

Regular Board Meeting

November 9, 2004

12:30 p.m. -- Board Room

Tuesday, November 9, 2004 Meeting Schedule		
7:30-9:00 a.m.	Rm. 2-413	Dirs. Computer Training
9:00 a.m.*	Rm. 2-145	Water Education
10:30 a.m.*	Rm. 2-456	CO&L
12:30 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 Anthony R. Fellow

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 October 12, 2004. (A copy has been mailed to each Director)
Any additions, corrections, or omissions

- B. Induction of new Director, Steven Veres, from city of San Fernando
 - (a) Receive credentials
 - (b) Report on credentials by General Counsel
 - (c) File credentials
 - (d) Administer Oath of Office
 - (e) File Oath

- C. Report of Nominating Committee
 - (a) Nomination of Board Secretary
 - (b) Election
- D. Committee Assignments. (Exec.)
- E. 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 October
- B. General Counsel's summary of Legal Department activities for the month of October
- 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 (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** Adopt final resolutions for annexation and to impose water standby charge for the 50th Fringe Area Annexation to Western Municipal Water District and Metropolitan. (Exec. 10/26)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Adopt a resolution granting Western's request for approval of the 50th Fringe Area Annexation, concurrently to Metropolitan and Western, conditioned upon approval by the Riverside Local Agency Formation Commission, and establishing Metropolitan's terms and conditions for this annexation; and**
- b. Adopt a resolution to impose water standby charge at a rate of \$9.23 per acre or per parcel of less than one acre within the proposed annexation.**

- 8-2** Amend § 7310 of Metropolitan Water District Administrative Code regarding political contributions. (Exec. 10/26)

Recommendation:

Option #1:

Adopt the CEQA determination and approve the change to the Administrative Code set forth in Attachment 1 of the board letter to reflect the change recommended in the letter.

- 8-3** Authorize execution of the First Amendment to the District Etiwanda Capacity and Energy Sale Contract with Pacific Gas and Electric Company. (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize the Chief Executive Officer to execute the Amendment. This Amendment provides replacement scheduling and transmission arrangements due to the termination of two related contracts.

- 8-4** Adopt revisions to Metropolitan Water District Administrative Code § 4503: Suspension of Deliveries. (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and revisions to Metropolitan Water District's Administrative Code Division IV, Chapter 5, § 4503, Suspension of Deliveries.

- 8-5** Approve \$115,000 increase in payments for the April 2004 to March 2005 contract year for financial advisory services under Agreement No. 53616 with Public Resources Advisory Group. (BF&I)

Recommendation:

Option #1:

Adopt the CEQA determination and approve additional payments up to \$115,000 to a total of \$355,000 under Agreement No. 53616 for contract year 2004/05.

- 8-6** Amend § 7315 of the Metropolitan Water District Administrative Code regarding Violation of Ethics Policy

Recommendation:

Option #1:

Adopt the CEQA determination and approve the amendment to Administrative Code § 7315 set forth in Attachment 1 to the board letter.

(END OF CONSENT CALENDAR)

9. OTHER BOARD ITEMS — ACTION

- 9-1** Appropriate \$3.25 million for three conveyance and distribution system rehabilitation projects: (1) award a procurement contract for \$779,725 to Fuji Electric Corp. of America for the Foothill Hydroelectric Runner Replacement Project; (2) award an \$826,400 construction contract to Fibrwrap Construction, Inc. for the Calabasas Feeder and Rialto Pipeline Repair Project; and (3) authorize repairs of the San Diego Canal (Approp. 15377). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Appropriate \$3.25 million in budgeted funds; and**
- b. **Authorize three projects under the Conveyance and Distribution System Rehabilitation Program:**
 - **Award a procurement contract to Fuji Electric Corporation of America for \$779,725 for replacement runners for the Foothill Hydroelectric Plant, and authorize installation by Metropolitan's forces;**
 - **Award a contract for \$826,400 to Fibrwrap Construction, Inc. for the Calabasas Feeder and Rialto Pipeline carbon fiber repairs; and**
 - **Authorize repairs of the existing concrete lining along portions of the San Diego Canal.**

- 9-2** Authorize amendments to existing professional services agreements for the Skinner, Weymouth, and Diemer Oxidation Retrofit Programs. (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize amending four existing agreements:

- a. **An increase of \$500,000 for a new not-to-exceed total of \$1.2 million with Black & Veatch;**
- b. **An increase of \$600,000 for a new not-to-exceed total of \$15.351 million with Camp, Dresser & McKee, Inc.;**
- c. **An increase of \$500,000 for a new not-to-exceed total of \$3 million with Carollo Engineers; and**
- d. **An increase of \$700,000 for a new not-to-exceed total of \$1.2 million with Montgomery Watson Harza Americas.**

- 9-4** Appropriate \$91.19 million; and award a \$76,383,645 contract to J. R. Filanc Construction Co. for construction of Module No. 7 at the Robert A. Skinner Filtration Plant (Approps. 15410 and 15388). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Appropriate \$91.19 million in budgeted funds; and**
- b. **Award a construction contract for \$76,383,645 to J. R. Filanc Construction Co. to construct Skinner Module No. 7.**

- 9-5** Award an \$8,986,566 construction contract to PALP, Inc. dba Excel Paving Company for street and utility improvements for Searl Parkway Phase 1 within the Diamond Valley Lake East Recreation Area; and amend an agreement with The Keith Companies, Inc. for engineering support during construction. (DVL Subcomm., ARE&IP)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Award a contract for \$8,986,566 to PALP, Inc. dba Excel Paving Company to construct the street and utility improvements of Searl Parkway Phase 1; and**
- b. **Authorize a \$75,000 increase to the agreement with The Keith Companies, Inc. for a new not-to-exceed total of \$1.155 million to provide engineering support during construction.**

- 9-6** Affirm the Chief Executive Officer's determination of the property designated Metropolitan Parcel Nos. 1415-2-1, -3 (westerly portion), and -7 as surplus to Metropolitan's needs: 28.27 acres south of Arrow Highway, La Verne, California. (ARE&IP)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Affirm the Chief Executive Officer's determination that the subject property is surplus;**
- b. Comply with Government Code § 54222, Surplus Lands Act, by offering the property to prescribed public agencies for a sale price at its fair market value;**
- c. If the property is not purchased by a government/public entity with priority rights, the Chief Executive Officer shall return to the Board to provide options to offer the property for disposition;**
- d. Establish provision wherein requisite easements and mineral rights are reserved; and**
- e. Continue management of the remainder portion of Metropolitan Parcel No. 1415-2-3 (easterly portion), including opportunities to market the property for a ground lease.**

- 9-7 Report on *Reorganized California Power Exchange v. Jon Lambeck, et al.* USBC Case No. LA-01-16577-ES; and authorize increase of maximum amount payable by \$100,000 under contract with Clark & Trevithick to defend Metropolitan employee in lawsuits brought by Reorganized California Power Exchange. (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 *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)]
- 9-9 Report on potential claims and authorization of an increase in funds for Arrowhead Tunnels construction of the Inland Feeder Program (Approp. 15122). (E&O)
[Conference with legal counsel—potential litigation (one matter); to be heard in closed session pursuant to Gov. Code § 54956.9(b)]
(To be mailed separately)

- 9-10** Approve increases to Metropolitan's existing High Efficiency Clothes Washer incentive and \$750,000 additional funding to sustain the program through the remainder of fiscal year 2004/05. (WPQ&R)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Approve increase to Metropolitan's HECW incentive to \$60 per unit for units with a Water Factor of 6.0 or less;
- b. Approve additional incentive of up to \$25 per unit contingent on member agency matching funds; and
- c. Approve additional expenditure of \$750,000 of unbudgeted funds through June 2005 to sustain the program.

10. BOARD INFORMATION ITEMS

- 10-1** Status report for the Inland Feeder Program for activities through September 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** Update on Development of the Hayfield and Chuckwalla Groundwater Storage Programs. (WPQ&R)

11. REPORTS OF SPECIAL COMMITTEES

12. 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.