

REVISED

Regular Board Meeting

July 10, 2007

12:00 p.m. -- Board Room

Tuesday, July 10, 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.	Rm. 2-456	C&L
12:00 p.m.	Board Room	Board Meeting

MWD Headquarters Building

• 700 N. Alameda Street •

Los Angeles, CA 90012

1. Call to Order

- (a) Invocation: (Guest)
- (b) Pledge of Allegiance: Director Helen Z. Hansen

2. Roll Call

3. Determination of a Quorum

PUBLIC HEARING

Comments on the proposed standby charge for Calleguas Annexation No. 91 to Calleguas Municipal Water District

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))

Presentation to the Palo Verde Valley Community Improvement Fund Board of Directors

5. OTHER MATTERS

- A. Approval of the Minutes of the Meeting for June 12, 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, Robert Wunderlich, from City of Beverly Hills
 - (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 Ergun Bakall, representing Municipal Water District of Orange County
- E. Chairman's Monthly Activity Report

6. DEPARTMENT HEADS' REPORTS

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

7. CONSENT CALENDAR ITEMS — ACTION

- 7-1 Authorize entering into an agreement for external audit services with KPMG LLP for \$311,375. (Exec.)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize the General Auditor to enter into a contract for external audit services with the firm of KPMG LLP for the annual and quarterly audits for fiscal year 2006/07, in an amount not to exceed \$311,375.

- 7-2 Adopt resolution to accept \$60 million in state Proposition 50 grants for the Diemer, Skinner, and Weymouth Oxidation Retrofit Programs; and authorize agreement with Yuba City Unified School District to administer a Labor Compliance Program. (E&CP)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Adopt a resolution authorizing Metropolitan's funding agreement with DHS for Proposition 50, Chapter 4(b) Safe Drinking Water grant funding; and**
- b. **Authorize an agreement with Yuba City Unified School District in an amount not to exceed \$2 million for labor compliance program administration.**

(END OF CONSENT CALENDAR)

8. OTHER BOARD ITEMS — ACTION

- 8-1 Award \$39.3 million construction contract to W.A. Rasic Construction Co. for the North Reach of the Perris Valley Pipeline (Approp. 15425). (E&CP)

Recommendation:

Option #1:

Adopt the CEQA determination and award a \$39,250,000 contract to W.A. Rasic Construction Co. to construct the North Reach of the Perris Valley Pipeline.

- 8-2 Appropriate \$5 million for projects costing less than \$250,000 for fiscal year 2007/08 under the Minor Capital Projects Program (Approp. 15448). (E&CP)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Appropriate \$5 million for the Minor Capital Projects Program for FY 2007/08 for projects costing less than \$250,000;**
- b. **Authorize the General Manager to initiate capital projects costing less than \$250,000 and perform all work including the preparation of necessary environmental documentation; and**
- c. **Designate the General Manager as the decision-making body for purposes of reviewing, approving, and certifying any environmental documentation that may be required for such projects.**

- 8-3 Authorize (1) an agreement with Johnson Controls, Inc. in an amount not to exceed \$7.8 million to provide physical security systems for Capital Investment Plan projects; and (2) an increase of \$1.56 million to Agreement No. 72671 with Johnson Controls, Inc. for routine maintenance of physical security systems. (WQ&O)
[Any discussion of specific threats or facilities to be heard in closed session. Conference with security operations manager—threat to public services or facilities; may be heard in closed session pursuant to Gov. Code Section 54957(a)]

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Authorize a new master agreement with Johnson Controls, Inc. for a not-to-exceed amount of \$7.8 million, to design, procure, and install physical security systems for projects in Metropolitan's CIP; and**
- b. **Authorize an increase of \$1.56 million to Agreement No. 72671 with Johnson Controls, Inc. for a new not-to-exceed total of \$2,703,344, for routine maintenance of physical security systems during the current five-year term.**

- 8-4 Authorize enhancements for Metropolitan's Water Conservation Program. (WP&S)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Authorize the Regional Residential Device Incentive Program;**
- b. Authorize five new incentives for new construction and retrofits;**
- c. Authorize flat rate device incentives; and**
- d. Authorize improvements to Metropolitan's Measured Water Savings Program**

- 8-5 Authorize renewal of the Municipal Water Quality Investigation Program with the Department of Water Resources and related agreements with other State Water Project contractors. (WP&S)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Authorize the General Manager to enter into a new three-year program agreement with DWR; and**
- b. Authorize the General Manager to enter into SWPCA agreements with participating State Water Contractors.**

- 8-6 Authorize \$540,544 for payment to the Six Agency Committee and \$13,472 for payment to the Colorado River Association for fiscal year 2007/08. (WP&S) **(Two-thirds vote required)**

Recommendation:

Option #1:

Adopt the CEQA determination, and by a two-thirds vote, authorize the General Manager to make payments of \$540,544 to the Six Agency Fund and \$13,472 to the Colorado River Association (or its successor entity the Colorado River Joint Powers Authority) for a total of \$554,016 for FY 2007/08.

- 8-7 Report on *Victor Alan Gordon v. Metropolitan, et al.*, LASC Case No. BC353932; and authorize increase of \$250,000 for a total of \$350,000 in maximum amount payable under the contract with Weston, Benshoof, Rochefort, Rubalcava & MacCuish, LLP for legal services to defend Metropolitan. (L&HR)
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(a)]

9. BOARD INFORMATION ITEMS

- 9-1 Status report for the Inland Feeder Program for activities through May 2007. (E&CP)
- 9-2 Metropolitan's Response to Notice of Preparation for Perris Dam Remediation Project. (L&HR) **(To be mailed separately)**
[Conference with legal counsel – potential litigation; may be heard in closed session pursuant to Gov. Code Section 54956.9(b)]
- 9-3 Cost of power for the California and the Colorado River Aqueducts. (B&F)
(To be mailed separately)
- 9-4 Overview of Report to Legislature on Salton Sea restoration. (WP&S)
- Added** 9-5 Proposed Public Sector Water Conservation Partnership Demonstration Program. (WP&S)

10. DEPARTMENT HEADS PERFORMANCE EVALUATION AND COMPENSATION

- 10-1 Report from Executive Committee and Legal and Human Resources Committee on evaluation rating for General Manager, General Counsel, General Auditor, and Ethics Officer
[Public employees' performance evaluation; to be heard in closed session pursuant to Gov. Code Section 54957]
- 10-2 Compensation and Pay for Performance Recommendation for General Manager, General Counsel, General Auditor, and Ethics Officer. **(To be distributed at meeting)**

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&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.