

Regular Board Meeting

January 11, 2005

12:00 p.m. -- Board Room

Tuesday, January 11, 2005 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.

MWD Headquarters Building

• 700 N. Alameda Street •

Los Angeles, CA 90012

1. Call to Order

- (a) Invocation: Kenneth H. Witt, Director Emeritus
- (b) Pledge of Allegiance: Metropolitan employee Phyllis E. Ortman

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. Statement of Metropolitan Water District
- B. Approval of the Minutes of the Meeting for December 14, 2004. (A copy has been mailed to each Director)
Any additions, corrections, or omissions

- C. Reappointment of Director Helen Hansen from City of Long Beach
- D. Reappointment of Director Bill Wright from City of Torrance
- E. Reappointments of Directors William Luddy and Robert Simonds from City of Los Angeles
- F. Authorize Memorial Resolution for the late Director E. Thornton Ibbetson, who represented Central Basin Municipal Water District
- G. Approve amendments to Metropolitan Water District Administrative Code for proposed changes to the committee structure

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
- 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
- D. Ethics Officer's summary of activities for the month of December

7. ORAL REPORTS OF STANDING COMMITTEES

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

8. CONSENT CALENDAR ITEMS — ACTION

- 8-1** Appropriate \$1.67 million; and authorize final design of the chlorine containment and handling facilities at the Mills Water Treatment Plant (Approp. 15346). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Appropriate \$1.67 million in budgeted funds;**
- b. Authorize final design of the Mills CCHF project; and**
- c. Authorize an increase of \$1.05 million to the agreement with Lee & Ro, Inc. for a new not-to-exceed total of \$3.825 million.**

- 8-2** Approve extension of salary and benefits for activated military reservists. (LC&P)

Recommendation:

Option #1:

Adopt the CEQA determination and approve payment of compensation for active military reservists of the difference between their full-time Metropolitan salary and their military pay, not to exceed 365 days; and the employer portion of their medical, dental, vision, life insurance and long-term disability benefits for the duration of their active duty service, not to exceed 365 days, during the current conflict.

- 8-3** Authorize entering into an agreement for the Compton Conjunctive Use Program with the City of Compton under Proposition 13. (WPQ&R)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize the CEO to enter into an agreement consistent with the Agreement Summary attached to the board letter and in a form acceptable to the General Counsel for the Compton Conjunctive Use Program.

- 8-4** Approve executing a one-year water transfer option agreement with Glenn-Colusa Irrigation District. (WPQ&R)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize executing a one-year water transfer option agreement with Glenn-Colusa Irrigation District for up to 80,000 acre-feet, based on the terms described in the board letter.

- 8-5** Amend the Conflict of Interest Code in Chapter 2 of Division VII of the Metropolitan Water District Administrative Code for statutory compliance. (LC&P)

Recommendation:

Option #1:

Adopt the CEQA determination and
a. Approve the proposed amendments; and
b. Authorize the General Counsel to include additional non-substantial changes requested by the FPPC.

(END OF CONSENT CALENDAR)

9. OTHER BOARD ITEMS — ACTION

- 9-1** Determine water revenue requirements, apportion revenues and recommend water rates and charges; and adopt resolutions giving notice of intention to impose rates and charges for fiscal year 2005/06. (BF&I)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Determine that revenues required from rates and charges during FY 2005/06 should not be less than \$1.015 billion, and use this determination in establishing water rates and charges to be effective January 1, 2006.**
- 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, 2006.**
- 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 8, 2005 meeting to consider and act upon the Chief Executive Officer's recommendation to impose a Readiness-to-Serve Charge and (ii) at its May 10, 2005 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 8, 2005 meeting to consider and act upon the Chief Executive Officer's recommendation to impose a Capacity Charge.**

- 9-2** Appropriate \$7.89 million; and award a \$5.915 million construction contract to Mladen Buntich Construction Co., Inc. for the Yorba Linda Feeder Bypass Project (Approp. 15379). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Appropriate \$7.89 million; and**
- b. **Award a construction contract for \$5.915 million to Mladen Buntich Construction Co., Inc. for the Yorba Linda Feeder Bypass project.**

- 9-3** Adopt the CEQA determination and proceed with the February 2005 shutdown and dewatering of the Foothill Feeder to accommodate prestressed concrete cylinder pipe inspection and Jensen Oxidation Retrofit Program piping connections. (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and proceed with the February 2005 shutdown and dewatering of the Foothill Feeder to accommodate PCCP inspection and Jensen ORP piping connections.

- 9-4 Report on *Lance Charles, Sr. v. Metropolitan*, LASC Case No. BC 313797; and authorize increase by \$60,000 of maximum payable amount under contract with Williams, Yasinski & Jones to defend Metropolitan. (LC&P) [Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(a)]
- 9-5 Report on *Carlita Villanueva v. Metropolitan*, LASC Case No. BC 296912; and authorize increase by \$100,000 of maximum payable amount under contract with Hill, Farrer & Burrill LLP to defend Metropolitan. (LC&P) [Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(a)]
- 9-6 Report on status in *Metropolitan Water District v. Campus Crusade for Christ*; and authorization to amend contract for legal services with Cox, Castle & Nicholson to increase compensation by \$75,000. (LC&P) [Conference with legal counsel—existing litigation (*Metropolitan Water District of Southern California v. Campus Crusade for Christ*, SBSC Case No. SCV 35498); to be heard in closed session pursuant to Gov. Code § 54956.9(a)]
- 9-7 Approve settlement in *Arizona v. California*, United States Supreme Court. (LC&P) [Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code § 54956.9(a)]
- 9-8** Authorize entering into a master lease agreement with the City of Pasadena for the Arroyo Seco property. (ARE&IP)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize the Chief Executive Officer to enter into a master lease agreement with the City of Pasadena for the Arroyo Seco property in accordance with Metropolitan's current leasing policies.

10. BOARD INFORMATION ITEMS

- 10-1** Status report for the Inland Feeder Program for activities through November 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). Conference with legal counsel—potential litigation relating to contractor claims on Contract No. 1542 for the Arrowhead Tunnels; to be heard in closed session pursuant to Gov. Code § 54956.9(b) (one potential case)]
- 10-2** Water Surplus and Drought Management Plan report on water supply and demand (as of December 17, 2004). (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.