

Regular Board Meeting

December 13, 2005

11:30 a.m. -- Board Room

Tuesday, December 13, 2005 Meeting Schedule		
7:00-8:00 a.m.	Rm. 2-413	Dirs. Computer Training
8:00 a.m.*	Rm. 2-145	Colorado River
9:00 a.m.*	Rm. 2-456	CALFED
10:00 a.m.*	Rm. 1-102	O&P
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: (Guest)
- (b) Pledge of Allegiance: Director James T. Edwards

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))

Senator Sheila Kuehl, Chair, Natural Resources & Water Committee

5. OTHER MATTERS

- A. Approval of the Minutes of the Meeting for November 8, 2005. (A copy has been mailed to each Director)
Any additions, corrections, or omissions

- B. Induction of new Director, Marcie Edwards, from City of Anaheim
 - (a) Receive credentials
 - (b) Report on review of credentials by General Counsel
 - (c) File credentials
 - (d) Administer Oath of Office
 - (e) File Oath

- C. Committee assignments

- D. Approve terms of employment for Interim Chief Executive Officer/General Manager Debra Man. (Exec.)

- E. Chairman's Monthly Activity Report

6. DEPARTMENT HEADS' REPORTS

- A. Interim CEO/General Manager's Reports:
 - i. Oral report on Colorado River matters
 - ii. Oral report on Bay-Delta and State Water Project matters. (L&C, WPQ&R)
 - iii. Interim CEO/General Manager's summary of Metropolitan's activities for the month of November

- B. General Counsel's summary of Legal Department activities for the month of November

- C. General Auditor's summary of activities for the month of November

- D. Ethics Officer's summary of activities for the months of October and November

7. CONSENT CALENDAR ITEMS — ACTION

- 7-1** Adopt final resolutions for annexations and to impose water standby charge for the 85th, 86th, 87th, 88th and 89th Fringe Area Annexations to Eastern Municipal Water District and Metropolitan. (A&RP)

Recommendation:

Option #1:

Adopt the CEQA determinations and

- a. Adopt resolutions granting Eastern's request for approval of the 85th, 86th, 87th, 88th and 89th Fringe Area Annexations, concurrently to Metropolitan and Eastern, conditioned upon approval by the Riverside Local Agency Formation Commission, and establishing Metropolitan's terms and conditions for these annexations; and**
- b. Adopt resolutions to impose water standby charge at a rate of \$6.94 per acre or per parcel of less than one acre within the proposed annexation areas.**

- 7-2** Authorize increase of \$300,000 in maximum amount payable under professional services contract with the law firm of Duncan, Weinberg, Genzer & Pembroke, P.C. for electric utility legal services. (L&C)

Recommendation:

Option #1:

Adopt the CEQA determination and approve amendment to professional services contract with the law firm of Duncan, Weinberg, Genzer & Pembroke, P.C.

- 7-3** Appropriate \$1.52 million; and authorize (1) final design for the Rialto Pipeline Improvements, and (2) an agreement with Black & Veatch for engineering design services (Approp. 15427). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Appropriate \$1.52 million in budgeted funds;**
- b. Authorize final design of improvements to the Rialto Pipeline; and**
- c. Authorize an agreement with Black & Veatch for engineering design services in an amount not to exceed \$3 million per year, for up to three years.**

- 7-4** Amend Administrative Code to include Ethics Training required by Assembly Bill 1234. (Ethics)

Recommendation:

Option #1:

Adopt the CEQA determination and approve the amendment to the Administrative Code set forth in Attachment 1 to the board letter to designate Metropolitan officers for ethics training required by the Government Code.

- 7-5** Authorize entering into and amending existing contracts with temporary worker service agencies and professional firms supplying temporary personnel in the amount of \$1.97 million. (O&P)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize the Chief Executive Officer to amend existing agreements and enter into new contracts with temporary worker service agencies and professional firms supplying temporary personnel in excess of \$250,000. The aggregate amount of contracts with agencies will not exceed \$1.97 million.

- 7-6** Authorize entering into a Local Resources Program Agreement with Los Angeles Department of Water and Power for the Sepulveda Basin Water Recycling Project Phase 4. (WPQ&R)

Recommendation:

Adopt the CEQA determination and authorize the Chief Executive Officer to enter into an LRP agreement with Los Angeles Department of Water and Power to provide incentive payments of \$125 per acre-foot over 25 years.

- 7-7** Approve a 2005/06 Supplemental Storage Program Agreement for Los Angeles Department of Water and Power. (WPQ&R)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize the Chief Executive Officer to execute an agreement with LADWP to purchase and store water under the Supplemental Storage Program based on the principles in Attachment 1 to the board letter.

(END OF CONSENT CALENDAR)

8. OTHER BOARD ITEMS — ACTION

- 8-1** Approve Metropolitan facilitator role to address seawater desalination projects. (D&R)

Recommendation:

Option #1:

Adopt the CEQA determination and approve Metropolitan's role of regional facilitator to address seawater desalination and other local projects.

- 8-2** Authorize payments for (1) calendar year 2006 charges for water from the State Water Project under terms of water supply contracts with the Department of Water Resources; and (2) the 2003 Exchange Agreement with Desert Water Agency and Coachella Valley Water District. (BFI&I)

Recommendation:

Adopt the CEQA determination and authorize payments up to a total of \$581 million, with up to a total of \$506 million to the Department of Water Resources and up to \$75 million to Desert Water Agency and Coachella Valley Water District for 2005 and 2006 recall water.

- 8-3** Appropriate \$19.06 million; award a \$13.96 million construction contract to Brutoco Engineering & Construction, Inc. for the Diemer Chemical System Upgrades; authorize an amendment to an existing agreement with HDR, Inc.; and authorize Diemer Plant North Access Road Improvements (Approps. 15389 and 15380). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determinations and

- a. Appropriate \$19.06 million;**
- b. Award a \$13.96 million contract to Brutoco Engineering & Construction, Inc. to construct the Diemer Chemical System Upgrades;**
- c. Authorize improvements to the Diemer plant entrance from Carbon Canyon Road and delegate authority to the Chief Executive Officer to enter into a reimbursable-type agreement with State Parks in an amount not to exceed \$700,000;**
- d. Authorize preliminary design of the Phase II and III Diemer North Access Road Improvements; and**
- e. Authorize an increase of \$50,000 to the existing agreement with HDR, Inc. for a new not-to-exceed total of \$550,000.**

- 8-4** Appropriate \$76.9 million for the Perris Valley Pipeline Program; and authorize entering into a joint agreement with Eastern Municipal Water District and Western Municipal Water District for reimbursement of right-of-way acquisition, CEQA compliance, final design and construction costs (Approp. 15425). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determinations and

- a. **Appropriate \$76.9 million in budgeted funds; and**
- b. **Authorize the CEO to execute a joint agreement with Eastern and Western for CEQA compliance, acquisition of right-of-way, final design, and construction of the Perris Valley Pipeline, and to make reimbursement payments to Eastern and Western pursuant to the joint agreement.**

- 8-5** Appropriate \$19.86 million; and award a \$15,733,300 procurement contract to Ozonia North America for ozone equipment for the Diemer and Weymouth Oxidation Retrofit Programs (Approps. 15389 and 15392). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determinations and

- a. **Appropriate \$19.86 million in budgeted funds; and**
- b. **Award a \$15,733,300 procurement contract to Ozonia North America to provide ozone equipment and support services for the Diemer and Weymouth Treatment Plants.**

- 8-6** Appropriate \$3.48 million; and award (1) a \$1.25 million construction contract to Fibrwrap Construction, Inc. for the Foothill Feeder Carbon Fiber Liner Repair Project; and (2) a \$1.4226 million construction contract to Gantry Constructors, Inc. for the Foothill Feeder Pipeline Replacement Project. (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Appropriate \$3.48 million in budgeted funds;**
- b. **Award a \$1.25 million construction contract to Fibrwrap Construction, Inc. for the Foothill Feeder Carbon Fiber Liner Repair project; and**
- c. **Award a \$1.4226 million construction contract to Gantry Constructors, Inc. for the Foothill Feeder Pipeline Replacement project.**

- 8-7** Award a \$3,295,000 contract to Mega Way Enterprises for the Main Entrance Road Realignment and Perimeter Landscaping project at the Henry J. Mills Water Treatment Plant (Approp. 15120). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determinations and award a \$3,295,000 contract to Mega Way Enterprises for the Main Entrance Road Realignment and Perimeter Landscaping project at the Mills plant.

- 8-8** Authorize implementation of conservation incentive level updates and program refinements from Metropolitan's Five-Year Conservation Strategy Plan. (WPQ&R)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Authorize implementation of the updated incentive level at \$195/AF with Metropolitan's cost share not to exceed 100 percent of product cost; the Enhanced Conservation Program at up to an incentive level of \$250/AF; the continued funding of the Innovative Conservation Program; the development of database and market research studies to support the successful implementation of the conservation program; and pursuit of market transformation to higher efficiency devices through advocating industry standards and developing broad support for legislation; and**
- b. Authorize the new device incentives and transition of device retrofit programs as described in Attachment 1 and Attachment 2 to the board letter.**

- 8-9 Report on *Carlita Villanueva v. Metropolitan*, LASC Case No. BC 296912; and authorize increase of \$200,000 in maximum amount payable under contract with Hill, Farrer & Burrill LLP for legal services to defend Metropolitan. (L&C)
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(a)]

- 8-10 Report on *Felicia Clayton-Gordon v. Metropolitan*, LASC Case No. BC 333064; and authorize increase of \$250,000 in maximum amount payable under contract with Albright, Yee & Schmit for legal services to defend Metropolitan. (L&C)
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(a)]

- 8-11 Report on Dewayne Cargill, et al. v. Metropolitan, LASC Case No. BC 191881 (consolidated with LASC Case Nos. BC 194444 and BS 052318); and authorize increase of \$590,000 in maximum amount payable under contract with Bergman & Dacey to defend Metropolitan in related lawsuits challenging the employment status of temporary workers. (L&C)
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(a)]
- 8-12 Report on *Alameda County Flood Control & Water Conservation District Zone 7, et al. v. California Department of Water Resources*, Sac. Sup. Ct. Case No. 05AS01775; and authorize increase of \$1,000,000 in maximum amount payable under contract with Bingham McCutchen LLP for legal services to represent Metropolitan. (L&C)
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(a)]
- 8-13 Authorize entering into a ten-year lease agreement for office space in Washington, D.C.
[Conference with real property negotiators; property is approximately 1600 square feet of office space located at 500 New Jersey Avenue, Washington, D.C.; agency negotiators: Roy Wolfe, Curtis Baynes and Cathy Stites; negotiating party: National Association of Realtors (potential landlord); under negotiation: price and terms of payment; to be heard in closed session pursuant to Gov. Code Section 54956.8]

9. BOARD INFORMATION ITEMS

- 9-1 Status report for the Inland Feeder Program for activities through October 2005. (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 Section 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 Section 54956.9(b) (one potential case)]

10. REPORTS OF SPECIAL COMMITTEES

11. 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, BFI&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.