

REVISED

Regular Board Meeting

April 11, 2006

11:00 a.m. -- Board Room

Tuesday, April 11, 2006 Meeting Schedule		
7:30-8:30 a.m.	Rm. 2-413	Dirs. Computer Training
8:30 a.m.*	Rm. 1-102	O&P
9:00 a.m.*	Rm. 2-456	C&L
11:00 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 Bud Pocklington

2. Roll Call

3. Determination of a Quorum

PUBLIC HEARING

Comments on the proposed Water Standby Charge for fiscal year 2006/07

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 March 14, 2006. (A copy has been mailed to each Director)
Any additions, corrections, or omissions
- B. Report on Directors' meetings attended at Metropolitan expense
- C. Report of Nominating Committee
 - (a) Nomination of four nonofficer members to the Executive Committee
 - (b) Election
- D. Report of Nominating Committee
 - (a) Nomination of member to the Inquiry and Review Committee
 - (b) Election
- E. Committee assignments
- F. Chairman's Monthly Activity Report
- G. Adopt motion to adjourn the May Board Meeting to May 16, 2006
- H. Discussion of labor negotiations with Employees Association—AFSCME Local 1902
[Conference with labor negotiators—Metropolitan designated representatives: Bruce Barsook, Stephen Lem; MWD Organization: Employees Association-AFSCME, Local 1902; to be heard in closed session pursuant to Gov. Code Section 54957.6]
- I. Discussion of labor negotiations with Supervisors Association
[Conference with labor negotiators—Metropolitan designated representatives: Bruce Barsook, Stephen Lem; MWD Organization: Supervisors Association; to be heard in closed session pursuant to Gov. Code Section 54957.6]
- J. Authorize preparation of resolution of appreciation for the service of John W. Keys, III, Commissioner, Bureau of Reclamation

6. DEPARTMENT HEADS' REPORTS

- A. 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. General Manager's summary of Metropolitan's activities for the month of March
- B. Interim General Counsel's summary of Legal Department activities for the month of March
- C. General Auditor's summary of activities for the month of March
- D. Ethics Officer's summary of activities for the month of March

7. CONSENT CALENDAR ITEMS — ACTION

- 7-1 Approve dedication of land for a fire station site to the City of Hemet in accordance with the 2002 Diamond Valley Lake Park Specific Plan. (A&RP, Rec.)

Recommendation:

Option #1:

Adopt the CEQA determination and approve the dedication of two acres of surplus land located at the intersection of Domenigoni Parkway and Searl Parkway to the City of Hemet for the purpose of constructing and operating a fire station.

- 7-2 Appropriate \$520,000; and authorize preliminary design of Phase II of the La Verne Shops Upgrade Program at the Weymouth plant (Approp. 15395). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Appropriate \$520,000 in budgeted funds; and**
- b. Authorize preliminary design of Phase II of the La Verne Shops Upgrade Program.**

- 7-3 Express support for H.R. 4545 (Sanchez, D-Norwalk and Napolitano, D-South Gate): To amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of Interior to participate in the Los Angeles County Water Supply Augmentation Demonstration Project. (C&L)

Recommendation:

Adopt the CEQA determination and authorize the General Manager to express Metropolitan's support for H.R. 4545.

Withdrawn

- ~~7-4 Express support and seek amendments for S. 2298 (D-Feinstein) and H.R. 4798 (R-Pombo) which provide funding for perchlorate remediation. (C&L)~~

- 7-5 Express support for AB 2069 (Maze, R-Visalia) regarding public employment and applicant qualifications. (C&L)

Recommendation:

Option #1:

Adopt the CEQA determination and express support for AB 2069.

(END OF CONSENT CALENDAR)

8. OTHER BOARD ITEMS — ACTION

- 8-1 Appropriate \$86.8 million; award a \$70.5165 million Construction contract to Kiewit Pacific Co. for Site Preparation for the Diemer Oxidation Retrofit Program; and authorize an increase of \$255,000 to the existing agreement with MWH Americas; \$16.0285 million for Metropolitan force construction, construction inspection, and support (Approp. 15389). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Certify the Subsequent Environmental Impact Report, and adopt the Findings of Fact, the Statement of Overriding Considerations, and the MMRP;**
- b. **Appropriate \$86.8 million in budgeted funds;**
- c. **Award a \$70.5165 million construction contract to Kiewit Pacific Co. for the Diemer ORP Site Preparation project; and**
- d. **Authorize an increase of \$255,000 to the existing agreement with MWH Americas for a new not-to-exceed total of \$1.455 million.**

- 8-2 Authorize increase of \$15.2 million in Diamond Valley Lake Construction capital appropriation, \$1.4 million in Oxidation Retrofit capital appropriation, and an increase of \$17 million in O&M appropriation relating to the Cargill Settlement. (BFI&I)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize an increase in the Diamond Valley Lake Construction capital appropriation of \$15,157,827 and the Oxidation Retrofit appropriation of \$1,410,816 for the Cargill settlement to be paid with bond funds, and to increase the FY 2005/06 O&M appropriation by \$16,955,788.

- 8-3 Approve the policy principles regarding long-term actions for the Sacramento-San Joaquin River Delta. (WPQ&R, C&L, CALFED)

Recommendation:

Adopt the CEQA determination and the policy principles regarding long-term actions for the Sacramento-San Joaquin River Delta as described in the board letter.

- 8-4 Authorize agreements to create surplus water for storage in Lake Mead. (WPQ&R)

Recommendation:

Adopt the CEQA determination and

- a. Approve implementation of the demonstration program to intentionally create surplus water for storage in Lake Mead;**
- b. Authorize the General Manager to enter into an agreement with the U.S. Bureau of Reclamation to create surplus water through a demonstration program, in form approved by the General Counsel, as described in the board letter; and**
- c. Authorize the General Manager to enter into agreements with the Arizona Department of Water Resources and Colorado River Commission of Nevada to forbear use of Intentionally Created Surplus Water, in form approved by the General Counsel, as described in the board letter.**

Withdrawn

- ~~8-5 Express opposition unless amended to AB 1924 (Koretz, D-W. Hollywood): Fully protected species/penalties. (C&L) **(To be mailed separately)**~~

- 8-6 Authorize execution of an amendment to a joint participation agreement among the State Water Contractors related to litigation regarding the Sacramento Regional County Sanitation District's planned expansion of its Sacramento Regional Wastewater Treatment Plant with total agreement costs not to exceed \$450,000. (L&C)
[Conference with legal counsel—existing litigation (*Alameda County Water District, et al. v. Sacramento Regional County Sanitation District, Sacramento County Superior Court Case No. 05CS00913*); to be heard in closed session pursuant to Gov. Code Section 54956.9(a)]

Recommendation:

Adopt the CEQA determination and authorize the General Manager to execute Amendment No. 1 to the funding agreement regarding Sacramento Regional County Sanitation District's planned expansion of its Sacramento Regional Wastewater Treatment Plant with total agreement costs not to exceed \$450,000.

- 8-7 Authority to increase contracts with outside counsel Avila & Putnam by \$100,000 and expert Geomatrix, Inc. by \$75,000. (L&C)
[Conference with legal counsel—existing litigation (*Cynthia Ward, etc. v. MWH Development Corporation, etc., et al.*, LASC Case No. BC325217 (consolidated with BC325218, BC325219, BC325240, BC325409, and BC335648); to be heard in closed session pursuant to Gov. Code Section 54956.9(a)]

8-8 Report on *Carlita Villanueva v. Metropolitan*, LASC Case No. BC296912; and authorize increase of \$454,000 in maximum amount payable under contract with Hill, Farrer & Burrill LLP for legal services to defend Metropolitan and increase of \$30,000 in maximum amount payable under contract with Meserve, Mumper & Hughes for legal services to defend Lance Charles. (L&C)
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(a)]

8-9 Report on *Lollett Jones-Boyce v. Metropolitan, et al.*, LASC Case No. BC310915. (L&C)
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(a)]

8-10 Authorize settlement with Enron Power Marketing, Inc. and other Enron entities (*Enron Power Marketing, Inc. v. Metropolitan Water District of Southern California*, U.S. Bankruptcy Court, Southern District New York, Case No. SCV 088016; and *Enron Power Marketing, Inc., et al.*, Federal Energy Regulatory Commission Docket Nos. EL03-180, EL03-154, EL02-114-007, EL02-115-008, and EL02-113). (L&C)
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(a)]

Added 8-11 Report on ongoing labor negotiations and human resource initiatives; and authorize an increase of \$52,000 in maximum amount payable under contract with Bate, Peterson, Deacon, Zinn and Young for consulting services related to labor and human resources. (O&P) **(To be distributed at meeting)**

9. BOARD INFORMATION ITEMS

9-1 Status report for the Inland Feeder Program for activities through February 2006. (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)]

9-2 Water Surplus and Drought Management Plan report on water supply and demand as of March 15, 2006. (WPQ&R)

- 9-3 Report on AB 2397 (Calderon, D-Montebello): MWD Service Contracts.
(C&L)

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.