

Report!



Board of Directors Summary for **October 17, 2007**

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 the San Jacinto City Manager to discuss some of the past and future issues between our two agencies. We have a new situation with our North San Jacinto Sewer which we will ask the Board to discuss in today's Closed Session because of potential litigation.
- On Monday, October 8, we met with the GM and staff of EVMWD to map out the use of the \$2 million grant for Quail Valley. We intend to do the environmental for the entire project, 30 percent design on the entire area, and 100 percent design on the area in Area 9 tributary to EVMWD.
- We also met with attorneys and members of the Soboba Tribe to discuss the settlement of the legislation and, ground water levels and future recycled water service. The bill will be introduced shortly with resolution early next year.
- On Tuesday (October 16), we met with the County DEH to discuss the need for better guidelines for Hazmat Reporting and a county-wide workshop.
- We met with Borre Winkel and several developer representatives from the BIA on Monday (October 15). They were very appreciative of the fact that we gave them a heads up. I explained they had nothing to be concerned about the Stage I and discussed how we might get other cities to accept the County Conservation Ordinance and move up the implementation. We discussed other areas we might help and cooperate with their economic problems. We also mentioned that we would like them to participate in our connection fees study. An increase in connection fees will be difficult for them to accept.
- Last Thursday (October 11) we held the Special Board Work Session on Bond Financing and Water Supply Reliability. Actions decided by the Board at that meeting are underway, and Rosemarie linked the Minutes under Item V of today's Regular Agenda. We would like to move ahead on refunding the Series 2001B Bonds. Currently we estimate a net present value savings of \$4.79 million or approximately 9.3 percent savings over the life of the refunding.

Future Activities

- Tomorrow we will have the Water Use Efficiency Workshop in the Board Room. We have about 60 participants confirmed.

Follow Up From Previous Board Meetings

- We have placed a ballot for NWRA Board members, representing ACWA, and the candidates' bios in your papers. Please mark five candidates and we will tabulate the five highest scoring individuals, provide our District slate to ACWA, and inform the Board of the results at our next Board meeting. Please provide your ballots to Rosemarie today.
- We rejected the offers for the Temecula Business Park property because it was too low and we will proceed with obtaining the lot-line adjustment.
- We processed a check to ACWA for support of the Public Outreach Program on California Water issues.
- Due to construction, fluoridation at the Skinner Water Filtration Plant (WFP) will be delayed until December 3; however, Mills is still on schedule for October 29th. We have been able to secure an initial delivery of Fluosilicic Acid and our supplier is holding 10,000 gallons in L.A. for future delivery.
- The County has verbally agreed to accept our 117 acres of mitigation land into the County Reserve. We discussed the required endowment, but they wanted to review our permits before they proposed a number. We suggested that we should be charged less than the normal fee (\$55 per acre for 25 years, which would amount to \$160,875 for our 117 acres) since our Fish and Game permit required us to perform certain activities for a 5-year period which would improve the habitat quality. We also proposed to roll the 15 acres we deeded to Parks and Open Space District in 2000 for mitigation of the 5-acre project into the Reserve and add fees for that. The private conservation reserves charge around \$30,000 per acre per Fish and Game. Potential savings could total \$3,573,000. Joe Lewis is responsible for the successful negotiations.
- MWD's chlorination efforts and our pre-chlorination at our Perris Water Filtration Plant (WFP) seem to be effective in containing the spread of the Quagga Mussels.

Upcoming Meetings and Events

- We met with a gentleman recommended by Director Sullivan on a conservation rate structure. We will schedule him for a presentation at a future Board meeting.
- The I-215 Corridor Conference is scheduled for next Wednesday, October 24. We will have about 15 staff and Board members attending.

Organizational and Administrative Changes

- During this period, I authorized the hiring of a Civil Engineer (hydraulic modeling), an Electrician, and a Customer Service Representative (delinquencies desk).
- A. Recap of Board Committee Meetings
1. Administrative Committee (*October 11*)
 2. Operations & Engineering Committee (*October 11*)

3. Executive Committee (*October 15*)

B. Items of Information

II. Discussions and/or Comments by Board Members (Pack)

A. Directors' Activities Report

Not attended

1. Brown Act Training (*October 4*) (Slawson/Record)

2. Hemet DAC (*October 4*) (Paule)

Not attended

3. Murrieta/Temecula Group (*October 5*) (Kuebler/Sullivan)

4. Water Rates & Conservation with Mr. Ash (*October 5*) (Sullivan)

5. Southern Coalition (*October 5*) (Record)

6. Landscape Workshop (*October 6*) (Paule)

7. Joint Meeting with EVMWD (*October 9*) (Sullivan/Paule)

8. State Bond Funding Workshop (*October 10*) (Paule)

Written report to be submitted

9. Riverside Chamber of Commerce (*October 12*) (Kuebler)

B. (Others?)

III. Matters Which Will Require Board Action (Pack)

A. Review of October 17, 2007 Agenda Items (*If Needed*)

B. (Others?)

IV. Presentations To EMWD (Guest Speakers)

A. Annual Auditor's Report (*30 minutes*) (Ken Al-Imam)

V. Response Items / Status Reports / Information Items

A. MWD Update (*20 minutes*) (Record/Harrison)

- Amended the MWD Administrative Code to implement Metropolitan's Interim Agricultural Water Program (IAWP) Reduction Guidelines to facilitate a 30 percent reduction in IAWP deliveries beginning January 1, 2008, and approved the fees and charges in the Guidelines, including a penalty fee for IAWP deliveries exceeding reduction targets established for member agencies.
- Metropolitan anticipates that the reduction will remain in place throughout CY 2008; however, Metropolitan may suspend the reduction in the event that hydrologic and water supply conditions change and become wetter than anticipated. Continued dry hydrology and reduced water supply could require Metropolitan to extend the reduction into CY 2009. Member agency reduction targets will be based on 70 percent of IAWP use during fiscal year 2003/04. Metropolitan will rely on methodologies outlined in the reduction plans developed by participating member agencies to ensure member agencies are meeting reduction targets.

- Metropolitan is requiring Member Agencies to update their Reduction Plans on an annual basis. EMWD's maximum annual IAWP delivery is 6,761 acre-feet. Met is estimating that a 30 percent reduction in IAWP deliveries during CY 2008 will provide up to approximately 45,000 acre-feet of additional water for Municipal and Industrial uses during CY 2008.
- Adopted a resolution to provide notice of potential discontinuance of interim agricultural service of surplus water from October 1, 2008 through September 30, 2009. The Board takes this action every year in anticipation of a possible discontinuance, like we're seeing now, to the interruptible ag program. This will allow the General Manager to administer the ag cutback in the year 2009 if it is necessary to do so.
- Attended a press conference where the General Manager, Chairman of the Board, and the Chief Operating Officer for MWD provided information to the press on the serious water conditions in the state and their effect on MWD supplies. The event was very well attended and Met was pleased with the response. The L.A. Times and the Daily News, among others, ran the story on their front page and there were numerous radio and TV clips in response to the event.
- Heard an update on the special session of the Legislature on water. Met is concerned about the relative balance in the Senator Cogdill proposal (SBXX 3) for funding storage (\$5 billion) versus funding for local projects (\$1 billion). Met urged the legislature to move both the Cogdill and Perata proposals forward and work on a compromise on storage. Met's support is stronger for Perata's bill (SBXX 2) than for Cogdill's bill. Note: the Board heard later that Senator Cogdill's measure failed in Committee and Senator Perata's bond measure, SBXX 2, fell four votes short of the necessary 27 votes required to pass the bill to the Assembly for consideration. Senator Perata announced his intention to submit the content of SBXX 2 to the Attorney General's Office for "title and summary" to begin the process for circulating an initiative for the November 2008 ballot. The Senate recessed the special session on water until further notice.
- Heard a report on Met's 2008 water supply strategy. Depending on the kind of water year we have this winter, Met is prepared to implement 'resource actions'. These actions include implementing extraordinary conservation and local resources; cutting back replenishment and agricultural deliveries; maximizing groundwater production; acquiring additional supplies; withdrawing from dry-year storage; and, if necessary, using emergency reserves. Met estimates that they will be 300,000 – 400,000 acre-feet short of water in 7 out of 10 years based on the situation now. This will have real fiscal impacts. The bottom line is that southern California is facing a critical situation that can affect short-term reliability, and if the state does not take action to fix the Delta, long term reliability will be affected as well. In anticipation of a water shortage, the MWD Board will consider an allocation plan in January 2008.

- Heard a status report on the 2007/08 Water Conservation Communications Program. This is week nine of the program. So far, they have spent \$3.5 million of the \$6.3 million appropriated by the Board. There have been 121 radio ads, 27 print ads, and advertising on 7 websites. The media blitz will end in December, with a new message appearing in January. MWD is meeting with the member agencies to talk about the next phase of the program.
- Heard a report on MWD's Capital Investment Plan. Met's top 10 programs were identified, and included in the top 10 are the Perris Valley Pipeline, Mills Capacity Upgrade, Inland Feeder, and the Skinner Oxidation Retrofit Program.
- Heard an update on the Center for Water Education (CWE) at Diamond Valley Lake. The Diamond Valley Lake Visitor Center and Education Program and staff was moved from the Douma house to the CWE and opened to the public on Sept. 27. The visitor center is open 10 a.m. to 4 p.m. Thursday through Sunday. On the business side, \$3 million has been paid to 44 CWE creditors. \$1.6 million remains of the original \$4.67 million appropriation. MWD staff is evaluating/negotiating seven remaining vendor claims of about \$800,000.

- B. SAWPA Update (*10 minutes*) **(Slawson/Sullivan/Pack)**
- C. Water Supply Assessment (*30 minutes*) **(Pack/Mortazavi)**
- D. September Financial Update (*5 minutes*) **(Robinson)**

VI. Closed Session

- Not discussed** A. Re: Camp Pendleton Four-Party Agreement Claim
Government Code Section 54956.9
Conference with Legal Counsel
One Potential Litigation
- Not discussed** B. Re: Soboba Settlement
Government Code Section 54956.9
Conference with Legal Counsel
One Potential Litigation
- Not discussed** C. Re: Anticipated Litigation
Government Code Section 54956.9 (b)
Conference with Legal Counsel
Two Potential Litigation Case
- Not discussed** D. Re: EMWD vs. JWS
Government Code Section 54956.9
Conference with Legal Counsel
One Potential Litigation

Adjournment

(Slawson)

Board Meeting

I. Presentation To EMWD (Guest Speaker)

- A. Statewide Water Issues, by Tim Quinn, Executive Director, Association of California Water Agencies (ACWA)

II. Recognitions

(Slawson, C.I. Officer)

None

- A. Service Awards

Deferred	B. Employee of the Quarter – Marty Martinez 1. Consider Adoption of Minute Order
None	C. Proclamations/Academic Achievements/Others
	III. <u>Public Hearings</u>
R-4757	A. Hearing to Adopt Resolution No. 4757 , a Resolution of Necessity of Eastern Municipal Water District to Acquire Real Property, by Eminent Domain Proceedings for Facilities Construction Related to the Western Way Pump Station Project
M-324/07	B. Continuation of Hearing to Adopt All Matters Pertaining to CFD No. 2002-07 (Pacific Mayfield) 1. Consider Adoption of Minute Order
	IV. <u>Discussions and/or Comments by Board Members</u>
	V. <u>Approval of Minutes</u>
M-325/07	A. Regular Meeting of October 3, 2007 1. Consider Adoption of Minute Order
M-326/07	B. Special Board Work Session of October 11, 2007 1. Consider Adoption of Minute Order
Receive & File	VI. <u>Board Committee Reports</u> A. Administrative Committee (<i>October 11</i>) B. Operations & Engineering Committee (<i>October 11</i>) C. Executive Committee (<i>October 15</i>)
None	VII. <u>Letters of Correspondence to the Board of DIRECTORS</u>
	VIII. <u>Consent Calendar</u>
M-327/07	A. Approve and Authorize Amendment No. 5 for Additional Engineering Services with Cozad & Fox, Inc., for Murrieta Area Sewer Improvements, Phase 1
M-328/07	B. Approve and Authorize Necessary Amendment to Agreement for the Diaz Road 36-Inch Diameter Sewer Replacement and 36-Inch Diameter Recycled Water Reinforcement
M-329/07	C. Approve and Authorize an Engineering Services Agreement with Krieger & Stewart, Inc., for Design of the Diaz Sewage Lift Station Replacement Project
M-330/07	D. Approve and Authorize an Award of Contract Under Specification No. 1002W-Rebid, Tally Road Tank, Pipeline and Site Improvements
M-331/07	E. Approve and Authorize the Declaration of Surplus Equipment
M-332/07	F. Approve and Authorize an Agreement with Johnson Power Systems for the Purchase of Miscellaneous Parts Used for the Maintenance of Industrial Engines

Annexations

- G. Annexation of Parcel Nos. U-29-07-5 and U-30-07-5 to Improvement District Nos. U-29 and U-30 (Guthrie-Leach, LLC - PP 20103)

M-333/07

1. **Consider Adoption of Minute Order**, Approving the Maps and Legal Descriptions for Parcel Nos. U-29-07-5 and U-30-07-5 and Order Such Maps and Legal Descriptions Filed With the Secretary; and

R-4758, R-4759

2. **Adopt Proposed Resolution Nos. 4758 and 4759**, Annexing Parcel Nos. U-29-07-5 and U-30-07-5 to Improvement District Nos. U-29 and U-30 of EMWD

R-4760

- H. **Adopt Proposed Resolution No. 4760**, Establishing and Setting Forth the Terms and Conditions of the Annexation of EMWD's 98th Fringe Area to EMWD and MWD (Fig Street Crossing, LLC – Formerly Tarwater)

Receive & File

- I. **Reports for the Month of September, 2007**

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. EMWD Claims
4. Special Funding Districts Status Report
5. Water Supply Conditions
- * 6. Change Orders to Specifications Issued
- * 7. Treasurer's Report for the month of September, 2007
- * 8. **Post Audit of Checks for the month of September, 2007**

(End of Consent Calendar)

IX. Negative Declaration

M-334/07

- A. Approve and Authorize CEQA Certification of the Winchester Ranch Infrastructure Community Facilities District – Addendum to Initial Study and Mitigated Negative Declaration
1. **Consider Adoption of Minute Order**

X. Letters From the General Manager

M-356/07

- A. Receive and Accept the Single Audit Report on Federal Awards for the Fiscal Year Ended June 30, 2007
1. **Consider Adoption of Minute Order**

M-336/07

- B. Receive and Accept the Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2007
1. **Consider Adoption of Minute Order**

M-337/07

- C. Approve and Authorize an Amendment to the Contract with the W.A. Rasic for Construction of the North San Jacinto Sewer, Phase 2
1. **Consider Adoption of Minute Order**

- M-338/07** D. Approve and Authorize the Declaration of Stage 1 Water Shortage Contingency Measures
1. **Consider Adoption of Minute Order**
- R-1768.14** E. **Adopt Proposed Resolution No. 1768.14**, Appointing and/or Reappointing the Secretary of the District and to the Board of Directors Thereof and Deputy Secretaries of the District and to the Board of Directors Thereof; the Treasurer and the Deputy Treasurer of the District
- Deferred** F. ~~Approve and Authorize an Amendment to the Engineering Design Services Agreement with Carollo Engineers for the San Jacinto Valley Regional Water Reclamation Facility Expansion Project~~

Claims

- M-339/07** G. Deny Request for Leave to Present a Late Claim by Joseph Rau, Lan Rau and Joe Paul Rau
1. **Consider Adoption of Minute Order**

XI. Closed Session

- Legal Counsel provided status report – no action taken** A. Re: Camp Pendleton Four-Party Agreement Claim
Government Code Section 54956.9
Conference with Legal Counsel
One Potential Litigation
- Not discussed** B. Re: Soboba Settlement
Government Code Section 54956.9
Conference with Legal Counsel
One Potential Litigation
- Legal Counsel provided status report – no action taken** C. Re: Anticipated Litigation
Government Code Section 54956.9 (b)
Conference with Legal Counsel
Two Potential Litigation Cases
- Legal Counsel provided status report – no action taken** D. Re: EMWD vs. JWS
Government Code Section 54956.9
Conference with Legal Counsel
One Potential Litigation

M-340/07

ADJOURNMENT

Adjourned the meeting to Wednesday, November 7, 2007, 9:00 a.m.