associates for the Diamond Valley East Recreation Program's Planning Area No. 1.**

- 8-6** Grant conditional approval for the 74<sup>th</sup> Fringe Area Annexation to Eastern Municipal Water District and Metropolitan; and adopt resolution of intention to impose water standby charge. (Exec. 3/25)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and**

- a. **Grant conditional approval for the 74th Fringe Area Annexation, concurrently to Eastern and Metropolitan, conditioned upon receipt in full of annexation fee of \$58,664.60 to Metropolitan if completed by December 31, 2003, or if completed later, at the then current annexation charge rate, and compliance with those terms and conditions fixed upon final request for approval pursuant to Administrative Code Section 3100 et seq.;**
- b. **Approve Eastern's 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 board letter.**

- 8-7** Approve amendments to Metropolitan Water District Administrative Code regarding the Internal Audit Department. (Audit 2/25)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and approve the changes to the Administrative Code set forth in Attachment 1 to the board letter.**

- 8-8** Amend Administrative Code, Division VI, Chapter 4, Creation of Offices to establish authority for the Ethics Officer. (Exec. 3/25)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and approve the proposed amendment as set forth in Attachment 2 to the board letter.**

- 8-11** Authorize (1) entering into agreement for the Orange County Basin Groundwater Conjunctive Use Program with the Municipal Water District of Orange County under Proposition 13; and (2) \$580,000 in budgeted CIP funds for final design for the Yorba Linda Feeder Bypass Project at the Robert B. Diemer Filtration Plant (Approp. 15379). (E&O, WPQ&R)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and**

- a. **Authorize the CEO to enter into an agreement, in form approved by the General Counsel, based on the Program Term Sheet for Orange County Basin Groundwater conjunctive Use Program with MWDOC and OCWD.**
- b. **Authorize \$580,000 in budgeted funds for final design and all work in advance of award of a competitively bid contract for the Yorba Linda Feeder Bypass Project at the Robert B. Diemer Filtration Plant, and approve the authority to enter into a consultant agreement not to exceed \$750,000.**

**(END OF CONSENT CALENDAR)**

**9. OTHER BOARD ITEMS — ACTION**

- 9-1** Approve changes to Metropolitan's Bond Refunding Guidelines. (BF&I)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and approve the "percentage savings methodology with adjustment factors" alternative as detailed in Attachment 1 to the board letter to be Metropolitan's bond refunding guidelines.**

- 9-3** Authorize conducting negotiations for the disposition of the Ormond Beach property. (ARE&IP, WPQ&R)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and authorize conducting negotiations with the Oxnard Community Development Commission for the terms and conditions with prospective purchasers.**

- Corrected**
- 9-4 Express support, if amended, for AB 83 (Corbett and Firebaugh):  
Consumer right to know legislation for bottled and vended water. (CO&L)
- Recommendation:**
- Option #1:**
- Adopt the CEQA determination and express support for AB 83 if amended.**
- 9-5 Express support for SB 21 (Machado - Linden): Water: Water Security,  
Clean Drinking Water, Coastal and Beach Protection Act of 2002. (CO&L)
- Added**
- Recommendation:**
- Option #1:**
- Adopt the CEQA determination and**
- a. Express support, if amended, for SB 21 (Machado); and**
  - b. Provide policy directions to staff regarding desired amendments.**
- 9-6 Report on *Naylor, et al. v. Metropolitan*, LACSC Case No. BC 288114; and  
authorize amendment to contract with Bergman & Dacey, Inc., for legal  
services to defend Metropolitan. (LC&P)  
[Conference with legal counsel—existing litigation; to be heard in closed session  
pursuant to Gov. Code § 54956.9(a)]
- 9-7 Report on *Kuan v. Metropolitan*, LACSC Case No. BC 272702; and  
authorize amendment to contract with Liebert Cassidy Whitmore, for legal  
services to defend Metropolitan. (LC&P)  
[Conference with legal counsel—existing litigation; to be heard in closed session  
pursuant to Gov. Code § 54956.9(a)]
- 9-8 Report on the trial of Inland Feeder Pipeline eminent domain action,  
*The Metropolitan Water District of Southern California v. Campus Crusade  
for Christ, Inc.*, San Bernardino Superior Court Case No. SCV35498.  
(LC&P)  
[Conference with legal counsel—existing litigation; to be heard in closed session  
pursuant to Gov. Code § 54956.9(a)]
- 9-9 Report on mediation regarding *Metropolitan Water District of Southern  
California and Atkinson-Washington-Zachary v. Hartford Fire Insurance  
Company*, USDC Case No. CV 00-10536-GHK (Mcx) and *Metropolitan  
Water District of Southern California v. Hartford Fire Insurance Company*,  
USDC Case No. CV 00-4040-GHK (Mcx). (LC&P)  
[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 February 2003. (E&O)  
[Any discussion of litigation to be heard in closed session. Conference with legal counsel—existing litigation (Shank/Balfour Beatty, a Joint Venture vs. Metropolitan Water District of Southern California, LASC Case Nos. BC283438 and BC283439); to be heard in closed session pursuant to Gov. Code § 54956.9(a)]

*Withdrawn* ~~10-2 Review of Integrated Resources Plan Update draft final report. (WPQ&R)~~

- 10-3** Water Surplus and Drought Management Plan report on water supply and demand as of March 20, 2003. (WPQ&R)

- 10-4** Local Resources Program Action Plan. (WPQ&R)

*Revised* 10-5 SB 906 (Escutia - Whittier): Water districts. (CO&L)

## 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.

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.