

**REVISED**

**Regular Board Meeting**

**January 13, 2004**

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

Tuesday, January 13, 2004 Meeting Schedule		
7:30-9:00 a.m.	Rm. 2-413	Dirs. Computer Training
9:00 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.

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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: Chaplain Larry Burke, Los Angeles County Fire Department
- (b) Pledge of Allegiance: Director Gene Koopman

**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 December 9, 2003. (A copy has been mailed to each Director)  
Any additions, corrections, or omissions
- B. Presentation of five-year service pin to Director Willard H. Murray, Jr., representing West Basin Municipal Water District
- C. Presentation of Commendatory Resolution to Robert P. Will, former General Counsel, Metropolitan Water District
- D. Ratification of Committee Assignments. (Exec.)

- E. Report of Nominating Committee
  - i. Nomination of three non-officer members of the Executive Committee
  - ii. Election
  
- F. Report of Nominating Committee
  - i. Nomination of three Directors to the Inquiry and Review Committee
  - ii. Election
  
- G. Chairman's Monthly Activity Report

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**PUBLIC HEARING**

Comments on the proposed standby charge for:

75<sup>th</sup> Fringe Area Annexation to Eastern Municipal Water District  
44<sup>th</sup> Fringe Area Annexation to Western Municipal Water District  
49<sup>th</sup> Fringe Area Annexation to Western Municipal Water District

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**6. DEPARTMENT HEADS' REPORTS**

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

## **7. ORAL REPORTS OF STANDING COMMITTEES**

- 7-1 Executive Committee (Phillip J. Pace, Chair)
- 7-2 Asset, Real Estate and Infrastructure Policy (Randy A. Record, Chair)
- 7-3 Budget, Finance and Investment (John M. Mylne, III, Chair)
- 7-4 Communications, Outreach and Legislation (Anthony R. Fellow, Chair)
- 7-5 Engineering and Operations (Bill D. Wright, Chair)
- 7-6 Legal, Claims and Personnel (David D. De Jesus, Chair)
- 7-7 Water Planning, Quality and Resources (William G. Luddy, Chair)

## **8. CONSENT CALENDAR ITEMS — ACTION**

- 8-1 Authorize \$120,000 for preliminary design to replace floating cover and repair lining at Palos Verdes Reservoir (Approp. 03403). (E&O)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and authorize \$120,000 in budgeted funds for preliminary design and preparation of environmental documentation for the replacement of the floating cover and repair of damaged lining at Palos Verdes Reservoir.**

- 8-2 Amend Section 4205 of the Metropolitan Water District Administrative Code to clarify existing practice and policy regarding sale of imported water by one member public agency into territory of another member public agency. (LC&P)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and amend Metropolitan's Administrative Code § 4205 in accordance with the suggested language contained in the letter.**

**(END OF CONSENT CALENDAR)**

## 9. OTHER BOARD ITEMS — ACTION

- 9-1 Authorize long-term regional Commercial/Industrial/Institutional rebate program and additional \$2.5 million to fund existing pilot program until new vendor agreement is executed. (WPQ&R)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and**

- a. Authorize a long-term regional CII program; and
- b. Increase current Honeywell contract by \$2.5 million through December 2004.

- 9-2 Determine water revenue requirements, apportion revenues and recommend water rates and charges to raise firm revenues, and adopt resolutions giving notice of intention to impose rates and charges for fiscal year 2004/05. (BF&I)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination and**

- a. Determine that revenues required from rates and charges during FY 2004/05 should not be less than \$995.8 million, and use this determination in establishing water rates and charges to be effective January 1, 2005.
- b. Set a time for a public hearing of the Budget, Finance and Investment Committee at which interested parties may present their views regarding the Chief Executive Officer's recommendation for rates and charges to be effective January 1, 2005.
- c. Adopt the following resolutions:
  1. Resolution of intention to impose the Readiness-to-Serve Charge in the form shown as Attachment 2 to the letter, declaring the Board's intention (i) at its March 9, 2004 meeting to consider and act upon the Chief Executive Officer's recommendation to impose a Readiness-to-Serve Charge and (ii) at its May 11, 2004 meeting to consider and act upon the Chief Executive Officer's recommendation to impose standby charges within the territories of member agencies that have requested that charge as a means of collecting all or a portion of their RTS Charge.
  2. Resolution of intention to impose a Capacity Charge in the form shown as Attachment 3 to the letter, declaring the Board's intention at its March 9, 2004 meeting to consider and act upon the Chief Executive Officer's recommendation to impose a Capacity Charge.

- 9-3 Authorize entering into a pre-annexation development agreement between Metropolitan and the city of Hemet. (ARE&IP)  
[Conference with real property negotiators; property is land owned by Metropolitan near Diamond Valley Lake, as shown in Attachments 1 and 2 to the board letter; agency negotiator: Les Barrett; negotiating parties: Metropolitan and city of Hemet; under negotiation: terms of payment; to be heard in closed session pursuant to Gov. Code § 54956.8]

**Recommendation:**

**Option #1:**

**Authorize the Chief Executive Officer to enter into a pre-annexation development agreement between Metropolitan and the city of Hemet.**

## 10. BOARD INFORMATION ITEMS

Revised

- 10-1 Status report for the Inland Feeder Program for activities through November 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); and significant exposure to litigation (one matter); to be heard in closed session pursuant to Gov. Code § 54956.9(b)]
- 10-2 Protector del Agua landscape irrigation-efficiency education program. (WPQ&R)
- 10-3 Water Surplus and Drought Management Plan Report on water supply and demand (as of December 19, 2003). (WPQ&R)
- 10-4 Presentation of staff-recommended Integrated Resources Plan Update for a public review process. (WPQ&R) **(To be mailed separately)**

## 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.