

Regular Board Meeting

October 14, 2003

12:00 p.m. -- Board Room

Tuesday, October 14, 2003 Meeting Schedule		
7:30-8:30 a.m.	Rm. 2-413	Dirs. Computer Training
8:30 a.m.*	Rm. 2-145	ARE&IP
10:00 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.

MWD Headquarters Building

• **700 N. Alameda Street**

• **Los Angeles, CA 90012**

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 September 9, 2003. (A copy has been mailed to each Director)
Any additions, corrections, or omissions
- B. Induction of new Director, David Farrar, 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 ten-year service pin to Director John M. Mylne, III, representing Western Municipal Water District of Riverside County
- D. Committee assignments
- E. Chairman's Monthly Activity Report

6. DEPARTMENT HEADS' REPORTS

- A. Chief Executive Officer's Reports:
 - 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]
 - 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 September
 - iv. Oral report on the State audit
- B. General Counsel's summary of Legal Department activities for the month of September
- C. General Auditor's summary of activities for the month of September

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 (James H. Blake, Vice 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 (Wesley M. Bannister, Chair)
- 7-7 Water Planning, Quality and Resources (Bill D. Wright, Chair)

8. CONSENT CALENDAR ITEMS — ACTION

- 8-1** Appropriate \$1.2 million in reimbursable funds for studies and design of fluoridation facilities at four of Metropolitan's filtration plants; and authorize entering into an agreement with CGvL Engineers in an amount not to exceed \$500,000 for design services (Approp. 15414). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Appropriate \$1.2 million in budgeted funds;**
- b. Authorize all study and design activities for the implementation of fluoridation at the Diemer, Jensen, Mills, and Weymouth plants; and**
- c. Authorize entering into a professional services agreement with CGvL Engineers for engineering services in an amount not to exceed \$500,000.**

- 8-2** Approve change in rate cycle process and amend Administrative Code. (BF&I)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Eliminate the November and December revenue requirements letters; and**
- b. Amend Metropolitan Water District Administrative Code § 4304.**

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

Recommendation:

Adopt the CEQA determination and, in accordance with the negotiated labor agreements with Metropolitan's four bargaining units, adopt the resolution changing Metropolitan's contributions to the medical plans maintained by PERS for employees and annuitants in classifications represented by these units, and unrepresented employees, said changes to be effective January 1, 2004.

- 8-4** Approve amendment to increase professional services contract with the law firm of Latham & Watkins by the amount of \$150,000 for legal services in *Imperial Irrigation District v. United States*, U.S.D.C. No. 03 CV 0069 W (JFS). (LC&P)

Recommendation:

Option #1:

Adopt the CEQA determination and approve amendment to increase professional services contract with the law firm of Latham & Watkins by \$150,000.

- 8-5** Appropriate \$500,000; and authorize amendment of agreement with Fraser Communications, increasing the maximum amount payable from \$249,000 to \$749,000, to extend Southern California Heritage Landscape public outreach campaign. (CO&L)

Recommendation:

Adopt the CEQA determination and

- a. Appropriate \$500,000; and**
- b. Authorize amendment of Agreement No. 55209 with Fraser Communications, increasing the maximum amount payable from \$249,000 to \$749,000 to extend the region-wide public outreach campaign.**

- 8-6** Authorize a landscape water-use efficiency incentive for commercial weather-based irrigation controllers. (WPQ&R)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize a new incentive for commercial-grade, weather-based irrigation controllers.

- 8-7** Adopt resolutions to accept \$4.63 million in state grants for three water conservation projects; and approve extending Metropolitan's existing High-Efficiency Clothes Washer bridge incentive payments until grant is received. (WPQ&R)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Adopt the resolutions; and**
- b. Approve extending the expenditure of bridge funding (\$110/unit) until Proposition 13 funds become available or through June 2004, whichever comes first.**

- 8-8** Authorize (1) \$1.85 million to purchase and implement PeopleSoft self-service modules; and (2) entering into an agreement with Milli Micro Systems, Inc., in an amount not to exceed \$970,000, to provide consulting services (Approp. 15411). (ARE&IP)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Appropriate \$1.85 million; and**
- b. Authorize entering into a contract with Milli Micro Systems, in an amount not to exceed \$970,000, for consulting services to upgrade Metropolitan's Human Resources System.**

- 8-9** Approve fiscal year 2003/04 funding for new association memberships with annual dues exceeding \$3,000 and ongoing memberships requiring board approval, not to exceed a total of \$600,000.

Recommendation:

Option #1:

Adopt the CEQA determination and authorize the Chief Executive Officer to pay the listed expected membership dues/assessments for calendar year 2004, to be paid in FY 2003/04.

- 8-10** Grant conditional approval for the 44th Fringe Area Annexation to Western Municipal Water District and Metropolitan; and adopt resolution of intention to impose water standby charge.

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Grant conditional approval for the 44th Fringe Area Annexation, concurrently to Western and Metropolitan, conditioned upon receipt in full of annexation fee of \$52,644.20 to Metropolitan if completed by December 31, 2003, or if completed later, at the then current annexation charge rate, and in compliance with those terms and conditions fixed upon final request for approval pursuant to Administrative Code § 3100 et seq.;**
- b. Approve Western's proposed Plan for Implementing Water Use Efficiency Guidelines; and**
- c. Adopt resolution of intention to impose water standby charge within the proposed annexation territory, substantially in the form of Attachment 3 to the letter.**

- 8-11** Grant conditional approval for the 75th Fringe Area Annexation to Eastern Municipal Water District and Metropolitan; and adopt resolution of intention to impose water standby charge.

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Grant conditional approval for the 75th Fringe Area Annexation, concurrently to Eastern and Metropolitan, conditioned upon receipt in full of annexation fee of \$28,943.20 to Metropolitan if completed by December 31, 2003, or if completed later, at the then current annexation charge rate, and in compliance with those terms and conditions fixed upon final request for approval pursuant to Administrative Code § 3100 et seq.;
- b. Approve Eastern's proposed Plan for Implementing Water Use Efficiency Guidelines; and
- c. Adopt resolution of intention to impose water standby charge within the proposed annexation territory, substantially in the form of Attachment 3 to the letter.

(END OF CONSENT CALENDAR)

9. OTHER BOARD ITEMS — ACTION

- 9-1** Appropriate \$9.15 million; and authorize an agreement with the city of Los Angeles for the Santa Monica Feeder Relocation Project (Approp. 15405). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Appropriate \$9.15 million;
- b. Authorize entering into an agreement with city of Los Angeles in an amount of \$7.7 million for the relocation of two miles of the Santa Monica Feeder; and
- c. Authorize the CEO to amend the agreement up to five percent to cover changes during construction.

- 9-2** Authorize \$3.585 million for investigations, designs and construction of improvements to facilities on the Colorado River Aqueduct (Approps. 15373 and 15374). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Appropriate \$3.585 million in budgeted and non-budgeted funds; and**
- b. **Authorize completion of all work described in the letter for the following projects:**

- **Vulnerability Study of CRA Tunnels**
- **Eagle Mountain Pumping Plant Sand Traps Inflow Study**
- **Canal Lining, Siphons, Sand Traps and Iron Mountain Tunnel Monitoring Designs**
- **Head Gates Rehabilitation design**
- **Blow-off Valve Flange Replacement Design and Construction**
- **Gene Pumping Plant Heavy Equipment Service Pit Design and Construction**

- 9-3** Appropriate \$1,072,600; award contract and authorize change orders for the Skinner Expansion No. 4 Program (Approp. 15410) and Effluent Replenishment Tank Bypass Pipeline (Approp. 15365). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determinations and

- a. **Appropriate \$1,072,600 (\$618,400 for Pipe Procurement for Skinner Expansion No. 4 and \$454,200 for Skinner Sludge Handling Facilities);**
- b. **Award a procurement contract in the amount of \$560,355 to Northwest Pipe Co. to furnish all materials as described in Specifications No. 1484, Furnishing Fabricated Steel Pipe and Fittings for the Skinner Expansion No. 4;**
- c. **Authorize issuance of a change order to Gantry Constructors, Inc., Contract No. 1565 in an amount not to exceed \$372,000 to purchase and install a third belt press and accessories for the Skinner Sludge Handling Facilities Project; and**
- d. **Authorize issuance of a change order to Gantry Constructors, Inc., Contract No. 1566 in an amount not to exceed \$415,000 to perform pipeline tie-in work for the Skinner Effluent Replenishment Tank Bypass Pipeline Project (no appropriation required).**

- 9-4** Appropriate \$22.815 million and award contracts to perform land surveys for the Colorado River Aqueduct - Real Property Recordation Program (Approp. 15413). (ARE&IP)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Appropriate \$22.815 million to perform extensive field surveys to better define property boundaries, locate facilities, set visible boundary markers, and identify encroachment problems.**
- b. **Authorize the Chief Executive Officer to enter into four-year agreements with Rick Engineering Company, Psomas, The Keith Companies, Coast Surveying Inc., RBF Consulting, Towill Inc., Hunsaker and Associates Irvine Inc., David Evans and Associates Inc., Johnson-Frank and Associates Inc., and Huitt-Zollars Inc., for surveying and mapping services in amounts not to exceed \$1.2 million each.**

- 9-5 Authorize entering into an agreement to transfer State Water Project entitlement (Table A Water) to Desert Water Agency and Coachella Valley Water District. (WPQ&R) **(To be mailed separately)**

- 9-6** Authorize entering into agreements with North Kern Water Storage District and Mojave Water Agency to demonstrate the feasibility of water banking/exchange programs. (WPQ&R)

Recommendation:

Adopt the CEQA determination and

- a. **Authorize the CEO to enter into an agreement with North Kern for a demonstration water banking/exchange program, in form approved by the General Counsel, and to proceed with the technical and environmental studies for a long-term program; and**
- b. **Authorize the CEO to enter into an agreement with Mojave for a demonstration exchange program, in form approved by the General Counsel, and to proceed with the technical and environmental studies for a long-term program.**

- 9-7 Authorize settlement of existing litigation entitled *Kuan v. Metropolitan, et al.*, LASC Case No. BC 272702. (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 August 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 No. BC283438); to be heard in closed session pursuant to Gov. Code § 54956.9(a)]
- 10-2 Semiannual report on Equal Employment Opportunity and Affirmative Action for January 1, 2003 through June 30, 2003. (LC&P)
- 10-3 Review of Integrated Resources Plan Update draft report. (WPQ&R)
- 10-4 Water Surplus and Drought Management Report on Supply and Storage Balances as of September 15, 2003. (WPQ&R)

11. PENDING ITEMS

- 11-1 Adoption of the Long Range Finance Plan – 2003 Update. (BF&I)

12. REPORTS OF SPECIAL COMMITTEES

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.