

Report!



Board of Directors Summary for **July 20, 2005**

Report! is prepared by the Community Involvement Department for all interested individuals. This brief summary of selected items from Eastern Municipal Water District Board of Directors' meetings is distributed after each meeting. Please circulate it to others having an interest. For more information, call 951/928-3777, ext. 4226; or FAX: 951/928-6171.

WORK SESSION

I. General Manager's Report **(Pack)**

Past Activities

- I met with Debra Man on Friday to discuss issues associated with the Perris Valley Pipeline partnering. There is a Board letter today asking approval for additional funding to continue with the environmental and preliminary engineering. We have a draft MOU from MWD that we are currently reviewing.
- Chuck and I met with Fieldman and Rolapp to look at the possibility of some refunding using Swap Contracts. We have not made any decisions on the possibility of using such a vehicle for our refunding and require much more education.

Future Events

- The employee picnic is Saturday, July 30, at DVL starting at 10:00 a.m. Unfortunately, I cannot attend as we are hosting a one-year birthday party for my grandson for forty plus guests during the same time as the picnic.

Items of Interest to the Board

- If you recall, the District "locked in" a portion of its gas usage for the summer months under long-term contracts, which has proved to be quite successful. As of last week the open market price for natural gas was near \$.70 per therm versus the \$.61 that we contracted.
- The 2003 COP that we structured with a large component at variable rates has averaged an interest rate of 1.766 percent to date.
- The Board asked staff to review engineering and de-annexation issues with the 400 plus units in Canyon Lake and EVMWD's service area. We will have a presentation this morning. (*Note: This item was deferred*)
- I notified Brian Brady (Rancho California Water District General Manager) that the Board had directed staff not to take action on the sale of the Butterfield Stage Road pipeline until the District had received the special sewer area study for that area which will still be several weeks.
- We have completed an energy savings study with a private firm through a grant from the California Energy Commission. Required investment for software and other improvements

would cost approximately \$500,000, but has a payback of only two to three years. We are also looking at the use of Photovoltaics to generate 200 kW of the load at the Hemet Water Filtration Plant.

- Staff met with the Regional Board last week and agreed to drop two of the eight study areas in the Quail Valley Sewer study that had very few overflows.
- The MWD Chairman has challenged the member agency General Managers to recommend any changes to the MWD rate structure during a special Work Session in September. We will be developing proposals with a special task force including Director Record, and the managers have scheduled four meetings throughout Southern California during August to discuss proposals. When the current structure was established in 2000, a group of five managers took many months to develop a proposal.

Operational Highlights

- We are experiencing very high demands on the potable water system (150 MGD) and the recycled system (32 MGD).

Upcoming Meetings

- The Riverside County Water Symposium is next Wednesday, July 27. EMWD will host a number of representatives from the cities and our congressional and legislative local offices.

Organizational and Administrative Changes

- John Mora, one of our very experienced water operators is retiring after 27 years and will take a position as Water System Manager at Pechanga.
- I will be taking leave next Thursday and Friday.

AGMs' Reports

Board Secretary's Calendar Report

II. Matters Which Will Require Board Action **(Pack)**

- A. Review of July 20, 2005 Agenda Items (*If Needed*)

III. Presentation to EMWD (Guest Speaker)

- A. San Jacinto Parks Master Plan (*20 minutes*)

Todd Bagley, Principal
RHA Landscape Architect/Planners

IV. Response Items / Status Reports / Information Items

- A. MWD Update (*20 minutes*)

(Record/Harrison)



The Metropolitan Water District of Southern California (MWD) held its monthly Board and committee meetings on July 11 and 12, 2005. At these meetings, the MWD Directors:

- Participated in a joint meeting of the Asset and Real Property Committee and the Recreation Committee to discuss the Diamond Valley Lake Recreation and Land Development Projects. The respondents to the RFQ regarding DVL Recreation and the North Property were in attendance. The RFP will be issued August 12, and the RFP evaluations are expected to be completed October 14, 2005.
- Heard several presentations on the Colorado River at the Colorado River Oversight Subcommittee meeting including presentations on the Law of the River, Met's 2005 Colorado River supplies, proposed Colorado River Water Management and Banking Actions, and a status report on the development of the shortage guidelines.
- Approved a revised cost-sharing agreement for Colorado River Board funding and authorized \$377,327 for payments to the Six Agency Committee and Colorado River Association for fiscal year 2005/06. The funds are used by Colorado River Board (CRB) of California staff to secure the represented agencies' water and power rights in the Colorado River system, and by the Colorado River Association to support public outreach and education. Over the past few months, a proposal was developed to redistribute CRB and related costs among the participating agencies. Metropolitan's share of the Six Agency Committee and Colorado River Association's total expenses are \$377,327 or 32 percent for fiscal year 2005/06. The state of California no longer offers co-funding for the CRB leaving funding entirely up to the six water agencies with seats on the board.
- Authorized entering into an agreement to create the Colorado River Joint Powers Authority. The action will make the Colorado River Association more effective, by changing the current name of the JPA from Colorado River Association Six Agency Committee to Colorado River Joint Powers Authority and specify it as a separate governing entity. This will enhance the ability of Metropolitan and other California Colorado River users to disseminate information regarding Colorado River resources to elected decision makers and ensuring trips provided to federal officials would be deemed as funded by a governmental entity.
- Authorized entering into seawater desalination program agreements with the Long Beach Water Department, the Los Angeles Department of Water and Power, the Municipal Water District of Orange County, West Basin Municipal Water District, and the San Diego County Water Authority. These five projects were selected through a competitive process initiated in November 2001, as part of Metropolitan's Seawater Desalination Program. All five projects are anticipated to benefit the region by reducing demand for imported water supplies, which reduces costs for water importation. The five agencies propose to desalinate up to 142,000 acre-feet of seawater per year, which is just short of Met's IRP goal of 150,000 acre-feet per year. MWD's incentive is up to \$250 acre-foot for up to 25 years. If all these projects are successful as planned, Met would pay out approximately \$934 million over 25 years.
- Authorized entering into a professional services agreement with Black & Veatch for the Mills Solids Handling Facilities studies and preliminary design, for a not-to-exceed total of \$0.53 million. The completion of the Mills plant studies and preliminary design is expected in

Spring 2006.

- Authorized \$1.83 million for participation in the State Water Contractors, Inc., which benefits Metropolitan in advancing Metropolitan's interests ranging from water supply to water quality through the collective influence of the other State Water Project contractors.
- Authorized entering into an agreement for the Long Beach Conjunctive Use Program Expansion in Lakewood with the City of Long Beach using \$3.1 million of Proposition 13 funds. The project will enable Met to store up to 3,600 acre-feet of water in the Central Basin when surplus water is available during wet years and produce 1,200 acre-feet per year for three years to meet the city of Long Beach's water demands during dry, drought, or emergency periods. The program includes construction of an aquifer storage and recovery well and approximately 8,000 feet of 12-inch diameter pipeline to connect the well in Lakewood into the city of Long Beach's water supply distribution system. Under the agreement, Long Beach would be responsible for the design, construction, and operation of the facilities. During the 25-year term of agreement, Met would pay for costs for operations and maintenance of the well and energy costs for extraction of stored water. Long Beach would in turn pay the full service treated water rate and be responsible for the distribution and treatment of extracted water.
- Appropriated \$630,000 to determine algae control strategies for water treatment plants as the switch to ozone treatment results in reduced use of chlorine. The proposed study would evaluate alternative methods that may be more effective at controlling algae while avoiding the release of taste-and-odor compounds or an increase in disinfection by-products.
- Reconsidered and changed the Met's position on AB 672 (Klehs, D-San Leandro), regarding the recreational use of drinking water reservoirs. Met's previous position on the legislation was "oppose", this action changed the position to "neutral".
- Referred back to committee the following action items:
 - 1) A request for authorization of an agreement for \$300,000 with RBF Consulting for design of Searl Parkway Landscaping and Signage; and an increase of \$3 million to an existing agreement with PinnacleOne for project management support for the Diamond Valley Lake East Recreation Area.
 - 2) A request for authorization to enter into a three-year agreement for up to \$2.5 million annually for regional advertising services and media buys related to planned outdoor water conservation efforts as well as emergencies or unanticipated urgent needs.
 - 3) A request for authorization of up to \$950,000 over two years for the 2005/06 City Makeover Program.

- B. SAWPA Update (10 minutes) **(Slawson/Pack)**
- C. EMWD Pipeline Demonstration (20 minutes) **(Salcido)**
- D. June Financial Report (15 minutes) **(Rathbone)**
- E. Canyon Lake Projects - Capital/Financial (15 minutes) **(Rathbone/Bachmann)**

Deferred

V. **Closed Session**

**Status report
given – no
action taken**

- A. Re: Soboba Indian Water Rights Claim
Government Code Section 54956.9
Conference with Legal Counsel
One Potential Litigation Case

**Status report
given – no
action taken**

- B. Re: Camp Pendleton Four-Party Agreement Claim
Government Code Section 54956.9
Conference with Legal Counsel
One Potential Litigation

**Not
discussed**

- C. Re: San Jacinto De Anza Lift Station Claim for Extras
Government Code Section 54956.9
Conference with Legal Counsel
One Potential Litigation Case

**Status report
given – no
action taken**

- D. Re: Potential Litigation Against the City of San Jacinto for CEQA Challenge
Government Code Section 54956.9
Conference with Legal Counsel
One Potential Litigation Case

**Legal
Counsel
reported on
the
negotiations
and
settlement**

- E. Re: San Jacinto Sewer Agreement
Government Code Section 54956.9
Conference with Legal Counsel
One Potential Litigation Case

**Not
discussed**

- F. Re: EMWD vs. Tajik
Government Code Section 54956.9
Conference with Legal Counsel
One Potential Litigation Case

**Not
discussed**

- G. Re: Potential Litigation Against a Developer – Illegal Water Hookups
Government Code Section 54956.9
Conference with Legal Counsel
One Potential Litigation Case

**Not
discussed**

- H. Re: Potential Sale of Asset
24" Pipeline on Butterfield Stage Road
Government Code Section 54956.8
Conference with Legal Counsel

Guidance by the Board was provided to Legal Counsel on the settlement authorization amount

- I. Re: EMWD vs. Jamie E. Curtis, Settlement Authority
Government Code Section 54956.9
Conference with Legal Counsel
One Potential Litigation Case

Adjournment

(Record)

Board Meeting

I. Recognitions

(Record, C.I. Officer)

M-204/05

- A. Employee of the Quarter **Ty Barbee**

- 1. **Consider Adoption of Minute Order**

- B. Service Awards **Scott Lewis, 20 years**

II. Public Hearings

M-205/05

- A. **Continuation of Hearing** to Adopt All Matters Pertaining to CFD No. 2004-35 (Mountain Gate)

- 1. **Consider Adoption of Minute Order**

M-206/05

- B. **Continuation of Hearing** to Adopt All Matters Pertaining to CFD No. 2004-37 (Western Village)

- 1. **Consider Adoption of Minute Order**

III. Discussions and/or Comments by Board Members

- A. Directors' Activity Report

M-207/05

IV. Approval of Minutes

- A. Regular Meeting of July 6, 2005

- 1. **Consider Adoption of Minute Order**

Receive & file

V. Board Committee Reports

- A. Special Meeting of the Administrative Committee (*July 6*)

- B. Operations & Engineering (*July 14*)

VI.

Letter of reply mailed by the Secretary

- A. Mr. John Gillis in regards to the District's Certified Backflow Tester List

Letter of reply mailed by the Secretary

- B. Mr. David H. Flesner in regards to a fire hydrant installation in Moreno Valley

VII. Consent Calendar

- M-208/05** A. Approve and Authorize the Administrative Award of Contract with Necessary Engineering Consultants and Material Vendors for the Preliminary Engineering Phase of the Perris Valley Pipeline Project
- M-209/05** B. Approve and Authorize Change Order No. 9 Under Specification No. 915S, Temecula Valley Regional Water Reclamation Facility Expansion to 16 MGD
- M-210/05** C. Approve and Authorize an Engineering Services Agreement with CH2M Hill, Inc., for the Study and Implementation of Calcium Carbonate (Scaling) Solutions at the Perris Water Filtration Plant
- M-211/05** D. Approve and Authorize Additional Appropriation of Funds for Specification No. 994W, Quail Valley Hydropneumatic Water System
- M-212/05** E. Approve and Authorize Partnering Agreement with Rancho California Water District for the Santa Rosa Water Reclamation Facility (SRWRF) Expansion Preliminary Design Report
- M-213/05** F. Service Plus! Quarterly Drawing Winners - Cindy Crompton, Debbie Felbinger, Andy Gerez and Peggy Whitfield

Annexations

- G. Annexation of Parcel No. 19-05-3 to Improvement District No. 19 (Growthstar 2 LLC - Tract 31494)

- M-214/05** 1. **Consider Adoption of Minute Order**, Approving the Map and Legal Description for Parcel No. 19-05-3 and Order Such Map and Legal Description Filed With the Secretary; and

- R-4243** 2. **Adopt Proposed Resolution No. 4243**, Annexing Parcel No. 19-05-3 to Improvement District No. 19 of EMWD

- H. Annexation of Parcel No. U-8-05-4 to Improvement District No. U-8 (Warmington Homes - Tract 31329)

- M-215/05** 1. **Consider Adoption of Minute Order**, Approving the Map and Legal Description for Parcel No. U-8-05-4 and Order Such Map and Legal Description Filed With the Secretary; and

- R-4244** 2. **Adopt Proposed Resolution No. 4244**, Annexing Parcel No. U-8-05-4 to Improvement District No. U-8 of EMWD

- I. Annexation of Parcel No. U-8-05-5 to Improvement District No. U-8 (Steven & Jennifer Manfredi - APN 951-030-009)

- M-216/05** 1. **Consider Adoption of Minute Order**, Approving the Map and Legal Description for Parcel No. U-8-05-5 and Order Such Map and Legal Description Filed With the Secretary; and

- R-4245** 2. **Adopt Proposed Resolution No. 4245**, Annexing Parcel No. U-8-05-5 to Improvement District No. U-8 of EMWD

- J. Annexation of Parcel Nos. U-35-05-10 and U-36-05-10 to Improvement District Nos. U-35 and U-36 (D. R. Horton - Tract 31629)

M-217/05

1. **Consider Adoption of Minute Order**, Approving the Maps and Legal Descriptions for Parcel Nos. U-35-05-10 and U-36-05-10 and Order Such Maps and Legal Descriptions Filed With the Secretary; and

R-4246, R-4247

2. **Adopt Proposed Resolution Nos. 4246 and 4247**, Annexing Parcel Nos. U-35-05-10 and U-36-05-10 to Improvement District Nos. U-35 and U-36 of EMWD

Receive & File

K. Reports for the Month of June, 2005

The back up materials and/or reports indicated () are on file with the Secretary of the District and will be made available for inspection, upon request, by any person or persons interested.*

1. Employee Reimbursement Reporting Specific Charges Greater Than \$100
2. District Staffing Status Report by Classification
3. Contracts Executed on Behalf of the District
4. EMWD Claims
5. Special Funding Districts Status Report
- * 6. Change Orders to Specifications Issued
- * 7. Treasurer's Report for the month of June, 2005

M-218/05

- * 8. **Post Audit of Checks for the month of June, 2005**

(End of Consent Calendar)

VIII. Negative Declaration

M-219/05

- A. Approve and Authorize CEQA Certification of the 87th Fringe Area Annexation - Initial Study and Negative Declaration
 1. **Consider Adoption of Minute Order**

IX. Letters From the General Manager

R-4248

- A. **Adopt Proposed Resolution No 4248**, Authorizing and Providing for the Issuance of 2005 Special Tax Bonds, Community Facilities District 2004-28 (Quinta Do Lago), and Approving Certain Documents and Authorizing Certain Actions in Connection Therewith

R-4249, R-4250

- B. **Adopt Proposed Resolution Nos. 4249 and 4250**, Relating to the Formation of Assessment District No. 19-A (Rancho Glenoaks Water System)

X. Closed Session

Not discussed

- A. Re: Soboba Indian Water Rights Claim
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Conference with Legal Counsel
One Potential Litigation Case

Not discussed

- B. Re: Camp Pendleton Four-Party Agreement Claim
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Conference with Legal Counsel
One Potential Litigation

Not discussed

- C. Re: San Jacinto De Anza Lift Station Claim for Extras
Government Code Section 54956.9
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One Potential Litigation Case

Not discussed

- D. Re: Potential Litigation Against the City of San Jacinto for CEQA Challenge
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- E. Re: San Jacinto Sewer Agreement
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- F. Re: EMWD vs. Tajik
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- G. Re: Potential Litigation Against a Developer – Illegal Water Hookups
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Conference with Legal Counsel
One Potential Litigation Case

Not discussed

- H. Re: Potential Sale of Asset
24" Pipeline on Butterfield Stage Road
Government Code Section 54956.8
Conference with Legal Counsel

- I. Re: EMWD vs. Jamie E. Curtis, Settlement Authority
Government Code Section 54956.9
Conference with Legal Counsel

M-220/05

- 1. Approve Settlement Authority for Mediation of the Jamie Curtis Case
 - a. **Consider Adoption of Minute Order**

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