



REVISED AGENDA

Regular Board Meeting

April 12, 2016

12:00 p.m. – Board Room

Tuesday, April 12, 2016 Meeting Schedule		
7:00-8:00 a.m.	Rm. 1-101	Dirs. Computer Training
9:00 a.m.	Rm. 2-145	L&C
10:30 a.m.	Rm. 2-456	RP&AM
12:00 p.m.	Board Room	Board Meeting
1:00 p.m.	Rm. 2-456	IRP

Telephone Participation:

500 New Jersey Avenue
Suite 500
Washington, D.C. 20001
202-393-4251

MWD Headquarters Building • 700 N. Alameda Street • Los Angeles, CA 90012

1. Call to Order

- (a) Invocation: Remus Arbouet, Jr., Senior Engineering Technician, Water System Operations Group
- (b) Pledge of Allegiance: Director Marsha Ramos

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 March 8, 2016. (A copy has been mailed to each Director)
Any additions, corrections, or omissions

- B. Report on Directors' events attended at Metropolitan expense for month of March
- C. Induction of new Director Mark Gold, from City of Los Angeles
 - (a) Receive credentials
 - (b) Report on credentials by General Counsel
 - (c) File credentials
 - (d) Administer Oath of Office
 - (e) File Oath
- D. Approve committee assignments
- E. Chairman's Monthly Activity Report
- Added** F. Approve 30-day leave of absence for Director Richard Atwater, commencing April 28, 2016

6. DEPARTMENT HEADS' REPORTS

- A. General Manager's summary of Metropolitan's activities for the month of March
- B. 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** Appropriate \$1.28 million; certify the Final Program Environmental Impact Report for the Right-of-Way and Infrastructure Protection Program for the Orange County region; approve the program for the Orange County region for the purposes of the California Environmental Quality Act; and authorize: (1) environmental permitting and mitigation activities; and (2) increase of \$150,000 to an agreement with Dudek, for a new not-to-exceed total of \$3,525,000 (Approp. 15474). (E&O)

Recommendation:

Option #1:

Certify the Final Program Environmental Impact Report for the Right-of-Way and Infrastructure Protection Program for the Orange County region; adopt the Findings of Fact and the Mitigation Monitoring and Reporting Program; approve the program for the Orange County region for the purposes of CEQA, and

- a. Appropriate \$1.28 million;**
- b. Authorize environmental permitting and mitigation activities for the Orange County region; and**
- c. Authorize increase of \$150,000 to an agreement with Dudek, for a new not-to-exceed total of \$3,525,000.**

- 7-2** Appropriate \$330,000; and authorize design to replace valves at Service Connections CB-12 and CB-16 on the Rialto Pipeline (Approp. 15480). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is categorically exempt, and

- a. Appropriate \$330,000; and**
- b. Authorize design to replace calves at Service Connections CB-12 and CB-16 on the Rialto Pipeline.**

- 7-3** Authorize increase in change order authority for the seismic retrofit of the Upper Feeder's Santa Ana River Bridge (Approp. 15441). (E&O)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action has been previously addressed in the approved 2013 Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program, and that no further environmental analysis or documentation is required, and that the fiscal aspect of a change order authority is not subject to CEQA, and

Authorize increase of \$160,000 in change order authority for the seismic retrofit of the Upper Feeder's Santa Ana Bridge, up to an aggregate amount not to exceed \$410,000.

- 7-4** Authorize granting a permanent easement to county of Riverside on Metropolitan-owned property located in county of Riverside. (RP&AM)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is categorically exempt, and

Authorize the General Manager to grant a permanent easement to the county of Riverside.

- 7-5** Authorize granting a permanent easement to Southern California Edison on Metropolitan-owned property located in county of Orange. (RP&AM)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is categorically exempt, and

Authorize the General Manager to grant a permanent easement to SCE.

(END OF CONSENT CALENDAR)

8. OTHER BOARD ITEMS — ACTION

- 8-1** Approve biennial budget for fiscal years 2016/17 and 2017/18, proposed ten-year forecast, proposed revenue requirements for fiscal years 2016/17 and 2017/18, and recommended water rates and charges to be effective on January 1, 2017 and January 1, 2018; adopt resolutions fixing and adopting water rates and charges for 2017 and 2018; and adopt the resolution finding that continuing an ad valorem tax rate at the rate levied for fiscal year 2015/16 is essential to Metropolitan's fiscal integrity. (F&I)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is not defined as a project under CEQA and is not subject to CEQA, and

- a. **Approve the FY 2016/17 and FY 2017/18 biennial budget;**
- b. **Appropriate \$2,431.4 million for Metropolitan O&M and operating equipment, power costs on the Colorado River Aqueduct, SWP operations, maintenance, power and replacement costs and SWP capital charges; demand management programs including the local resources and conservation credits program; and costs associated with supply programs;**
- c. **Appropriate as a continuing appropriation, \$672.6 million for FY 2016/17 and FY 2017/18 debt service on Metropolitan general obligation and revenue bonds;**
- d. **Authorize the use of \$240 million in operating revenues to fund the Capital Investment Plan;**
- e. **Determine that the revenue requirements to be paid from rates and charges are \$1,575.0 million in FY 2016/17 and \$1,574.3 million in FY 2017/18;**
- f. **Approve water rates effective January 1, 2017, and January 1, 2018, as shown in Table 3, Option #1a above;**
- g. **Adopt the Resolution Fixing and Adopting Water Rates To Be Effective January 1, 2017 and 2018, in the form of [Attachment 4](#), using the rates shown in Section 1, Option #1a in the Resolution;**
- h. **Adopt the Resolution Fixing and Adopting A Readiness-To-Serve Charge Effective January 1, 2017, in the form of [Attachment 5](#), using the charge shown in Section 6 of the Resolution;**
- i. **Adopt the Resolution Fixing and Adopting A Capacity Charge Effective January 1, 2017, in the form of [Attachment 6](#), using the charge shown in Section 6 of the Resolution;**
- j. **Adopt the Resolution Fixing and Adopting A Treated Water Charge Effective January 1, 2017, in the form of [Attachment 7](#), using the charge shown under Option #1a in Section 6 of the Resolution;**
- k. **Approve the Ten-Year Financial Forecast, as shown in the Proposed Biennial Budget FY 2016/17 and FY 2017/18 in [Attachment 1](#);**
- l. **Adopt the Resolution Finding that Continuing an Ad Valorem Property Tax Rate at the Rate Levied for FY 2015/16 is Essential to the Fiscal Integrity of the District and Suspending the Ad Valorem Tax Rate Restriction for FY 2016/17 and FY 2017/18, in the form of [Attachment 8](#);**
- m. **Authorize establishment and use of the Exchange Agreement Set-Aside Fund as set forth in this letter; and**
- n. **Authorize use of unspent conservation funding, including extension of the Onsite Recycled Water Retrofit Program through the biennial budget period, as set forth in this letter.**

- 8-2** Appropriate \$1.37 million; and ratify the General Manager's award of \$634,425 contract to Fibrwrap Construction Services, Inc. (Approp. 15497). (E&O) **(Requires four-fifths vote of the Board)**

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action was previously determined to be statutorily exempt and that no further environmental analysis or documentation is required, and

- a. Appropriate \$1.37 million; and**
- b. Ratify the General Manager's award of a \$634,425 contract to Fibrwrap Construction Services, Inc. for emergency repairs on the Second Lower Feeder.**

- 8-3** Report on State Water Resources Control Board activities and authorize an increase in amount payable under contract with Duane Morris LLP by \$100,000 to a maximum amount of \$200,000 in connection with the Department of Water Resources and United States Bureau of Reclamation filing of a petition with the State Water Resources Control Board for an additional point of diversion on the Sacramento River as part of the California WaterFix/Bay Delta Conservation Plan. (L&C) **[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(d)(1)]**

- 8-4** Authorize sponsorship of SB 1173 (Hertzberg, D-Van Nuys) – Water conserving plumbing fixtures. (C&L)

Added

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is not defined as a project under CEQA, and

Authorize the General Manager to sponsor SB 1173.

- 8-5** Express support, if amended, for AB 1755 (Dodd, D-Woodland) – The Open and Transparent Water Data Act; and express opposition, unless amended, to AB 2304 (Levine, D-Petaluma) – California Water Market Exchange. (C&L)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is not defined as a project under CEQA, and

Authorize the General Manager to express support for AB 1755, if amended, and opposition to AB 2304, unless amended.

- 8-6** Express opposition to AB 2550 (Patterson, R-Fresno) – State Water Resources Control Board: instream flow curtailments: compensation. (C&L)

Added

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is not defined as a project under CEQA, and

Authorize the General Manager to express opposition to AB 2550.

- 8-7** Express support for ACA 8 (Bloom, D-Santa Monica) – Local government financing: water facilities and infrastructure: voter approval. (C&L)

Added

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is not defined as a project under CEQA, and

Authorize the General Manager to express support for ACA 8.

- 8-8** Authorize the General Manager to enter into the Extension of Service Area Agreement with the Eastern Municipal Water District and Pechanga Band of Luiseño Mission Indians; and adopt final resolution extending the service area for the 106th Fringe Area to Eastern Municipal Water District and Metropolitan. (F&I)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action was previously determined to be statutorily exempt and that no further environmental analysis or documentation is required, and

- a. Authorize the General Manager to enter into the Extension of Service Area Agreement with Eastern Municipal Water District and Pechanga Band of Luiseño Mission Indians; and**
- b. Adopt the resolution granting approval for the 106th Fringe Area annexation concurrently to Eastern and Metropolitan and establish Metropolitan's terms and conditions for the extension of service area agreement, conditioned upon approval by Riverside County's Local Agency Formation Commission, and upon receipt of fees of \$2,896,442.**

- 8-9** Authorize process for management of Metropolitan's lands in the Palo Verde Irrigation District. (WP&S)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is not defined as a project, and

Authorize staff to pursue new leases on all Metropolitan-owned lands in the Palo Verde valley through a generalized request for proposals process, with lease terms to meet Metropolitan's objectives for consumptive water use and positive revenues, and bring such leases back to the Board for final approval.

- Added** **8-10** Express opposition, unless amended, to AB 2470 (Gonzalez, D-San Diego) – Municipal Water Districts: Water Service for Indian Tribes. (C&L)

Recommendation:

Option #1:

Adopt the CEQA determination that the proposed action is not defined as a project under CEQA, and

Express opposition unless amended to AB 2470.

9. BOARD INFORMATION ITEMS

None

10. FOLLOW-UP ITEMS

11. FUTURE AGENDA ITEMS

12. 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.