

REVISED (Note change in time)

Regular Board Meeting

October 12, 2004

11:30 a.m. -- Board Room

Tuesday, October 12, 2004 Meeting Schedule		
7:30-9:00 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
11:30 a.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: Mike Chrisman, Secretary of Resources
- (b) Pledge of Allegiance: Director David Farrar

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))

Mike Chrisman, Secretary of Resources

5. OTHER MATTERS

- A. Approval of the Minutes of the Meeting for September 14, 2004. (A copy has been mailed to each Director)
Any additions, corrections, or omissions
- B. Committee Assignments. (Exec.)
- C. Chairman's Monthly Activity Report

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 September
- 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
- D. Ethics Officer'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 (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 Grant conditional approval for annexation of 47th Fringe Area to Western Municipal Water District and Metropolitan; and adopt resolution of intention to impose water standby charge. (Exec. 9/28)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Grant conditional approval for 47th Fringe Area, concurrently to Western and Metropolitan, conditioned upon receipt in full of annexation fee of \$522,235.40 to Metropolitan if completed by December 31, 2004, or if completed later, at the then current annexation charge rate;**
- b. Approve Western's proposed Plans for Implementing Water Use Efficiency Guidelines; and**
- c. Adopt the resolution of intention to impose water standby charge within the proposed annexation territories, substantially in the form of Attachment 3 to the board letter.**

- 8-2 Adopt resolution on property taxes for a redevelopment area in San Bernardino County. (BF&I)

Recommendation:

Adopt the CEQA determination and resolution, providing that Metropolitan elects to receive its portion of revenue from taxes levied on Amendment No. 1 to the Redevelopment Plan for the San Sevaine Redevelopment Project. These additional revenues are attributable to any increase in Metropolitan's base year tax rate applied to the incremental assessed value of the project property.

- 8-3 Approve Administrative Code amendments to include Emergency Storage Program. (BF&I)

Recommendation:

Option #1:

Adopt the CEQA determination and amend Metropolitan Water District Administrative Code § 4000, Chapters 1 and 5 as set forth in Attachment 2 to the board letter.

- 8-4 Authorize revisions to the Administrative Code of The Metropolitan Water District of Southern California to conform to current laws, practices and board authorizations, and make corrections. (LC&P)

Recommendation:

Option #1:

Adopt the CEQA determination and approve the changes to the Administrative Code set forth in Attachment 2 to reflect the changes recommended in the board letter.

- 8-5 Appropriate \$3.3 million for projects costing less than \$250,000 for fiscal year 2004/05 under the Minor Capital Projects Program (Approp. 15422). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- . Appropriate \$3.3 million for the Minor Capital Projects Program for 2004/05 for projects costing less than \$250,000;**
- . Authorize the CEO to initiate capital projects costing less than \$250,000 and perform all work including the preparation of necessary environmental documentation; and**
- a. Designate the CEO as the decision-making body for purposes of reviewing, approving, and certifying any environmental documentation that may be required for such projects.**

- 8-6 Award a contract for \$871,200 to L. D. Anderson, Inc. for construction of a connector road between the Arrowhead Tunnel portals of the Inland Feeder Program (Approp. 15122). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and award a contract for \$871,200 to L. D. Anderson, Inc. for construction of the Arrowhead Tunnels connector road.

- 8-7 Authorize request to ACWA to sponsor a Public Records Act amendment to exempt records relating to the location and security of public water systems and facilities. (CO&L)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize staff to request that ACWA sponsor legislation adding a specific exemption to the PRA for geological data, security plans, assessments, reports or measures pertaining to a California public water system and public water system facilities.

- 8-8 Authorize revisions to the Administrative Code of The Metropolitan Water District of Southern California regarding salaries and benefits for unrepresented employees. (LC&P)

Recommendation:

Option #1:

Adopt the CEQA determination and approve the changes to the Administrative Code set forth in Attachment 2 to reflect the changes recommended in the board letter.

(END OF CONSENT CALENDAR)

9. OTHER BOARD ITEMS — ACTION

- 9-2 Appropriate \$6.31 million; and award two contracts to replace filter media in the amount of \$2,717,518 to Carbon Activated Corp. for the Jensen Improvements Program (Approp. 15371), and \$2,208,850.71 to ERS Industrial Services, Inc. for the Mills Improvements Program (Approp. 15381). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Appropriate \$6.31 million in budgeted funds;**
- b. Award a construction contract for \$2,717,518 to Carbon Activated Corp. for partial replacement of filter media at the Jensen filtration plant Modules 1, 2, and 3; and**
- c. Award a construction contract for \$2,208,850.71 to ERS Industrial Services, Inc. for replacement of filter media at the Mills filtration plant Modules 3 and 4.**

- 9-3 Authorize an agreement for \$5 million with Butier Construction Managers for construction support services; authorize an agreement for \$4 million with P&D Environmental for environmental mitigation monitoring services; and authorize an increase of \$1.3 million to an agreement with Vanir Construction Management, Inc. for project management support for the San Diego Pipeline No. 6 North Reach and Service Connection EM-21 projects (Approp. 15121). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Authorize agreements with Butier Construction Managers for construction support services in an amount not to exceed \$5 million, and with P&D Environmental for environmental mitigation monitoring services in an amount not to exceed \$4 million; and**
- b. **Authorize an increase to the professional services agreement with Vanir Construction Management, Inc. for project management support for a new not-to-exceed total of \$2.5 million.**

- 9-4 Adopt resolution to approve notice of potential discontinuance of service of surplus water from October 1, 2005 through September 30, 2006. (WPQ&R) **(Two thirds vote required)**

Recommendation:

Option #1:

Adopt the CEQA determination and the Resolution of the Board of Directors giving notice of potential discontinuance of service of Interim Agricultural Water Program water in 2005.

- 9-5 Approve revisions to Annexation Policy in the Metropolitan Water District Administrative Code § 3107: Water-Use Efficiency Guidelines. (WPQ&R)

Recommendation:

Option #1:

Adopt the CEQA determination and revisions to § 3107 of the Administrative Code as shown in Attachment 1 to the board letter.

- 9-6 Approve paying initial fees for pursuing one-year water transfer option agreements with Central Valley water districts. (WPQ&R)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize paying initial fees to pursue up to 125,000 acre-feet of one-year water transfer option agreements with Central Valley water districts.

- 9-7 Authorize entering into an agreement with DHI in an amount not to exceed \$2.3 million to develop and implement a Real Time Operating System for Metropolitan's water conveyance and distribution system (Approp. 15397). (ARE&IP)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize entering into an agreement with DHI in an amount not to exceed \$2.3 million to develop and implement a Real Time Operating System for Metropolitan's water distribution system.

- 9-8 Authorize the Chief Executive Officer to sell the Ormond Beach property which has been determined to be surplus to Metropolitan's needs: 289 acres at Edison Drive and McWane Boulevard in Oxnard, Ventura County, California. (ARE&IP)
[Conference with real property negotiators: property is Ormond Beach property (MWD Parcel No. ORMOND1-01-100); agency negotiators: Anatole Falagan, Laura Simonek and Harley Searcy; negotiating parties: Metropolitan Water District of Southern California, city of Oxnard and California Coastal Conservancy; under negotiation: price and terms; to be heard in closed session pursuant to Gov. Code § 54956.8]

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Authorize the CEO to sell the subject surplus property of 289 acres;
- b. In compliance with Government Code § 54222, Surplus Lands Act, accept the offer on 276 acres from The California Coastal Conservancy, a prescribed agency, on behalf of The Nature Conservancy;
- c. In compliance with Metropolitan's Administrative Code § 8254, accept the offer on 13 acres from the Oxnard Community Development Commission; and
- b. Include provisions with condition subsequent wherein utility corridors, access easements, and mitigation areas are reserved.

- 9-9 Appropriate \$3.2 million, including \$3 million for advertising purchases; and amend contract with Fraser Communications to a maximum amount payable of \$4.35 million through June 2005 to extend conservation advertising campaign. (CO&L)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Appropriate \$3.2 million in unbudgeted Operations and Maintenance funds; and**
- b. **Authorize the CEO to amend Agreement No. 61474 with Fraser Communications from a maximum amount payable of \$1.15 million to an amount not to exceed \$4.35 million. Of the \$3.2 million, \$3 million will be used for purchase of advertising space and \$200,000 for production costs.**

- 9-10 Affirm the Chief Executive Officer's determination of eleven parcels near the Diamond Valley Lake facilities as surplus to Metropolitan's needs: 44.8 total acres designated as MWD Parcel Nos. 144-1-789, 791,797, 799, 805, 811, 813, 817, 821, 871, 875 in Hemet, Riverside County, California. (ARE&IP)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Affirm the Chief Executive Officer's determination that the subject properties comprising 44.8 acres are surplus and prepare disposition plan for properties in their current condition; and**
- b. **Establish provision with condition subsequent wherein utility corridors and access easements and mineral rights are reserved.**

- 9-11 Report on *Shank/Balfour Beatty, a Joint Venture vs. Metropolitan Water District of Southern California*. (LC&P)
[Conference with legal counsel—existing litigation (*Shank/Balfour Beatty, a Joint Venture vs. Metropolitan Water District of Southern California*, LASC Case No. BC 283438 (consolidated with BC 283439)); to be heard in closed session pursuant to Gov. Code § 54956.9(a)]

- 9-12 Authorize entering into an agreement for external audit services with KPMG for \$208,350.

Recommendation:

Option #1:

Adopt the CEQA determination and authorize the General Auditor to enter into a contract for external audit services with the firm of KPMG for the annual and quarterly audits for fiscal year June 30, 2005, in an amount not to exceed \$208,350.

- 9-13 Approve Storage and Interstate Release Agreement regarding Colorado River water. (WPQ&R)

Recommendation:

Option #1:

Adopt the CEQA determination and approve entering into a storage and interstate release agreement with SNWA, the Colorado River Commission of Nevada, and the Bureau of Reclamation authorizing the storage of Nevada's unused apportionment of Colorado River water in Metropolitan's facilities and future intentional creation of unused apportionment in an equal amount to the water stored for delivery to Nevada.

- 9-14 Confirm Chief Executive Officer's action to withdraw from National Water Research Institute. (Exec. 9/28)

10. BOARD INFORMATION ITEMS

- 10-1 Status report for the Inland Feeder Program for activities through August 2004. (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. BC 283438); to be heard in closed session pursuant to Gov. Code § 54956.9(a). Any discussion of potential litigation relating to the December 2003 Waterman Canyon Floods to be heard in closed session pursuant to Gov. Code § 54956.9(b)]
- 10-2 California Friendly Water Efficiency Recognition Program. (CO&L)

11. REPORTS OF SPECIAL COMMITTEES

PUBLIC HEARING

Comments on the proposed standby charge for 50th Fringe Area Annexation
to Western Municipal Water District

12. BOARD ELECTION

Report of Nominating Committee

- (a) Nomination of Board Chairman
- (b) Election

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.