

Adjourned Regular Board Meeting

August 19, 2008

12:00 p.m. -- Board Room

Tuesday, August 19, 2008 Meeting Schedule		
7:00-8:00 a.m.	Rm. 2-413	Dirs. Computer Training
8:00 a.m.	Rm. 2-145	L&HR
10:00 a.m.	Rm. 2-456	C&L
12:00 p.m.	Board Room	Board Meeting
1:30 p.m.	Rm. 1-102	IRP

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

PUBLIC HEARING

Comments on the proposed standby charge for San Diego County
Water Authority Erreca Annexation

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))

Lester Snow, Director of Department of Water Resources — California's
Water Supply Situation and Drought Actions

5. OTHER MATTERS

- A. Approval of the Minutes of the Meeting for July 8, 2008. (A copy has been mailed to each Director)
Any additions, corrections, or omissions

- B. Report on Directors' meetings attended at Metropolitan expense for month of July

- C. Presentation of service pins to:
 - Director James H. Blake, 20 years, representing City of Fullerton
 - Director James M. Rez, 20 years, representing City of Glendale
 - Director Larry D. Dick, 5 years, representing Municipal Water District of Orange County

- D. Approve committee assignments

- E. Chairman's Monthly Activity Report

- F. Tax levy for fiscal year 2008/09. (B&F)
 - F-1 Report on list of certified assessed valuations for fiscal year 2008/09 and tabulation of assessed valuations, percentage participation, and vote entitlement of member public agencies as of August 19, 2008. (Copies distributed—Compare with preceding year—Ordered received and filed, spread on the Minutes, a copy to be sent each Director and to each member public agency).
(To be distributed at meeting)

 - F-2 Adopt resolution establishing the tax rate for fiscal year 2008/09.
(Roll call vote—two-thirds vote required) (To be distributed at meeting)

6. DEPARTMENT HEADS' REPORTS

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

7. CONSENT CALENDAR ITEMS — ACTION

- 7-1** [Grant conditional approval for 102nd Fringe Area Annexation to Eastern.](#)
Grant conditional approval for 102nd Fringe Area Annexation to Eastern Municipal Water District and to 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 102nd Fringe Area Annexation concurrently to Eastern and to Metropolitan, conditioned upon receipt in full of annexation fee of approximately \$154,336.28 to Metropolitan if completed by December 31, 2008, 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 resolution of intention to impose water standby charge within the proposed annexation territory, substantially in the form of Attachment 3 to the board letter.**

- 7-2** [Authorize three projects for Metropolitan's hydroelectric power plants.](#)
Appropriate \$1.41 million; and authorize three projects for Metropolitan's hydroelectric power plants (Approps. 15457, 15458 and 15377). (E&CP)

Recommendation:

Option #1:

Adopt the CEQA determinations and

- a. Appropriate \$1.41 million in budgeted funds;**
- b. authorize a reliability assessment of Metropolitan's existing hydroelectric power plants;**
- c. Authorize a hydropower feasibility study throughout the distribution system; and**
- d. Authorize final design and construction of the hydroelectric plant Discharge elimination Project.**

7-3 [Authorize repair of Service Connection OC-71.](#)

Appropriate \$880,000; and authorize repair of Service Connection OC-71 (Approp. 15441). (E&CP)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Appropriate \$880,000 in budgeted funds; and**
- b. Authorize permanent repairs to Service Connection OC-71.**

7-4 [Authorize two projects at the Chemical Unloading Facility.](#)

Appropriate \$1.12 million; and authorize two projects at the Chemical Unloading Facility (Approp. 15346). (E&CP)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Appropriate \$1.12 million in budgeted funds;**
- b. Authorize preliminary design of the CUF Dechlorination System; and**
- c. Authorize preliminary design of the CUF Chlorine Containment Facility.**

7-5 [Authorize completion of interim chlorination facilities at outlets of Copper Basin and Lake Mathews.](#)

Appropriate \$1.87 million; and authorize completion of the interim chlorination facilities at the outlets of Copper Basin and Lake Mathews for the Quagga Mussel Control Program (Approp. 15447). (WQ&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Appropriate \$1.87 million; and**
- b. Authorize completion of all work for the interim chlorination facilities at the outlets of Copper Basin and Lake Mathews.**

(END OF CONSENT CALENDAR)

8. OTHER BOARD ITEMS — ACTION

- 8-1** [Adopt Supplemental Resolution authorizing sale of Water Revenue Bonds.](#)
Adopt Eighteenth Supplemental Resolution to the Master Revenue Bond Resolution authorizing the sale of up to \$750 million of Water Revenue Bonds, 2008 Authorization; and approve (1) entering into interest rate swap transactions of up to \$500 million; and (2) Appropriation No. 15456 to pay costs of issuance of Water Revenue Bonds and Water Revenue Refunding Bonds. (B&F) **(Two-thirds vote required)**

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Adopt Eighteenth Supplemental Resolution to the Master Revenue Bond Resolution authorizing the sale of up to \$750 million of Water Revenue Bonds, 2008 Authorization; and approve entering into interest rate swap transactions of up to \$500 million to capture savings and reduce interest rate risk; and**
- b. Approve Appropriation No. 15456 for \$1,400,000 to cover the expenses associated with the bond and interest rate swap transactions, and authorize reimbursement of expenses paid from the General Fund by bond proceeds. The appropriation would expire on August 31, 2010.**

- 8-2** [Award contracts for Lake Skinner East Bypass Screening Structure Rehabilitation and St. Johns Canyon Channel Repairs.](#)
Appropriate \$6.5 million; and award (1) \$4,591,000 contract to Gantry Constructors, Inc. for the Lake Skinner East Bypass Screening Structure Rehabilitation; and (2) \$503,100 contract to Grand Pacific Contractors, Inc. for the St. Johns Canyon Channel Repairs (Approp. 15377). (E&CP)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Appropriate \$6.5 million in budgeted funds;**
- b. Award a \$4,591,500 contract to Gantry Constructors, Inc. for the Lake Skinner East Bypass Screening Structure; and**
- c. Award a \$503,100 contract to Grand Pacific Contractors, Inc. for the St. Johns Canyon Channel Repair and Modifications.**

8-3 [Approve Energy Policy Principles.](#)

Approve Energy Policy Principles. (WQ&O)

Recommendation:

Option #1:

Adopt the CEQA determination and approve the Energy Policy Principles attached to the board letter.

8-4 [Award contract for services and placement of conservation advertising.](#)

Award a three-year contract to Fraser Communications for services for conservation advertising and payment for the placement of the advertising for up to \$5 million per year. (C&L)

Recommendation:

Option #1:

Adopt the CEQA determination and award a three-year contract to Fraser Communications for services for conservation advertising and payment for the placement of the advertising for up to \$5 million per year, with a maximum amount payable of \$15 million.

8-5 [Authorize increase in contract for legal services in *Cadiz, Inc., etc. v. Metropolitan.*](#)

Report on *Cadiz, Inc., etc. v. Metropolitan*, LASC Case No. BC343232; and authorize increase of \$800,000 for a total of \$2.2 million in maximum amount payable under contract with Fulbright & Jaworski to defend Metropolitan. (L&HR) **(To be mailed separately)**
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(a)]

- 8-7 Provide Direction to Negotiators Regarding Provision of Water to Pechanga Band.
Provide Direction to Negotiators Regarding Provision of Water to Pechanga Band of Luiseño Mission Indians. (L&HR)
[Conference with real property negotiators; property is Colorado River water rights; agency negotiators: Jeffrey Kightlinger and Karen Tachiki; negotiating parties: Pechanga Band of Luiseño Mission Indians, Colorado River Indian Tribes and U.S. Department of the Interior; under negotiation: price and terms of agreement; to be heard in closed session pursuant to Gov. Code Section 54956.8]
- 8-8 Authorize land-surveying agreements for CRA Real Property Recordation Program.
Authorize agreements to complete land surveying for the CRA Real Property Recordation Program. (E&CP)
- Recommendation:**
- Option #1:**
- Adopt the CEQA determination and authorize ten professional services agreements, in an amount not to exceed \$2 million per agreement, with Johnson-Frank & Associates; RBF Consulting; Psomas; Guida Surveying; David Evans & Associates; Rick Engineering Company; D. Woolley & Associates; Towill; Nolte Associates; and Coast Surveying, for land surveying and mapping services.**
- 8-9 Authorize Local Resources Program Agreement with IEUA.
Authorize entering into a Local Resources Program Agreement with Inland Empire Utilities Agency. (WP&S) **(To be mailed separately)**
- 8-10 Authorize Local Resources Program Agreement with MWDOC and OCWD.
Authorize amendment of Local Resources Program Agreement with Municipal Water District of Orange County and Orange County Water District. (WP&S) **(To be mailed separately)**
- 8-11 Approve Delta Governance Principles.
Approve Delta Governance Principles. (WP&S) **(To be mailed separately)**

9. BOARD INFORMATION ITEMS

- 9-1 Status report for the Inland Feeder Program for activities through June 2008. (E&CP)
- 9-2 Update on Proposed Revisions to California Urban Water Conservation Council Memorandum of Understanding. (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. FUTURE AGENDA ITEMS

12. ADJOURNMENT

NOTE: Underscored summary language at the beginning of each action item is provided for ease of reference only. Please refer to the entire description of each agenda item to obtain information on the subject matter under consideration.

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.

Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan's Headquarters Building and on Metropolitan's Web site <http://www.mwdh2o.com>.

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.