



REVISION 2

Regular Board Meeting

May 8, 2012

**11:30 a.m. -- Board Room
(Note: Meeting time Changed)**

Tuesday, May 8, 2012 Meeting Schedule		
7:00-8:00 a.m.	Rm. 2-413	Dirs. Computer Training
9:00 a.m.	Rm. 2-145	L&C
10:00 a.m.	Rm. 2-456	C&L
11:30 a.m.	Board Room	Board Meeting

MWD Headquarters Building •

700 N. Alameda Street •

Los Angeles, CA 90012

1. Call to Order

- (a) Invocation: Dannelle-Mimi T. Phan, Manager, Audit Department
- (b) Pledge of Allegiance: Director Stephen Millard

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))

4A. Presentation by David La France, Executive Director, AWWA, Infrastructure Report

5. OTHER MATTERS

- A. Approval of the Minutes of the Meeting for April 10, 2012. (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 April

- C. Approve 30-day leave of absence for Director Keith Lewinger, commencing May 15, 2012
- D. Approve committee assignments
- E. Chairman's Monthly Activity Report

6. DEPARTMENT HEADS' REPORTS

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

7. CONSENT CALENDAR ITEMS — ACTION

Corrected

- 7-1** Authorize on-call agreements with Lee & Ro, Inc., Carollo Engineers, CDM Smith, and ARCADIS, in amounts each not to exceed \$1 million per year, and Butier Engineering, Inc., in an amount not to exceed \$500,000 per year, in support of board-authorized Capital Investment Plan projects. (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. **Authorize agreements with Lee & Ro, Inc., Carollo Engineers, CDM Smith, and ARCADIS, each in an amount not to exceed \$1 million per year for an initial term of one year, with an option to renew up to two additional one-year periods, to provide design services; and**
- b. **Authorize agreement with Butier Engineering, Inc., in an amount not to exceed \$500,000 per year for an initial term of one year, with an option to renew up to two additional one-year periods, to provide construction management and inspection services.**

- 7-2** Appropriate \$1.77 million; award \$622,650 contract to PPC Construction, Inc. for replacement of sodium hydroxide storage tanks at the Henry J. Mills Water Treatment Plant; and award \$298,089 contract to SCW Contracting Corp. to construct the Mills Hazardous Waste Staging and Handling Facility (Approps. 15381 and 15452). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Appropriate \$1.77 million;**
- b. Award \$622,650 contract to PCC Construction, Inc. to replace sodium hydroxide storage tanks at the Mills plant; and**
- c. Award \$298,089 contract to SCW Contracting Corp. to construct the Mills Hazardous Waste Staging and Handling Facility.**

- 7-3** Board approval of Metropolitan Water District's Salary Schedule pursuant to CalPERS regulation. (OP&T)

Recommendation:

Option #1:

Adopt the CEQA determination and approve the salary schedule attached to the board letter.

(END OF CONSENT CALENDAR)

8. OTHER BOARD ITEMS — ACTION

- 8-1 Authorize the purchase of approximately 2,175 acres in Riverside and Imperial Counties. (RP&AM)
[Conference with real property negotiators; Riverside County Assessor Parcel Nos. 878-250-010, 878-240-023, Imperial County Assessor Parcel Nos. 006-090-022-000, 006-090-030-000, 006-090-032-000, 006-100-002-000, 006-100-001-000, 006-100-006-000, 006-100-012-000, 006-100-014-000, 006-100-017-000, 006-100-019-000; agency negotiators: Gilbert Ivey, Ralph Hicks, and John Clairday; negotiating parties: Gabrych Family Trust; under negotiation: price and terms of exchange; to be heard in closed session pursuant to Gov. Code Section 54956.8]

8-2 Adopt resolution to continue Metropolitan's Water Standby Charge for FY 2012/13. (F&I)

Recommendation:

Option #1:

Adopt the CEQA determination and the resolution to continue the water standby charge for fiscal year 2012/13.

8-3 Approve Appropriation No. 15475 to pay costs of issuance of Water Revenue Bonds, Water Revenue Refunding Bonds, and Interest Rate Swap Transactions. (F&I)

Recommendation:

Option #1:

Adopt the CEQA determination and approve Appropriation No. 15475 to pay costs of issuance of Water Revenue Bonds, Water Revenue Refunding Bonds, other costs associated with securing liquidity for expiring variable rate debt liquidity facilities, and interest rate swap transactions, and authorize reimbursement of expenses paid from the General Fund by bond proceeds. The appropriation will expire on May 31, 2014.

8-4 Authorize changes to water conservation incentives; and authorize a five-year agreement with Electric and Gas Industries Association to administer Metropolitan's regional conservation rebate program, in an amount not to exceed \$90 million, which includes a cap of \$4 million for administrative fees and up to \$86 million in conservation incentives (subject to budget approval). (WP&S)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize:

- a. **Water conservation program changes effective July 1, 2012; and**
- b. **Five-year agreement with Electric and Gas Industries Association to administer Metropolitan's regional conservation rebate program. The maximum amount payable under the contract for EGIA's services would be \$4 million. The contract's overall maximum amount will include pass-through incentive funding from Metropolitan, member agencies, and third parties to conservation program participants, with the overall contract amount not to exceed \$90 million.**

Withdrawn 8-5 ~~Appropriate \$6.3 million; and authorize (1) final design of the Jensen Solids Dewatering Facility and Lagoons; (2) new agreement with MWH Americas; and (3) amendment to existing agreement with Environmental Science Associates (Approp. 15371). (E&O)~~

8-6 Appropriate \$21.2 million; award \$16,300,127 contract to Stronghold Engineering, Inc., for the La Verne Machine and Fabrication Shops Upgrades; and authorize amendment to existing agreement with Tetra-IBI Group (Approp. 15395). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and

- a. Appropriate \$21.2 million;**
- b. Award \$16,300,127 contract to Stronghold Engineering, Inc., for the La Verne Machine and Fabrication Shops Upgrades; and**
- c. Authorize increase of \$500,000 to the existing agreement with Tetra-IBI Group, for a new not-to-exceed total of \$2.35 million.**

8-7 Authorize agreement with Johnson Controls, Inc. in an amount not to exceed \$3.75 million to maintain and repair physical security systems. (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination and authorize a new five-year maintenance agreement with Johnson Controls, Inc. for a total amount not-to-exceed \$3.75 million for routine maintenance of physical security systems at all Metropolitan facilities, with an option for Metropolitan to terminate the agreement on an annual basis.

8-8 Authorize increase in maximum amount payable under contract with Morrison & Foerster for legal services by \$600,000 to a maximum of \$6,925,000; and report on *Consolidated Delta Smelt Cases*, USDC Case No. 1:09-CV-407 LJO-DLB, and *Consolidated Salmonid Cases*, USDC Case No. 1:09-CV-1053 LJO-DLB . (L&C)
[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(a)]

- 8-9 Express support for AB 2443 (Williams, D-Santa Barbara) – Vessels: Registration Fee: Quagga and Zebra Mussels. (C&L)

Recommendation:

Option #1:

Adopt the CEQA determination and express support for AB 2443.

- Added** 8-10 Authorize entering into settlement of *Solano County Water Agency, et al. v. Department of Water Resources*, Sacramento Superior Court Case No. 34-2008-0001338 CU-BC-GDS. (L&C)
[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** Renewal status of Metropolitan's Property and Casualty Insurance Program. (F&I)
- 9-2 Report on AB 2398 (Hueso, D-Chula Vista) – Water Recycling. (C&L)

10. FUTURE AGENDA ITEMS

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 parentheses at the end of the description of the agenda item e.g. (E&O, F&I). 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.

REVISED: Date of Notice: May 2, 2012