

REVISED

Regular Board Meeting

February 13, 2007

12:00 p.m. -- Board Room

Tuesday, February 13, 2007 Meeting Schedule		
7:00-8:00 a.m.	Rm. 2-413	Dirs. Computer Training
8:00 a.m.	Rm. 2-145	L&HR
9:30 a.m.	Board Room	C&L
12:00 p.m.	Board Room	Board Meeting

Teleconference Participation

at

**500 New Jersey Avenue, Suite 500
Washington, D.C. 20001**

MWD Headquarters Building

• 700 N. Alameda Street

• Los Angeles, CA 90012

1. Call to Order

- (a) Invocation: (Guest)
- (b) Pledge of Allegiance: Director James M. Barrett

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 January 9, 2007. (A copy has been mailed to each Director)
Any additions, corrections, or omissions
- B. Report on Directors' meetings attended at Metropolitan expense

- C. Induction of new Director, Steve Anderson, from Municipal Water District of Orange County
 - (a) Receive credentials
 - (b) Report on credentials by General Counsel
 - (c) File credentials
 - (d) Administer Oath of Office
 - (e) File Oath
- D. Presentation of five-year service pin to Director Gene Koopman, representing Inland Empire Utilities Agency
- E. Reappointment of Directors Aaron Grunfeld and John W. Murray, Jr. from City of Los Angeles for term ending December 31, 2010
- F. Chairman's Monthly Activity Report
- G. Approve committee assignments
- H. Authorize the termination of The Center for Water Education ground lease; and appropriate funds to pay debts of The Center for Water Education and complete construction of the education center. (Exec.)

6. DEPARTMENT HEADS' REPORTS

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

7. CONSENT CALENDAR ITEMS — ACTION

- 7-1 Amend Metropolitan Water District Administrative Code to reflect new committee structure. (Exec.)

Recommendation:

Option #1:

Adopt the CEQA determination and approve the changes to the Administrative Code set forth in Attachment 1 to the board letter to reflect the new structure of the Board's committees.

- 7-2 Grant conditional approval for the 98th Fringe Area Annexation to Eastern Municipal Water District and Metropolitan; and adopt resolution of intention to impose water standby charge. (B&F)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Grant conditional approval for the 98th Fringe Area Annexation concurrently to Eastern and Metropolitan, conditioned upon receipt in full of annexation fee of \$15,936.80 to Metropolitan if completed by December 31, 2007, or if completed later, at the then-current annexation charge rate;**
- b. Approve Eastern's Statement of Compliance with the current Water Use Efficiency Guidelines; and**
- c. Adopt the resolution of intention to impose water standby charge within the proposed annexation territory, substantially in the form of Attachment 3 to the board letter.**

- 7-3 Appropriate \$620,000; and authorize two conveyance and distribution system rehabilitation projects (Approp. 15441). (E&CP)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Appropriate \$620,000 in budgeted funds; and**
- b. Authorize final design of replacement slide gates for the San Gabriel Tower and Puddingstone Radial Gate.**

- 7-4 Adopt resolutions to accept \$4.4 million in state grants for the Lake Perris Pollution Prevention and Source Water Protection Program. (WP&S)

Recommendation:

Option #1:

Adopt the CEQA determination and the resolutions in Attachment 1 and Attachment 2 to the board letter.

- 7-5 Authorize entering into a contract with the U.S. Bureau of Reclamation and City of Needles for delivery of water from the Lower Colorado Water Supply Project. (WP&S)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize the General Manager to enter into a contract with the U.S. Bureau of Reclamation and City of Needles for delivery of water from the Lower Colorado Water Supply Project.

- 7-6 Authorize membership in the California Climate Action Registry and payment of \$10,000 registration fees. (WQ&O)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize \$10,000 registration fees to join the California Climate Action Registry.

(END OF CONSENT CALENDAR)

8. OTHER BOARD ITEMS — ACTION

- 8-1 Determine water revenue requirements; set a public hearing date; and adopt resolutions giving notice of intention to impose rates and charges for fiscal year 2007/08. (B&F)

Added

Recommendation:

Option #1 – Base Case:

Adopt the CEQA determination and

- a. **Determine that revenues required from rates and charges during FY 2007/08 should be not less than \$1.098 billion, and use this determination in establishing water rates and charges to be effective January 1, 2008.**
- b. **Set a time for a public hearing of the Business and Finance Committee at which interested parties may present their views regarding the General Manager's recommendation for rates and charges to be effective January 1, 2008.**
- c. **Adopt the following resolutions:**
 1. **Resolution of intention to impose the Readiness-to-Serve Charge in the form shown in Attachment 1 of the board letter, declaring the Board's intention (i) at its April 10, 2007 meeting to consider and act upon the General Manager's recommendation to impose a Readiness-to-Serve Charge and (ii) at its May 8, 2007 meeting to consider and act upon the General Manager's recommendation to impose standby charges within the service 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 in Attachment 1 of the board letter, declaring the Board's intention at its April 10, 2007 meeting to consider and act upon the General Manager's recommendation to impose a Capacity Charge.**

- 8-2 Appropriate \$11.4 million for five improvement projects and rock excavation at the Robert A. Skinner Water Treatment Plant (Approps. 15365, 15388, 15410, and 15435). (E&CP)

Recommendation:

Option #1:

Adopt the CEQA determinations and

- a. Appropriate \$11.4 million in budgeted funds;
- b. Authorize final design of the Skinner Electrical Buildings Upgrade and Ground Fault Protection Upgrade projects;
- c. Authorize final design, procurement and installation of the Skinner Plant No. 2 Filter Surface Wash Valve and Actuator Replacement, and the Plant No. 1 Filter Drain Gate Stem Replacement projects;
- d. Authorize final design and construction of the Skinner Incoming Electrical Service; and
- e. Authorize additional funds for rock excavation for the Skinner Expansion No. 4 Program.

- 8-3 Appropriate \$2.5 million; and authorize (1) Phase II of the Human Resources Improvement project; and (2) an agreement with Ciber, Inc. in an amount not to exceed \$1.45 million (Approp. 15411). (L&HR)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Appropriate \$2.5 million in budgeted funds;
- b. Authorize the upgrade of PeopleSoft HR/payroll and PeopleSoft development software, and purchase of the Oracle/PeopleSoft eLearning Module software; and
- c. Authorize an agreement with Ciber, Inc. in an amount not to exceed \$1.45 million.

- 8-4 Report on *Frank Roach v. Metropolitan*, WCAB Case No. MON0291228. (L&HR)

[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(a)]

- 8-5 Report on *Steven Slack v. Metropolitan*, LASC Case No. BC349404; and authorize increase of \$175,000 for a total of \$275,000 in maximum amount payable under contract with Meserve, Mumper & Hughes to represent Metropolitan in litigation. (L&HR)

[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(a)]

- 8-6 Report on *Dewayne Cargill, et al. v. Metropolitan*, LASC Case No. BC191881 (consolidated with LASC Case Nos. BC194444 and BS052318); and authorize increase of \$250,000 for a total of \$850,000 in maximum amount payable under contract with Burke, Williams & Sorensen to represent Metropolitan in CalPERS proceedings. (L&HR)
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(a)]
- 8-7 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 \$2,000,000 in maximum amount payable under contract with Bingham McCutchen LLP for legal services to represent Metropolitan, and increase of \$200,000 in maximum amount payable under contract with DocuTech Services, LLP for litigation support (L&HR)
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(a)]
- 8-8 Report on *L. H. Woods & Sons, Inc. v. Metropolitan Water District of Southern California, et al.*, San Bernardino Superior Court Case No. SCVSS 131976; and authorize increases of \$500,000 for a total of \$600,000 in maximum amount payable under contract with Jones Day for legal services to represent Metropolitan, and \$225,000 for a total of \$475,000 in maximum payable under contract with Navigant Consulting, Inc. for expert forensic claims analysis in ongoing litigation. (L&HR)
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(b)]
- 8-9 Authorize \$180,000 for the purchase of operating equipment for Phase I of the Quagga Mussel Control Program. (WQ&O)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize \$180,000 to purchase operating equipment for immediate quagga mussel detection, surveillance, and mitigation strategies in the Colorado River Aqueduct system and reservoirs.

9. BOARD INFORMATION ITEMS

- 9-1 Status report for the Inland Feeder Program for activities through December 2006. (E&CP)
- 9-2 Review of Colorado River Aqueduct Supply and Policies. (WP&S)
- 9-3 Staff analysis of SB 59 (Cogdill, R-Modesto) regarding the Reliable Water Supply Bond Act of 2008. (WP&S, C&L)
- 9-4 Staff analysis of SB 27 (Simitian, D-Palo Alto) regarding Delta Conveyance. (WP&S)
- 9-5 Accounting for the Capital Component of the State Water Contract. (B&F)

10. 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&CP, B&F). Committee agendas may be obtained from the Board 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 Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.