



Engineering, Operations, and Technology Committee

11/17/2025 Committee Meeting

Revised 6c

Subject

Foothill Municipal Water District's Point of Delivery

Executive Summary

In 1952, the Foothill Municipal Water District (Foothill) was approved for annexation into Metropolitan. The history related to this action is complex with many considerations that led to a formal set of terms and conditions linked to approval of the annexation. As a result of these terms and conditions, Foothill's service connection to Metropolitan's distribution system lies outside their agency boundaries. This stands in contrast to most service connections for other member agencies that lie within their respective agency boundaries.

Foothill conveys water from Metropolitan to its service area via a 1.3-mile pipeline and pump station connected to the Upper Feeder. Foothill owns, operates, and maintains the pipeline and pump station, both of which are located outside of its service boundary. Foothill also pays an annual fee to Pasadena under its License Agreement for the operation and maintenance of the pipelines and pump station related to the Upper Feeder connection. The current arrangements are the result of the terms required for Foothill's annexation.

In a letter dated March 21, 2024, to Chair Ortega and a letter dated September 30, 2025, to General Manager Upadhyay, representatives of Foothill argue it is inequitable that Foothill is required to own and pay for the capital and pumping costs for facilities outside of its service area to provide imported water into Foothill's service area. Foothill argues Metropolitan should absorb these costs as part of the cost of delivering Metropolitan water. Further, Foothill requested that this issue be brought to the Board for consideration. Given this request, **Attachment 1** includes pertinent documents related to the annexation of Foothill for background information.

Foothill has made a similar request in the past. In 1959, Foothill asked for reimbursement for the cost of constructing 6,759 feet of the pipeline they built to connect to Metropolitan's distribution system. They also asked Metropolitan to take over ongoing operations. Metropolitan considered and documented its response in an April 1959 Metropolitan board letter, which detailed the reasons the Board refused to assume operation or control of the facilities upstream of its service connection, known as FM-01. The letter explained why Foothill was required to assume those obligations when it was annexed in 1952 (included in **Attachment 1**).

However, Metropolitan is responding to conditions today that may warrant a more contemporary review of this issue. **Attachment 2** is Resolution 9318 (Affirming a Call to Action and a Commitment to Regional Reliability for All Member Agencies). In support of this resolution, Metropolitan is now investing in significant pumping facilities within its distribution system to improve member agency access to supplies during times of drought and emergency conditions. This means that Metropolitan is actively investing in pumping systems at its cost to bring water to the boundaries of our member agencies. These investments were not contemplated at the time of Foothill's annexation. These investments do not require a change in the terms and conditions of Foothill's annexation; rather, they should prompt a thoughtful dialogue about whether a change would be helpful in order to maintain equity among Metropolitan's member agencies.

This board letter and its attachments are meant to help support this dialogue by providing the Board with the historical information about the annexation of Foothill and an overview of current and past policies related to facility construction as part of annexation into Metropolitan. Staff will seek direction from the Board on next steps as a follow-up to this information item.

Fiscal Impact

It is estimated that the annual cost of pumping water from the current point of delivery to one along the boundary of Foothill would be approximately \$500,000. This number does not include the operational and maintenance costs of the facility. Additionally, any changes to the current point of delivery policy may establish a precedent that impacts other member agencies whose annexation was negotiated based on then-existing terms and policies.

Applicable Policy

Metropolitan Board Statement of Policy, adopted January 9, 1931 (establishing policy on delivery of water to member agencies)

Metropolitan Administrative Code § 3200. Water Availability (first adopted October 26, 1938)

Metropolitan Board Letter, Minute Item 7962 (May 24, 1940) (explaining Metropolitan's general policy of delivering "to a point "at or near [a member agency's] boundary")

Metropolitan Board Resolution 4164 (signed November 18, 1952) (setting the terms and conditions of Foothill's annexation)

Metropolitan Board Resolution 4249 (signed July 14, 1953) (Metropolitan statement of non-obligation for additional facilities for delivery to future annexation areas)

Metropolitan Board Resolution 4324 (signed November 10, 1953; repealed June 29, 1954) (repealing resolution and providing portion of payment to Foothill for costs of construction of the service connection)

Metropolitan Administrative Code § 3104(d). [Annexation] Mandatory Terms and Conditions

Metropolitan Board Resolution 9318 (signed August 15, 2022) (Affirming a Call to Action and a Commitment to Regional Reliability for All Member Agencies)

Related Board Action(s)/Future Action(s)

Metropolitan Board Letter (July 6, 1949) (On consideration to the problems of policy with respect to annexation of additional areas to the Metropolitan Water District)

Metropolitan Board Letter (March 10, 1950) (On the subject of annexation to the Metropolitan Water District of the Altadena-La Canada-La Crescenta area)

Metropolitan Board Letter (April 9, 1959) and Minute Items 19548 and 19511 (April 14, 1959) (denying Foothill's request to assume ownership and operation of the Foothill facilities outside its boundary, and explaining the Board's rationale)

Details and Background

Background

Foothill receives water from Metropolitan at Service Connection FM-01 located on the Upper Feeder within the boundaries of the City of Pasadena. Foothill conveys water from FM-01 to its service area via a 1.3-mile-long pipeline and a pump station. As part of the annexation agreement for Foothill, all construction, operation, and maintenance costs for facilities to deliver water from the Upper Feeder to the Foothill boundary were to be borne by Foothill. Currently, Foothill covers the costs associated with the operation and maintenance of the Upper Feeder connection. Foothill also pays an annual fee to Pasadena under its License Agreement for the operation and maintenance of the pipelines and pump station related to the Upper Feeder connection.

In a letter dated March 21, 2024, to Chair Ortega and a letter dated September 30, 2025, to General Manager Upadhyay, representatives of Foothill argue that it is inequitable that Foothill be required to own and pay for the

capital and operational costs of facilities outside of its service area so that it can provide imported water into its service area. Foothill contends that Metropolitan should absorb these costs as part of the cost of delivering its water. Further, Foothill requested that this issue be brought to the Board for consideration.

Foothill previously sent a letter in 1959 requesting that Metropolitan reimburse Foothill for the cost of the 1.3-mile portion of the pipeline connecting Foothill to the Upper Feeder. In a board letter dated April 9, 1959, then Chief Engineer and General Manager Robert. B. Diemer recommended denying the request, explaining that he did not believe Foothill was treated unfairly when it was annexed and required to accept these obligations. At the April 14, 1959, Metropolitan Board meeting, Foothill was granted a request to present the following month in response to Diemer's recommendation. On May 5, 1959, Foothill submitted a letter rebutting Diemer's arguments for denying Foothill's initial request. However, on May 8, 1959, Foothill's board of directors held a special meeting, during which they adopted a resolution to take no further action regarding their request for Metropolitan to reimburse the cost of the pipeline. This resolution was presented to Metropolitan's Board on May 12, 1959, with the Board approving Foothill's request that the petition be withdrawn without prejudice and filing away all letters and attachments.

The delivery point for Foothill is located on the Upper Feeder approximately 1.3 miles south of its boundary. According to Diemer, in his letter to the Board responding to Foothill's 1959 request, this location was chosen because it avoided challenging construction and complex right-of-way issues, providing a more practical and direct alignment to deliver water to Foothill's various communities. In Resolution 4164 approving the annexation, Metropolitan specified that Foothill would be responsible for paying for, owning, and operating all facilities needed to serve its preferred delivery point along the Upper Feeder where Service Connection FM-01 is now located.

Foothill Annexation into Metropolitan

Inquiries from the foothill areas began in the 1930s, but annexation was delayed for many years due to the high cost of facilities that would have been required to serve the area. The foothill areas were encouraged to annex to existing Metropolitan member agencies, including the Cities of Los Angeles, Glendale, and Pasadena, but the residents in the foothill communities opposed these efforts. By 1951, the Foothill community had approved the formation of a municipal water district. Regarding Foothill, General Manager and Chief Engineer Julian Hinds stated in a letter dated March 10, 1950:

An important element in past recommendations, that these areas be annexed to adjacent cities rather than directly to the Metropolitan Water District, is the cost of facilities required to supply them independently. Representatives of the areas are now fully aware of this difficulty and know that they cannot expect the required facilities to be furnished by the District. All present inquiries are based on the understanding that the annexing area must come to existing lines and do all booster pumping.

Metropolitan's Board formalized this requirement in Resolution 4164, adopted in 1952, which explicitly stated that all feeder pipelines, structures, and related facilities for the Foothill area would be built at Foothill's expense if it wanted to be directly annexed to Metropolitan. The annexation vote in December 1952 proceeded under these conditions, and in 1953, the Board approved Resolution 4324 authorizing construction of a connection to the Upper Feeder at Foothill's cost. In 1953, Metropolitan adopted a formal "come and get it" policy for facility construction related to annexations, rather than reviewing each annexation request on a case-by-case basis.

After the adoption of the policy, in June 1954, Foothill returned to Metropolitan's Board asking for Metropolitan to revisit the terms of Resolution 4324 and requested that Metropolitan pay for the costs of the service connection (\$21,000). In June 1954, Metropolitan's Board agreed to pay the \$21,000 for the service connection and rescinded Resolution 4324 for this purpose only. Five years later, in 1959, Foothill submitted its letter requesting reimbursement from Metropolitan for construction of the pipeline, which they subsequently withdrew as explained above.

Board Authority for Policy Setting

In 1928, the California State Legislature enacted the Metropolitan Water District Act (MWD Act), creating Metropolitan and granting it broad powers to develop, store, and distribute water. Since its formation, Metropolitan's Board of Directors has exercised this authority by delegating certain tasks to staff, codified in the Administrative Code, and by adopting a range of policy principles to guide Metropolitan's mission. These policies

are expressed in formal policy statements, the Administrative Code, board-adopted principles, and board letters, and are often reflected in meeting discussions and minutes. They are further operationalized through the design of programs and the provisions of related agreements. While policies provide guidance and clarity for staff and member agencies, they do not limit the Board's discretion. The Act gives the Board the authority to establish, revise, or depart from existing policies as circumstances require, ensuring that policy remains a flexible tool within the boundaries set by law.

It is Metropolitan's policy to build infrastructure that benefits the region and not a single agency. Metropolitan's distribution system was built to be a regional system, and each pipeline has multiple service connections. Although Metropolitan constructed a limited number of turnout pipelines, these pipelines were built solely for the convenience of Metropolitan. Had Metropolitan constructed Foothill's pipeline to its boundary, it would have deviated from its standard of practice at that time.

Metropolitan Policy on Annexation

Metropolitan's policies on annexation charges and facility responsibilities have shifted over time. In the early 1930s, annexing cities such as Compton, Fullerton, Long Beach, and Torrance were treated much like the original 11-member cities. For these cities, Metropolitan constructed boundary connections and required payment of back taxes in cash with modest interest. Metropolitan implemented this strategy because the original agencies had shouldered the burden of constructing the Colorado River Aqueduct, the Weymouth Water Treatment Plant, and a distribution system, incurring a financial burden without income from water sales to support the organization.

In a letter to the Board on May 24, 1940, and approved by the Water Problems Committee, W. P. Whitsett (Minute Item 7962), in referring to the policy of January 9, 1931, states:

[T]he water would be delivered to each, of the "eleven original member cities and to those cities whose, application for admission prior to March, 1, 1931, have been approved." That wording was put in in order to make it definitely clear that the District was not adopting the policy of delivering water to every area which annexed to the District. At the time the policy was adopted Long Beach, Torrance, Compton, and Fullerton had not yet joined the District but had made application for membership. It was these particular cities that were in mind when the limitation of "March 1, 1931," was included. In fact, the delivery of water to a point at or near their city boundaries was offered as an inducement to early annexation. They joined the District with the clear understanding of this policy.

The reason back of all these discussions, way back in 1930 and 1931, was the realization that there was a limit to the extent to which Los Angeles could be expected to contribute some 70% of the cost of pipelines and other facilities entirely for the benefit of other communities and areas.

Then General Manager Whitsett requested the Board to "reaffirm our original policy and eliminate any possibility of the expectation on the part of anyone that the District intends to build a great maze of distribution lines to every hamlet on the coastal plain. In my opinion, we should limit our annexations to large integral units with each of which the District will cooperate in so far as is economically sound in making water available from the nearest point of the Aqueduct system."

By the 1940s, as seen with the Coastal Municipal Water District, Metropolitan continued to build major extensions, such as the 12.6-mile Orange County Feeder. Metropolitan introduced repayment schedules allowing annexing areas to pay back taxes over 20 years at 4 percent interest. In subsequent annexations within Coastal, the repayment periods were extended up to 30 years.

However, following World War II, Metropolitan's approach tightened as its water sales increased and its finances improved. Annexing agencies were generally required to finance and construct their own delivery facilities, marking a clear shift of cost and responsibility away from Metropolitan. For example, the Inglewood Lateral, part

of the West Basin system, was built after the formation of the West Basin Municipal Water District in 1947. Metropolitan constructed the facilities. However, the cost of the facilities was added to the annexation charges with interest to be repaid by the annexing territory (West Basin).

In 1949, Franklin Thomas, the Chairman of the Water Problems and Public Relations Committee, submitted a letter to the Board of Directors regarding annexation and construction of facilities. That letter provided the following recommendation:

Consideration was also given to the matter of expenditures for the purpose of construction of works necessary to accomplish delivery of water to the annexing area, but it was concluded that, because of the fact that each area presents a different geographical and physical problem, no rigid policy should be expressed, and that each situation should be examined on its merits.

Foothill annexed in 1952 to Metropolitan, and its situation was indeed evaluated on its own merits. As a result, and as explained in the background section of this letter, Metropolitan and Foothill agreed to annexation on the condition, among others, that Foothill would pay for the construction, licenses, and operations and maintenance of delivering water from the Upper Feeder to its boundary line.

In July 1953, the Board formally adopted Resolution 4249, clarifying the obligations of annexing areas related to facility construction. The resolution reads:

BE IT RESOLVED, by the Board of The Metropolitan Water District of Southern California, that it be declared to be the intent of the Board that all future annexations to the Metropolitan Water District be based on the principle that this District shall not be obligated to provide additional works or facilities, necessitated by such future annexations, for the delivery of water from works owned and operated by the District.

The policy, referred to as the “come and get it” policy is the current policy for Metropolitan (Metropolitan Administrative Code § 3104(d)). The Foothill Municipal Water District’s 1952 annexation under Resolution 4164 already demonstrated this policy, as Foothill bore the full cost of its feeder construction, with only limited exceptions. Although its annexation was approved prior to the formal policy, the Board had already evaluated the specific circumstances of annexing Foothill and the arrangement was consistent with the developing policy as was demonstrated in the construction of the Inglewood Lateral.

As Metropolitan’s financial footing improved, annexation charges evolved from Metropolitan assuming both construction and financial burdens to a model where annexing agencies carried primary responsibility for infrastructure and repayment. Foothill believes it is not fair to apply the “come and get it” policy in its original annexation terms and conditions in 1952, prior to the formal adoption of this policy.

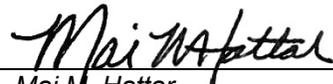
Equitable Supply Reliability – 2022 Policy (Board Resolution 9318, August 16, 2022)

Foothill cites a recent board policy as a basis for revisiting its annexation agreement. The Board’s 2022 policy on equitable supply reliability focuses on intra-district equity. It is intended to ensure that all existing member agencies (not just those affected by new annexations) have an equivalent level of supply reliability during severe droughts. The resolution acknowledges disparities, especially for State Water Project–dependent agencies. It directs Metropolitan to implement a balanced set of projects and programs that improve existing infrastructure, imported and local supplies, and demand management to provide equitable supply reliability across the service area. The 2022 resolution assumes annexation is long settled and seeks to ensure all current members, regardless of when or how they annexed, receive the same level of reliability. Projects approved to date for drought mitigation have not changed the point of delivery for any agency; instead, they have improved system flexibility so that all agencies are treated equitably during times of water shortage. None of the projects approved to date by the Board has altered points of delivery or added new ones.

However, many of the projects that have been approved in response to Resolution 9318 are pumping plants within Metropolitan's distribution system. These plants are largely outside of the boundaries of the member agencies that would receive supplies during the extreme droughts and emergencies they are designed to protect against. Metropolitan is investing in these facilities at its own cost in order to bring water to the service connections of most agencies, which rest within the boundaries of most member agencies. At the same time, Foothill continues to pay for pumping in order to bring water from Metropolitan into the Foothill service area. Given the new investments referenced above, it may be worth discussing whether the Board intended Resolution 9318 to be interpreted so as to have bearing on the question Foothill is asking.

Next Steps

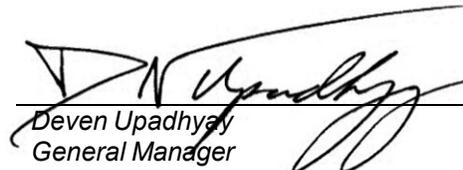
Foothill requested that the Board review and consider their request to absorb the costs of delivering water to their agency's boundary. This information item is intended to start the discussion. Staff will receive and evaluate feedback from the Board on this item. Additionally, in bringing any action to the Board, staff will also assess any applicable legal issues related to changing the arrangement with Foothill regarding the costs of water delivery from the Upper Feeder to the Foothill boundary.



Mai M. Hattar
Chief Engineer
Engineering Services

11/12/2025

Date



Deven Upadhyay
General Manager

11/12/2025

Date

Attachment 1 – Documents Related to Foothill MWD Annexation, Infrastructure Development, and Reimbursement Requests

Attachment 2 – Metropolitan Board Resolution 9318 (signed August 15, 2022) (Affirming a Call to Action and a Commitment to Regional Reliability for All Member Agencies)

Table 1: Documents Related to Foothill MWD Annexation, Infrastructure Development, and Reimbursement Requests

*Click the blue text to access the hyperlink to the corresponding document

Date	Item/Hyperlink*	Description
January 9, 1931	Statement of Policy	Established policy on delivery of water to member agencies
May 24, 1940	MWD Board Meeting and Whitsett Letter	Meeting Minutes 7962 and Whitsett Letter - Metropolitan's general policy of delivering "a point at or near [a member agency's] boundary"
July 6, 1949	Water Problems and Public Relations Committee Letter	Letter from the Water Problems and Public Relations Committee Chairman on the subject of annexation to the Metropolitan Water District of the Altadena-La Canada-La Crescenta area
March 10, 1950	Hinds Letter	Provides historical context to Foothill Annexation and initial recommendation to annex to neighboring cities. Recommends annexation based on proposed larger annexation area and with FMWD understanding that they are to bear costs for constructing facilities to service area.
November 18, 1952	MWD Resolution 4164	Metropolitan Board approval of Foothill annexation on condition of Foothill constructing facilities to convey water from Metropolitan's pipeline to its service area
July 14, 1953	MWD Resolution 4249	All future annexations to MWD be based on the principle that this district shall not be obligated to provide additional works or facilities, necessitated by such future annexations, for the delivery of water from works owned and operated by the District
November 10, 1953	MWD Resolution 4324	Approval of construction of service connection at Foothill MWD Cost
June 5, 1954	Foothill Letter	Letter requesting Metropolitan to assume cost for constructing service connection
June 9, 1954	MWD Board Meeting	Meeting minutes 15721 - Approve Metropolitan to assume costs for constructing service connection to Foothill
June 28, 1954	Diemer Letter	Request authorization to construct service connection and repeal Resolution 4324
June 29, 1954	MWD Board Meeting	Meeting Minute 15756 - Approve construction of service connection and repeal Resolution 4324
March 15, 1959	Foothill Letter	Letter requesting Metropolitan to reimburse for cost of constructing 6,759 feet pipeline
April 9, 1959	Diemer Letter	Recommendation of denial to Foothill request
April 14, 1959	MWD Board Meeting	Meeting Minutes 19511 - Diemer Letter submitted, approval for Foothill to present following month responding to Diemer Letter.
April 30, 1959	Foothill Letter	Correspondence from Foothill to Metropolitan including May 5, 1959, letter from Foothill in response to Diemer Letter
May 8, 1959	Foothill Special Meeting	Foothill adopts Resolution to take no further action on reimbursement request

*Click the blue text to access the hyperlink to the corresponding document

Date	Item/Hyperlink*	Description
May 12, 1959	MWD Board Meeting	Meeting minutes 19548 - Foothill proposal to withdraw request for reimbursement approved without prejudice, all letters filed into archives
March 21, 2024	Foothill Letter	Letter to MWD Chair for MWD to consider taking operation/ownership of pipelines and pump station
April 1, 2024	Foothill Letter and License Agreement	Letter to MWD Chair including attachment of the License Agreement between Foothill and City of Pasadena from May 10, 1954, for building & operation of portion of pipeline and pumping plant within the City of Pasadena
September 30, 2025	Foothill Letter	Letter to MWD General Manager for MWD to seeking reimbursement for the costs of maintaining and operating facilities to FMWD boundaries. Ask for action to be brought to Board by end of year

Statement of Policy

January 9, 1931

STATEMENT OF POLICY
of
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
ADOPTED JANUARY 9, 1931.

To the end that the furnishing of a supply of water to the Coastal Plain of Southern California from the Colorado River, may be accomplished in the most effective and economical manner, and to the best interests of the area taken as a unit, the following statement of policy is presented:

- (1) The Coastal Plain is taken to be

That part of Los Angeles County southerly from the Santa Susana and the San Gabriel or Sierra Madre, Mountains; that part of San Bernardino County south of the San Gabriel or Sierra Madre Mountains, and south and west of the San Bernardino Mountains extending easterly to the summit of San Gorgonio Pass; that part of Riverside County west of the San Jacinto Mountains; that part of Orange County west and north of the Santa Ana Mountains.

- (2) Those portions of the Coastal Plain to which the aqueduct system can economically deliver water are regarded as the ultimate area that should be included within The Metropolitan Water District.

Water will be made available to all areas within the District in accordance with their requirements, domestic use being the dominant use.

- (3) Applications from municipalities, or other areas eligible for membership in the District, within the described area, will be individually considered by the Board of Directors. The consent of the Board to such municipalities or areas becoming a part of the District and receiving water from the aqueduct system will be decided on the basis of mutual advantage, and the terms and conditions of joining will be determined on the merits of each application.

- (4) The Metropolitan Water District will deliver water, either directly or indirectly, through a system provided by the District, to each of the eleven original member cities, and to those cities whose application for admission prior to March 1, 1931, have been approved, at or near the boundary of each, this point of delivery to be

determined by considerations of economy and convenience with respect to the general engineering plans adopted by the District, and to such other points as the Directors may determine.

Particular consideration shall be given to designing the feeder system so that areas of large potential consumption may be adequately served.

Wherever possible, economies of exchange of water shall be encouraged.

(5) The delivery of water to areas within the District will be so conducted, organized and controlled that the District may retain its right to recover water originating in its system which may reach and replenish underground basins.

(6) The District intends to use underground storage to the greatest possible extent.

Neither surface nor subsurface storage shall be created to the advantage of any area within the limits of the District, or elsewhere, unless such storage is a necessary and economical part of the general engineering plans which may be accepted.

(7) All water shall be sold by the District within its defined limits at wholesale rates which shall be uniform for like classes of service throughout.

Water applied to the soil directly or indirectly for the purpose of underground storage shall be sold at as low a rate as may be economically possible or desirable.

Board Minute Item 7962 and Whitsett Letter

May 24, 1940

MINUTES OF THE ADJOURNED REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

MAY 24, 1940

7953 The Board of Directors of The Metropolitan Water District of Southern California met in Adjourned Regular Meeting in the Directors Room at 306 West Third Street, Los Angeles, California, on Friday, May 24, 1940.

The Meeting was called to order by Chairman Whitsett at 1:32 p.m.

Secretary Finley called the roll. Those answering present were Directors Butler, Cook, Emme, Finley, Hapgood, Nelson, Norwood, Ramboz, Rossetti, Thomas, and Whitsett. Those not answering present were Directors Creel, Greer, Humphreys, Nordlinger, Pontius, Richards, Rippy, and Taylor.

The Chair declared a quorum present.

7954 It was moved by Director Rossetti, seconded by Director Norwood, and carried, that consideration of the Minutes of the Regular Meeting held May 10, 1940, and of the Adjourned Regular Meeting held May 17, 1940, be deferred until the next Meeting.

7955 A letter signed F. E. Weymouth, General Manager and Chief Engineer, addressed to the Board, dated May 23, 1940, submitting fifteen instruments for acceptance, was read.

It was moved by Director Cook, seconded by Director Hapgood, and carried, that Resolution No. 3113 be adopted accepting the instrument executed by Charles Hoyt Thorpe and Mary M. Thorpe, dated April 25, 1940, covering Parcel No. 1416-4-5; that Resolution No. 3114 be adopted accepting the instrument executed by Charles Hoyt Thorpe and Mary M. Thorpe, dated April 25, 1940, covering Parcel No. 1416-4-7; that Resolution No. 3115 be adopted accepting the instrument executed by Eachi Machida and Michi Machida, dated April 20, 1940, covering Parcel No. 1416-8-1; that

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A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE METROPOLITAN WATER DISTRICT OF SOUTHERN
CALIFORNIA, AUTHORIZING AND DIRECTING THE
CONDEMNATION OF CERTAIN PROPERTY SITUATED
IN THE COUNTY OF LOS ANGELES, STATE OF
CALIFORNIA.

be adopted authorizing the condemnation of the property as described and rescinding Resolution No. 3063.

7962 A letter signed F. E. Weymouth, General Manager and Chief Engineer, addressed to the Water Problems Committee, dated May 14, 1940, bearing the notation "Approved for submission to Board May 24, 1940. Wat. Prob. Com. F.T.;" reporting that as the result of further investigations the estimated cost of constructing the proposed connecting lines to the municipal systems of the cities of Burbank, Compton, Long Beach, Santa Ana, and Torrance reported on April 11, 1940, had been reduced from \$285,000 to \$185,000, summarizing the details and cost of each of the proposed connections and stating that in the opinion of the General Manager and Chief Engineer the benefit to the District of having physical connections to the waterworks systems of all its constituent cities, except San Marino, more than justifies this small expenditure, and recommending that the construction of these connections be authorized, was read.

Director Rossetti read a communication which he stated had been prepared for him by the Staff summarizing the actions of the Board and the conferences and correspondence between the District and the officials of the various member cities with regard to the points at which the delivery of Aqueduct water was desired and relative to the recent developments and discussions on the proposal that the District construct connections between the distribution system authorized by the Board of Directors and the local distribution systems.

The Chair presented a letter signed W. P. Whitsett, addressed to the Board, dated May 24, 1940, which was read, summarizing the background and expressing his views on the policy of the District relating to the delivery of Aqueduct water to its member cities and to future annexations to the District and presenting as suggestions and considerations: that the possibility be investigated of having the extensions to the local systems constructed as federal projects; that the construction of the extensions be deferred until an expression is received by the District from each community that it intends to use Colorado River water and indicates the amount; that any lines constructed by the District within a

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member city never be used as part of the local distribution system; and that the District reaffirm its original policy of January 9, 1931, relating to the delivery of water to the member cities.

At the request of Director Ramboz, a letter signed R. H. Lacy, Mayor of the City of San Marino, addressed to the Board, dated May 21, 1940, requesting on behalf of the City of San Marino that inasmuch as that city may not have a municipal water system for a number of years, the Board of Directors of the District take such action as may be appropriate to assure the construction by the District when required of a lateral from the District's main distributing line on Mountain Street in Pasadena to the city limits of San Marino or to a point within the city limits to be designated by the city where water may be delivered with the greatest convenience, and to have the privilege of inserting in the District's lateral a storage reservoir located somewhere between Mountain Street and the city limits of San Marino in order to secure the advantage of greater water pressure, without being deprived of the privilege of having the District construct the lateral between the reservoir and the point within the city limits, to be designated later, was read.

It was moved by Director Rossetti and seconded by Director Cook that the recommendation of the General Manager and Chief Engineer, addressed to the Water Problems Committee, under date of May 14, 1940, approved for submission to the Board by the Water Problems Committee, authorizing the construction by the District of physical connections to the waterworks systems of all its constituent cities, except San Marino, be approved.

At the request of Director Thomas, the four suggestions contained in the letter of Director Whitsett to the Board, under date of May 24, 1940, were reread.

Director Rossetti, with the consent of the seconder of the motion, Director Cook, withdrew his motion approving the recommendation of the General Manager and Chief Engineer as approved by the Water Problems Committee.

Director Ramboz read a statement from the Minutes of February 23, 1940, reporting the estimated initial demand of the various member cities of the District for Aqueduct water.

It was moved by Director Rossetti and seconded by Director Butler that the preceding motion be renewed and that the recommendation of the Staff as approved by the Water Problems Committee be approved and that the connections to the various member cities, involving the expenditure of \$185,000, be undertaken and expedited to the end that the

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Aqueduct project be completed at the earliest possible date and that construction of the connection to the City of San Marino at some future date, as requested in the letter signed R. H. Lacy, Mayor of the City of San Marino, addressed to the Board, under date of May 21, 1940, be included in the authorization.

Director Thomas called for a vote on the motion. Following an oral vote, the Chair ordered a roll call on the motion. The following is a record of the vote on the motion:

Ayes: Anaheim (Dir. Hapgood 1 vote), Burbank (Dir. Norwood 3 votes), Compton (Dir. Butler 1 vote), Glendale (Dir. Nelson 6 votes), Long Beach (Dir. Cook 18 votes), Pasadena (Dir. Thomas 9 votes), San Marino (Dir. Ramboz 2 votes), Santa Ana (Dir. Finley 2 votes), Santa Monica (Dir. Creel 5 votes); Total 47 votes.

Noes: None.

Absent: Beverly Hills (Dir. Taylor 6 votes), Fullerton (Dir. Humphreys 2 votes), Torrance (Dir. Rippey 2 votes); Total 10 votes.

The City of Los Angeles was unable to cast its vote because a majority of its representatives present did not vote either aye or no. The following is a record of the vote of the representatives of the City of Los Angeles present at the Meeting: Ayes: Dirs. Richards and Rossetti; Noes: Dirs. Emme and Whitsett; Absent: Dirs. Greer, Nordlinger, and Pontius; (57 votes).

The Chair called for a legal opinion regarding this vote, and upon the report of Assistant General Counsel Weber that the affirmative votes of members representing more than fifty per cent of the total number of votes of all the members shall be necessary to carry any order, resolution, or ordinance coming before the Board, declared the motion not carried.

It was moved by Director Rossetti and seconded by Director Richards that the Staff be instructed not to proceed with the extension of any distribution lines beyond the points established by the policy of the Board of Directors adopted on January 9, 1931, including work authorized but for which the contracts have not yet been signed.

Following an oral vote, the Chair called for a roll call on the adoption of the motion. The following is a record of the vote on the motion:

Minutes - May 24, 1940

8.

Ayes: Anaheim (Dir. Hapgood 1 vote), Burbank (Dir. Norwood 3 votes), Compton (Dir. Butler 1 vote), Long Beach (Dir. Cook 18 votes), Santa Ana (Dir. Finley 2 votes); Total 25 votes.

Noes: Glendale (Dir. Nelson 6 votes), Pasadena (Dir. Thomas 9 votes), San Marino (Dir. Ramboz 2 votes), Santa Monica (Dir. Creel 5 votes); Total 22 votes.

Absent: Beverly Hills (Dir. Taylor 6 votes), Fullerton (Dir. Humphreys 2 votes), Torrance (Dir. Rippy 2 votes); Total 10 votes.

The City of Los Angeles was unable to cast its vote because a majority of its representatives present did not vote either aye or no. The following is a record of the vote of the representatives of the City of Los Angeles present at the Meeting: Ayes: Dirs. Richards and Rossetti; Noes: Dirs. Emme and Whitsett; Absent: Dirs. Greer, Nordlinger, and Pontius; (57 votes).

The motion not having received the affirmative votes of members representing more than fifty per cent of the total number of votes of all the members, the Chair declared the motion not carried.

It was moved by Director Richards and seconded by Director Rossetti that the contracts for the construction of the distribution line through the City of Glendale be held in abeyance until June 7, 1940, or until the date when the Board determines its policy with regard to granting extensions to the five cities now requesting such extensions.

The Chair ordered a roll call on the motion. The following is a record of the vote on the motion:

Ayes: Anaheim (Dir. Hapgood 1 vote), Burbank (Dir. Norwood 3 votes), Compton (Dir. Butler 1 vote), Long Beach (Dir. Cook 18 votes), Santa Ana (Dir. Finley 2 votes); Total 25 votes.

Noes: Glendale (Dir. Nelson 6 votes), Pasadena (Dir. Thomas 9 votes), San Marino (Dir. Ramboz 2 votes), Santa Monica (Dir. Creel 5 votes); Total 22 votes.

Absent: Beverly Hills (Dir. Taylor 6 votes), Fullerton (Dir. Humphreys 2 votes), Torrance (Dir. Rippy 2 votes); Total 10 votes.

The City of Los Angeles was unable to cast its vote because a majority of its representatives present did not vote either aye or no. The following is a record of

Minutes - May 24, 1940

9.

the vote of the representatives of the City of Los Angeles present at the Meeting: Ayes: Dirs. Richards and Rossetti; Noes: Dirs. Emme and Whitsett; Absent: Dirs. Greer, Nordlinger, and Pontius; (57 votes).

The motion not having received the affirmative votes of members representing more than fifty per cent of the total number of votes of all the members, the Chair declared the motion not carried.

Director Rossetti withdrew from the Meeting at 4:05 p.m.

It was moved by Director Emme, seconded by Director Cook, and carried, that consideration of the proposal to construct connections to the local systems of the member cities be deferred until a Meeting to be held June 7, 1940.

7963 A letter signed Donald C. Jones, Appraiser, addressed to the Board, dated May 22, 1940, submitting a sealed appraisal on Parcel 1421-15-1 & 3 on the La Verne to Walnut Division of the Orange County Feeder, was read.

It was moved by Director Thomas, seconded by Director Hapgood, and carried, that the report be filed with the Secretary with instructions to make available to the Land Committee and the Controller.

7964 A letter signed John H. Mathews, addressed to the Board, dated May 22, 1940, stating the pleasure accorded to him and the other members of the Mathews family by the re-naming of the lake at Cajalco, Lake Mathews, in honor of his father and expressing appreciation to the Directors who acquiesced in the change, was read.

It was moved by Director Hapgood, seconded by Director Norwood, and carried, that the communication be acknowledged and filed.

7965 It was moved by Director Butler, seconded by Director Norwood, and carried, that the Meeting be adjourned to Friday, June 7, 1940, at 1:30 p.m. The Chair declared the Meeting adjourned at 4:13 p.m.

(S. H. FINLEY)
SECRETARY

(W. P. WHITSETT)
CHAIRMAN

Item 7962

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

306 WEST THIRD STREET
LOS ANGELES, CALIFORNIA



W. P. WHITSETT, CHAIRMAN
FRANKLIN THOMAS, VICE-CHAIRMAN
S. H. FINLEY, SECRETARY

ANAHEIM
BEVERLY HILLS
BURBANK
COMPTON
FULLERTON
GLENDALE
LONG BEACH
LOS ANGELES
PASADENA
SAN MARINO
SANTA ANA
SANTA MONICA
TORRANCE

May 24, 1940

Board of Directors
The Metropolitan Water District
of Southern California
Los Angeles, California

Gentlemen:

The extending of distribution lines at the District's expense for the benefit of the local communities may have far-reaching consequences. The amount of money involved is not very great and I feel there is a great deal of merit in the arguments presented by Director Butler and others that these connections be made by the District. My greatest concern is with the difficulties we open the door to in departing from our long established policy.

I do not intend to oppose these expenditures, but want to outline to you some aspects of the subjects as I see them.

Back in 1924 when I first became intimately associated with the question of obtaining Colorado River water, the idea prevailed that Los Angeles would undertake the job alone just as she had the Owens Valley Aqueduct. This was Mulholland's idea. It was discussed many times and many agreed that it would be the simplest and least expensive course for the City.

It is obvious what a dominant position the City of Los Angeles would have been in if this course had been followed. However, the broader view of including the coastal plain prevailed with the full realization that Los Angeles City would be making a large contribution for the benefit of outlying areas.

Early in 1931 when the selecting of the Aqueduct route and of presenting the bond issue for approval were the pressing subjects confronting the Board, the question of the District's policy with regard to the distribution of Aqueduct water came up for discussion. Several of the Directors insisted that before proceeding further the District should define its policy with regard to the delivery of Aqueduct water. At that time there was considerable discussion of the idea that the District would largely confine itself to bringing the water to the coastal plain and leave the problem of distributing the water to the various areas participating in the District. Those were dry years and there was a pressing need for agricultural water and we visualized a rather rapid expansion of the District, particularly in the agricultural sections of the coastal plain. Another factor was that we did not know what shape the District would take and whether the early annexations would be toward the east end or the west.

It was never intended that each city would build a line to the Aqueduct but that communities and areas would construct the lines cooperatively, similar to the way sanitation districts connect with an outfall sewer or irrigation districts connect to a master ditch.

The problem was discussed at great length and the result of those discussions was the adoption of the policy of January 9, 1931, on which the section with regard to the distribution of water reads as follows: "The Metropolitan Water District will deliver water, either directly or indirectly, through a system provided by the District, to each of the eleven original member cities, and to those cities whose application for admission prior to March 1, 1931, have been approved, at or near the boundary of each, this point of delivery to be determined by considerations of economy and convenience with respect to the general engineering plans adopted by the District, and to such other points as the Directors may determine."

You will notice, first, that the policy states that the water would be delivered to each of the "eleven original member cities and to those cities whose application for admission prior to March 1, 1931, have been approved." That wording was put in in order to make it definitely clear that the District was not adopting the policy of delivering water to every area which annexed to the District. At the time the policy was adopted Long Beach, Torrance, Compton, and Fullerton had not yet joined the District but had made application for membership. It was these particular cities that were in mind when the limitation of "March 1, 1931," was included. In fact, the delivery of water to a point at or near their city boundaries was offered as an inducement to early annexation. They joined the District with the clear understanding of this policy.

The reason back of all these discussions, way back in 1930 and 1931, was the realization that there was a limit to the extent to which Los Angeles could be expected to contribute some 70% of the cost of pipe lines and other facilities entirely for the benefit of other communities and areas.

I sincerely hope that the construction of these extensions now contemplated, if authorized, will not create a precedent or represent a departure from our original policy.

I want to give you an illustration of what may be the result of a departure from our policy. The area along the coast from Venice to San Pedro, between the shoestring and the ocean, represents a natural unit for annexation to the District. In my opinion this whole area should come in as a unit. The means and the manner in which the water would be delivered to the area would have to be worked out at the time of annexation. The District under its existing policy would not be obligated to deliver water at any point beyond its existing lines. A mutually satisfactory point of delivery would have to be worked out. If we take that area in on the assumption that we would connect to all of the different local systems within that area, a tremendous cost would be involved. In addition, the District would be faced with the expense of operating and maintaining a vast network of relatively small lines under pavements with valves and meters and all of the other miscellaneous facilities. The amount which Director Ramboz has pointed out to us as remaining unincumbered out of

our \$220,000,000 bond issue would not go very far on such a program.

It seems unfortunate to me that the matter of the extensions was not brought to a head before the plans for the distribution lines were completed and the construction undertaken. Very likely a more economical location of the distribution lines could have been made if these extensions had been in mind and could have been taken into account.

It also seems to me fair to point out that the Board refused to consider the construction of a line as proposed by Director Emme for delivering Aqueduct water to somewhere near the center of the Los Angeles system rather than at the remote easterly edge from which only a relatively small part of the City could be served with Colorado River water. I want to point out that in line with our original policy I voted against the proposal even though the expenditure was for the benefit of the City of Los Angeles.

The time will come in the not distant future when the District will have no additional funds available for the construction of distribution lines and from then on subsequent annexations will probably have to bear the entire cost of connecting to the Aqueduct.

I think it can be fairly said that the City of Los Angeles has been more than generous in making expenditures primarily for the benefit of the other communities in the District. As far as Los Angeles is concerned, some features such as the treatment plant could have been deferred 15 or 20 years.

Assuming that in the light of the foregoing the District authorizes these local extensions, totaling approximately \$185,000, I would like to present the following suggestions and considerations:

1. That the possibility be investigated, in view of the new large federal public works program that will undoubtedly be started, of the local communities undertaking to determine whether these extensions could not qualify as federal projects, thereby saving the District the expenditure.

2. That the construction of each of these extensions be deferred until the local community states definitely that it intends to use Colorado River water and officially indicates the amount which it proposes to use. In the light of statements which have been made to the present time, some of these connections may remain inactive for ten years or more. If such is the case then we should at least save the carrying charges until the connection is actually needed.

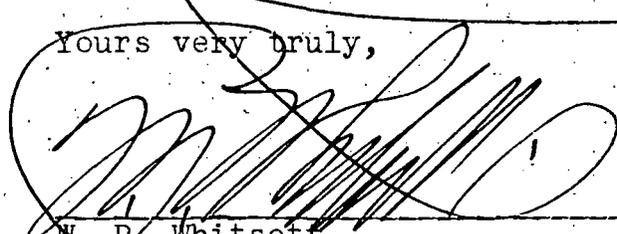
3. That lines constructed by the District within a member city never be used as a part of the local distribution system from which services or connections of any kind might be made. In other words, that the District only allow each member city a limited number of relatively large and strictly wholesale connections to the local distribution system. If such a limitation is not made, it is conceivable to me that eventually the District's distributing lines will acquire a multitude of connecting lines with valves and meters which will be a constant source of expense and annoyance. We

7.

should maintain our identity strictly as a wholesaler.

4. That we reaffirm our original policy and eliminate any possibility of the expectation on the part of any one that the District intends to build a great maze of distribution lines to every hamlet on the coastal plain. In my opinion, we should limit our annexations to large integral units with each of which the District will cooperate in so far as is economically sound in making water available from the nearest point of the Aqueduct system.

Yours very truly,



W. P. Whitsett

Water Problems and Public Relations Committee Letter

July 6, 1949

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

306 WEST THIRD STREET
LOS ANGELES 13, CALIFORNIA



OFFICE OF
BOARD OF DIRECTORS

July 6, 1949

- ANAHEIM
- BEVERLY HILLS
- BURBANK
- COMPTON
- FULLERTON
- GLENDALE
- LONG BEACH
- LOS ANGELES
- PASADENA
- SAN MARINO
- SANTA ANA
- SANTA MONICA
- TORRANCE
- COASTAL MUNICIPAL WATER DISTRICT
- SAN DIEGO COUNTY WATER AUTHORITY
- WEST BASIN MUNICIPAL WATER DISTRICT

Board of Directors
The Metropolitan Water District
of Southern California
Building



Gentlemen:

Your Water Problems and Public Relations Committee has given careful consideration to the problems of policy with respect to annexation of additional areas to the Metropolitan Water District and is pleased to report that a unanimous conclusion has been reached.

Accordingly, it is recommended that it be declared to be the sense of the Board of Directors of the Metropolitan Water District that consideration be given to all applications for annexation of additional units to the Metropolitan Water District and to annexations to existing units over which this Board exercises control, on the following basis:

First. That, as one of the terms and conditions of annexation, the system heretofore applied, of determining the accumulated back taxes to the date of annexation, including simple interest at the rate of 4 per cent per annum from the due date of each item to the date of annexation, be adhered to.

Second. That the area proposed for annexation be given the opportunity to pay the accumulated amount of back taxes in cash at the time of annexation; or

To amortize such amount over a period not exceeding 30 years, with interest at the rate of 3 per cent per annum, the amounts sufficient to accomplish such amortization to be collected as a special tax in substantially equal annual levies over the period of repayment.

Of course, in addition to the special tax, the annexation area would become subject to the District's general tax.

amendment: otherwise eligible

Board of Directors

-2-

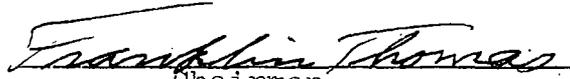
The Committee is advised that the plan suggested can be put into operation without amendment to existing law.

Consideration was also given to the matter of expenditures for the purpose of construction of works necessary to accomplish delivery of water to annexing areas, but it was concluded that, because of the fact that each area presents a different geographical and physical problem, no rigid policy should be expressed, and that each situation should be examined on its merits.

Very truly yours,

WATER PROBLEMS AND PUBLIC
RELATIONS COMMITTEE

By


Chairman

Hinds Letter

March 10, 1950

72

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

306 WEST THIRD STREET
LOS ANGELES 13, CALIFORNIA



JULIAN HINDS
GENERAL MANAGER AND CHIEF ENGINEER

MAR 10 1950

Foothill was fully aware that it would be required to pay all costs of facilities to obtain Colorado Water from MWD. See Pg. 2

- ANAHEIM
- BEVERLY HILLS
- BURBANK
- COMPTON
- FULLERTON
- GLENDALE
- LONG BEACH
- LOS ANGELES
- PASADENA
- SAN MARINO
- SANTA ANA
- SANTA MONICA
- TORRANCE
- COASTAL MUNICIPAL WATER DISTRICT
- SAN DIEGO COUNTY WATER AUTHORITY
- WEST BASIN MUNICIPAL WATER DISTRICT

Water Problems and Public Relations Committee
The Metropolitan Water District
of Southern California
B u i l d i n g

Gentlemen:

At its meeting on January 27, 1950, the Water Problems and Public Relations Committee instructed the staff to prepare a report on the subject of the annexation to the Metropolitan Water District of the Altadena-La Canada-La Crescenta area with particular reference to the manner in which the annexation might be accomplished consistently with a policy of limiting future annexations in Los Angeles County to two additional units exclusive of the Pomona Valley Municipal Water District now in the process of formation.

To review the events leading up to the Board's instructions, the District received a letter dated November 7, 1949 from Mr. J. H. Tumbach, Chairman for the Altadena-La Canada Water Group regarding the annexation to the District of the areas (A) and (B) shown in red on attached map, Exhibit 1. This was followed by another letter dated January 7, 1950 inquiring as to the effect of enlarging the proposed annexation unit by adding the area (C) shown in blue.

Inquiries from these general areas concerning the possibility of annexation to the Metropolitan Water District have been coming in occasionally for several years. Definite requests from the La Crescenta area (blue) have been considered on several occasions, and declined on the theory that this area could best be incorporated into the District through annexation to Glendale. An election which was held on December 6, 1949 with the purpose of bringing about such an annexation failed.

Consideration of overtures from areas A and B (red) have similarly been deferred on the theory their needs could best be supplied by annexation to Pasadena, or to Pasadena and Glendale.

Such annexation appears to be not at all popular, and is not greatly desired by Glendale or Pasadena.

By letter of December 14, 1949 the District from the City of Pasadena an expression of its attitude annexing Altadena to that City. In reply, Pasadena stated in the absence of a specific annexation request, no commitment could be made regarding the City's attitude. A similar request was not made to the City of Glendale, but events of the past few years indicate that annexation of any part of the proposed area to that City is unlikely.

An important element in past recommendation, that these areas be annexed to adjacent cities rather than directly to the Metropolitan Water District, is the cost of facilities required to supply them independently. (Representatives of the areas are now fully aware of this difficulty, and know that they cannot expect the required facilities to be furnished by the District.) All present inquiries are based upon the understanding that the annexing areas must come to existing District lines and do all required booster pumping.

In view of the evident improbability of the early annexation of these areas to Glendale and Pasadena, the urgent need for water, and the willingness to assume all cost of procurement, it is believed the District should indicate its willingness to give favorable consideration to the annexation, upon conditions satisfactory to the District. The following stipulations are suggested:

1. The area shall be sufficiently large and of sufficient assessed value to justify its consideration as the first unit, or nucleus, of an ultimate north Los Angeles County unit;
2. To permit its ready expansion and to conform most closely to the general governmental structure of the Metropolitan Water District, the annexing area shall be incorporated as a Municipal Water District;
3. For the purpose of avoiding a multiplicity of annexation units, it should be understood that future annexation to the Metropolitan Water District of areas in Los Angeles County are to be brought about by annexation to either the unit under consideration, a possible similar unit in the southern area, or to the unit now in process of organization in the Pomona area. While no enforceable agreement to that effect appears possible, the basic policy should be stated and understood.
4. Pipe lines for supplying the several areas shall be furnished without expense to the Metropolitan Water District.
5. Terms and conditions of annexation shall include payment of back taxes with interest at the rate of 4 per cent up to the date of annexation. This sum may be paid in cash or amortized at 3 per cent over a period of 30 years.

(72)

The red and blue areas, (A), (B), and (C), which are making the inquiry are sufficient to meet the requirements of Stipulation 1. However, it is believed that certain additional areas should be included. The water problems of the yellow areas, (1) and (2) are so intimately connected with Altadena and Pasadena that these areas should be included in the new District. As a Municipal Water District (Stipulation 2) must contain at least one incorporated city, the inclusion of Sierra Madre, or some other one of the foothill cities, is suggested. Sierra Madre is shown in green on the map and designated as area (4). If this City is included then it would be desirable to include the intervening area colored orange and designated as area (3). The location of the entire area with respect to member areas and the Pomona Valley area is shown on Exhibit 2.

Descriptions and statistics for these areas are as follows:

Red Areas.

Red area "A" easterly of the Arroyo Seco includes the lands served by Rubio Canyon Land and Water Association, Las Flores Water Company, Lincoln Avenue Water Company, and Pasadena Cemetery Association. The area contains 3230 acres and has an assessed valuation of about \$22,000,000, or \$6800 per acre.

Red area "B" westerly of the Arroyo Seco includes lands served by Valley Water Company and La Canada Irrigation District. This area contains 4070 acres and has an assessed valuation of about \$17,000,000, or \$4200 per acre.

The combined red areas contain 7300 acres with total valuation of about \$39,000,000. Present use of water is 5600 acre feet per year and ultimate requirements for imported water are estimated to be 7000 acre feet per year.

Blue Area.

The blue area "C" includes the lands served by Crescenta Mutual Water Company, Mountain Water Company, and Highway Highlands Mutual Water Company. Total area is 4,050 acres with assessed valuation of about \$16,000,000, or \$4,000 per acre. Present use of water is 2200 acre feet per year and the ultimate requirement for imported water is estimated to be about 3000 acre feet annually.

Yellow Areas.

The yellow areas, numbered 1 and 2, are county areas being served by the Pasadena City Water Department as a result of the City having acquired water companies with service areas both

inside and outside the City limits. Opposition to joining the Metropolitan Water District may be expected.

Area No. 1 contains 375 acres and area No. 2, 1075 acres, making 1450 acre total. Assessed valuation is about \$10,000,000, or \$6900 per acre. Present use of water is 1400 acre feet per year and the ultimate requirement for imported water is estimated to be about 900 acre feet annually.

Green Area.

The green area No. 4 is the City of Sierra Madre, the only incorporated city included in the nuclear area. No inquiry concerning annexation has been received recently from this city, but several inquiries have been received in past years. The City has been advised by consulting engineers that its water supply is inadequate to provide for an additional area of 200 acres now seeking annexation to the City. Sierra Madre has a total area of 1860 acres of which about 1300 acres is valley land, the remainder being mountainous. Assessed valuation is about \$6,000,000, or \$3200 per acre. Present use of water is about 1800 acre feet per year and the ultimate requirement for imported water is estimated to be about 1300 acre feet annually.

Orange Area.

Area No. 3 colored orange fills in the intervening lands in the County lying between the Eaton Wash and the westerly boundary of Sierra Madre. It contains 1800 acres and has an assessed valuation of about \$2,000,000. At the present time the area is mostly unimproved, but is potentially an attractive residential district. Present use of water is small. The ultimate requirement for imported water is estimated to be about 3700 acre feet annually.

The foregoing information is summarized in the following tabulation:

<u>District</u>	<u>Area Acres</u>	<u>1950 Estimated Population</u>	<u>Approx. 1949-50 Assessed Val.</u>	<u>Annual Water Requirements Ac-Ft</u>	
				<u>Present Use</u>	<u>Ult. M.W.D. Requirements</u>
Red "A"	3,230)	27,000	\$22,000,000	5,600	7,000
Red "B"	4,070)				
Blue "C"	4,050	20,000	16,000,000	2,200	3,000
Yellow "1"	375)				
Yellow "2"	1,075)	10,000	10,000,000	1,400	900
Green "4"	1,860				
Orange "3"	1,800	--	2,000,000	200	3,700
Total	16,460	64,000	\$73,000,000	11,200	15,900

The county island lying between Pasadena and Glendale in the San Rafael Hills has been excluded because it lies entirely in a watershed draining into Sycamore Canyon in Glendale. There is practically no development in this area at the present time.

The county island lying easterly of Burbank in the Verdugo Mountains has also been excluded. This area is uninhabited mountainous country.

The proposed unit is larger than eleven District members; its population exceeds that of eight members and also of the Pomona Valley area; and in assessed valuation it is greater than seven present members and also the Pomona area. Any statement that such an area is "too small" to be suitable for annexation to the District would be difficult to support. A tabulation is attached showing the area, population and assessed valuation of District constituents and of the Pomona Valley and Altadena-La Canada-La Crescenta areas.

The inclusion of Sierra Madre would make possible the formation of a municipal water district in compliance with stipulation 2. If this city will not join, some other city may be substituted, or some one of the groups desiring annexation might incorporate.

Stipulation 3 probably cannot be put into exact contractual form. However, there should be at least an informal understanding that this area is to serve as a nucleus to which additional areas could annex in the future. It is not practicable to fix exact limits for the ultimate unit at this time. There is no apparent reason why this phase of the annexation program should not remain flexible so that exact boundaries may be fixed at the discretion of the Board as the occasion arises, bearing in mind that future annexations in Los Angeles County would, in all probability, be limited to one more member in addition to the Pomona area and the Altadena-La Crescenta foothill area.

It is unlikely that the entire San Gabriel Valley northerly of Whittier Narrows can be brought into the District in the near future. In spite of occasional rumors to the contrary, there is no presently urgent need for water in the upper San Gabriel Valley. Assuming the recurrence of normal rainfall seasons in the near future this area will probably not require supplemental Aqueduct water for 20 years, or until the next major drought comparable to the present one. In contrast, the greater portion of the foothill area is now in urgent need of imported water to supplement over-drawn local supplies.

Stipulations 4 and 5 are in accordance with the Board's current annexation policies regarding payment of costs for supplying new areas annexing to the Metropolitan Water District and for payment of back taxes.

(72)

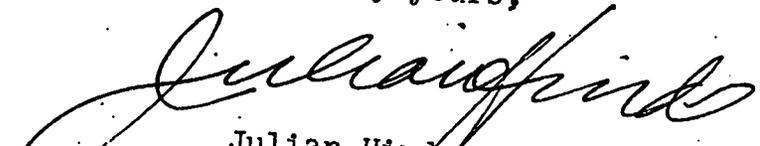
Annexation would result in a current annual tax revenue to the District of about \$250,000 and a back tax levy of approximately \$3,400,000. If the back-tax levy is paid in 30 annual installments with interest at 3% the additional revenue would be about \$170,000 per year making a total of \$420,000 annually. These combined tax revenues have a present value to the Metropolitan Water District of more than \$10,000,000 on the basis of interest at 3%. To the income from taxes would be added the gross revenue from water sold to the area estimated initially to approach \$50,000 a year. Obviously the annexation of this area would be a good business proposition from the District's standpoint.

It is believed that, if the District approves the suggested area for annexation, all immediate need for a "County Water Control Authority", as proposed by the Los Angeles County Board of Supervisors in letter of December 14, 1949 to the District, will have been removed since there is no other sizeable area in the County urgently in need of an imported water supply. Without pressure from a constituency it seems probable that the Supervisors would not press plans to form a "County Water Control Authority" at this time.

It is respectfully recommended that the Board informally agree to give favorable consideration to annexation of a unit conforming to the foregoing suggestions, and that the Water Committee representing Altadena-La Canada Water Group be so advised.

Draft of a letter of notification is enclosed.

Very truly yours,


Julian Hinds,
General Manager and Chief Engineer.

Encl. 7284

MWD Resolution 4164

November 18, 1952

RESOLUTION 4164

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA CONSENTING TO THE ANNEXATION TO SAID DISTRICT OF THE CORPORATE AREA OF FOOTHILL MUNICIPAL WATER DISTRICT AS SUCH CORPORATE AREA WILL EXIST UPON THE COMPLETION OF THE PROCEEDINGS FOR THE EXCLUSION FROM SAID FOOTHILL MUNICIPAL WATER DISTRICT OF CERTAIN UNINHABITED TERRITORY ANNEXED TO THE CITY OF PASADENA, DESIGNATED AS HASTINGS NO. 5, AND FIXING THE TERMS AND CONDITIONS OF SUCH ANNEXATION TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

A. WHEREAS, the governing body, to wit, the Board of Directors, of FOOTHILL MUNICIPAL WATER DISTRICT, a municipal water district situated in the County of Los Angeles, State of California (hereinafter referred to as "Foothill"), pursuant to its Resolution No. 34, adopted on November 14, 1952, and in accordance with the provisions of the Metropolitan Water District Act of the State of California, has applied to the Board of Directors of The Metropolitan Water District of Southern California (hereinafter referred to as "Metropolitan") for consent to annex to Metropolitan the corporate area of Foothill as such corporate area will exist upon the completion of the proceedings for the exclusion from Foothill of certain uninhabited territory annexed to the City of Pasadena, and designated as Hastings Annex No. 5 (such corporate area as it will so exist being hereinafter referred to as "said corporate area of Foothill"); and

B. WHEREAS, on November 3, 1952, the Board of Directors of Foothill, pursuant to proceedings duly initiated by Resolution No. 30 of said Board, duly adopted Ordinance No. 3, entitled "An Ordinance of the Board of Directors of Foothill Municipal Water District approving the exclusion of certain territory designated as Hastings Annex No. 5 from the boundaries of Foothill Municipal Water District", by which ordinance the exclusion from Foothill of that certain uninhabited territory annexed to the City of Pasadena under the designation of Hastings Annex No. 5 and so designated in said Ordinance No. 3, was approved, and unless sufficient petition for referendum be filed within thirty days from the adoption of said Ordinance No. 3, requiring submission of said Ordinance to the voters of Foothill for their veto, such Ordinance will become effective and thereupon it will be the duty of the proper officials to perform the acts necessary to complete the exclusion from Foothill of said territory so designated as Hastings Annex No. 5, and upon completion of such exclusion no part of the corporate area of Foothill then will lie within Metropolitan; and

C. WHEREAS, it appears to the Board of Directors of Metropolitan that said application of the Board of Directors of Foothill for consent to annex to Metropolitan said corporate area of Foothill should be granted, subject to the terms and conditions hereinafter set forth:

D. NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of The Metropolitan Water District of Southern California, subject to the following terms and conditions, does hereby grant the said application of the governing body of Foothill Municipal Water District to annex to The Metropolitan Water District of Southern California the corporate area of Foothill Municipal Water District as such corporate area will exist upon the completion of said proceedings for the exclusion from Foothill of said uninhabited territory designated as Hastings Annex No. 5, and does hereby fix the terms and conditions upon which such annexation may occur as follows:

Section 1. Such exclusion from Foothill of that certain uninhabited territory annexed to the City of Pasadena and designated as Hastings Annex No. 5, shall be completed prior to the adoption by the Board of Directors of Foothill of its resolution calling the election for the purpose of submitting to the voters of Foothill the proposition of such annexation of said corporate area of Foothill to Metropolitan; in the event that this condition be not met, annexation to Metropolitan of said corporate area of Foothill shall not be authorized, and Metropolitan's consent thereto shall be void and of no force or effect.

Section 2. The annexation to Metropolitan of said corporate area of Foothill shall be completed on or before January 20, 1953.

Section 3. In the event of such annexation:

a. There shall be levied by Metropolitan special taxes upon taxable property within said corporate area of Foothill, in addition to the taxes elsewhere in the Metropolitan Water District Act (Stats. 1927, page 694, as amended) authorized to be levied by Metropolitan.

b. The aggregate amount to be raised by such special taxes shall be \$4,734,000.

c. The number of years prescribed for raising such aggregate sum shall be thirty years, commencing with the fiscal year 1953-1954.

d. Substantially equal annual levies will be made for the purpose of raising said sum over the period so prescribed.

Section 4. In the event of such annexation, all feeder pipe lines, structures, connections, and other facilities required for the delivery of water to said corporate area of Foothill, from works owned or operated by Metropolitan, shall be constructed, provided, and installed without cost or expense to Metropolitan, and Metropolitan shall be under no obligation to provide, construct, operate, or maintain such works.

E. BE IT FURTHER RESOLVED, that the Executive Secretary be, and he hereby is, directed to transmit forthwith to the governing body of Foothill Municipal Water District a certified copy of this resolution.

I HEREBY CERTIFY, that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California, at its meeting held November 18, 1952.

MWD Resolution 4249

July 14, 1953

RESOLUTION 4249

BE IT RESOLVED, by the Board of Directors of The Metropolitan Water District of Southern California, that it be declared to be the intent of this Board that all future annexations to the Metropolitan Water District be based on the principle that this District shall not be obligated to provide additional works or facilities, necessitated by such future annexations, for the delivery of water from works owned and operated by the District.

I HEREBY CERTIFY that the foregoing resolution was adopted by the Board of Directors of The Metropolitan Water District of Southern California on July 14, 1953.



Secretary of the Board of Directors
of The Metropolitan Water District
of Southern California

MWD Resolution 4324

November 10, 1953

With File
FMWD
Nov. 10, 1953

RESOLUTION 4324

WHEREAS, Foothill Municipal Water District, hereinafter designated as "Foothill", by letter dated October 20, 1953, signed by its Secretary, has made formal application for a service connection to be constructed upon the upper feeder of The Metropolitan Water District of Southern California, hereinafter designated as "Metropolitan", for delivery of water by Metropolitan to Foothill for use within the corporate area of Foothill; and

WHEREAS, it is proper that such service connection be constructed at the expense of Foothill and without cost to Metropolitan, upon the terms and conditions and in the manner hereinafter in this resolution provided:

NOW, THEREFORE, BE IT RESOLVED, that the construction, in the manner hereinafter provided, of the service connection described in the recitals hereof be, and such construction hereby is, authorized on behalf of Metropolitan, subject to the following terms and conditions, to-wit:

1. Said service connection shall be located on the upper feeder of Metropolitan at such point at or near the intersection of Seco Street and Rosemont Avenue, in the City of Pasadena, as may be mutually agreed upon by the Secretary of Foothill and the General Manager and Chief Engineer of Metropolitan.

2. Said service connection shall be constructed in accordance with plans and specifications approved by the General Manager and Chief Engineer of Metropolitan and by the Secretary of Foothill. The turnout from the upper feeder pipe line and the shut-off valve structure of said service connection, together with all appurtenant parts of said service connection extending from the turnout to and including the coupling immediately downstream from said shut-off valve structure, shall be constructed by Metropolitan, and the remainder of said service connection shall be constructed by Foothill; provided, that such construction by Foothill shall be subject to inspection and approval by Metropolitan. All equipment and materials required for constructing the portion of said service connection to be constructed by Metropolitan, together with the venturi tube, flow meter, and accessories to be installed by Foothill, shall be purchased by Metropolitan in its customary manner, or Metropolitan may utilize therefor suitable equipment and materials on hand.

3. All costs of procuring equipment and materials for and constructing said service connection shall be borne by Foothill, and all such costs incurred by Metropolitan shall be paid

Resolution 4324

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or reimbursed to Metropolitan by Foothill as herein provided. Said costs so to be paid or reimbursed to Metropolitan shall include the costs of all equipment and materials so procured or utilized by Metropolitan therefor, the costs of all applicable labor and taxes incurred by Metropolitan, and all other direct costs incurred by Metropolitan, all said costs to be determined in accordance with the methods of cost accounting customarily employed by Metropolitan, plus the cost of general administrative services and overhead expense of Metropolitan herein stated and agreed to be an amount equal to fifteen per centum of the aggregate of said direct costs. All costs incurred by Metropolitan and so to be borne by Foothill shall be audited and certified in accordance with the customary practice of Metropolitan.

4. Said service connection shall include the facilities for diversion of water from Metropolitan's upper feeder and for delivery of such water into the distribution system of Foothill; said facilities shall consist of a shut-off valve and branch pipe connected to Metropolitan's upper feeder, and a meter equipped with indicating, recording, and totalizing instruments, together with appropriate piping, fittings, and other appurtenances; said meter and valve shall be housed in ventilated, reinforced concrete vaults, and said meter equipment shall be provided with a suitable weatherproof metal cabinet. The portion of said service connection up to and including the coupling immediately downstream from the shut-off valve structure, to be constructed by Metropolitan as hereinbefore provided in Article 2, shall be and become the property of Metropolitan and shall be operated, maintained, and controlled by Metropolitan. The remainder of said service connection, including said venturi tube, connecting with the pipe line through which Foothill will receive water delivered through said service connection, and also including the flow meter with appurtenant instruments, and cabinets therefor, constituting part of the equipment to be procured by Metropolitan as hereinbefore provided in Article 2, shall be and become the property of Foothill and shall be operated, maintained, and controlled by Foothill; provided, that Metropolitan shall have the privilege of inspecting said venturi tube, flow meter, and appurtenant instruments, and of testing the accuracy thereof at any appropriate time, such inspecting and testing performed at the election of Metropolitan to be at Metropolitan's expense; provided, further, that all expense of repairing and maintaining said venturi tube, flow meter, and appurtenant instruments to an accuracy consistent with the rules and regulations of Metropolitan governing service of water shall be borne by Foothill. On said pipe line through which Foothill will

Resolution 4324

- 3 -

receive water so delivered there shall be a control valve or control valves and a check valve or check valves for preventing backflow from the distribution system of Foothill into Metropolitan's said upper feeder, said control valve or control valves and said check valve or check valves to be installed, owned, and controlled by Foothill.

5. The costs to be incurred by Metropolitan in procuring equipment and materials for and constructing said service connection shall be estimated by the General Manager and Chief Engineer of Metropolitan, who shall inform the Secretary of Foothill regarding the amount of such estimate. A sum of money equal to the amount of such estimate shall be deposited with Metropolitan by Foothill, and shall be held and used by Metropolitan as trust funds to defray the costs incurred by Metropolitan in procuring equipment and materials for and constructing said service connection, and until such sum shall have been so deposited, Metropolitan shall not undertake the construction of said service connection; provided, that Metropolitan may purchase valve and meter equipment for said service connection in advance of said depositing of money with Metropolitan by Foothill, it being understood that Foothill will not have funds for such deposit until after bonds have been sold.

6. Upon completion of the construction of said service connection, Metropolitan shall render to Foothill a statement of all costs incurred by Metropolitan in procuring equipment and materials for and constructing said service connection; if such costs shall exceed the sum of money theretofore deposited by Foothill with Metropolitan as provided hereinbefore in Article 5, Foothill promptly shall pay to Metropolitan the amount by which such costs shall exceed such deposit; and if such costs shall be less than the said sum of money so deposited, any unexpended balance of such deposit shall be returned by Metropolitan to Foothill.

7. Foothill shall grant, or cause to be granted, to Metropolitan, such permanent easement as may be necessary for the construction, reconstruction, operation, maintenance, repair, and removal of the portion of said service connection to be owned, operated, maintained, and controlled by Metropolitan, in, over, through, and under a parcel of land, the location and dimensions of which parcel of land shall be adequate for said purposes as determined by the General Manager and Chief Engineer of Metropolitan, and which easement shall be in form satisfactory to the General Counsel of Metropolitan.

Resolution 4324

- 4 -

8. The authorization to construct said service connection in the manner and subject to the terms and conditions set forth in this resolution shall not become effective until:

a. Foothill shall have requested Metropolitan that said service connection be constructed in the manner and upon the terms and conditions prescribed in this resolution, said request by Foothill to be in form satisfactory to the General Counsel of Metropolitan; and

b. Foothill shall have deposited with Metropolitan the sum of money estimated to be sufficient to cover the costs to be incurred by Metropolitan in procuring equipment and materials for and in constructing said service connection in accordance with the provisions of this resolution; provided, that the valve and meter equipment for said service connection may be purchased by Metropolitan prior to the making of such deposit, but immediately upon the sale and delivery of bonds heretofore authorized by the voters of Foothill to be issued, Foothill shall make such deposit; and

c. Foothill shall have requested Metropolitan, said request to be in form satisfactory to the General Counsel of Metropolitan:

(1) That upon completion of said service connection and installation of said control valve or control valves and said check valve or check valves to be installed by Foothill, and upon request in writing by the Secretary of Foothill for commencement of service, water be supplied to Foothill for use within the corporate area of Foothill, in accordance with the provisions of the Metropolitan Water District Act and the rules and regulations of Metropolitan governing such service and that, except at times when Metropolitan shall consider it necessary to interrupt or curtail the service of water through said service connection or except during such time as Metropolitan shall be requested by Foothill to suspend such service, said request to be expressed in writing by the Secretary of Foothill, the shut-off valve or valves under Metropolitan's control shall be opened and kept open at all times so that there will be delivered to Foothill, for use within the corporate area of Foothill, the full quantity of water that will flow through the meter whenever the control valve or control valves under the control of Foothill are not operated to restrict or suspend such flow; and

Resolution 4324

- 5 -

(2) That Metropolitan shall bill Foothill for all water so delivered through said service connection; and

d. Foothill shall have agreed to pay Metropolitan for all water delivered in accordance with said request made by Foothill as required by the immediately preceding sub-paragraph "c" hereof, said agreement by Foothill to pay for such water to be in form satisfactory to the General Counsel of Metropolitan.

BE IT FURTHER RESOLVED, that the General Manager and Chief Engineer of Metropolitan be, and he hereby is, authorized to execute on behalf of Metropolitan any agreement or agreements necessary or proper to be entered into between Metropolitan and Foothill in order to provide for the construction of said service connection in the manner and subject to the terms and conditions set forth in this resolution, and that the Executive Secretary be, and he hereby is, directed to attest the signature of said General Manager and Chief Engineer and to affix the corporate seal of Metropolitan to such agreement or agreements; provided, that each such agreement shall be in form approved by the General Counsel of Metropolitan.

I HEREBY CERTIFY, that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California, at its meeting held November 10, 1953.

Foothill Letter

June 5, 1954

Request for service connection and subsequent approval by MWD
Attachment 1, Page 43 of 203, -1



Foothill Municipal Water District

341 FOOTHILL BOULEVARD
LA CANADA, CALIFORNIA

PRESIDENT
JOSEPH H. TUMBACH
SECRETARY
E. D. RICHARDS

DIRECTORS

FIRST DIVISION: JOSEPH H. TUMBACH
SECOND DIVISION: W. VIRGIL SPAULDING
THIRD DIVISION: J. CLIFFORD ARGUE
FOURTH DIVISION: NELSON HAYWARD
FIFTH DIVISION: ROBERT E. WILLIAMS

Altadena, Calif., June 5, 1954

APPROVED

by the Board of Directors of
The Metropolitan Water District
of Southern California
at its meeting held *June 9, 1954*

A. L. Gram
Executive Secretary

REFERRED TO	DATE
<i>[Signature]</i>	<i>6/8</i>

Mr. Robert B. Diemer,
General Manager & Chief Engineer,
Metropolitan Water District.

Dear Mr. Diemer:

The matter of deferring installation of a service Connection for this District near the intersection of Seco Street and Rosemont Avenue in Pasadena which we discussed verbally was presented to our Board of Directors and it was agreed I should inform you that the installation might well be deferred until November of this year.

In the discussion I was authorized to request your consideration of an application on our part to your Board of Directors that Metropolitan assume the cost of the connection and metering facilities- this, having fully in mind provisions of the Resolution of your Board consenting to the annexation of our District, more particularly Section 4 of the Resolution.

RBW

The reason for considering making such a request is this:

In the preliminary discussions of the project with your esteemed predecessor as General Manager & Chief Engineer, Mr. Julian Hinds, we understood our District would have to meet the major costs of works necessary to bring water to our territory; but it was thought Metropolitan would meet the cost of the items in question, which was the custom at that time.

The writer assumes personal responsibility for failure to raise the question at the time of our annexation, confessing frankly that attaining the goal-annexation-over-shadowed all minor details.

If you, as General Manager & Chief Engineer, do not consider such a request of your Board proper and in order we will drop it.

Cordially,

[Signature]

President

Altadena • Flintridge • La Canada • La Crescenta

15721

JUN 16 1954

Mr. J. H. Tumbach
President
Foothill Municipal Water District
341 Foothill Boulevard
La Canada, California

Dear Mr. Tumbach:

Reference is made to your letter of June 5, 1954 stating that Foothill District's Board of Directors recently agreed that the installation of the service connection at Seco Street and Rosemont Avenue in Pasadena might well be deferred until next November, and also stating that Foothill District's Board had authorized you to request that Metropolitan District assume the cost of the connection, complete with metering facilities.

I am pleased to inform you that at the meeting on June 9, 1954, Metropolitan District's Board of Directors considered your request and authorized the construction of the connection at Metropolitan District's expense. I trust that this is satisfactory to you.

Very truly yours,

Robert B. Diemer
General Manager and Chief Engineer

BVC:w

- cc-J.H. Howard
- A.W. McKinlay
- R.A. Skinner
- C.O. Olson
- L.E. Christiansen
- ~~H.V. Crawshaw~~

A.L. Green

15721

Foothill M.W.D. Connection
 Rosemont and Seco - Upper feeder Sta. 3248+92
 Work Order Number 2721-D

Cost Estimate Summary

<u>Item</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Cost</u>	<u>Total</u>
Excavation	80	c.y.	\$ 5.00	\$ 400.00
Concrete	20	c.y.	75.00	1,500.00
Backfill & Resurf.	40	c.y.	3.00	120.00
Reinf. steel	3,000	lbs.	0.15	450.00
Valves	L.S.	-	-	2,500.00
Pipe & fittings	L.S.	-	-	1,500.00
Misc. metals	L.S.	-	-	400.00
Installation	L.S.	-	-	500.00
Unwatering Feeder	L.S.	-	-	630.00
Total direct cost				\$ 8,000.00
Engr. & Cont. at 10%				800.00
Connection charge				1,000.00
Admin. & OH at 15%				9,800.00
				1,470.00
				11,270.00

Say \$12,000.00

8,000

\$20,000

Venturi meter, incl. 15% Admin. & O.H.

Letter to F.M.W.D. dated

Feb. 10, 1954 = \$21,000.

Board Meeting Minute 15721

June 9, 1954

MINUTES**REGULAR MEETING OF THE****BOARD OF DIRECTORS****THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA****JUNE 9, 1954**

15702 The Board of Directors of The Metropolitan Water District of Southern California met, in Regular Session, in the Directors' Room at 306 West Third Street, Los Angeles, California, on Wednesday, June 9, 1954, the second Tuesday, June 8, 1954, falling upon a holiday.

The Meeting was called to order by Chairman Jensen at 1:31 p. m.

15703 Secretary Heilbron called the roll. Those answering present were: Directors Allen (Glenn P.), Anderson, Chase, Crawford, Fischer, Haggott, Hapgood, Heilbron, Holmgren, Jensen, Kohlenberger, Leedom, Nelson, Pontius, Ramboz, Reynolds, and Stiles. Those not answering present were: Directors Allen (A. H.), Austin, Butler, Crary, Cravath, Farrar, Jones, Long, Mills, Rossetti, Stevens, and Walker.

The Chair declared a quorum present.

15704 There being no objection, the Chair ordered the Minutes of the Adjourned Regular Meetings held May 18 and June 1, 1954, not read, and approved as mailed to each Director.

15705 The Chair announced that information had been received that Director Jones was confined to his home by illness; and welcomed Director Ramboz on his recovery and return following an operation.

15706 The Chair announced that following adjournment of this Meeting an informal discussion of the Feather River Project would be held.

15707 The Chair presented and introduced Mr. Gilbert F. Nelson, Deputy Attorney General assigned to the Colorado River Board of California.

15708 The report of the operations of the District during the month of May, 1954, signed, Robert B. Diemer, General Manager

this District for a connection); and recommending that the authority to install a service connection near Station 400+38 of the Orange County Feeder, for delivery of water to the Walnut Mutual Water Company and the Walnut Valley Water District areas of the Pomona Valley Municipal Water District (authorized July 14, 1953, Item 15120), be enlarged to include provisions to serve the Rowland County Water District area subject to the reservations and restrictions previously adopted with regard to the service of water to the Pomona Valley Municipal Water District from the Orange County Feeder (adopted July 13, 1951, Item 13768) and to the established practice, requiring reimbursement of the cost to this District and the depositing of funds for the purpose, and the ownership, operation, and maintenance of the connection by this District, was read.

The letter bore a notation of approval by the Engineering and Operations Committee.

It was moved by Director Stiles, seconded by Director Pontius, and carried, that Resolution 4429 be adopted, authorizing the construction of the service connection in the manner and pursuant to the terms and conditions specifically set forth; and authorizing the General Manager and Chief Engineer to execute any necessary agreements for the purpose and the Executive Secretary to attest his signature.

15720 A letter, signed, Robert B. Diemer, General Manager and Chief Engineer, addressed to the Board of Directors, dated June 9, 1954, presenting, with the recommendation that it be approved, a form of agreement between The Metropolitan Water District of Southern California and Mund, McLaurin & Company, covering the furnishing of the services of an insurance analyst, was read.

The letter bore a notation of approval on behalf of the Finance and Insurance Committee.

It was moved by Director Reynolds, seconded by Director Kohlenberger, and carried, that Resolution 4430 be adopted, approving the contract and authorizing its endorsement to that effect and its filing in the Office of the Executive Secretary; and authorizing the General Manager and Chief Engineer to execute the contract on behalf of the District, in substantially the form approved and filed, and the Executive Secretary to attest his signature.

15721 On behalf of the Water Problems and Public Relations Committee, Director Crawford reported that the Committee had considered the request of J. H. Tumbach, President of the Foothill Municipal Water District, submitted in a letter to the

General Manager and Chief Engineer (dated June 5, 1954), that this District construct a connection to serve the Foothill Municipal Water District near the intersection of Seco Street and Rosemont Avenue in the City of Pasadena, and submitted the recommendation of the Committee that the construction of the connection be authorized at an estimated cost of \$21,000; and so moved.

General Manager and Chief Engineer Diemer endorsed the recommendation of the Committee.

The motion was seconded by Director Holmgren and carried.

15722 The report of the Controller's Office for the month of May, 1954, signed, A. W. McKinlay, addressed to the Board of Directors, dated June 9, 1954, was presented.

Following an oral summary by the Controller, there being no objection, the Chair ordered the report filed.

15723 There being no objection, at the request of the Chair, Controller McKinlay distributed to each Director present, and read and discussed a copy of a letter signed by him, addressed to the Board of Directors, dated June 4, 1954, submitting for approval the estimated budget of expenditures from tax funds for the fiscal year ending June 30, 1955, amounting to \$26,987,000, and stating that the letter had been approved by the General Counsel and the General Manager and Chief Engineer.

Finance and Insurance Committee Chairman Nelson reported that the letter of the Controller containing the budget of the District for the fiscal year 1954-55 had been reviewed and approved by the Committee.

It was moved by Director Nelson, seconded by Director Crawford, and carried, that the budget as submitted by the controller and approved by the Finance and Insurance Committee be approved.

15724 Estimate and Authority X55 (1954-1955) authorizing the operation and maintenance of the Aqueduct from July 1, 1954, to June 30, 1955 at an estimated cost of \$2,873,500 (consideration deferred and information ordered sent to each Director, May 18, 1954, Item 15678), was read.

It was moved by Director Stiles, seconded by Director Kohlenberger, and carried, that Estimate and Authority X55 be approved.

Diemer Letter

June 28, 1954

15756

11
Foothill water in San Agustin

(5-10)

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA
306 WEST THIRD STREET
LOS ANGELES 13, CALIFORNIA



OFFICE OF
GENERAL MANAGER AND CHIEF ENGINEER

JUN 28 1954

Board of Directors
The Metropolitan Water District
of Southern California
Building

APPROVED
by the Board of Directors of
The Metropolitan Water District
of Southern California
at its meeting held *June 29, 1954*

Approved
Engg + Oper Comm.

A. B. Gram
Executive Secretary

Gentlemen:

There is submitted herewith for your consideration and approval Estimate and Authority No. Z-30 in the amount of \$21,000.00 to cover the cost of constructing one service connection to Metropolitan's upper feeder at Seco Street and Rosemont Avenue in Pasadena for service to Foothill Municipal Water District, complete with turnout, shutoff valve, metering facilities, concrete vaults therefor, required appurtenances, engineering, and contingencies.

Resolution 4164 fixing the terms and conditions for annexation of Foothill Municipal Water District provides that all feeder pipe lines, structures, connections, and other facilities required for the delivery of water to the corporate area of Foothill, from works owned or operated by Metropolitan, shall be constructed, provided, and installed without cost or expense to Metropolitan, and Metropolitan shall be under no obligation to provide, construct, operate, or maintain such works. However, on June 9, 1954, on recommendation by the Water Problems and Public Relations Committee, the Board authorized construction of the service connection on the basis that our District will pay the cost, estimated to be \$21,000.00.

The action of the Board on June 9, 1954, also has the effect of nullifying Resolution 4324 adopted November 10, 1953, authorizing construction of the service connection at the expense of the Foothill District.

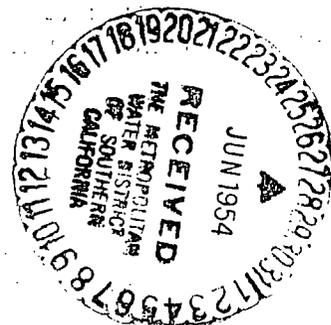
It is recommended that Estimate and Authority No. Z-30 be approved and that the aforementioned Resolution 4324 be rescinded.

Very truly yours,

Robert B. Diemer
Robert B. Diemer
General Manager and Chief Engineer

Encl. 206

THE METROPOLITAN
WATER DISTRICT
OF SOUTHERN
CALIFORNIA



Board Meeting and Repeal Resolution 4324

June 29, 1954

MINUTES
ADJOURNED REGULAR MEETING OF THE
BOARD OF DIRECTORS
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
JUNE 29, 1954

15742 The Board of Directors of The Metropolitan Water District of Southern California met, in Adjourned Regular Meeting, in the Directors' Room at 306 West Third Street, Los Angeles, California, on Tuesday, June 29, 1954.

The Meeting was called to order by Chairman Jensen at 1:32 p. m.

15743 Secretary Heilbron called the roll. Those answering present were: Directors Allen (A. H.), Anderson, Butler, Chase, Cravath, Farrar, Fischer, Haggott, Heilbron, Holmgren, Jensen, Mills, Nelson, Pontius, Ramboz, and Reynolds. Those not answering present were: Directors Allen (Glenn P.), Austin, Crary, Crawford, Hapgood, Jones, Kohlenberger, Leedom, Long, Rossetti, Stevens, Stiles, and Walker.

The Chair declared a quorum present.

15744 There being no objection, the Chair ordered waived the reading of the Minutes of the Regular Meeting held June 9, 1954, a copy having been mailed to each Director.

Executive Secretary Gram announced that Director Crawford should have been recorded as the mover of the motion in Item 15733 instead of Director Cravath.

There being no objection, the Chair ordered the Minutes, as so corrected, approved as mailed to each Director.

15745 The Chair introduced Mr. Fox Case, recently engaged by the Colorado River Association in the capacity of Public Relations Executive.

15746 A letter, signed, Robert B. Diemer, General Manager and Chief Engineer, addressed to the Board of Directors, dated June 28, 1954, submitting for acceptance eleven instruments relating to rights of way acquired for the Lower Feeder,

the disposition of the other bids received, and the approval of the United Pacific Insurance Company as surety on the bonds to be furnished, was read.

The letter bore a notation of approval by the Engineering and Operations Committee to the effect that the recommendations be approved subject to action by the Board of Water and Power Commissioners of the City of Los Angeles with regard to sharing in the costs.

General Manager and Chief Engineer Diemer reported that the Board of Water and Power Commissioners of the City of Los Angeles had approved the contract for joint construction of the pipe line which, however, related only to a portion of the work included in the recommendations under consideration.

It was moved by Director Butler, seconded by Director Leedom, and carried, that the recommendations of the General Manager and Chief Engineer be approved and that Resolution 4451 be adopted, accepting the bid and awarding the contract to the F. W. Case Corporation and Hood Construction Company, joint venturers, and authorizing its execution by the General Manager and Chief Engineer and the attesting of his signature by the Executive Secretary; ordering the disposition of the checks accompanying the bids and of the other bids received; and authorizing the General Manager and Chief Engineer to approve the United Pacific Insurance Company and the American Surety Company of New York as sureties on the bonds to be furnished by the contractor.

15756 A letter, signed, Robert B. Diemer, General Manager and Chief Engineer, addressed to the Board of Directors, dated June 28, 1954, submitting with the recommendation that it be approved, Estimate and Authority Z-30, authorizing the construction of a service connection from the Upper Feeder at Seco Street and Rosemont Avenue in the City of Pasadena to serve the Foothill Municipal Water District at an estimated cost of \$21,000; and recommending further that Resolution 4324 previously authorizing the construction (November 10, 1953, Item 15345) of the same service connection at the expense of the Foothill Municipal Water District be rescinded, was read.

The letter bore a notation of approval by the Engineering and Operations Committee.

It was moved by Director Nelson, seconded by Director Chase, and carried, that Estimate and Authority Z-30 be approved as recommended and that Resolution 4324 be rescinded.

RESOLUTION 4324

WHEREAS, Foothill Municipal Water District, hereinafter designated as "Foothill", by letter dated October 20, 1953, signed by its Secretary, has made formal application for a service connection to be constructed upon the upper feeder of The Metropolitan Water District of Southern California, hereinafter designated as "Metropolitan," for delivery of water by Metropolitan to Foothill for use within the corporate area of Foothill; and

WHEREAS, it is proper that such service connection be constructed at the expense of Foothill and without cost to Metropolitan, upon the terms and conditions and in the manner hereinafter in this resolution provided;

NOW, THEREFORE, BE IT RESOLVED, that the construction, in the manner hereinafter provided, of the service connection described in the recitals hereof be, and such construction hereby is, authorized on behalf of Metropolitan, subject to the following terms and conditions, to-wit:

1. Said service connection shall be located on the upper feeder of Metropolitan at such point at or near the intersection of Seco Street and Rosemont Avenue, in the City of Pasadena, as may be mutually agreed upon by the Secretary of Foothill and the General Manager and Chief Engineer of Metropolitan.

2. Said service connection shall be constructed in accordance with plans and specifications approved by the General Manager and Chief Engineer of Metropolitan and by the Secretary of Foothill. The turnout from the upper feeder pipe line and the shut-off valve structure of said service connection, together with all appurtenant parts of said service connection extending from the turnout to and including the coupling immediately downstream from said shut-off valve structure, shall be constructed by Metropolitan, and the remainder of said service connection shall be constructed by Foothill; provided, that such construction by Foothill shall be subject to inspection and approval by Metropolitan. All equipment and materials required for constructing the portion of said service connection to be constructed by Metropolitan, together with the venturi tube, flow meter, and accessories to be installed by Foothill, shall be purchased by Metropolitan in its customary manner, or Metropolitan may utilize therefor suitable equipment and materials on hand.

3. All costs of procuring equipment and materials for

and constructing said service connection shall be borne by Foothill, and all such costs incurred by Metropolitan shall be paid or reimbursed to Metropolitan by Foothill as herein provided. Said costs so to be paid or reimbursed to Metropolitan shall include the costs of all equipment and materials so procured or utilized by Metropolitan therefor, the costs of all applicable labor and taxes incurred by Metropolitan, and all other direct costs incurred by Metropolitan, all said costs to be determined in accordance with the methods of cost accounting customarily employed by Metropolitan, plus the cost of general administrative services and overhead expense of Metropolitan herein stated and agreed to be an amount equal to fifteen per centum of the aggregate of said direct costs. All costs incurred by Metropolitan and so to be borne by Foothill shall be audited and certified in accordance with the customary practice of Metropolitan.

4. Said service connection shall include the facilities for diversion of water from Metropolitan's upper feeder and for delivery of such water into the distribution system of Foothill; said facilities shall consist of a shut-off valve and branch pipe connected to Metropolitan's upper feeder, and a meter equipped with indicating, recording, and totalizing instruments, together with appropriate piping, fittings, and other appurtenances; said meter and valve shall be housed in ventilated, reinforced concrete vaults, and said meter instruments shall be provided with a suitable weatherproof metal cabinet. The portion of said service connection up to and including the coupling immediately downstream from the shut-off valve structure, to be constructed by Metropolitan as hereinbefore provided in Article 2, shall be and become the property of Metropolitan and shall be operated, maintained, and controlled by Metropolitan. The remainder of said service connection, including said venturi tube, connecting with the pipe line through which Foothill will receive water delivered through said service connection, and also including the flow meter with appurtenant instruments, and cabinets therefor, constituting part of the equipment to be procured by Metropolitan as hereinbefore provided in Article 2, shall be and become the property of Foothill and shall be operated, maintained, and controlled by Foothill; provided, that Metropolitan shall have the privilege of inspecting said venturi tube, flow meter, and appurtenant instruments, and of testing the accuracy thereof at any appropriate time, such inspecting and testing performed at the election of Metropolitan to be at Metropolitan's expense; provided, further, that all expense of repairing and maintaining said venturi tube, flow meter, and appurtenant instruments to an accuracy consistent with the rules and regulations of Metropolitan governing service of water shall be borne by Foothill. On said pipe line through which Foothill

will receive water so delivered there shall be a control valve or control valves and a check valve or check valves for preventing backflow from the distribution system of Foothill into Metropolitan's said upper feeder, said control valve or control valves and said check valve or check valves to be installed, owned, and controlled by Foothill.

5. The costs to be incurred by Metropolitan in procuring equipment and materials for and constructing said service connection shall be estimated by the General Manager and Chief Engineer of Metropolitan, who shall inform the Secretary of Foothill regarding the amount of such estimate. A sum of money equal to the amount of such estimate shall be deposited with Metropolitan by Foothill, and shall be held and used by Metropolitan as trust funds to defray the costs incurred by Metropolitan in procuring equipment and materials for and constructing said service connection, and until such sum shall have been so deposited, Metropolitan shall not undertake the construction of said service connection; provided, that Metropolitan may purchase valve and meter equipment for said service connection in advance of said depositing of money with Metropolitan by Foothill, it being understood that Foothill will not have funds for such deposit until after bonds have been sold.

6. Upon completion of the construction of said service connection, Metropolitan shall render to Foothill a statement of all costs incurred by Metropolitan in procuring equipment and materials for and constructing said service connection; if such costs shall exceed the sum of money theretofore deposited by Foothill with Metropolitan as provided hereinbefore in Article 5, Foothill promptly shall pay to Metropolitan the amount by which such costs shall exceed such deposit; and if such costs shall be less than the said sum of money so deposited, any unexpended balance of such deposit shall be returned by Metropolitan to Foothill.

7. Foothill shall grant, or cause to be granted, to Metropolitan, such permanent easement as may be necessary for the construction, reconstruction, operation, maintenance, repair, and removal of the portion of said service connection to be owned, operated, maintained, and controlled by Metropolitan, in, over, through, and under a parcel of land, the location and dimensions of which parcel of land shall be adequate for said purposes as determined by the General Manager and Chief Engineer of Metropolitan, and which easement shall be in form satisfactory to the General Counsel of Metropolitan.

8. The authorization to construct said service connection in the manner and subject to the terms and conditions set forth in this resolution shall not become effective until:

a. Foothill shall have requested Metropolitan that said service connection be constructed in the manner and upon the terms and conditions prescribed in this resolution, said request by Foothill to be in form satisfactory to the General Counsel of Metropolitan; and

b. Foothill shall have deposited with Metropolitan the sum of money estimated to be sufficient to cover the costs to be incurred by Metropolitan in procuring equipment and materials for and in constructing said service connection in accordance with the provisions of this resolution; provided, that the valve and meter equipment for said service connection may be purchased by Metropolitan prior to the making of such deposit, but immediately upon the sale and delivery of bonds heretofore authorized by the voters of Foothill to be issued, Foothill shall make such deposit; and

c. Foothill shall have requested Metropolitan, said request to be in form satisfactory to the General Counsel of Metropolitan:

(1) That upon completion of said service connection and installation of said control valve or control valves and said check valve or check valves to be installed by Foothill, and upon request in writing by the Secretary of Foothill for commencement of service, water be supplied to Foothill for use within the corporate area of Foothill, in accordance with the provisions of the Metropolitan Water District Act and the rules and regulations of Metropolitan governing such service and that, except at times when Metropolitan shall consider it necessary to interrupt or curtail the service of water through said service connection or except during such time as Metropolitan shall be requested by Foothill to suspend such service, said request to be expressed in writing by the Secretary of Foothill, the shut-off valve or valves under Metropolitan's control shall be opened and kept open at all times so that there will be delivered to Foothill, for use within the corporate area of Foothill, the full quantity of water that will flow through the meter whenever the control valve or control valves under the control of Foothill are not operated to restrict or suspend such flow; and

(2) That Metropolitan shall bill Foothill for all water so delivered through said service connection; and

d. Foothill shall have agreed to pay Metropolitan for all water delivered in accordance with said request made by Foothill as required by the immediately preceding sub-paragraph "c" hereof, said agreement by Foothill to pay for such water to

be in form satisfactory to the General Counsel of Metropolitan.

BE IT FURTHER RESOLVED, that the General Manager and Chief Engineer of Metropolitan be, and he hereby is, authorized to execute on behalf of Metropolitan any agreement or agreements necessary or proper to be entered into between Metropolitan and Foothill in order to provide for the construction of said service connection in the manner and subject to the terms and conditions set forth in this resolution, and that the Executive Secretary be, and he hereby is, directed to attest the signature of said General Manager and Chief Engineer and to affix the corporate seal of Metropolitan to such agreement or agreements; provided, that each such agreement shall be in form approved by the General Counsel of Metropolitan.

I HEREBY CERTIFY that the foregoing resolution was adopted by the Board of Directors of The Metropolitan Water District of Southern California on November 10, 1953.

Fred A. Hillman

Secretary of the Board of Directors
of The Metropolitan Water District
of Southern California

Foothill Letter

March 15, 1959

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FOOTHILL MUNICIPAL WATER DISTRICT

La Canada, California

March 15, 1959

Mr. Robert Diemer,
General Manager & Chief Engineer
The Metropolitan Water District

Gentlemen:

This is to request that Foothill Municipal Water District be reimbursed by Metropolitan Water District for the cost of a portion of the pipeline connecting facilities of Foothill Municipal Water District with the Upper Feeder of Metropolitan Water District, to wit:

THE SUM OF \$149,940.35; in consideration of which Foothill Municipal Water District will convey to Metropolitan Water District title to the portion of the Foothill Municipal Water District pipeline in question. This portion of the pipeline is 6759 feet long and consists of 241.97 feet of 36" and 6517.11 feet of 39" steel cylinder concrete pipe. It extends northwardly from a manhole connection on the Upper Feeder at Rosemont and Seco Street in the City of Pasadena to the Arroya Pumping Plant of Foothill Municipal Water District, located on Rosemont Avenue near its intersection with Howard Street, also in Pasadena. This is not the boundary line of Foothill Municipal Water District.

(NOTE: Where "Metropolitan" appears herein it refers to Metropolitan Water District and "Foothill" refers to Foothill Municipal Water District.)

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From this Foothill Pumping Plant 2 trunklines diverge, one going eastwardly toward Altadena, the other westwardly to La Canada and La Crescenta. The Altadena line is approximately 11,240 feet long, of which 6800 feet lies in the City of Pasadena, and the La Canada-La Crescenta lines are approximately 31,332 feet long, of which 3600 feet lies in the City of Pasadena. The total distance from the Metropolitan Aqueduct to Foothill territory is 13,559 feet on the Altadena (east) side and 10,359 feet on the La Canada - La Crescenta (west) side of Arroya Seco.

We emphasize that purchase by Metropolitan of the pipeline for which reimbursement is asked WILL NOT reimburse Foothill for the cost of the whole line from the Upper Feeder to Foothill territory.

From the foregoing review of distance and from examination of accompanying map, it will be observed the payment requested would cover the cost of a comparatively small portion of the lines built to bring Metropolitan water to Foothill boundaries.

That portion, 6759 feet of 36" and 39" lines for which reimbursement is requested lies entirely within the boundaries of the City of Pasadena, outside Foothill territory. It is now and always has been under Metropolitan control. The metering facilities are installed in it, in a locked vault, to which Foothill has no access, the key being held by Metropolitan personnel.

Reasons for requesting the Repayment.

When the promoters of Foothill were negotiating for admission to Metropolitan we were informed that while Metropolitan had theretofore paid the cost of pipelines from Metropolitan facilities to the

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border of annexing territory, it had now been determined that future annexations would be considered only on the basis of the annexing territory paying such costs; it would be, in effect, a "come and get it" deal.

Later on, when the cost of the immediate connection itself was being discussed (the cost was estimated to us at \$40,000.00), we reminded General Manager and Chief Engineer Diemer that his predecessor, Mr. Julian Hinds, told us Metropolitan MIGHT perhaps assume this connection-cost. Whereupon Mr. Diemer recommended and the Board of Directors approved of the District's assuming this cost which, by the way, we now understand was about \$15,000.00. This is the only expenditure Metropolitan ever made for the benefit of the annexation of Foothill, whose obligation for back taxes and interest was \$4,734,000.00. (20th Annual Report, Page 150).

Evidence now available to us as a member of Metropolitan points the fact that at the time Foothill was annexed (January 1953), Metropolitan was still operating on the basis of the doctrine embodied in a letter to the Board of Directors under date July 6, 1949, by Franklin Thomas, as Chairman of the Water Problems and Public Relations Committee, which concludes:

"Consideration was also given to the matter of expenditures for the purpose of construction of works necessary to accomplish delivery of water to annexing areas, but it was concluded that, because of the fact that each area presents a different geographical and physical problem, no rigid policy should be expressed, and that each situation should be examined on its merits." (Underscoring is ours.)

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We now learn further, that it was not until July 14, 1953, six months after Foothill was annexed under the "come and get it" terms, that Resolution #4249 was adopted, in which resolution we read:

"BE IT RESOLVED, by the Board of Directors of The Metropolitan Water District of Southern California, that it be declared to be the intent of this Board that all future annexations to the Metropolitan Water District be based on the principle that this District shall not be obligated to provide additional works or facilities, necessitated by such future annexations, for the delivery of water from works owned and operated by the District." (Underscoring is ours).

Previous thereto, that is to say prior to July 14, 1953, the policy had been to build connecting pipelines at Metropolitan expense to the boundaries (or borders), of annexing areas as has been said. Notable examples of this policy were the annexations of Coastal Municipal Water District, San Diego, West Basin, Pomona, Eastern, Chino Basin and Orange County Municipal districts. This and any other reference to these several districts and to contributions made toward making Metropolitan water available to them is not to be read as criticism of the policy nor as unfriendliness to the areas. It is made solely, entirely and completely to bring into prominence the fact that Foothill Municipal Water District was not treated the same as were these other annexing districts and as some of these and other districts and consumers are presently being treated.

Nor can it be said that the exception unfavorable to Foothill was and is being made because of the amount being pledged and paid

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for payment of back taxes. The obligations assumed for back taxes on the original areas plus annexations to the original areas to January 1, 1953, based on Table #40, pages 146-7 of the 1957 Report are as follows:

Coastal Municipal	\$ 1,442,650
Orange County Municipal	20,064,000
San Diego Authority	14,289,797
West Basin	15,353,500*
Pomona	5,514,000
<u>FOOTHILL</u>	<u>4,734,000</u>
Eastern	1,395,000
Chino Basin	5,405,100

(* Includes cost of portion of the Inglewood lateral)

It was the original purpose to list with the tabulation of annexation charges pledged (or paid) the amount of amounts contributed or paid by Metropolitan for extension of pipelines and facilities for serving the newly annexed areas. Exhaustive research of the annual reports shows it will involve a tremendous lot of time and work to prepare such a tabulation; and experience prompts the belief that probably no one would read it if it was prepared. And even a casual review of the annual reports plainly shows that in every instance, Metropolitan contributed toward or paid the entire cost of the needed facilities---in every instance save for Foothill.

So, too, the fact was widely publicised recently that Metropolitan, disregarding the "come and get it" rule adopted July 14, 1953, proposed to pay one-third the cost, some five and one-half millions of dollars, of the pipeline that would be needed to carry

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water to their boundaries had the San Bernardino annexation election carried. It is readily understood that there were other motives involved in that project and offer; but the fact remains that it was proposed here to again disregard the "come and get it" principle adopted after Foothill was annexed and which was presented as a reason for not contributing at the time to the cost of delivering water to Foothill boundaries.

Again: Metropolitan has paid for and according to reports is planning to expend millions of dollars for installation of pipeline facilities to furnish raw water for recharging certain depleted underground storage basins in both Los Angeles and Orange Counties, none of which will inure to the benefit of Foothill, whose underground basins are also depleted.

It is understandable that such measures have merit--even though the water is furnished at what Metropolitan must consider a loss, if the 25% increases recently made in the prices charged for water are justified; but here, too, we find a departure from the "come and get it" policy under which Foothill was annexed. Metropolitan proposes, or has already contracted, to build and pay for lines and facilities needed to make delivery of such basin-replenishing waters; and Foothill will help pay for them.

So, too, will Foothill help to pay for the additional facilities being installed to increase deliveries to our friends in San Diego. Here the added facilities being paid for by Metropolitan will make great quantities of additional water available, not only

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to the borders of the original territory, but, according to announcements as we read them, as much as nearly six (6) miles inside Authority territory. And it might be added, much of this additional water being so made available, will service many thousands of acres of territory annexed to the Authority since Foothill came in.

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We hope it is not unseemly in this discussion to call attention also to the fact that Foothill is probably the only Municipal Water District in the Metropolitan family to serve all of its existing retail entities with Metropolitan water through one single connection (on the Upper Feeder). There are seven of these retail entities, one of which now pays \$46.00 per acre foot to Foothill for Metropolitan water which it (Foothill) has pumped from an elevation of 800 feet in Arroya Seco to 1600 feet and which this entity in turn pumps and delivers at an elevation of 2800 feet.

The Foothill facilities installed to handle Metropolitan water have been accorded many complimentary comments for the excellence of design and construction. These facilities were constructed at a cost of nearly one and three quarters millions of dollars, toward which Metropolitan contributed nothing - as compared with some of the munificent contributions made and being made to and for the benefit of the other members of the Metropolitan family.

In the request now before you, you are asked to make such a contribution in the sum of \$149,940.35 - for which you will be given title to pipelines which would cost much more today. The sum

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involved is less than one annual installment payment of \$157,800 on our back taxes obligation of \$4,734,000, on which we have already made payments to Metropolitan amounting to \$789,365.00 (20th Annual Report, Page 150)

In addition to the annual payment of \$157,800 on back taxes Foothill also paid \$140,527.00 for water used in the fiscal year ending June 30, 1958.

We hope that your Board will give earnest consideration to our request and you may be sure of our hearty cooperation with the District in its great problems of serving water to all of the southland.

Respectfully submitted

By authority of the Board of
Directors:

/s/ Jos. H. Tumbach.

(Jos. H. Tumbach) President

Diemer Letter

April 9, 1959



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA
306 WEST THIRD STREET
LOS ANGELES 13, CALIFORNIA

OFFICE OF
GENERAL MANAGER AND CHIEF ENGINEER

APR 9 1959

FILED by order
of the Board of Directors of
The Metropolitan Water District
of Southern California
at its meeting held 3-12-59
A. L. Gram
Executive Secretary

Board of Directors
The Metropolitan Water District
of Southern California
B u i l d i n g

Gentlemen:

A letter dated March 15, 1959, addressed to me and signed Jos. H. Tumbach, President, has been received from Foothill Municipal Water District requesting that Foothill District be reimbursed in the amount of \$149,940.35 for the cost of a portion of the pipe line connecting facilities of Foothill District with the Upper feeder of Metropolitan District, in consideration of which Foothill District would convey to Metropolitan District title to this portion of the pipe line. The letter, a copy of which is attached, was handed to me by Director Hayward on March 24, 1959. I understand that copies of this letter have also been mailed to all Water Problems Committee members.

The portion of Foothill's system for which reimbursement is requested consists of 6759 feet of 39 and 36-inch diameter steel cylinder concrete pipe extending from a connection with Metropolitan District's Upper feeder, south of the Rose Bowl in the Arroyo Seco, northerly about 1.3 miles to a main pumping plant that supplies two delivery lines. One of the last two lines runs northeasterly to the Altadena area north of Pasadena, and the other northwesterly to the La Canada-La Crescenta area north of Glendale. The letter invites attention to the fact that the northerly end of the portion of line for which reimbursement is requested is still a considerable distance from Foothill District's boundary line.

The most important reasons presented for requesting the repayment of the \$149,940.35 are as follows:

1. Foothill District was not treated the same as other annexing areas with regard to delivery being made to the boundary of the area.

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2. Metropolitan District agreed to pay one-third of the cost, some five and one-half million dollars, of the pipe line that would have been needed to carry water to the San Bernardino area if its annexation election had carried.
3. Metropolitan District is subsidizing the spreading of water in Los Angeles and Orange Counties both in regard to the construction of pipe lines and the price charged for water, and Foothill is contributing its share to this program.
4. Foothill will help pay for the Second San Diego Aqueduct extending nearly six miles into the area of the San Diego County Water Authority.
5. The sum of money requested is less than one annual installment payment on Foothill's annexation charge.
6. Fairness and equity warrant the granting of the request.

To review the history of this annexation, inquiries regarding the foothill areas becoming a part of Metropolitan District date back to August 1930 when a letter was received from the La Canada Valley Chamber of Commerce. In 1932, Metropolitan District made a rather comprehensive report at the request of Mr. E. C. Gates, Secretary of the La Canada Irrigation District, on the feasibility of serving the area with Colorado River water. These inquiries stemmed from the knowledge that the foothill areas had a very limited natural water supply. Additional studies and reports were made from time to time in response to repeated inquiries, but no progress toward annexation was made because of the high cost of the facilities that would be required to serve the area. It was for this reason that the Board of Directors, on November 14, 1947, concluded that the La Canada-La Crescenta Valley area did not represent a desirable unit for direct annexation to Metropolitan District. It was the belief of the Staff and Board at that time that the interests of all parties concerned would probably be best served if the foothill areas annexed to the Cities of Pasadena, Glendale and Los Angeles. However, an election held on December 6, 1949, to annex the La Crescenta area to the City of Glendale, failed.

In November 1949 and January 1950, letters were received from Mr. J. H. Tumbach, Chairman for the Altadena-La Canada Water Group, regarding an enlarged annexation area. In recommending to the Board that favorable consideration be given to an annexation

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area, substantially the same as the present Foothill Municipal Water District, General Manager and Chief Engineer Julian Hinds stated in letter of March 10, 1950:

"An important element in past recommendations, that these areas be annexed to adjacent cities rather than directly to the Metropolitan Water District, is the cost of facilities required to supply them independently. Representatives of the areas are now fully aware of this difficulty, and know that they cannot expect the required facilities to be furnished, by the District. All present inquiries are based upon the understanding that the annexing areas must come to existing lines and do all booster pumping."

Prior to the formation of the Foothill Municipal Water District, the annexation area was fully aware of the above requirement as evidenced by the following statements which appeared in a brochure prepared under the direction of the Foothill Water Group in advance of the election date (December 18, 1951) to form a municipal water district:

1. "The take-off for the Foothill Water District will be from the main conduit where 509 cfs of water is available."
2. "A complete report has been made and revised as of July, this year (of plans for importing Colorado River water), so that all costs have been brought up to date. It contains everything from route, to size of pipe, pumps, valves, storage facilities, to operating costs after the system is completed."

The above-mentioned report included the costs of all works beginning at Metropolitan District's Upper feeder, and prorated the costs to various areas within the proposed Foothill District.

The Board of Directors, at its meeting on November 18, 1952, adopted Resolution 4164, copy of which is attached, granting formal consent to the annexation of Foothill Municipal Water District. One of the conditions specified in the Resolution was as follows:

"In the event of such annexation, all feeder pipe lines, structures, connections, and other facilities required for the area of Foothill, from works owned and operated by Metropolitan, shall be constructed, provided, and installed without cost or expense to Metropolitan, and Metropolitan shall be under no obligation to provide, construct, operate, or maintain such works."

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The Foothill District voted favorably on annexation to Metropolitan District on December 22, 1952, subject to the terms and conditions imposed by Metropolitan District including the requirement that it provide all necessary facilities for obtaining water from Metropolitan's Upper feeder.

On November 10, 1953, the Board of Directors authorized the construction of a connection to the Upper feeder for Foothill District, at Foothill District's expense.

Under date of June 5, 1954, Mr. J. H. Tumbach, President, Foothill Municipal Water District, addressed a letter to the General Manager and Chief Engineer requesting that Metropolitan District consider assuming the cost of the service connection. The letter is quoted in part as follows:

"In the preliminary discussions of the project with your esteemed predecessor as General Manager & Chief Engineer, Mr. Julian Hinds, we understood our District would have to meet the major costs of works necessary to bring water to our territory; but it was thought Metropolitan would meet the cost of the items in question, which was the custom at that time."

"The writer assumes personal responsibility for failure to raise the question at the time of our annexation, confessing frankly that attaining the goal, annexation, over-shadowed all minor details."

"If you, as General Manager and Chief Engineer, do not consider such a request of your Board proper and in order we will drop it."

On June 28, 1954, the Board, on the recommendation of the Water Problems Committee, authorized construction of the connection on the basis that Metropolitan District would pay the cost, estimated at \$21,000. The recommendation was endorsed by the General Manager and Chief Engineer. The actual cost of the connection when completed was \$15,400.

Foothill District was short of water, and was glad to annex to Metropolitan Water District under the terms of annexation prescribed in Resolution 4164. In order to help overcome the local water shortage, Metropolitan District sold water in 1951, 1952, and 1953 to six water distributing companies operating within Foothill District. This water was transported by the City of Pasadena through its pipe lines. After the annexation of Foothill District, water was sold to that agency and transported by the City of Pasadena until Foothill's facilities were constructed and ready for use in 1955.

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It is my opinion that Foothill District received preferred treatment when it was permitted to annex directly to Metropolitan District, with representation on Metropolitan's Board of Directors, at a time when the policy was to admit only large basin-wide areas. No area of comparable size and valuation has been permitted to annex directly to Metropolitan District since Foothill District was annexed. At the time Central Basin District was being formed, the City of Vernon, with assessed valuation double that of Foothill District, was denied a request to annex directly to Metropolitan District. The Culver City-County Territory annexation to West Basin District also had double the assessed valuation of Foothill District. Neither of these areas was provided with additional facilities at Metropolitan District's expense.

Had not Metropolitan District relented in its policy, the Foothill areas would have had to annex to one or more of the adjacent Cities of Pasadena, Glendale, and Los Angeles, in order to maintain their economy, because of inadequate local water supplies. With an assured water supply, the areas have been able to maintain their individual identities rather than be forced to annex to other incorporated cities on terms which may have been very unattractive to the annexing areas.

Mr. Tumbach's letter makes particular mention of the fact that Metropolitan District does not deliver water to the boundary of Foothill District. Actually, the Upper feeder passes through the extreme easterly portion of Foothill District but Foothill did not want their connection to be made at this location. In regard to deliveries in general, Metropolitan District's January 9, 1931 Statement of Policy, copy of which is attached, specifies that: "The Metropolitan Water District will deliver water, either directly or indirectly, through a system provided by the District, to each of the eleven original member cities, and to those cities whose application for admission prior to March 1, 1931, have been approved, at or near the boundary of each,-----." With regard to other areas, the Statement of Policy reads as follows:

"Applications from municipalities, or other areas eligible for membership in the District, within the described area, will be individually considered by the Board of Directors. The consent of the Board to such municipalities or areas becoming a part of the District and receiving water from the aqueduct system will be decided on the basis of mutual advantage, and the terms and conditions of joining will be determined on the merits of each application."

By letter of July 6, 1949, copy of which is attached, the Water Problems and Public Relations Committee made a report to the Board in connection with annexation policy. The opening and closing paragraphs of this letter read as follows:

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Opening paragraph

"Your Water Problems and Public Relations Committee has given careful consideration to the problems of policy with respect to annexation of additional areas to the Metropolitan Water District and is pleased to report that a unanimous conclusion has been reached."

Closing paragraph

"Consideration was also given to the matter of expenditures for the purpose of construction of works necessary to accomplish delivery of water to annexing areas, but it was concluded that, because of the fact that each area presents a different geographical and physical problem, no rigid policy should be expressed, and that each situation should be examined on its merits."

This report of the Water Problems Committee, which proposed certain changes in the terms and conditions of annexation, was adopted by the Board on July 8, 1949, at about the time early negotiations were being carried on for the Foothill annexation.

The District's annexation terms have become progressively less liberal in recent years. The first annexations to the original 11 cities were the Cities of Compton, Fullerton, Long Beach, and Torrance, in 1931. They were required to pay their back taxes in cash with a 3 percent interest factor. Facilities were provided to deliver water a short distance inside the boundary of each city.

There were no further annexations until the original Coastal Municipal Water District annexed 11 years later, in 1942. This agency was permitted to pay its back taxes over a period of 20 years without interest on the unpaid balance, but with interest from the due date of each original tax payment to the date of annexation with a 4 percent interest factor. In order to serve the newly created agency a pipe line 12.6 miles long was constructed at Metropolitan's expense extending the Orange County feeder southerly from Santa Ana to the Coast Highway near Corona del Mar. During the next 7 years, 5 additional areas annexed to Coastal District under similar financial terms, except that the number of years for paying back taxes was increased from 20 years to 30 years for the 3 areas that annexed after 1946. No additional facilities were provided by the District to serve these additional areas.

The next direct annexation to Metropolitan District was the original San Diego County Water Authority in 1946. The Authority was granted a 30-year repayment period without interest

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after annexation, but with 4 percent interest on tax payments due prior to the time of annexation. By the terms of annexation, San Diego's Colorado River water rights were merged with those of Metropolitan District, and Metropolitan District agreed to pay for and operate the northerly one-half of the San Diego Aqueduct. Metropolitan District also agreed to enlarge or parallel the northerly half of this aqueduct when necessary to satisfy the Authority's requirements for water.

Original West Basin Municipal Water District was annexed in 1948 as the nucleus of a contemplated larger unit in southwestern Los Angeles County. Its financial terms with respect to interest rate and number of years for repayment of annexation charges were the same as those for the San Diego County Water Authority. This was the last direct annexation to Metropolitan District that did not require payment of interest on the unpaid balance of deferred annexation charges. As a condition to annexation, the District agreed to construct a feeder line extending from its existing Palos Verdes feeder to Aviation Blvd., and also to provide 5 turnouts on this feeder and 5 additional turnouts on other Metropolitan District feeder lines.

On July 8, 1949 the Board of Directors adopted a new annexation policy requiring the payment of interest at 3 percent on the unpaid balance of deferred annexation charges for new annexing areas. The last seven direct annexations to Metropolitan District, Pomona Valley, Eastern, Chino Basin, Orange County, Foothill, Central Basin, and Western Municipal Water Districts, all paid this 3 percent interest rate on deferred annexation charges. Pomona District annexed in 1950; Eastern, Chino Basin, and Orange County Districts in 1951; Foothill District in 1953; and Central Basin and Western Riverside Districts in 1954.

In 1954, the Board increased the interest rate to be applied in amortizing any unpaid balance of annexation charges from 3 percent to 4 percent for new areas that had not qualified for annexation prior to March 1, 1954. Although no direct annexations to Metropolitan District have taken place requiring the 4 percent interest rate on the unpaid balance of annexation charges, 16 new areas have annexed to existing member agencies, the largest being the Culver City-County Territory annexation to West Basin District in 1955. At the time of annexation, this new area had an assessed valuation of \$153,700,000.

When original Pomona District annexed, Metropolitan District made the sum of \$275,000 available for a service connection and other facilities for the delivery of Colorado River water.

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When original Eastern District annexed, Metropolitan District provided one service connection at Metropolitan's expense, made the sum of \$325,000 available for other facilities for the delivery of Colorado River water, and agreed to transport local water collected in San Jacinto tunnel to points of delivery within Eastern District without charge. As a condition to this annexation, certain legal claims and causes of action pending against Metropolitan District were settled.

When original Chino Basin District annexed, Metropolitan District made the sum of \$360,000 available for service connections and other works for the delivery and distribution of Colorado River water.

When original Orange County Municipal Water District annexed, Metropolitan District agreed to provide works and service connections by means of which Colorado River water could be delivered into Santiago Reservoir, into existing canals on the north and south side of the Santa Ana River, into the Santa Ana River bed, at a point in the vicinity of Buena Park, and at a point in the vicinity of the intersection of Stanton Avenue and Katella Avenue. Only one service connection was provided at Metropolitan expense for the last two delivery points. In agreeing to provide these facilities, an important consideration was the fact that Orange County was a potential customer for large volumes of water from Metropolitan District. To date, more than 20 percent of all water delivered by Metropolitan has been to areas in Orange County.

As stated before, one service connection was provided for Foothill District at Metropolitan expense at the time of Foothill's annexation.

When original Central Basin District annexed, the terms and conditions of annexation specified that all service connections and required facilities for the distribution of Colorado River water be provided without cost to Metropolitan District.

In the case of original Western Municipal Water District of Riverside County, the terms and conditions of annexation provided that Metropolitan District would construct, at its expense, portions of seven service connections, the portions to include the turnout valve structures and shut-off valve and appurtenances at each connection. All other facilities, including meters, were required to be constructed without expense to Metropolitan District. Western and Central Basin Districts were the last direct annexations to Metropolitan District.

In addition to the 10 direct annexations to Metropolitan District since 1942, there have been 40 additional annexations to these 10 agencies aggregating 1185 square miles of area. These

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annexations nearly doubled the original area of the 10 agencies. The District constructed special facilities for both the Inglewood and Culver City-County Territory annexations to West Basin District. However, the costs of these facilities (Inglewood feeder and Culver City feeder) were added to the annexation charges and are being repaid with interest by the annexing areas. The Inglewood annexation took place in 1952, prior to Foothill's annexation, and the Culver City annexation took place in 1955, after Foothill's annexation.

Changing conditions have influenced past annexation policy and the fixing of terms and conditions of annexation. When Coastal District annexed in 1942, Metropolitan's tax rate was 48 cents and was still on the increase, and the prospects for water sales were dismal. The Board of Directors welcomed applications for annexation, and many inquiries were received, but the various areas, including Foothill District, were not willing to assume the financial obligations involved in joining the District.

When the Authority's application for annexation was granted in 1946 the tax rate had reached a high of 50 cents, and annual water sales were still only 60,000 acre-feet - about 40 percent of a one-pump flow.

Two years later, when original West Basin District was given its terms and conditions of annexation, the turning point in Metropolitan's operations had been reached. The tax rate dropped to 35 cents, and annual water deliveries had increased to 113,000 acre-feet - about 80 percent of a one-pump flow. From this time on, the Board's terms and conditions of annexation became less liberal.

By the time Foothill District annexed in 1953, the tax rate had dropped to 28 cents, and water deliveries had increased appreciably. In 1953-54, the District delivered 246,000 acre-feet of water - approaching a full two-pump flow. Between 1942 and 1953, Metropolitan District's total area increased from 625 to 1750 square miles, its population from 2,300,000 to 4,340,000 persons, and its assessed valuation from \$2,001,000,000 to \$6,015,000,000. Most of this expansion took place after 1948. With further expansion taking place at an accelerated rate, it is understandable that the Board's attitude toward new annexations changed, and terms and conditions of annexation became less lenient since each new annexation decreased existing members' rights to Colorado River water.

The present request of Foothill District for Metropolitan District to purchase the first 6759 feet of its feeder system is in effect a request to change the terms and conditions of annexation of Foothill District predicated on the argument that, intentionally or unintentionally, Metropolitan's Board did not accord Foothill District the same treatment that has been accorded other annexing areas.

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In the first place, it is my understanding that Metropolitan District cannot legally purchase this portion of line because it would be useful only for delivering water to Foothill District, and for no other purpose and therefore could not be considered to benefit Metropolitan District as a whole. In the second place, the terms of annexation were determined by the Board under conditions existing at the time of annexation, and after full consideration of all information pertinent to the situation. The terms were acceptable to Foothill District and formed the basis on which the area voted favorably to join Metropolitan District. Even though it were legally possible to do so, it is my opinion that it would be a mistake for Metropolitan District to purchase this portion of line because it would establish a precedent that could be followed in innumerable instances throughout the District where agencies have constructed feeder lines leading away from connections to the District's aqueduct system.

On page 6 of his letter, Mr. Tumbach states that recharging underground basins in Los Angeles and Orange Counties will not "inure to the benefit of Foothill whose underground basins are also depleted." This is not true, since a large reserve supply of underground water, no matter where located in the Southern California Coastal Plain, would be available for some areas to draw upon in emergencies, leaving water flowing in the aqueduct system available to other areas that would not have access to the underground supplies because of their geographical locations. For example, in the event of an extended shutdown of the main aqueduct due to enemy action or for other reasons, underground water supplies could provide for most of the needs in Orange and Southern Los Angeles Counties, leaving water stored in Lake Mathews available for use in other areas not so fortunately situated with respect to local underground supplies. Foothill District would be one of the areas that would stand to benefit most from this arrangement. Moreover the program to which Mr. Tumbach refers, involves overcoming current overdraft before any actual restoration of groundwater supplies to historic levels can take place. If present pumping of wells was stopped in order to overcome this overdraft, the District would not be able to supply the added load on its system without constructing additional works that would cost at least as much as the pipe lines now approved for construction. In my opinion Foothill District stands to benefit more from the replenishment program than it will contribute to it.

It is my belief, in view of the facts presented herein, that Foothill District has been treated fairly by the Board of Directors, and therefore it is my recommendation that Foothill's request that Metropolitan District purchase 6759 feet of its feeder line for \$149,940.35 be denied.

Very truly yours,

Robert B. Diemer
Robert B. Diemer

General Manager and Chief Engineer

Enclosures

Board Meeting Minutes 19511

April 14, 1959

APPROVED

by the Board of Directors of
The Metropolitan Water District
of Southern California
at its meeting held 5-12-59

D. L. Frank
Executive Director

MINUTES

REGULAR MEETING OF THE

BOARD OF DIRECTORS

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

APRIL 14, 1959

19495 The Board of Directors of The Metropolitan Water District of Southern California met, in Regular Session, in the Directors' Room at 306 West Third Street, Los Angeles, California, on Tuesday, April 14, 1959.

19496 In the absence of Chairman Jensen, the Meeting was called to order by Vice Chairman Butler at 10:35 a. m.

19497 Secretary Heilbron called the roll. Those answering present were: Directors A. H. Allen, Aufdenkamp, Austin, Boylan, Butler, Chase, Crawford, Dellmann, Farquhar, Fischer, Hayhurst, Hayward, Heilbron, Hellis, Holmgren, Jones, Ramboz and Reynolds.

Those not answering present were: Directors Glenn P. Allen, Anderson, Crary, Dietrich, Farrar, Haggood, Jensen, Leedom, Long, Mendenhall, Mills, Rossetti, Stevens, Stiles, Thompson, Walker, Wheelock and York.

The Chair declared a quorum present.

19498 The Chair ordered the Minutes of the Adjourned Regular Meeting held March 24, 1959, corrected in the next to the last paragraph of Item 19473 by the substitution of Director "Butler" for Director "Jones", and as so amended, their approval, without being read, as mailed to each Director.

19499 Vice Chairman Butler presented to David H. Smith a pin symbolical of his completion on March 27, 1959, of twenty years as an employee.

19500 The report of the operations of the District during the month of March, 1959, signed, Robert B. Diemer, General Manager and Chief Engineer, addressed to the Board of Directors, dated April 6, 1959, was presented.

Director Anderson took his seat at 10:40 a. m.

19501 General Manager and Chief Engineer Diemer requested that Directors accompanying or sponsoring inspection trips endeavor to

Minutes

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April 14, 1959

The letter bore a notation of approval by the Engineering and Operations Committee.

It was moved by Director Holmgren, seconded by Director Chase, and carried, that Resolution 5485 be adopted, accepting the bid of the Union Oil Company of California on furnishing gasoline and other petroleum products as specified in Request for Bids P-1785, and that the other bids received be rejected; rejecting all of the bids received under Request for Bids P-1784 and authorizing readvertisement for bids; authorizing the General Manager and Chief Engineer to execute a purchase agreement with the Union Oil Company of California for furnishing petroleum products as specified in Request for Bids P-1785, and the Executive Secretary to attest his signature; and ordering that copies of the specifications and the other communications referred to, be filed.

19511 Water Problems Committee Chairman Hayward submitted, and moved the adoption of, the recommendation of the Committee: that consideration of the letter of the General Manager and Chief Engineer (previously sent to all Directors), recommending rejection of the offer of the Foothill Municipal Water District to transfer 6759 feet of its pipe line connecting with the aqueduct system in return for a reimbursement of \$149,940.35, be made a special order of business for final disposition at the regular meeting of the Committee to be held on May 11, 1959, and that Mr. Jos. H. Tumbach, President of the Board of Directors of that District, be requested to send answers to the reasons given for the rejection well in advance for study and circulation to the members of the Committee.

The motion was seconded by Director Fischer----

An amendment by Director Heilbron was accepted: that Mr. Tumbach be invited to be present and present his views when the matter is taken up for consideration.

An amendment by the Chair was accepted: that the consideration of General Manager and Chief Engineer Diemer's letter and Mr. Tumbach's answer be designated a special order of business for final disposition, both at the meeting of the Water Problems Committee on May 11, and at the Regular Meeting of the Board of Directors on the following day, May 12, 1959.

Amendments proposed by General Manager and Chief Engineer Diemer were accepted: that Mr. Tumbach be requested to submit his answers in writing and, when received, a copy be sent to each member of the Water Problems Committee, together with a copy of his original letter to General Manager and Chief Engineer Diemer under date of March 15, 1959, requesting reimbursement in consideration of the conveyance of the pipe line, and of General Manager and

Minutes

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April 14, 1959

Chief Engineer Diemer's letter to the Board of Directors under date of April 9, 1959, recommending that the request be denied.

Thereupon, the motion, as amended, was carried.

Director Hayward requested that he be recorded as not voting on the motion.

19512 A letter from General Manager and Chief Engineer Diemer recommending: that Mr. Harry F. Jahn be found qualified to render engineering services subsequent to his mandatory retirement, and that his continued employment be authorized, beginning May 1, 1959, was presented. (Addressed to the Board of Directors, dated March 31, 1959)

Director Austin, Vice Chairman of the Organization and Personnel Committee, reported the approval of the Committee, and moved the adoption of the recommendations.

The motion was seconded by Director Fischer, and carried.

19513 A letter from General Manager and Chief Engineer Diemer announcing: that employee Harry G. Matthews will be required to retire on April 30, 1959, and recommending that he be found qualified to perform engineering services and his continued employment be authorized effective May 1, 1959, was presented. (Addressed to the Board of Directors, dated April 6, 1959)

Director Austin, Vice Chairman of the Organization and Personnel Committee, reported its approval, and moved that the recommendations be adopted.

The motion was seconded by Director Fischer, and carried.

19514 A letter from General Manager and Chief Engineer Diemer reviewing the regulations in effect governing the granting of annual vacations; reporting the practices of other public and of private agencies in this regard; and

recommending that the regulations be amended to provide that twenty working days of vacation be granted after twenty-two years of continuous employment, was presented. (Addressed to the Board of Directors, dated April 3, 1959)

Director Austin, Vice Chairman of the Organization and Personnel Committee, reported the recommendation of the Committee that consideration of the communication be deferred to the next meeting; and the Chair so ordered.

19515 A letter from General Manager and Chief Engineer Diemer submitting, with the recommendation that it be approved, Estimate and Authority Y-34, Revision 1, increasing the authorization to construct Schedule 80SC of the Lower Feeder pipe line by the addition of pressure control structures at an estimated cost of \$250,000, thereby increasing the total to \$4,950,000, was presented. (Addressed to the Board of Directors, dated April 14, 1959)

Foothill Letter

April 30, 1959

19548



Foothill Municipal Water District

341 FOOTHILL BOULEVARD
LA CANADA, CALIFORNIA
SYLVAN 0-4036

PRESIDENT
JOSEPH H. TUMBACH

SECRETARY
E. D. RICHARDS

April 30, 1959

Mr. A. L. Gram
Executive Secretary
Metropolitan Water District
Los Angeles, California

FILED by order
of the Board of Directors of
The Metropolitan Water District
of Southern California
at its meeting held 5-12-59
A. L. Gram
Executive Secretary

Dear Mr. Gram:

As per our telephone conversation with
Nelson Hayward, herewith are the following enclosures:
Mr. Jos. H. Tumbach's letter to the Board of Directors.
Review of Water Matters in the Altadena-La Canada area
August 23, 1949.
Report of Executive Committee, Altadena-La Canada Water
Group - November 1, 1950.

Yours truly,

E. D. Richards
E. D. Richards, Secretary



Foothill Municipal Water District

341 FOOTHILL BOULEVARD
LA CANADA, CALIFORNIA
SYLVAN D-4036

May 5, 1959

PRESIDENT
JOSEPH H. TUMBACH

SECRETARY
E. D. RICHARDS

Board of Directors
Metropolitan Water District
Los Angeles, California

Gentlemen:

Mr. Hayward made available to me his copy of Mr. Diemer's letter to the Board of date April 9, 1959 in which he recommends that our request for payment for a portion of pipeline be denied; and Executive Secretary Gram has advised me of the action taken, including an invitation to reply to Mr. Diemer's statement and to attend the meetings of the Water Problems Committee on May 11th and of the Board on May 12th. I appreciate the consideration. Because of his being President of Valley Water Company of La Canada, which company is the buyer of greatest quantities of Metropolitan water through Foothill, I have asked Mr. Frank Lanterman to attend the meetings with me - if he can get away from State Assembly affairs.

After most careful consideration I can see no worthwhile purpose in answering much of the material in Mr. Diemer's historical review. This review is interesting; but it is quite evident that it is founded on misconception of the origin of Foothill Municipal Water District.

Foothill was projected and promoted as a direct result of

("Foothill" refers to Foothill Municipal Water District
"Metropolitan" to Metropolitan Water District)

Altadena - Flintridge - La Canada - La Crescenta

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the decree in Pasadena vs. Alhambra et al. (Pasadena C 1323) which included a reduction of pumping rights in Monk Hill Basin and the appointment of a Water Master to enforce it. Altadena and La Canada water companies with the City of Pasadena own practically all such pumping rights in Monk Hill Basin. The water companies in question for many years derived their entire water supplies from that basin excepting for one organization that had and has certain rights in Verdugo Basin.

The approach to formation of Foothill is embodied in a presentation the writer made to a joint and largely attended meeting of civic leaders and directors of water companies of Altadena and La Canada on August 23, 1949, copy of which is appended. Also appended is copy of a progress report made under date of November, 1950.

From all of which it will be found apparent that spasmodic approaches to Metropolitan by small areas had no bearing whatever on organization of Foothill.

I find two particularly interesting points in Mr. Diemer's review:

1. The fact that members of Metropolitan staff urged some people in Foothill territory to annex to adjacent cities rather than join Metropolitan.

2. The omission by him of Resolution No. 4249.

1: Members of the staff advised people to annex to cities. This, by the way, is the proverbial "red rag to a bull" in Foothill areas. We cherish our independence. Members of this

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Board who were on the roster when our joining Metropolitan was under discussion will possibly recall that I lead the discussions for Foothill throughout. I can recall no occasion when a member of the Board or staff recommended that we annex to adjacent cities rather than join Metropolitan. Admittedly prejudiced, it is my belief that if members of the staff did repeatedly urge such a course on people of the Foothill areas it was certainly a great disservice to their employer - Metropolitan. Had such advice been followed Metropolitan would not only have been deprived of four and three quarter millions of dollars of backtax revenue, now seemingly most welcome, Metropolitan would also have been deprived of our member of the Board and his contribution toward attendance and devotion needed for the conduct of the Corporate affairs of Metropolitan in recent years.

It will also be hurtful to Metropolitan's public relations in Foothill territory if, as and when it becomes known that members of the staff urged such a course in contradiction of the decision of civic leaders and water company officials.

2. The omission from Mr. Diemer's statement of Resolution No. 4249: this resolution, adopted July 14, 1953, SIX MONTHS AFTER FOOTHILL WAS ANNEXED TO METROPOLITAN is quoted in full in my previous statement, page 3. That resolution and the "closing paragraph" of the report of the Water Problems Committee dated July 6, 1949, quoted by Mr. Diemer on page 6 of his review very definitely confirms our position, towit:

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Metropolitan HAD NOT adopted a policy of "come and get it" when Foothill was annexed, as we had been given to understand and as we understood when we accepted the terms. Until we were members and had opportunity to consult past records we had no possible means of ascertaining the facts herein related and on which our request is based.

Here, then, we have the question before us, clearly defined: Was Foothill's acceptance of the terms of annexation based on incorrect information?

Turning to other points in Mr. Diemer's letter:

He refers to letters from me in November 1949 and January 1950 "regarding an enlarged annexation area". This had no reference whatever to the previous applications for admission to Metropolitan he mentions. They had to do specifically with adding La Crescenta to the areas previously under discussion. Mr. Hines advised us in a letter dated February 8, 1950, that the matter of adding La Crescenta to Altadena-La Canada was under discussion by the Board and that we would be advised of the decision. On May 11, 1951, the Board definitely defined the boundaries of areas to be included, which added not only La Crescenta, but the easterly portion of Altadena as well as Kinneloa; whereupon the organization previously restricted to Altadena-La Canada was enlarged and renamed "The Foothill Water Group". Mr. Hayward, who had been in attendance at our meetings prior to that time was then elected a member of our Board representing the La Crescenta area.

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There is no room for argument on the score of Foothill promoters understanding that Foothill would have to pay all costs of connecting with Metropolitan lines. See my letter of March 15, 1959, pages 2 and 3. The point at issue here is that Metropolitan had not at the time adopted the "come and get it" policy, and that we did not know it.

As to Foothill having received preferential treatment (his page 5) in being permitted to annex "when the policy was to admit only large, basin-wide areas". We have found nothing in the record to warrant this statement; but regardless if there was, or is, such a record, Mr. Diemer is again misinformed. Foothill agencies cover the whole of Verdugo Basin; and Pasadena, already part of Metropolitan, with the addition of the Altadena-La Canada areas cover the whole of Monk Hill Basin, established as such by the decree in Pasadena vs Alhambra.

On the other hand we did understand that Metropolitan looked with favor on our application because, if consummated, the annexation of territory defined by the Board would "clean the slate" along the foothills - which it does.

As to "the Upper Feeder passing through the extreme easterly portion of Foothill District but Foothill did not want their connection at this location":

This doubtless refers to the vicinity of Sierra Madre Road and Sierra Madre Boulevard. As near as we can make out the Upper Feeder originally lay along the Foothill boundary line at this point. Foothill was forced to include the area

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by decision of Metropolitan Board; and before proceedings to admit Foothill were consummated a large segment (or two?) of the area was annexed to Pasadena, proceedings which caused another delay and which, we think, removed the contact with the Upper Feeder.

Connection at this point was suggested by the writer himself. Our engineers conferred with Metropolitan engineers and with engineers of the County Flood Control District regarding such a routing for our delivery lines. The engineers unanimously disapproved of such a plan. Such a route would have resulted in a net addition of approximately 35 miles of pipelines at an estimated cost of over \$400,000.00. It would have involved crossing Eaton Wash on the east and Devil's Gate Reservoir on the west. It was also pointed out to me that when the Upper Feeder was built a connection-point was provided for Altadena-La Canada on Seco Street a short distance below Lincoln Avenue. This indicates that designers of the Upper Feeder recognized even at that time that a connection at the Sierra Madre location for Altadena-La Canada would be ill-advised from an engineering standpoint. It might also be said that both Mr. Jensen and Mr. Diemer were in sympathy with such a decision since they both joined our directors in a picture taking ceremony at the Seco-Lincoln location when our plans were being drawn.

Turning to another point in Mr. Diemer's letter where he says the Foothill line "would be useful only for delivering water to Foothill and for no other purpose". This statement

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is also probably founded on misinformation. Crescenta Valley County Water District, one of our delivery agencies, serves 2394 meters in territory annexed to Glendale after Foothill organization was under way, presumably because Glendale does not have the facilities to serve them. And if Crescenta Valley County Water District did not have Metropolitan water available through Foothill it could not serve these people, numbering, according to the usual formula of 3.6 people per meter, between 8500 and 9000. What will happen in that area as a result of the Pueblo litigation instituted by Los Angeles is problematical. It is conceivable that Foothill might be called upon to take up a much heavier load some day.

Meanwhile the people involved are paying a handsome premium to get water. It illustrates the fallacy of the advice staff members of Metropolitan are said to have given people of the Foothill areas - that they had best annex to adjacent cities.

Mr. Diemer includes several times the statement that it would be illegal for Metropolitan to accede to our request, complete the taking over of the line in question and pay for it. He cites no authority for this. If the opinion is based on the fact that Foothill was voted in on the basis of having to pay the entire cost of being joined to the Metropolitan line and that it would be illegal to alter the conditions, then it seems to me, a mere layman, that the thought is a bit late. Foothill agreed also, and our admission was based on the agreement that we would pay the cost of the connection itself as well as the pipelines. The Board, at my request and

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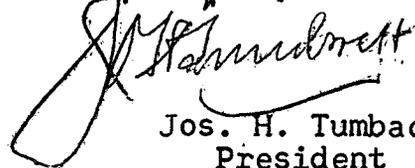
on Mr. Diemer's recommendation altered the agreement so far as the connection was concerned. If it be said that any change in the terms vitiates the agreement, hasn't that already been done, and isn't the door open to any further changes the Board deems fair and reasonable?

And since I am being presumptuous enough to follow Mr. Diemer's lead and venture on sacred legal ^epromises: Hasn't Metropolitan obligated itself with respect to the pipeline in question by taking over complete control of the vault constructed and paid for by Foothill in which the metering devices are located and to which Foothill has no access?

If for any reason it is determined that it would be illegal or not feasible for the Board to change the annexation conditions again, might it not be legal and feasible for the Board, by resolution at this time to authorize the purchase of the pipeline in question and the vault, which Metropolitan already has completely in its control?

It is my earnest hope that the Board, having taken all of these points into consideration, will see fit to act favorably on our request.

Respectfully submitted,



Jos. H. Tumbach
President

A REVIEW OF WATER MATTERS IN THE ALTADENA-LACANADA AREA

By

Joseph H. Tumbach, Chairman
Altadena-LaCanada Water Group

August 23, 1949

We welcome representatives of civic organizations of Altadena and LaCanada whom we have invited to hear this review of the water situation and to counsel with us in solving the problems which involve matters political as distinguished from the practical.

To review all details would involve not hours but days, not pages but volumes. So this discussion will attempt only to cover outlines. It is our hope that you will get enough from it to give you a general understanding of the situation, rather than the garbled versions broadcast by unknowing people.

Under the decree entered in what is usually referred to as the Pasadena Water Suit, the annual Safe Yield of Monk Hill Basin, from which we pump, was fixed at 6060 ac. ft. 6039 ac. ft. of this is decreed to Pasadena and the 6 companies here represented. Pasadena agreed, and it is so decreed, that we, by purchasing surplus water offered annually by parties to the agreement, including Pasadena, would have the privilege of pumping from Monk Hill Basin, not only our own decreed rights, but also the the right decreed to Pasadena. We pay Pasadena extra tribute for this, of course.

In the five years elapsed since the decree became effective parties other than Pasadena have always furnished at least part of this so-called Exchange Water. For the present fiscal year, 1949-50, we have engaged to take 3782 ac. ft., of which 898 ac. ft. comes from others and 2884 ac. ft. from Pasadena.

This is emphasized to clear the minds of those who wrongfully assume or assert that Pasadena is supplying us with our total needs - and doing it voluntarily; that we have been and are leaning on Pasadena. The fact is that the water made available to us by all parties is done by virtue of a court decree based on a settlement voluntarily entered into by all; and we are beholden to no one in that connection.

At the time the settlement was made there was little thought that within the minimum life of the agreement, 15 years in Pasadena's case, the whole available Safe Yield, 6039 ac. ft., would be needed by the Monk Hill Basin Group. Some of us who were engaged in these matters during the litigation and even years before, would have laughed at the idea that within the 15 year period the Altadena-LaCanada companies would require any such quantity of pumped water as 6039 ac. ft. annually. We pumped only 2701 ac. ft. in the fiscal year 1944-45. It was generally assumed that we would be amply supplied for the 15 year period.

It was likewise generally assumed that unless Pasadena meanwhile,

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finding the arrangement profitable to them as it is, would agree to an extension of the arrangement beyond the 15 year period, we would have to turn to Metropolitan for the future.

Two factors upset the calculations. The one patent to all is the tremendous development of our area. This is most vividly portrayed by the fact that Lincoln Avenue ("Water Company" is omitted throughout) meters increased from 1795 on 1-1-45 to 2834 on 1-1-49, a gain of nearly 60%. We've all seen this mushrooming and can easily grasp the effect on water demand.

The second factor, scarcely mentioned in most discussions of the subject, is the drought. Again using Lincoln Avenue records for the purpose: Our 20 year average use per meter to 1946 was 22,635 cu. ft. In 1947 the use per meter jumped to 25,658 cu. ft. and 1948 it was 27,038 cu. ft. - an increase of nearly 20% over the 20-year average. Pasadena's experience is along the same lines. The use per person per day, shown by their annual report, was 127 gallons in 1942-43 and 152 gallons in 1947-48.

The third factor, due also to drought, is the very great reduction in gravity supplies. This affected all three of the Altadena companies and the La Canada Irrigation District as well.

Both last named factors, increased use per meter and decrease in gravity supplies had to be covered by pumping from the underground basin. A season of normal, even nearly normal, rainfall will be reflected in decreased pumping requirements of almost the whole group. Which, of course, is entering into the field of conjecture; but these conditions will arise one of these seasons to further confound prophets of doom. Furthermore; As a result of the efforts of this group initiated by petition filed April 9, 1947, with Flood Control officials, water spreading basins have been constructed in Arroyo Seco. Flood Control Engineers estimate that an average of 600 ac. ft. per year can be salvaged from flood waters that have ~~been heretofore been~~ wasted to the sea through Devils Gate Reservoir. These flood waters will be allowed to percolate into the underground basin, increasing the supply in storage.

During the five years past, combined pumpage of the Monk Hill Group was: 2701 ac. ft.; 4118 ac. ft.; 5577 ac. ft.; and, for the year 7-1-48 to 7-1-49, 6120 ac. ft. The estimated pumpage for the year 7-1-49 to 7-1-50 is 6463 ac. ft. A rainfall 50% of normal during the coming fall and winter would reduce pumping needs sufficiently to easily bring us within the Safe Yield basis, 6039 ac. ft.

But it has been our consistent policy to assume the pessimistic rather than the optimistic view. When it appeared that continued drought and such additional development as might normally be expected might run our pumping needs above the decreed Safe Yield, several plans were considered. In these discussions we had the benefit of the advice and counsel of the Water Master appointed in the decree of settlement.

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The plan most in favor for a time, and still the favored one with some of our Group, was the drilling of a well east of the easterly boundary of Monk Hill Basin, for joint account of the Group. Such a well could be pumped into the lines of one or two of the Altadena companies. Water purchased under the Exchange Agreement could be pumped there, rather than in Monk Hill Basin, and without paying extra tribute to Pasadena.

Before embarking on this project it was thought advisable to have competent, outside engineering advice. Mr. A. L. Sonderegger, an outstanding authority in water matters was retained. His report, based on the assumption that Pasadena will not extend their participation in the Exchange Agreement beyond the 15 year limit, states that application to Metropolitan is the final solution.

Mr. Sonderegger contacted Metropolitan and confirmed statements made to us previously by Metropolitan officials to the effect that no further applications for admission to the District would be entertained at that time. It should be said, too, that in our contacts with officials of Metropolitan, prior to Mr. Sonderegger's being retained, we were definitely advised NOT to push the matter at the time. We were so advised about the time local people, not connected with the water companies, were agitating forming a District to join Metropolitan.

With Metropolitan out of it for the time, Mr. Sonderegger suggested three possible courses of action:

- 1 - Drilling the east side well, as we had planned.
- 2 - In lieu of drilling the well, ask Pasadena to sell us an additional supply outside the Exchange Agreement, to tide us over until the Metropolitan situation was clarified.
- 3 - That application be made to the Water Master and Court for a review of the decreed Safe Yield of the basin with a view to increasing it.

Departing from the main theme for the moment: An increase in the Safe Yield of the basin seems reasonable, especially in view of the fact that in years past, notably during the last drought, Pasadena's heavy pumping from the basin carried total extractions to nearly 8000 ac. ft. one year. Even in 1941-42 total extractions were 7830 ac. ft., 5612 ac. ft. of it being pumped by Pasadena. And the basin has never been pumped below an economical, safe level. Water levels in our wells as of this date are well above the lowest level ever pumped, to wit:

Lincoln Avenue Well	<u>#2</u>	<u>#3</u>	<u>#4</u>
8-15-49	266	258	268
Dec. 1933	307	307	298

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In view of the heavy expense involved in drilling the proposed east side well it was decided to first learn Pasadena's reaction to a request for water outside the Exchange Agreement. A committee was appointed to confer with City officials, Messrs. Fred C. Nash, E. Roy Mosher and Arthur S. Hand undertook the work, Mr. Sonderegger assisting.

The final outcome was a letter from the City Manager in which was stated the request would be granted under certain conditions therein specified.

Assuming that this leads to some agreement; that this and/or an increase in the Safe Yield of the basin - possibly the drilling of the east side well - assuming that by some or all of these suggested methods we take care of such possible overdraft of the basin during the coming four or five years; we then arrive at the point of considering the ultimate solution of the problem, which may be stated, briefly and bluntly, something like this:

For the purpose of assuring a permanent and ample water supply beyond the 15-year Exchange Agreement -

- 1 - Shall Altadena and La Canada organize a movement to gain admission to Metropolitan Water District direct; or
- 2 - Shall we consider annexing to Pasadena?

The latter, considering annexation to Pasadena, may seem purposeless in view of the very definite statements made by City officials, to the effect that Pasadena cannot afford to and will not consider annexing our territory. But one skeptic might be tempted to quote our old friend Shakespeare, "Methinks the lady doth protest too much"; while another might hand you a news dispatch taken from the very same issue in which one of those denials is published, in which it is reported that Pasadena is planning to annex certain outside territory.

However, and in any event, there are some few people in our territory who think annexing to Pasadena is the answer to their every prayer, civically speaking, and the subject should be explored.

We, of the water companies, have felt that keeping the communities supplied with water is the problem of the water companies. If those in charge do not meet that obligation it is time to find men who can. But the future problem involves political questions which pass beyond the realm of the water companies. It is not for the water companies to attempt to determine the future status of the communities.

That is the reason for inviting representatives of the civic associations to sit in with us - perhaps by forming a joint committee of water companies and civic association representatives. There is

- 5 -

a wealth of data to assemble and consider and decisions to be made that transcend in importance anything that has ever been before us.

We ask you to help solve the problem.

-----*

Note: From minutes of the meeting

Present: 13 Directors of water service organizations in Altadena and LaCanada
Representatives of seven (7) civic organizations
Representatives of the Press

Chairman Tumbach read the foregoing statement. After extensive discussion it was moved by Frank E. Engle (representing West Altadena Improvement Association), seconded by T. Fenton Knight (representing LaCanada Chamber of Commerce and Civic Association) that a committee consisting of one representative from each of the seven civic organizations in the Altadena-LaCanada area be appointed for the purpose of assisting the Water Group in its efforts to form a district so that Metropolitan District water might be made available to the Foothill area. *****

The motion carried by unanimous vote of all present.

REPORT OF EXECUTIVE COMMITTEE, ALTADENA-LA CANADA WATER GROUP
To
JOINT MEETING WITH CIVIC ORGANIZATIONS
November 1, 1950
By
Jos. H. Tumbach

In our report of August 23, 1949 to directors of the water companies and representatives of civic organizations of Altadena and La Canada, it was pointed out that the ultimate solution of the water supply problem of the two communities lies, without question, in gaining admission to Metropolitan Water District, and that this might be accomplished in one of two ways; by application to Metropolitan direct, or by annexation to Pasadena.

Those of you who participated in that meeting need not be reminded that the latter alternative was not favorably received and, that, after a thorough discussion, the water companies were unanimously directed to investigate and report on the possibility of joining Metropolitan. We are now making this interim report.

To report our step by step progress would consume a wearisome amount of time, though it might be a surprise to some who have criticised our inaction. We have decided therefore to set forth the present position of negotiations, while assuring you of our readiness to detail any points on which information is desired.

The Executive Committee of Altadena-La Canada Water Group met on September 12, 1949 and decided to initiate the negotiations by contacting Dr. Franklin Thomas, Chairman of Metropolitan's Water Problems Committee. Dr. Thomas told us Metropolitan was now considering adding new territory and advised us the course to follow.

We started on the basis of including the territory of the six Altadena-La Canada Water Companies. In December 1949 we were asked by representatives of the three water companies in the La Crescenta Valley to include their territory in our negotiations. Metropolitan approved of the addition of this and any other nearby territory. In January 1950 Kinnelea asked to be included, and in September 1950 Mesa Mutual Water Company, in the Pasadena Glen area near Kinnelea, also joined in. So the final setup extended from the east boundary of Tujunga (Los Angeles City) to the westerly boundary of Hastings Ranch properties, lately annexed to Pasadena.

From these outer boundaries we excluded the areas outside the City of Pasadena which are served by Pasadena, the sections lying south of Figueroa Drive on the west side, and easterly of Allen Avenue on the east side; also in and around the former Altadena Golf Club on which Pasadena inaugurated water service after the Golf Club grounds were broken up.

The matter was finally crystallized by action of the board of directors of Metropolitan on September 11, 1950 as follows: "In response to an

- 2 -

inquiry **** the Board of Directors authorized that indication be made that either a County Water Authority or a Municipal Water District, when properly constituted and having boundaries satisfactory to this District, would be given consideration for annexation."; and on September 22, 1950, "the decision of the Board of Directors was that any unit which did not include the three areas referred to, adjacent to or in the vicinity of the City of Pasadena, would be unacceptable as a basis for an annexation unit".

And that is where the matter now stands. In our discussion with Dr. Thomas; with members of the staff, both operational and legal, and with the Water Problems Committee in meeting assembled, we have stressed the fact that we have nothing to offer the areas in question in exchange for their assuming past and present tax obligations to Metropolitan; that Mr. Howard, Chief Counsel for Metropolitan, has formally advised the Water Problems Committee that Pasadena is bound, legally and contractually (?) to serve these areas regardless of membership in Metropolitan; and we also stressed that if these areas are "getting a free ride" as has been argued by members of the Problems Committee, it is none of our doing and we should not, in fairness, be called upon to correct it.

We have very good reason to feel that Metropolitan is now favorably inclined toward having a unit of their system in this Foothill area. The day is surely coming when some of the smaller municipalities, not interested in joining at this time, will be forced by growth of population and water demand to apply for membership; and a district such as we propose would be the natural if, not indeed, the only means of membership except for consolidation with larger cities now members.

A log is available, recounting the step by step progress in the negotiations to date. We can tell you when we contacted any of the cities which Metropolitan thought might be interested, who was interviewed, and what he said; details of discussions of possible forms of district; legal complexities which only a lawyer should tangle with; and incidents such as members of our committee coming to the defense of Pasadena when debate was warm over the question of Metropolitan water being used to serve these "outside" areas.

But when everything is said and done, the bare fact emerges that Metropolitan is ready to receive an application for membership by a Foothill District such as has been outlined herein, providing it includes the "fringe" areas served by Pasadena which do not now contribute any revenue to Metropolitan.

We would like to know what you think of the situation and to have the benefit of your advice and counsel as to procedure.

And
It would be ungracious to omit telling you that the Metropolitan staff, Mr. Hines and his assistant Mr. Diemer, Mr. Howard, Chief Counsel, and his assistant Mr. Cooper, and all others with whom we have been in contact at all times have been exceedingly co-operative, thoughtful and helpful; and all of us who have been in touch with them feel obliged and grateful. to them.

Foothill Special Meeting

May 8, 1959

M I N U T E S
SPECIAL MEETING OF THE BOARD OF DIRECTORS
FOOTHILL MUNICIPAL WATER DISTRICT
May 8, 1959

A special meeting of the Board of Directors of Foothill Municipal Water District was held at the office of the District at 4508 Hampton Road, La Canada, California, on the 8th day of May, 1959 at 4:00 P. M.

In accordance with the By-Laws all members had been duly notified of the meeting.

The President called the meeting ot order and requested the Secretary to call the roll of the Directors present at said meeting. The Secretary reported that there were present at said meeting and answered to said roll call the following:

Nelson Hayward, Director
Donald B. Milliken, Director
Robert Williams, Director
Jos. H. Tumbach, President and Director

The said Directors remained present during the entire meeting. Also present was Assemblyman Frank Lanterman.

(Absent: J. Clifford Argue, Director)

Chairman Tumbach stated that his purpose in calling the special meeting was to acquaint the members of the Board with recent developments in connection with the request for reimbursement of costs of the District's gravity line, extending from the Metropolitan Water District Upper Feeder to the Arroyo Pumping Plant.

At the Chairman's request Director Hayward, the District's representative on the Board of Directors of Metropolitan Water District, explained the situation in detail.

After discussion Chairman Tumbach requested that Director Hayward take the chair. Director Hayward assumed the chair and President Tumbach then moved that the petition presented to Metropolitan Water District, dated March 15, 1959, in which it was requested that Foothill Municipal Water District be reimbursed for the cost of a portion of our main feeder line

in Arroyo Seco in the sum of \$149,940.35 be withdrawn with-
out prejudice and that the Secretary be instructed to so
advise the Metropolitan Water District. He explained this
motion was offered because from dependable information avail-
able it had become apparent that there was no possibility
whatever of a favorable vote by the Metropolitan Board of
Directors at this time under which circumstances it seemed
prudent to withdraw the request and to hope for a time when
there was a better chance for success. The motion was seconded
by Director Williams and carried by the unanimous vote of all
Directors present.

Director Hayward then returned the chair to President
Tumbach.

Chairman Tumbach inquired if there were any other
matters to be taken up and there being none he adjourned the
meeting.



P r e s i d e n t

ATTEST:



S e c r e t a r y

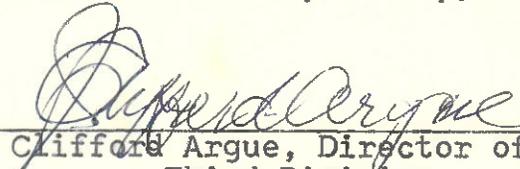
WAIVER OF NOTICE AND CONSENT TO HOLDING A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF FOOTHILL MUNICIPAL WATER
DISTRICT.

La Canada, California

May 8th, 1959

I, the undersigned, being a duly elected Director of the Foothill Municipal Water District, DO HEREBY WAIVE the giving of notice and holding of a Special meeting of the Foothill Municipal Water District Board of Directors on the 8th day of May, 1959, at 4:00 P. M. at the office of the Foothill Municipal Water District, 4508 Hampton Road, La Canada, County of Los Angeles, State of California; and I do hereby further agree that any business transacted at said meeting shall be a valid and legal and of the same force and effect as though the said meeting were held after notice duly given.

"Witness My Signature this 8th day of May, 1959."



J. Clifford Argue, Director of the
Third Division

Board Meeting Minutes 19548

May 12, 1959

19616

APPROVED
 by the Board of Directors of
 The Metropolitan Water District
 of Southern California
 at its meeting held 5-26-59
A. L. Grant
 Executive Director

MINUTES

REGULAR MEETING OF THE

BOARD OF DIRECTORS

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MAY 12, 1959

19538 The Board of Directors of The Metropolitan Water District of Southern California met, in Regular Session, in the Directors' Room at 306 West Third Street, Los Angeles, California, on Tuesday, May 12, 1959.

The meeting was called to order by Chairman Jensen at 10:31 a. m.

19539 Secretary Heilbron called the roll. Those answering present were: Directors A. H. Allen, Glenn P. Allen, Anderson, Aufdenkamp, Austin, Boylan, Butler, Chase, Crawford, Dellmann, Farquhar, Fischer, Hayhurst, Hayward, Heilbron, Holmgren, Jensen, Leedom, Long, Ramboz, Reynolds, Rossetti, Stevens, Stiles and Thompson.

Those not answering present were: Directors Crary, Dietrich, Farrar, Hapgood, Hellis, Jones, Mendenhall, Mills, Walker, Wheelock and York.

The Chair declared a quorum present.

19540 There being no objection, the Chair ordered the reading of the Minutes of the Regular Meeting held April 14, 1959, and of the Adjourned Regular Meeting held April 28, 1959, dispensed with, and that they be approved as mailed to each Director.

19541 Chairman Jensen congratulated Director Thompson on his recovery from illness and renewal of attendance at meetings.

19542 Upon order of the Chair, a news item appearing on the front page of the Compton Herald American reporting that Vice Chairman Butler had been chosen to receive the Distinguished Service Award for 1959, presented annually to a citizen of Compton by the Compton-Lynwood Board of Realtors, was read.

19543 A letter from General Counsel Cooper recommending, for the reasons set forth, that the notice of termination of the District's 1945 Resale Contract, dated May 31, 1957, be withdrawn

Minutes

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May 12, 1959

Preliminary Summary Report on Investigation of Alternative Aqueduct Systems to Serve Southern California ", and its Appendix A, entitled "Long Range Economic Potential of the Antelope Valley-Mojave River Basin" and its Appendix B, entitled "Effects of Differences in Water Quality, Upper Santa Ana Valley and Coastal San Diego County", was presented;

also presented was a supplementary memorandum by Hydrographic Engineer Elder to General Manager and Chief Engineer Diemer, under date of May 8, 1959, on the subject of aqueduct routes to Southern California.

The Chair reported the recommendation of the Water Problems Committee: that Hydrographic Engineer Elder orally summarize to the Board of Directors at its meeting this date, May 12, 1959, his analysis of Bulletin No. 78 and its Appendices A and B; and Hydrographic Engineer Elder did so.

19546 A letter from General Manager and Chief Engineer Diemer reporting the operations of the District during the month of April, 1959; was presented. (Addressed to the Board of Directors, dated May 7, 1959)

General Manager and Chief Engineer Diemer orally summarized and supplemented his report.

The Chair ordered the report filed.

Director Rossetti withdrew from the Meeting at 11:22 a. m.

19547 General Manager and Chief Engineer Diemer announced that arrangements were being made to inspect, on May 20, 1959, units of the work in progress on the expansion of the aqueduct system, and urged all the Directors who could do so to participate.

19548 Water Problems Committee Chairman Hayward, referring to the special order (adopted April 14, 1959, Item 19511) to consider at this meeting, the offer of the Foothill Municipal Water District to transfer 6759 feet of its pipe line connecting with the aqueduct system in return for reimbursement of the cost, amounting to \$149,940.35, presented and read a letter, signed, Foothill Municipal Water District, E. D. Richards, Secretary to the Board of Directors, addressed to the Board of Directors of this District, dated May 8, 1959, stating: that the Board of Directors of the Foothill Municipal Water District, at a special meeting on May 8, 1959, had adopted a resolution, offered by its President, Mr. Jos. H. Tumbach, requesting that no further action be taken upon Mr. Tumbach's letter to General Manager and Chief Engineer Diemer, under date of March 15, 1959, or with regard to his letter to the Board of Directors of this District, under date of May 5, 1959, and requesting that the petition contained in the foregoing

Minutes

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May 12, 1959

letters, proposing the transfer of the section of pipe line to this District with reimbursement of its cost, be withdrawn without prejudice; and

reported and moved the adoption of the recommendations of the Water Problems Committee: that the request be granted and the petition withdrawn without prejudice, and that all of the communications referred to or related to the proposal be filed.

The motion was seconded by Director Heilbron, and carried.

Accordingly, the following communications were ordered filed: A letter, signed, Robert B. Diemer, General Manager and Chief Engineer, addressed to the Board of Directors, dated April 9, 1959, to which was attached the following: a letter, signed, Jos. H. Tumbach, President (Foothill Municipal Water District) addressed to Robert B. Diemer, General Manager and Chief Engineer, dated March 15, 1959, a map of the Foothill Municipal Water District Service Area, a copy of Resolution 4164 of this District consenting to and fixing the terms and conditions for the annexation of the Foothill Municipal Water District, and a copy of the statement of policy of this District adopted January 9, 1931; a letter signed, Jos. H. Tumbach, President (Foothill Municipal Water District), addressed to the Board of Directors of this District, dated May 5, 1959, to which was attached two memoranda, the first entitled "A Review of Water Matters in the Altadena-LaCanada Area" by Jos. H. Tumbach, Chairman, Altadena-LaCanada Water Group, dated August 23, 1949, and a second entitled "Report of Executive Committee, Altadena-La Canada Water Group To Joint Meeting With Civic Organizations", November 1, 1950, By Jos. H. Tumbach, and a letter, signed, E. D. Richards, Secretary (Foothill Municipal Water District), addressed to A. L. Gram, Executive Secretary, dated April 30, 1959, transmitting the foregoing letter and memoranda by Mr. Tumbach; the letter previously read in this Meeting, signed, Foothill Municipal Water District, E. D. Richards, Secretary to the Board of Directors, addressed to this Board of Directors, dated May 8, 1959, requesting withdrawal of the petition without prejudice; and a letter, signed, Frank Lanterman, addressed to the Board of Directors of this District, dated May 5, 1959, protesting relative to the foregoing letter of General Manager and Chief Engineer Diemer.

19549 In response to the enquiry of the Chair, the following Directors indicated their intention of participating in the inspection of the construction work in progress, on May 20, 1959: Directors Holmgren, Boylan, Reynolds, Hayward, Leedom, Chase, Farquhar, Aufdenkamp, Long, Crawford, Fischer, Butler and Jensen.

19550 A letter from General Manager and Chief Engineer Diemer submitting for acceptance a deed to a parcel of land acquired

Foothill Letter

March 21, 2024



FOOTHILL MUNICIPAL WATER DISTRICT

ALTADENA • La CAÑADA FLINTRIDGE • La CRESCENTA

March 21, 2024

Adán Ortega
Chairman of the Board
Metropolitan Water District of Southern
California
700 S. Alameda Ave.
Los Angeles, CA

Re: Foothill Municipal Water District

Dear Adán:

I am writing on behalf of Foothill Municipal Water District ("Foothill") to request that Metropolitan Water District of Southern California ("Metropolitan" or "Met") consider taking over the operation/ownership of certain pipelines and a pump station discussed in the attached License Agreement between Pasadena and Foothill. This request is grounded in the principle that all Met member agencies should shoulder the same burdens, and enjoy the same benefits, as other member agencies.

Foothill joined Metropolitan in 1952. On Nov. 18, 1952, Met passed Resolution No. 4164 agreeing to annexation of Foothill. Foothill voted to approve annexation to Met on Dec. 22, 1952. Thereafter, on Nov. 10, 1953, the Met Board authorized the construction of a connection to the Upper Feeder for Foothill at Foothill's expense.

On June 5, 1954 Foothill requested Met cover certain costs related to the connection to the Upper Feeder. On June 28, 1954, the Met Board authorized construction of the Foothill connection on the basis that Met would pay the cost estimated at \$21,000, which turned out to be only \$15,400. After the annexation of Foothill, water was sold to Foothill and transported by the City of Pasadena until Foothill's facilities were constructed and ready for use in 1955.

Pursuant to License Agreement No. 4326 between Pasadena and Foothill dated May 10, 1954, ("License Agreement") Foothill pays an annual license fee of approximately \$3,600 to Pasadena and has the right to access, operate and maintain the pump station, pipelines and facilities related to Foothill's Upper Feeder connection. The License Agreement can be transferred with Pasadena's written consent.

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Southern California

March 20, 2024

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A. Metropolitan's Policies and Practices at the Time of Foothill's Annexation Warranted Met Take Over Operation of the Subject Facilities, But Met Did Not Do So

1. Met's Policies At the Time of Foothill's Annexation

Metropolitan's Statement of Policy dated Jan. 9, 1931 stated, "The consent of the Board to such municipalities or areas becoming a part of the District and receiving water from the aqueduct system will be decided on the basis of mutual advantage, and the terms and conditions of joining will be determined on the merits of each application." It also stated:

"The Metropolitan Water District will deliver water, either directly or indirectly, through a system provided by the District, to each of the eleven original member cities, and to those cities whose application for admission prior to March 1, 1931, have been approved, at or near the boundary of each, this point of delivery to be determined by considerations of economy and convenience with respect to the general engineering plans adopted by the District, and to such other points as the Directors may determine. Particular consideration shall be given to designing the feeder system so that areas of large potential consumption may be adequately served. . . . The delivery of water to areas within the District will be so conducted, organized and controlled that the District may retain its right to recover water originating in its system which may reach and replenish underground basins."

At the time of Foothill's annexation in January of 1953, Met was also operating pursuant to a policy articulated in a letter dated July 6, 1949 by Franklin Thomas, Chair of the Water Problems and Public Relations Committee, which stated:

"Consideration was given to the matter of expenditures for the purpose of construction of works necessary to accomplish delivery of water to annexing areas, but it was concluded that, because of the fact that each area presents a different geographical and physical problem, no rigid policy should be expressed, and that each situation should be examined on its merits."

Met previously acknowledged this policy was in effect when Foothill was annexed to Met in January 1953.

2. In Annexations Prior to July 14, 1953, Met Contributed Toward or Paid the Entire Cost of Needed Facilities in Every Instance -- Except Foothill's Annexation

Prior to July 14, 1953, Met built connecting pipelines, at Met expense, to the boundaries/borders of annexing areas, such as Coastal, San Diego, West Basin, Pomona, Eastern, Chino Basin, and Orange County municipal districts. Met contributed toward or paid the entire cost of needed facilities in every instance except Foothill's. Met paid less in costs and/or back taxes for Foothill,

Southern California

March 20, 2024

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Eastern, and Coastal Municipal than it did for other areas. In fact, Met even indicated its willingness to pay millions for a proposed San Bernardino annexation that was not approved by voters.

Thus, on March 15, 1959, Foothill wrote to the GM of Met requesting Foothill be reimbursed by Met for the cost of a small portion of the pipeline connecting facilities of Foothill with the Upper Feeder of Met, which facilities were entirely within the City of Pasadena and outside Foothill territory. The letter states the line had been under Met control, with metering facilities accessible to Met, but not Foothill. Foothill serves its retail agencies through this one single connection to the Upper Feeder¹.

3. Foothill Has Been Treated Differently Than Other Agencies for Whom Met Invested in Infrastructure.

Met's GM and Chief Engineer wrote to Metropolitan's Board on April 9, 1959, responding to Foothill's March 15, 1959 letter and request for a reimbursement in the amount of \$149,940.35. Met's April 9, 1959 letter discusses the other agencies for whom Met invested in infrastructure, some of which is paraphrased/summarized below and denies Foothill's request.

- Met states the first annexations to the original 11 cities were Compton, Fullerton, Long Beach and Torrance in 1931. They were required to pay their back taxes in cash with 3% interest. Facilities were provided by Met to deliver water a short distance inside the boundary of each city.
- In 1942, Coastal Municipal² annexed. The agency was permitted to pay back taxes over 20 years without interest but with interest from the due date of each original tax payment to the date of annexation with 4% interest. A 12.6 mile pipeline was built at Met expense extending the Orange County feeder from Santa Ana to Corona del Mar.
 - Over the following 7 years, 5 areas annexed to Coastal with 30 years to pay back taxes for the 3 areas that annexed after 1946.
- San Diego County Water Authority ("SD") was annexed in 1946. SD was granted a 30-year repayment period without interest after annexation but with 4% interest on tax payments due prior to annexation. SD's Colorado River rights were merged into Met's, and Met agreed to pay for and operate the northerly one half of the SD aqueduct. Met agreed to enlarge or parallel the northerly half of this aqueduct when necessary to satisfy the Authority's requirements for water.

¹ Foothill now has access to the facilities.

² Now part of Municipal Water District of Orange County

Southern California

March 20, 2024

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- In 1948, West Basin was annexed. Met agreed to construct a feeder line extending from the Palos Verdes Feeder to Aviation Blvd and to provide 5 turn outs on this feeder and 5 additional turn outs on other Met feeder lines. Its interest rate and number of years of repayment were the same as SD's. This was the last annexation that did not require payment of interest on the unpaid balance of deferred annexation charges.
- On July 8, 1949, the Board of Met started requiring the payment of interest at 3 percent on unpaid balance of deferred annexation charges for new annexations. Thus, Pomona Valley, Eastern, Chino Basin, OC, Foothill, Central Basin and Western paid the 3 percent interest rate on deferred annexation charges. Pomona annexed in 1950. Eastern, Chino Basin, OC annexed in 1951. Foothill annexed in 1953, and Central Basin and Western Riverside annexed in 1954. In 1954, the interest rate was increased from 3 to 4 percent.
- When the original Pomona District³ annexed in 1950, Met made the sum of \$275,000.00 available for a service connection and other facilities for the delivery of Colorado River Water.
- Met states that when Eastern annexed in 1951, Met provided one service connection at Met's expense, made the sum of \$325,00.00 available for other facilities for delivery of Colorado River water and agreed to transport local water collected in the San Jacinto tunnel to points of delivery within Eastern without charge.
- When Chino Basin⁴ joined in 1951, Met made \$360,000.00 available for service connections and other works for delivery and distribution of Colorado River water.
- When the original OC Muni Water District⁵ annexed in 1951, Met provided facilities and service connections to allow Colorado River water to be delivered into the Santiago Reservoir, into existing canals on the north and south side of the Santa Ana River, and into the Santa Ana River bed.
- When Western joined in 1954, Met agreed it would construct, at its expense, portions of 7 service connections, including turnout valve structures, shut-off valves, and appurtenances at each connection.

Thereafter, on May 5, 1959, Foothill wrote back to Met pointing out that there was no Met policy in place stating that Met could only annex "large, basin-wide areas," which Met's letter had alleged. Foothill also pointed out that Met had control of the vault to which Foothill had no

³ Now Three Valleys Municipal Water District

⁴ Now Inland Empire Utilities Agency

⁵ Meaning Municipal Water District of Orange County

Southern California

March 20, 2024

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access, so Met had already obligated itself with respect to the pipeline. Foothill also listed all of the areas served by the line, which included Crescenta Valley.

B. Met's "Come-and-Get-It" Resolution Post-dates Foothill's Annexation, and is Inapplicable to It.

After Foothill's annexation, on July 14, 1953, Met adopted Resolution No. 4249, the so-called "come and get it," resolution which states in part:

"BE IT RESOLVED, by the Board of Directors of the [Met] District, that it be declared to be the intent of this Board that all future annexations to the [Met] District be based on the principle that this District [Met] District shall not be obligated to provide additional works or facilities, necessitated by such future annexations, for the delivery of water from works owned and operated by the District."

The "come and get it" resolution is not applicable to Foothill's annexation since the resolution post-dates Foothill's annexation.

By contrast, the Policy enacted a few months before Foothill's annexation gave Met discretion to fashion terms for annexation and stated: "[E]ach area presents a different geographical and physical problem, no rigid policy should be expressed, and that each situation should be examined on its merits." The Policy prior to that time, the Jan. 9, 1931 policy states "The consent of the Board to such municipalities or areas becoming a part of the District and receiving water from the aqueduct system will be decided on the basis of mutual advantage, and the terms and conditions of joining will be determined on the merits of each application."

Moreover, on Feb. 19, 1969, Las Virgenes Municipal Water District ("LV") and Calleguas transferred to Met the Calleguas feeder or conduit, through which LV and Calleguas had been receiving Met water. The Agreement stated that Met would pay them \$5,375,000 on July 1, 1971 for the Calleguas conduit. Some of that funding was to be used to remove certain surge relief facilities and pumping plant facilities.

As demonstrated above, Met's refusal to assist Foothill with its Upper Feeder connection facilities was contrary to then current Met policy, and inconsistent with subsequent practice by Met in very similar circumstances. Currently, there is no specific mandate or practice that prohibits Met from owning/operating the subject facilities. Foothill has been treated inequitably but believes Met can correct this.

C. Foothill and Pasadena License Agreement of 1954 Can Be Transferred to Met Upon Pasadena's Written Consent.

Southern California

March 20, 2024

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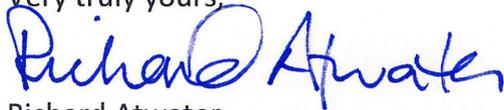
Foothill seeks to transfer or assign assets that include the transmission lines and pump station identified in the License Agreement, along with the right to use the right of way described in the License Agreement, since the transmission lines and pump station are permanent fixtures in the right of way. We believe Pasadena would consent in writing to an assignment and/or transfer of the License/right of way.

D. Foothill is Paying Through Rates for Others' Feeders But Foothill is Covering the Costs of Its Own Feeder

Foothill is receiving lesser service for the same rates because other agencies are paying the same rates, yet they do not have the additional costs that Foothill has in operating the facilities at issue. (See Cal. Const. Art. XIII C Sec. 1(e)(2.)) In the event Metropolitan is unwilling to take the facilities at issue, Foothill requests an adjustment to its rates or reimbursement of costs in the future.

In conclusion, we believe Met had an obligation to take the lines and pump station, or at the very least, should do so now in order to treat Foothill equitably and as other member agencies have been treated. We would like to transfer these facilities at no remuneration from Metropolitan except for the payment of two small connections at or near the boundaries of the District. I look forward to speaking with you about the foregoing at a time of your convenience. Thank you for your time and consideration.

Very truly yours,



Richard Atwater
FMWD Board President

cc: Metropolitan Board of Directors
FMWD Board of Directors
Adel Hagekhalil
Nina Jazmadarian
FMWD Retail Agencies

Foothill Letter and License Agreement

April 1, 2024



FOOTHILL MUNICIPAL WATER DISTRICT

Altadena - La Cañada Flintridge - La Crescenta

April 1, 2024

Adán Ortega, Board Chair
Metropolitan Water District of Southern California
P.O. Box 54153
Los Angeles, CA 90054-0153

Re: Foothill Municipal Water District ("Foothill") Upper Feeder

Dear Adan,

Thank you for your email of April 1, 2024 acknowledging receipt of Foothill's request that Metropolitan take ownership and assume operational costs of pipelines related to Foothill's Upper Feeder connection. Attached to this email is the License Agreement between Foothill and City of Pasadena referenced in my prior letter. I look forward to working with you and Metropolitan staff on this important matter.

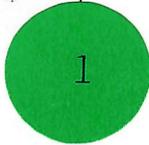
General Manager Jazmadarian has extended an invitation to General Manager Hagekhalil for a tour of the subject facilities. I am happy to extend that invitation to you as well.

Please let me know what information Foothill can provide to expedite consideration of this matter. I will direct General Manager Jazmadarian to provide that information to the appropriate person.

Regards,

Richard Atwater
FMWD Board President

cc: Adel Hagekhalil
FMWD Board of Directors



NO. 4326

LICENSE AGREEMENT

THIS AGREEMENT, entered into this 10th day of May, 1954, by and between the CITY OF PASADENA, a municipal corporation, hereinafter referred to as "Licensor" and FOOTHILL MUNICIPAL WATER DISTRICT, hereinafter referred to as "Licensee",

W I T N E S S E T H :

WHEREAS, the Licensee is desirous of constructing, maintaining and operating water transmission mains in streets and rights-of-way of the City of Pasadena; and

WHEREAS, Licensee is desirous of installing and maintaining a pumping station in the City of Pasadena; and

WHEREAS, Licensor is desirous of granting a license to conduct such operations;

NOW, THEREFORE, in consideration of their mutual covenants, the parties hereto agree as follows:

A. TRANSMISSION LINES. Licensee is hereby given permission to construct, maintain and operate water transmission mains in streets and rights-of-way in the City of Pasadena in accordance with "SPECIFICATION NO. 1 of the FOOTHILL MUNICIPAL WATER DISTRICT" parts I and II (as corrected or amended by this agreement) said specifications being filed as document SS-241 parts I and II in the office of the City Engineer and Superintendent of Streets of the City of Pasadena and in accordance with "Map of FOOTHILL MUNICIPAL WATER DISTRICT RIGHT OF WAY , Exhibits 1, 2 and 3" - consisting of three sheets filed as Drawing number BB-1299 sheets 1, 2 and 3 in the office of said City Engineer and Superintendent

} 3 large sheets in file

of Streets. Said License is granted upon the following conditions which shall be considered acceptable to Licensee by the acceptance of this License, and in consideration of the rights granted hereunder, Licensee agrees as follows:

1. The width of the right-of-way where not in a public street shall be 10 feet, the center line of which will be the center line of said pipe line as shown on said plans, except that during construction an additional width of 20 feet will be granted for the purpose of a spoil bank, storage of materials, and use of equipment.

2. Licensee or his contractor shall place on deposit, prior to the commencing of any of the work, the cost of inspection and any chargeable cost as set forth in Ordinance No. 3387.

3. Licensee shall file with the City Clerk of the City of Pasadena, a Bond in the amount of \$15,000.00 guaranteeing for a period of two years that the pavement on all paved public streets and roadways shall be rehabilitated to the satisfaction of the City Engineer and Superintendent of Streets of said City. If in the opinion of said City Engineer and Superintendent of Streets, any of said streets or roadways shall require resurfacing, Licensee shall bear the cost thereof.

4. In cutting the surface of any street, or before any portion thereof shall be resurfaced, it is mandatory that said cutting be done in straight lines parallel with the pipe center line.

5. Licensee shall be responsible for any and all pipe lines, service laterals and other substructures and liability is not limited to those which have been marked by Licensor.

6. Specifications No. SS-241, Part I, shall be amended as follows:

(a) Section 61.01 (f). Contractor shall provide suitable bridges across all roadway intersections during any event in the Rose Bowl or during week ends. The Contractor shall be responsible for keeping himself informed as to the dates of any such events.

(b) Section 61.01 (f). Not more than 400 linear feet of excavation shall be left unfilled in one continuous section at any time.

(c) Section 61.03 (c). Trench backfill, in all public streets and roadways within the City of Pasadena shall comply with the same requirements as Section 61.03 (b) for backfill in State Highways; Provided however, that in locations where suitable backfill material is available the Contractor may, with the specific approval of the City Engineer and Superintendent of Streets, use the alternative method of flooding in not to exceed four foot thick layers and in any event the Contractor shall at his own expense furnish the City with the certification of a recognized soils testing engineer or laboratory that the requirement of ninety percent (90%) relative density has been met.

(d) Specifications No. SS-241, Part II shall be amended by the substitution of revised sheets A-4, B-1, B-3, B-4, B-7 and C-1 showing certain additional locations of water mains and changes of grade in the proposed transmission pipe line.

7. The rights and privileges herein granted as to the use of streets and rights-of-way are upon the express condition that Licenses, as compensation for the use of said streets and rights-of-way of the City of Pasadena, shall

pay annually to Licensor in lawful money of the United States the sum of Two Thousand Ninety-Three Dollars (\$2,093.00), payable in advance.

8. That portion of the Golf Course which is disturbed by the installation of said pipe line shall be leveled and reseeded by Licensee. This leveling and reseeded shall be done to the satisfaction of the Superintendent of Parks of the City of Pasadena. Any damage caused to the sprinkling system or underground pipes shall be repaired at the expense of Licensee.

9. Should it become necessary after the pipe line has been installed and accepted by Licensee, to make alterations and repairs or inspections to said pipe line, Licensee agrees to conform to Ordinance No. 3387 and any other ordinances of the City of Pasadena which might pertain to this work.

10. (a) In granting this License (without admitting or recognizing in any way that it is not already vested with the powers hereinafter reserved) Licensor hereby expressly reserves:

(1) The right to grade, widen, relocate, sewer, pave, macadamize, lay conduits, water, gas or other pipe, install manholes, poles or other structures therein, or to alter, repair or otherwise provide for the making of local improvements in the streets of the City and any pipe lines, valves, gates, structures or any other appurtenance whatsoever of the Licensee which may interfere with any of such work shall be removed or relocated by said Licensee at its own expense;

(2) The right to make and enforce all such local police, sanitary or other regulations by ordinance in the

exercise of its police power;

(3) The right to make and provide for the making of local improvements by special assessment.

The enumeration herein of specific rights reserved shall not be taken as exclusive, or as limiting the general reservations herein made.

(b) Nothing in this License contained shall ever be construed or taken to exempt, or as a contract right exempting the Licensee from complying with any ordinances now in force, or which may hereafter be adopted.

B. PUMPING STATION. Licensee hereby is given permission to use certain land of the City of Pasadena for the purpose of installing and maintaining a pumping plant; said land is described as follows as per Plot Plan BB-1299 A:

That portion of the Rancho San Pascual, in the City of Pasadena, County of Los Angeles, State of California, described as follows:

Beginning at a point in the southwesterly line of Lot 3 of Tract No. 10045, as per map recorded in Book 148, pages 48 and 49 of Maps, in the office of the County Recorder of said County that is distant South $40^{\circ}22'14''$ East 37.77 feet from the angle point in the southwesterly line of said Lot 3; thence South $45^{\circ}01'56''$ West 75.60 feet; thence North $64^{\circ}24'14''$ West 99.56 feet; thence South $24^{\circ}40'54''$ East 121.03 feet to the Northerly line of the North Pasadena Tract, as per map recorded in Book 37, page 42 of Miscellaneous Records, in the office of said County Recorder; thence along said northerly line South $73^{\circ}19'36''$ West 37.00 feet; thence north $72^{\circ}40'24''$ West 42.50 feet to the beginning of a tangent curve concave northeasterly and having a radius of 126.32 feet; thence northwesterly along said curve 105.81 feet; thence tangent to said curve North $24^{\circ}40'54''$ West 164.30 feet to the beginning of a tangent curve concave to the southwest, and having a radius of 1030.00 feet; thence northwesterly along said curve 36.00 feet; thence North $65^{\circ}19'06''$ East 110.63 feet; thence South $24^{\circ}40'54''$ East 159.77 feet; thence South $64^{\circ}24'14''$ East 114.44 feet; thence North $45^{\circ}01'56''$ East 56.78 feet to a point in said southwesterly line of

Lot 3 of Tract No. 10045; thence along said southwesterly line South $40^{\circ}22'14''$ East 30.10 feet to the point of beginning.

The use of said land is subject to the following conditions:

1. That any building or buildings which are to be constructed on the land last described above shall generally conform to the architecture of the Municipal Golf Clubhouse buildings at the Brookside Golf Course, and all plans and specifications for any installations on this land shall be approved by the Board of Directors of the City of Pasadena, and said installations shall conform to the building, Electrical and Plumbing Codes of the City of Pasadena.

2. Landscaping in and about the pumping station on the above described land shall be planted and properly maintained in accordance with directions from the Superintendent of Parks.

3. The rights and privileges herein granted for the construction and maintenance of a Pumping Station are upon the express condition that Licensee, as compensation for the use of said land of the City of Pasadena, shall pay annually to Licensor in lawful money of the United States the sum of One Thousand Five Hundred Dollars (\$1,500.00) payable in advance.

C. GENERAL REGULATIONS.

1. Licensee, its successors and assigns, shall save harmless and indemnify Licensor, its successors and assigns, from and against all claims, demands, loss, damage or liability arising or growing out of loss of or damage to property, injury to or death of persons resulting in any manner whatsoever, directly or indirectly, by reason of the use or occupancy of said streets, rights-of-way or real

License Agent #4326

property of the City for any purpose whatsoever by reason of the right, license or privilege herein granted.

Concurrently with the execution of this License, Licensee shall furnish to City satisfactory evidence of an insurance policy written by a company which meets with the approval of City, insuring Licensee against loss or liability which may arise during the performance of or which may result from any of the work herein required to be done by Licensee including all costs of defending any claim arising as a result thereof.

Such policy shall be in an amount of at least \$50,000 for the death of or injury to any person in any one accident, \$100,000 for the death of or injury to more than one person in any one accident and \$25,000 for property damage in any one accident.

This policy shall name the City as the assured or one of the assureds, and shall not be cancellable unless Licensor shall have been given ten (10) days' notice in writing of such cancellation. Said policy shall be maintained in full force and effect until the termination of this License.

2. This license shall be for an indefinite and indeterminate term. If Licensee should breach and fail, refuse or neglect to comply with any of the conditions of this license, or of any of the terms or conditions of any ordinance of the City of Pasadena, the City Manager shall give written notice thereof to the Board of Directors of Licensee, stating the number, nature and character of said breach and demanding said breach be remedied within thirty (30) days from the mailing of said notice. If Licensee fails, neglects or refuses to comply with said notice within said period, Licensor may

cause such breach to be rectified and charge Licensee therefor. In the event Licensee disagrees as to said breach or the costs involved, Licensee may file an appeal with the Board of Directors of Licensor within twenty-one (21) days from the receipt of the notice or invoice, in which case the decision of said Board shall be final. No provision herein made for the purpose of securing the enforcement of the terms and conditions of this license shall be deemed an exclusive remedy or to afford the exclusive procedure for the enforcement of said terms and conditions, but the remedies and procedure outlined herein or provided, shall be deemed to be cumulative.

3. Licensee shall not assign or transfer this License or any right or privilege hereunder without first securing the written consent of Licensor thereto.

IN WITNESS WHEREOF, said Licensor and Licensee have caused this instrument to be executed the day and year first above written.

CITY OF PASADENA

By *Clarence Allman*
Chairman of the Board of Directors
of the City of Pasadena

ATTEST:

LICENSOR

Donald B. Trammell
City Clerk

FOOTHILL MUNICIPAL WATER DISTRICT

By *[Signature]*

By *[Signature]*

LICENSEE

APPROVED AS TO FORM:

FRANK L. KOSTLAN, City Attorney

BY *[Signature]*
Senior Deputy City Attorney

DATE *April 20* 19*54*

[Signature] 5/4/54
Pursuant to

Checked: *[Signature]*
Approved: *Clarence A. Allman*
Chief Engr. & Gen'l Mgr. Water Dept. 4/20/54

-8-

Approved
Douglas C. Mackenzie
City Engineer & Superintendent of Streets
April 20, 1954

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

On this 4th day of May, 1954, before me, the undersigned, a Notary Public in and for said County, personally appeared CLARENCE A. WINDER, known to me to be the --- Chairman of the Board of Directors of the City of Pasadena, the municipal corporation that executed the within instrument, and acknowledged to me that such municipal corporation executed the same.

Clara Belle MacLellan
Notary Public in and for said
County and State
Clara Belle MacLellan, Notary Public
In and for the County of Los Angeles, State of California
MY COMMISSION EXPIRES MAY 5, 1954

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

On this 10th day of May, 1954, before me, the undersigned, a Notary Public in and for said County, personally appeared Jos. H. Tumbach, and E. D. Richards, known to me to be the President and Secretary, respectively, of the Foothill Municipal Water District, the municipal corporation that executed the within instrument and acknowledged to me that such municipal corporation executed the same.

Mary E. Brown
Notary Public in and for said
County and State
My Commission Expires June 10, 1954

M O T I O N No. 17078 - May 4, 1954

Moved by Director A RAY BENEDICT

That the license agreement presented herewith, a copy of which is attached hereto, whereby the City of Pasadena grants to the Foothill Municipal Water District a license and permit to construct, maintain and operate water transmission mains in streets and rights-of-way in the City of Pasadena and to install and maintain a pumping plant on land owned by the City of Pasadena, be and the same hereby is approved and the Chairman of the Board of Directors is authorized and directed to execute said license agreement in duplicate and the City Clerk is directed to attest his signature and to deliver said license agreement in duplicate to the City Attorney for transmittal to said district.

Motion duly seconded and carried by the following

vote:

- Ayes: Directors Benedict, Brenner, Dorn, Miller, Winder, Woods
- Noes: None
- Absent: Director Abernethy

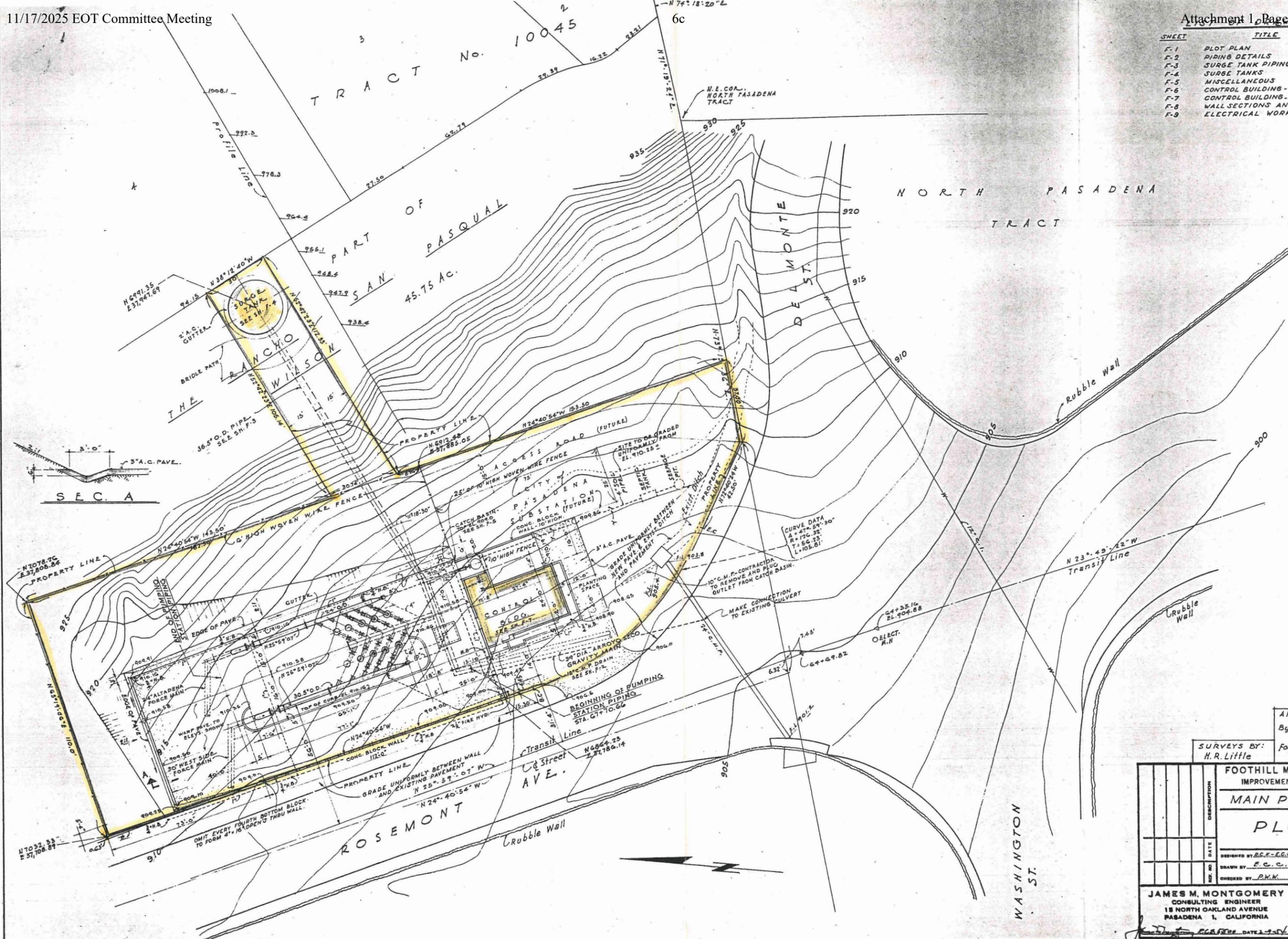
I hereby certify that the foregoing document is a full, true and correct copy of Motion # 17078 on file in the office of the City Clerk of the City of Pasadena.

Clara B. MacLellan

City Clerk

BY J. L. Schuyler DEPUTY

SHEET	TITLE
F-1	PLOT PLAN
F-2	PIPING DETAILS
F-3	SURGE TANK PIPING
F-4	SURGE TANKS
F-5	MISCELLANEOUS
F-6	CONTROL BUILDING - ARCHITECTURAL DETAILS
F-7	CONTROL BUILDING - STRUCTURAL DETAILS
F-8	WALL SECTIONS AND GATE DETAILS
F-9	ELECTRICAL WORK



APPROVED
 By *H.R. Little* Date 2/23/67
 Secretary
 Foothill Municipal Water District

SURVEYS BY:
 H.R. Little

FOOTHILL MUNICIPAL WATER DISTRICT
 IMPROVEMENT DISTRICTS No. 1 TO No. 4
MAIN PUMPING STATION
PLOT PLAN

DESIGNED BY *B.C.C.-R.C.C.*
 DRAWN BY *F.C.C.*
 CHECKED BY *P.M.K.*

SCALES:
 1" = 20'

SHEET **F-1**
 OF 9 SHEETS

JAMES M. MONTGOMERY
 CONSULTING ENGINEER
 18 NORTH OAKLAND AVENUE
 PASADENA 1, CALIFORNIA

A. L. SONDEREGGER
 CONSULTING ENGINEER
 448 SOUTH HILL STREET
 LOS ANGELES 13, CALIFORNIA

Foothill Letter
September 30, 2025



FOOTHILL MUNICIPAL WATER DISTRICT

Altadena - La Cañada Flintridge - La Crescenta

September 30, 2025

Mr. Deven Upadhyay
General Manager
Metropolitan Water District
Of Southern California
700 N. Alameda Street
Los Angeles, CA 90012

Dear Deven,

Foothill Point of Delivery

I would like to thank you, Chief Counsel Marcia Scully and Principal Deputy General Counsel Cathy Stites for meeting with District Counsel Keith Lemieux, General Manager Nina Jazmadarian and me regarding the Foothill Municipal Water District's point of delivery. As noted in our March 2024 letter, updated in April 2024 (Attachment A) and follow up discussions, the District believes that we are being treated differently than the other Metropolitan agencies which is resulting in higher costs for imported water to Foothill and its customers.

To summarize, Foothill finds it inequitable that it is required to own and pay for the capital and pumping costs for Foothill facilities outside of its service area so that we can provide imported water into our service area. As you know, Foothill pays for the costs related to the operation and maintenance of the Upper Feeder connection. Foothill also pays an annual fee to Pasadena under its License Agreement for the operation and maintenance of the pipelines and pump station related to the Upper Feeder connection. These costs should be absorbed by Metropolitan as a cost for the delivery of its water. Metropolitan has absorbed similar costs related to other districts annexed to Metropolitan and consequently leaves Foothill and its customers at a significant disadvantage as a result.

But not only are we paying for these facilities, we are also paying through the Metropolitan rates for the capital and sometimes pumping costs for other Metropolitan member agencies who have facilities up to their District boundaries and many times beyond the boundaries for Metropolitan water deliveries. We do not understand why we should be financially supporting the other agencies and not getting the same benefits in return.

At our meeting, you asked for further information after General Manager Jazmadarian disputed the letter written to the Metropolitan Board of Directors by Robert Diemer on April 9, 1959 (Attachment

B). GM Jazmadarian provided that information to you (Attachment C) which noted that Foothill annexed to Metropolitan under a stated policy which did not exist at the time of its annexation. Because the Public Records Act did not exist at the time, and even the Brown Act did not exist until 1953, there was no way to verify the accuracy of the policy so the argument that it is our fault that we did not know is not correct.

It has been stated that when Foothill annexed in 1952, we agreed to the method of annexation, and we must stick to it.

We disagree. Many things have changed dramatically in the 72 years that Foothill annexed to Metropolitan including the annexation of other Metropolitan member agencies that have not had to meet the annexation policy that was adopted six months after Foothill joined Metropolitan. Foothill is concerned it is being singled out and is being treated differently.

The interesting portion of all of this is that the cost to Metropolitan is negligible as it is spread out amongst its agencies whereas for Foothill it is a large cost. The cost for power is less than 50 cents per acre-foot for Metropolitan - when Foothill's demands are high. The facilities have been maintained well over the years and the cost of rehabilitating a booster when it is needed is well within Metropolitan's GM's authority.

Proposition 26 amended the California Constitution to clarify that a charge is not considered a tax if it is imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product. (Cal. Const., art. XIII C, § 1(e); see *Great Oaks Water Co. v. Santa Clara Valley Water Dist.* (2025) 110 Cal. App. 5th 260, 281-82.)

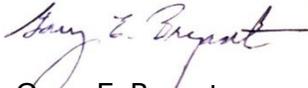
Foothill has expended costs for constructing portions of the connection to the Upper Feeder and continues to expend costs for the pump station, pipelines, and facilities related to the Upper Feeder connection. By contrast, most of the agencies annexed by Metropolitan received partial or full contributions toward the cost of constructing similar facilities. In other words, Foothill continues to pay the same rate as these agencies, without having received the same or similar benefits from Metropolitan's investments. Based on this discrepancy, it is clear Foothill's current rate exceeds the reasonable cost of Metropolitan's services and Foothill is essentially subsidizing the other agencies' fees because it should be paying less by virtue of the delivery system which is paid by Foothill itself. Thus, continuing to impose these rates is an unconstitutional levy of taxes requiring voter approval.

In conclusion, we are seeking reimbursement from Metropolitan for the costs of maintaining and operating the facilities to our District boundaries. At our meeting, it was agreed that staff would be assigned to write a letter to the Board explaining the situation and making a recommendation for action. Foothill also asked that this issue be brought to the Board for discussion and action before the end of the year and we look forward to the discussion at the Metropolitan Committee and Board

meetings. Again, thank you for meeting with us and allowing Foothill to explain its reasons that reimbursement of costs for the pump station and pipelines to Foothill's boundaries should occur.

If you would like to discuss this issue further, please let me know.

Regards,

A handwritten signature in cursive script, appearing to read "Garry E. Bryant".

Garry E. Bryant
Foothill MWD Representative

Cc: Marcia Scully
Cathy Stites
Keith Lemieux
Nina Jazmadarian

Attachment A



FOOTHILL MUNICIPAL WATER DISTRICT

ALTADENA • La CAÑADA FLINTRIDGE • La CRESCENTA

March 21, 2024

Adán Ortega
Chairman of the Board
Metropolitan Water District of Southern
California
700 S. Alameda Ave.
Los Angeles, CA

Re: Foothill Municipal Water District

Dear Adán:

I am writing on behalf of Foothill Municipal Water District ("Foothill") to request that Metropolitan Water District of Southern California ("Metropolitan" or "Met") consider taking over the operation/ownership of certain pipelines and a pump station discussed in the attached License Agreement between Pasadena and Foothill. This request is grounded in the principle that all Met member agencies should shoulder the same burdens, and enjoy the same benefits, as other member agencies.

Foothill joined Metropolitan in 1952. On Nov. 18, 1952, Met passed Resolution No. 4164 agreeing to annexation of Foothill. Foothill voted to approve annexation to Met on Dec. 22, 1952. Thereafter, on Nov. 10, 1953, the Met Board authorized the construction of a connection to the Upper Feeder for Foothill at Foothill's expense.

On June 5, 1954 Foothill requested Met cover certain costs related to the connection to the Upper Feeder. On June 28, 1954, the Met Board authorized construction of the Foothill connection on the basis that Met would pay the cost estimated at \$21,000, which turned out to be only \$15,400. After the annexation of Foothill, water was sold to Foothill and transported by the City of Pasadena until Foothill's facilities were constructed and ready for use in 1955.

Pursuant to License Agreement No. 4326 between Pasadena and Foothill dated May 10, 1954, ("License Agreement") Foothill pays an annual license fee of approximately \$3,600 to Pasadena and has the right to access, operate and maintain the pump station, pipelines and facilities related to Foothill's Upper Feeder connection. The License Agreement can be transferred with Pasadena's written consent.

01350.0001/062679.2

Southern California

March 20, 2024

Page 2

A. Metropolitan's Policies and Practices at the Time of Foothill's Annexation Warranted Met Take Over Operation of the Subject Facilities, But Met Did Not Do So

1. Met's Policies At the Time of Foothill's Annexation

Metropolitan's Statement of Policy dated Jan. 9, 1931 stated, "The consent of the Board to such municipalities or areas becoming a part of the District and receiving water from the aqueduct system will be decided on the basis of mutual advantage, and the terms and conditions of joining will be determined on the merits of each application." It also stated:

"The Metropolitan Water District will deliver water, either directly or indirectly, through a system provided by the District, to each of the eleven original member cities, and to those cities whose application for admission prior to March 1, 1931, have been approved, at or near the boundary of each, this point of delivery to be determined by considerations of economy and convenience with respect to the general engineering plans adopted by the District, and to such other points as the Directors may determine. Particular consideration shall be given to designing the feeder system so that areas of large potential consumption may be adequately served. . . . The delivery of water to areas within the District will be so conducted, organized and controlled that the District may retain its right to recover water originating in its system which may reach and replenish underground basins."

At the time of Foothill's annexation in January of 1953, Met was also operating pursuant to a policy articulated in a letter dated July 6, 1949 by Franklin Thomas, Chair of the Water Problems and Public Relations Committee, which stated:

"Consideration was given to the matter of expenditures for the purpose of construction of works necessary to accomplish delivery of water to annexing areas, but it was concluded that, because of the fact that each area presents a different geographical and physical problem, no rigid policy should be expressed, and that each situation should be examined on its merits."

Met previously acknowledged this policy was in effect when Foothill was annexed to Met in January 1953.

2. In Annexations Prior to July 14, 1953, Met Contributed Toward or Paid the Entire Cost of Needed Facilities in Every Instance -- Except Foothill's Annexation

Prior to July 14, 1953, Met built connecting pipelines, at Met expense, to the boundaries/borders of annexing areas, such as Coastal, San Diego, West Basin, Pomona, Eastern, Chino Basin, and Orange County municipal districts. Met contributed toward or paid the entire cost of needed facilities in every instance except Foothill's. Met paid less in costs and/or back taxes for Foothill,

Southern California

March 20, 2024

Page 3

Eastern, and Coastal Municipal than it did for other areas. In fact, Met even indicated its willingness to pay millions for a proposed San Bernardino annexation that was not approved by voters.

Thus, on March 15, 1959, Foothill wrote to the GM of Met requesting Foothill be reimbursed by Met for the cost of a small portion of the pipeline connecting facilities of Foothill with the Upper Feeder of Met, which facilities were entirely within the City of Pasadena and outside Foothill territory. The letter states the line had been under Met control, with metering facilities accessible to Met, but not Foothill. Foothill serves its retail agencies through this one single connection to the Upper Feeder¹.

3. Foothill Has Been Treated Differently Than Other Agencies for Whom Met Invested in Infrastructure.

Met's GM and Chief Engineer wrote to Metropolitan's Board on April 9, 1959, responding to Foothill's March 15, 1959 letter and request for a reimbursement in the amount of \$149,940.35. Met's April 9, 1959 letter discusses the other agencies for whom Met invested in infrastructure, some of which is paraphrased/summarized below and denies Foothill's request.

- Met states the first annexations to the original 11 cities were Compton, Fullerton, Long Beach and Torrance in 1931. They were required to pay their back taxes in cash with 3% interest. Facilities were provided by Met to deliver water a short distance inside the boundary of each city.
- In 1942, Coastal Municipal² annexed. The agency was permitted to pay back taxes over 20 years without interest but with interest from the due date of each original tax payment to the date of annexation with 4% interest. A 12.6 mile pipeline was built at Met expense extending the Orange County feeder from Santa Ana to Corona del Mar.
 - Over the following 7 years, 5 areas annexed to Coastal with 30 years to pay back taxes for the 3 areas that annexed after 1946.
- San Diego County Water Authority ("SD") was annexed in 1946. SD was granted a 30-year repayment period without interest after annexation but with 4% interest on tax payments due prior to annexation. SD's Colorado River rights were merged into Met's, and Met agreed to pay for and operate the northerly one half of the SD aqueduct. Met agreed to enlarge or parallel the northerly half of this aqueduct when necessary to satisfy the Authority's requirements for water.

¹ Foothill now has access to the facilities.

² Now part of Municipal Water District of Orange County

Southern California

March 20, 2024

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- In 1948, West Basin was annexed. Met agreed to construct a feeder line extending from the Palos Verdes Feeder to Aviation Blvd and to provide 5 turn outs on this feeder and 5 additional turn outs on other Met feeder lines. Its interest rate and number of years of repayment were the same as SD's. This was the last annexation that did not require payment of interest on the unpaid balance of deferred annexation charges.
- On July 8, 1949, the Board of Met started requiring the payment of interest at 3 percent on unpaid balance of deferred annexation charges for new annexations. Thus, Pomona Valley, Eastern, Chino Basin, OC, Foothill, Central Basin and Western paid the 3 percent interest rate on deferred annexation charges. Pomona annexed in 1950. Eastern, Chino Basin, OC annexed in 1951. Foothill annexed in 1953, and Central Basin and Western Riverside annexed in 1954. In 1954, the interest rate was increased from 3 to 4 percent.
- When the original Pomona District³ annexed in 1950, Met made the sum of \$275,000.00 available for a service connection and other facilities for the delivery of Colorado River Water.
- Met states that when Eastern annexed in 1951, Met provided one service connection at Met's expense, made the sum of \$325,00.00 available for other facilities for delivery of Colorado River water and agreed to transport local water collected in the San Jacinto tunnel to points of delivery within Eastern without charge.
- When Chino Basin⁴ joined in 1951, Met made \$360,000.00 available for service connections and other works for delivery and distribution of Colorado River water.
- When the original OC Muni Water District⁵ annexed in 1951, Met provided facilities and service connections to allow Colorado River water to be delivered into the Santiago Reservoir, into existing canals on the north and south side of the Santa Ana River, and into the Santa Ana River bed.
- When Western joined in 1954, Met agreed it would construct, at its expense, portions of 7 service connections, including turnout valve structures, shut-off valves, and appurtenances at each connection.

Thereafter, on May 5, 1959, Foothill wrote back to Met pointing out that there was no Met policy in place stating that Met could only annex "large, basin-wide areas," which Met's letter had alleged. Foothill also pointed out that Met had control of the vault to which Foothill had no

³ Now Three Valleys Municipal Water District

⁴ Now Inland Empire Utilities Agency

⁵ Meaning Municipal Water District of Orange County

Southern California

March 20, 2024

Page 5

access, so Met had already obligated itself with respect to the pipeline. Foothill also listed all of the areas served by the line, which included Crescenta Valley.

B. Met's "Come-and-Get-It" Resolution Post-dates Foothill's Annexation, and is Inapplicable to It.

After Foothill's annexation, on July 14, 1953, Met adopted Resolution No. 4249, the so-called "come and get it," resolution which states in part:

"BE IT RESOLVED, by the Board of Directors of the [Met] District, that it be declared to be the intent of this Board that all future annexations to the [Met] District be based on the principle that this District [Met] District shall not be obligated to provide additional works or facilities, necessitated by such future annexations, for the delivery of water from works owned and operated by the District."

The "come and get it" resolution is not applicable to Foothill's annexation since the resolution post-dates Foothill's annexation.

By contrast, the Policy enacted a few months before Foothill's annexation gave Met discretion to fashion terms for annexation and stated: "[E]ach area presents a different geographical and physical problem, no rigid policy should be expressed, and that each situation should be examined on its merits." The Policy prior to that time, the Jan. 9, 1931 policy states "The consent of the Board to such municipalities or areas becoming a part of the District and receiving water from the aqueduct system will be decided on the basis of mutual advantage, and the terms and conditions of joining will be determined on the merits of each application."

Moreover, on Feb. 19, 1969, Las Virgenes Municipal Water District ("LV") and Calleguas transferred to Met the Calleguas feeder or conduit, through which LV and Calleguas had been receiving Met water. The Agreement stated that Met would pay them \$5,375,000 on July 1, 1971 for the Calleguas conduit. Some of that funding was to be used to remove certain surge relief facilities and pumping plant facilities.

As demonstrated above, Met's refusal to assist Foothill with its Upper Feeder connection facilities was contrary to then current Met policy, and inconsistent with subsequent practice by Met in very similar circumstances. Currently, there is no specific mandate or practice that prohibits Met from owning/operating the subject facilities. Foothill has been treated inequitably but believes Met can correct this.

C. Foothill and Pasadena License Agreement of 1954 Can Be Transferred to Met Upon Pasadena's Written Consent.

Southern California

March 20, 2024

Page 6

Foothill seeks to transfer or assign assets that include the transmission lines and pump station identified in the License Agreement, along with the right to use the right of way described in the License Agreement, since the transmission lines and pump station are permanent fixtures in the right of way. We believe Pasadena would consent in writing to an assignment and/or transfer of the License/right of way.

D. Foothill is Paying Through Rates for Others' Feeders But Foothill is Covering the Costs of Its Own Feeder

Foothill is receiving lesser service for the same rates because other agencies are paying the same rates, yet they do not have the additional costs that Foothill has in operating the facilities at issue. (See Cal. Const. Art. XIII C Sec. 1(e)(2.)) In the event Metropolitan is unwilling to take the facilities at issue, Foothill requests an adjustment to its rates or reimbursement of costs in the future.

In conclusion, we believe Met had an obligation to take the lines and pump station, or at the very least, should do so now in order to treat Foothill equitably and as other member agencies have been treated. We would like to transfer these facilities at no remuneration from Metropolitan except for the payment of two small connections at or near the boundaries of the District. I look forward to speaking with you about the foregoing at a time of your convenience. Thank you for your time and consideration.

Very truly yours,



Richard Atwater
FMWD Board President

cc: Metropolitan Board of Directors
FMWD Board of Directors
Adel Hagekhalil
Nina Jazmadarian
FMWD Retail Agencies



FOOTHILL MUNICIPAL WATER DISTRICT

Altadena - La Cañada Flintridge - La Crescenta

April 1, 2024

Adán Ortega, Board Chair
Metropolitan Water District of Southern California
P.O. Box 54153
Los Angeles, CA 90054-0153

Re: Foothill Municipal Water District ("Foothill") Upper Feeder

Dear Adan,

Thank you for your email of April 1, 2024 acknowledging receipt of Foothill's request that Metropolitan take ownership and assume operational costs of pipelines related to Foothill's Upper Feeder connection. Attached to this email is the License Agreement between Foothill and City of Pasadena referenced in my prior letter. I look forward to working with you and Metropolitan staff on this important matter.

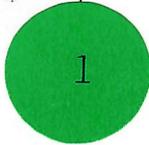
General Manager Jazmadarian has extended an invitation to General Manager Hagekhalil for a tour of the subject facilities. I am happy to extend that invitation to you as well.

Please let me know what information Foothill can provide to expedite consideration of this matter. I will direct General Manager Jazmadarian to provide that information to the appropriate person.

Regards,

Richard Atwater
FMWD Board President

cc: Adel Hagekhalil
FMWD Board of Directors



NO. 4326

LICENSE AGREEMENT

THIS AGREEMENT, entered into this 10th day of May, 1954, by and between the CITY OF PASADENA, a municipal corporation, hereinafter referred to as "Licensor" and FOOTHILL MUNICIPAL WATER DISTRICT, hereinafter referred to as "Licensee",

W I T N E S S E T H :

WHEREAS, the Licensee is desirous of constructing, maintaining and operating water transmission mains in streets and rights-of-way of the City of Pasadena; and

WHEREAS, Licensee is desirous of installing and maintaining a pumping station in the City of Pasadena; and

WHEREAS, Licensor is desirous of granting a license to conduct such operations;

NOW, THEREFORE, in consideration of their mutual covenants, the parties hereto agree as follows:

A. TRANSMISSION LINES. Licensee is hereby given permission to construct, maintain and operate water transmission mains in streets and rights-of-way in the City of Pasadena in accordance with "SPECIFICATION NO. 1 of the FOOTHILL MUNICIPAL WATER DISTRICT" parts I and II (as corrected or amended by this agreement) said specifications being filed as document SS-241 parts I and II in the office of the City Engineer and Superintendent of Streets of the City of Pasadena and in accordance with "Map of FOOTHILL MUNICIPAL WATER DISTRICT RIGHT OF WAY , Exhibits 1, 2 and 3" - consisting of three sheets filed as Drawing number BB-1299 sheets 1, 2 and 3 in the office of said City Engineer and Superintendent

} 3 large sheets in file

of Streets. Said License is granted upon the following conditions which shall be considered acceptable to Licensee by the acceptance of this License, and in consideration of the rights granted hereunder, Licensee agrees as follows:

1. The width of the right-of-way where not in a public street shall be 10 feet, the center line of which will be the center line of said pipe line as shown on said plans, except that during construction an additional width of 20 feet will be granted for the purpose of a spoil bank, storage of materials, and use of equipment.

2. Licensee or his contractor shall place on deposit, prior to the commencing of any of the work, the cost of inspection and any chargeable cost as set forth in Ordinance No. 3387.

3. Licensee shall file with the City Clerk of the City of Pasadena, a Bond in the amount of \$15,000.00 guaranteeing for a period of two years that the pavement on all paved public streets and roadways shall be rehabilitated to the satisfaction of the City Engineer and Superintendent of Streets of said City. If in the opinion of said City Engineer and Superintendent of Streets, any of said streets or roadways shall require resurfacing, Licensee shall bear the cost thereof.

4. In cutting the surface of any street, or before any portion thereof shall be resurfaced, it is mandatory that said cutting be done in straight lines parallel with the pipe center line.

5. Licensee shall be responsible for any and all pipe lines, service laterals and other substructures and liability is not limited to those which have been marked by Licensor.

6. Specifications No. SS-241, Part I, shall be amended as follows:

(a) Section 61.01 (f). Contractor shall provide suitable bridges across all roadway intersections during any event in the Rose Bowl or during week ends. The Contractor shall be responsible for keeping himself informed as to the dates of any such events.

(b) Section 61.01 (f). Not more than 400 linear feet of excavation shall be left unfilled in one continuous section at any time.

(c) Section 61.03 (c). Trench backfill, in all public streets and roadways within the City of Pasadena shall comply with the same requirements as Section 61.03 (b) for backfill in State Highways; Provided however, that in locations where suitable backfill material is available the Contractor may, with the specific approval of the City Engineer and Superintendent of Streets, use the alternative method of flooding in not to exceed four foot thick layers and in any event the Contractor shall at his own expense furnish the City with the certification of a recognized soils testing engineer or laboratory that the requirement of ninety percent (90%) relative density has been met.

(d) Specifications No. SS-241, Part II shall be amended by the substitution of revised sheets A-4, B-1, B-3, B-4, B-7 and C-1 showing certain additional locations of water mains and changes of grade in the proposed transmission pipe line.

7. The rights and privileges herein granted as to the use of streets and rights-of-way are upon the express condition that Licenses, as compensation for the use of said streets and rights-of-way of the City of Pasadena, shall

pay annually to Licensor in lawful money of the United States the sum of Two Thousand Ninety-Three Dollars (\$2,093.00), payable in advance.

8. That portion of the Golf Course which is disturbed by the installation of said pipe line shall be leveled and reseeded by Licensee. This leveling and reseeded shall be done to the satisfaction of the Superintendent of Parks of the City of Pasadena. Any damage caused to the sprinkling system or underground pipes shall be repaired at the expense of Licensee.

9. Should it become necessary after the pipe line has been installed and accepted by Licensee, to make alterations and repairs or inspections to said pipe line, Licensee agrees to conform to Ordinance No. 3387 and any other ordinances of the City of Pasadena which might pertain to this work.

10. (a) In granting this License (without admitting or recognizing in any way that it is not already vested with the powers hereinafter reserved) Licensor hereby expressly reserves:

(1) The right to grade, widen, relocate, sewer, pave, macadamize, lay conduits, water, gas or other pipe, install manholes, poles or other structures therein, or to alter, repair or otherwise provide for the making of local improvements in the streets of the City and any pipe lines, valves, gates, structures or any other appurtenance whatsoever of the Licensee which may interfere with any of such work shall be removed or relocated by said Licensee at its own expense;

(2) The right to make and enforce all such local police, sanitary or other regulations by ordinance in the

exercise of its police power;

(3) The right to make and provide for the making of local improvements by special assessment.

The enumeration herein of specific rights reserved shall not be taken as exclusive, or as limiting the general reservations herein made.

(b) Nothing in this License contained shall ever be construed or taken to exempt, or as a contract right exempting the Licensee from complying with any ordinances now in force, or which may hereafter be adopted.

B. PUMPING STATION. Licensee hereby is given permission to use certain land of the City of Pasadena for the purpose of installing and maintaining a pumping plant; said land is described as follows as per Plot Plan BB-1299 A:

That portion of the Rancho San Pascual, in the City of Pasadena, County of Los Angeles, State of California, described as follows:

Beginning at a point in the southwesterly line of Lot 3 of Tract No. 10045, as per map recorded in Book 148, pages 48 and 49 of Maps, in the office of the County Recorder of said County that is distant South $40^{\circ}22'14''$ East 37.77 feet from the angle point in the southwesterly line of said Lot 3; thence South $45^{\circ}01'56''$ West 75.60 feet; thence North $64^{\circ}24'14''$ West 99.56 feet; thence South $24^{\circ}40'54''$ East 121.03 feet to the Northerly line of the North Pasadena Tract, as per map recorded in Book 37, page 42 of Miscellaneous Records, in the office of said County Recorder; thence along said northerly line South $73^{\circ}19'36''$ West 37.00 feet; thence north $72^{\circ}40'24''$ West 42.50 feet to the beginning of a tangent curve concave northeasterly and having a radius of 126.32 feet; thence northwesterly along said curve 105.81 feet; thence tangent to said curve North $24^{\circ}40'54''$ West 164.30 feet to the beginning of a tangent curve concave to the southwest, and having a radius of 1030.00 feet; thence northwesterly along said curve 36.00 feet; thence North $65^{\circ}19'06''$ East 110.63 feet; thence South $24^{\circ}40'54''$ East 159.77 feet; thence South $64^{\circ}24'14''$ East 114.44 feet; thence North $45^{\circ}01'56''$ East 56.78 feet to a point in said southwesterly line of

Lot 3 of Tract No. 10045; thence along said southwesterly line South 40°22'14" East 30.10 feet to the point of beginning.

The use of said land is subject to the following conditions:

1. That any building or buildings which are to be constructed on the land last described above shall generally conform to the architecture of the Municipal Golf Clubhouse buildings at the Brookside Golf Course, and all plans and specifications for any installations on this land shall be approved by the Board of Directors of the City of Pasadena, and said installations shall conform to the building, Electrical and Plumbing Codes of the City of Pasadena.

2. Landscaping in and about the pumping station on the above described land shall be planted and properly maintained in accordance with directions from the Superintendent of Parks.

3. The rights and privileges herein granted for the construction and maintenance of a Pumping Station are upon the express condition that Licensee, as compensation for the use of said land of the City of Pasadena, shall pay annually to Licensor in lawful money of the United States the sum of One Thousand Five Hundred Dollars (\$1,500.00) payable in advance.

C. GENERAL REGULATIONS.

1. Licensee, its successors and assigns, shall save harmless and indemnify Licensor, its successors and assigns, from and against all claims, demands, loss, damage or liability arising or growing out of loss of or damage to property, injury to or death of persons resulting in any manner whatsoever, directly or indirectly, by reason of the use or occupancy of said streets, rights-of-way or real

License Agent #4326

property of the City for any purpose whatsoever by reason of the right, license or privilege herein granted.

Concurrently with the execution of this License, Licensee shall furnish to City satisfactory evidence of an insurance policy written by a company which meets with the approval of City, insuring Licensee against loss or liability which may arise during the performance of or which may result from any of the work herein required to be done by Licensee including all costs of defending any claim arising as a result thereof.

Such policy shall be in an amount of at least \$50,000 for the death of or injury to any person in any one accident, \$100,000 for the death of or injury to more than one person in any one accident and \$25,000 for property damage in any one accident.

This policy shall name the City as the assured or one of the assureds, and shall not be cancellable unless Licensor shall have been given ten (10) days' notice in writing of such cancellation. Said policy shall be maintained in full force and effect until the termination of this License.

2. This license shall be for an indefinite and indeterminate term. If Licensee should breach and fail, refuse or neglect to comply with any of the conditions of this license, or of any of the terms or conditions of any ordinance of the City of Pasadena, the City Manager shall give written notice thereof to the Board of Directors of Licensee, stating the number, nature and character of said breach and demanding said breach be remedied within thirty (30) days from the mailing of said notice. If Licensee fails, neglects or refuses to comply with said notice within said period, Licensor may

cause such breach to be rectified and charge Licensee therefor. In the event Licensee disagrees as to said breach or the costs involved, Licensee may file an appeal with the Board of Directors of Licensor within twenty-one (21) days from the receipt of the notice or invoice, in which case the decision of said Board shall be final. No provision herein made for the purpose of securing the enforcement of the terms and conditions of this license shall be deemed an exclusive remedy or to afford the exclusive procedure for the enforcement of said terms and conditions, but the remedies and procedure outlined herein or provided, shall be deemed to be cumulative.

3. Licensee shall not assign or transfer this License or any right or privilege hereunder without first securing the written consent of Licensor thereto.

IN WITNESS WHEREOF, said Licensor and Licensee have caused this instrument to be executed the day and year first above written.

CITY OF PASADENA

By *Clarence A. Alvarado*
Chairman of the Board of Directors
of the City of Pasadena

ATTEST:

LICENSOR

Donald B. Trammell
City Clerk

FOOTHILL MUNICIPAL WATER DISTRICT

By *[Signature]*

By *[Signature]*

LICENSEE

APPROVED AS TO FORM:

FRANK L. KOSTLAN, City Attorney

BY *[Signature]*
Senior Deputy City Attorney

DATE *April 20* 19*54*

[Signature] 5/4/54
P. M. [Signature]

Checked: *[Signature]*

Approved: *Clarence A. Alvarado*
Chief Engr. & Gen'l Mgr. Water Dept. 4/20/54

-8-

Approved
Douglas C. Mackenzie
City Engineer & Superintendent of Streets
April 20, 1954

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

On this 4th day of May, 1954, before me, the undersigned, a Notary Public in and for said County, personally appeared CLARENCE A. WINDER, known to me to be the --- Chairman of the Board of Directors of the City of Pasadena, the municipal corporation that executed the within instrument, and acknowledged to me that such municipal corporation executed the same.

Clara Belle MacLellan
Notary Public in and for said
County and State
Clara Belle MacLellan, Notary Public
In and for the County of Los Angeles, State of California
MY COMMISSION EXPIRES MAY 5, 1954

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

On this 10th day of May, 1954, before me, the undersigned, a Notary Public in and for said County, personally appeared Jos. H. Tumbach, and E. D. Richards, known to me to be the President and Secretary, respectively, of the Foothill Municipal Water District, the municipal corporation that executed the within instrument and acknowledged to me that such municipal corporation executed the same.

Mary E. Brown
Notary Public in and for said
County and State
My Commission Expires June 10, 1954

M O T I O N No. 17078 - May 4, 1954

Moved by Director A RAY BENEDICT

That the license agreement presented herewith, a copy of which is attached hereto, whereby the City of Pasadena grants to the Foothill Municipal Water District a license and permit to construct, maintain and operate water transmission mains in streets and rights-of-way in the City of Pasadena and to install and maintain a pumping plant on land owned by the City of Pasadena, be and the same hereby is approved and the Chairman of the Board of Directors is authorized and directed to execute said license agreement in duplicate and the City Clerk is directed to attest his signature and to deliver said license agreement in duplicate to the City Attorney for transmittal to said district.

Motion duly seconded and carried by the following

vote:

- Ayes: Directors Benedict, Brenner, Dorn, Miller, Winder, Woods
- Noes: None
- Absent: Director Abernethy

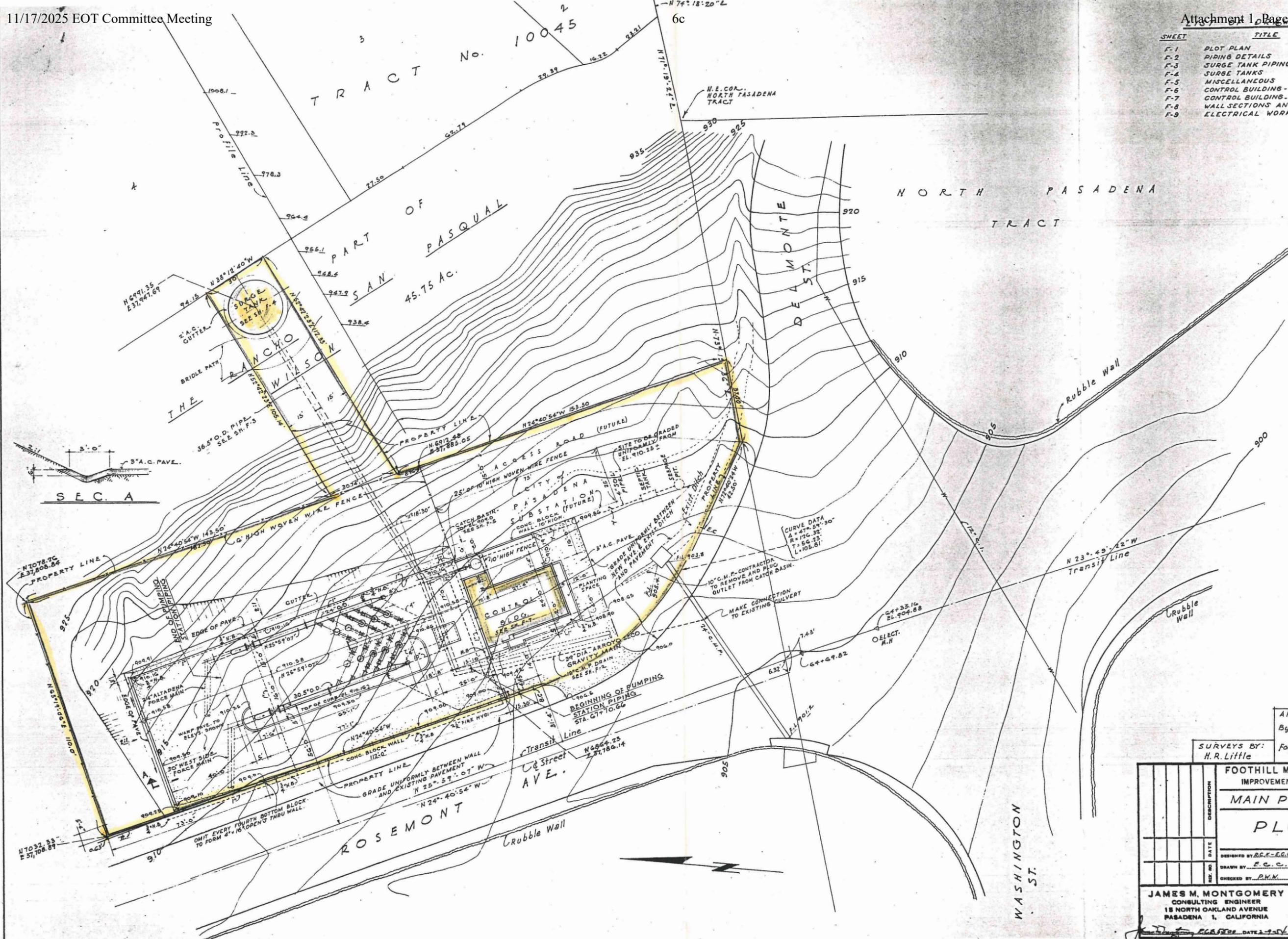
I hereby certify that the foregoing document is a full, true and correct copy of Motion # 17078 on file in the office of the City Clerk of the City of Pasadena.

Clara B. MacLellan

City Clerk

BY *J. L. Schuyler* DEPUTY

SHEET	TITLE
F-1	PLOT PLAN
F-2	PIPING DETAILS
F-3	SURGE TANK PIPING
F-4	SURGE TANKS
F-5	MISCELLANEOUS
F-6	CONTROL BUILDING - ARCHITECTURAL DETAILS
F-7	CONTROL BUILDING - STRUCTURAL DETAILS
F-8	WALL SECTIONS AND GATE DETAILS
F-9	ELECTRICAL WORK



APPROVED
 By *H.R. Little* Date 2/13/67
 Secretary
 Foothill Municipal Water District

SURVEYS BY:
 H.R. Little

FOOTHILL MUNICIPAL WATER DISTRICT
 IMPROVEMENT DISTRICTS No. 1 TO No. 4
MAIN PUMPING STATION
PLOT PLAN

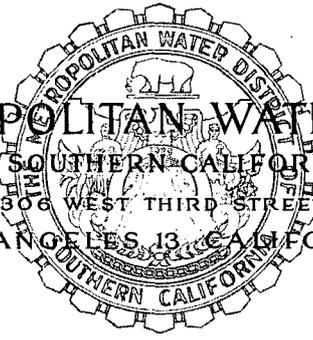
DESIGNED BY <i>B.C.C.-R.C.P.</i>	SCALES:	SHEET F-1
DRAWN BY <i>F.C.C.</i>	1" = 20'	OF 9 SHEETS
CHECKED BY <i>P.M.V.</i>		

JAMES M. MONTGOMERY CONSULTING ENGINEER 18 NORTH OAKLAND AVENUE PASADENA 1, CALIFORNIA	A. L. SONDEREGGER CONSULTING ENGINEER 448 SOUTH HILL STREET LOS ANGELES 13, CALIFORNIA
--	--

Attachment B

19548 ✓
File 19511 ✓
19548 ✓

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA
306 WEST THIRD STREET
LOS ANGELES 13, CALIFORNIA



OFFICE OF
GENERAL MANAGER AND CHIEF ENGINEER

APR 9 1959

FILED by order
of the Board of Directors of
The Metropolitan Water District
of Southern California
at its meeting held 3-12-59
D. L. Gram
Executive Secretary

Board of Directors
The Metropolitan Water District
of Southern California
B u i l d i n g

Gentlemen:

A letter dated March 15, 1959, addressed to me and signed Jos. H. Tumbach, President, has been received from Foothill Municipal Water District requesting that Foothill District be reimbursed in the amount of \$149,940.35 for the cost of a portion of the pipe line connecting facilities of Foothill District with the Upper feeder of Metropolitan District, in consideration of which Foothill District would convey to Metropolitan District title to this portion of the pipe line. The letter, a copy of which is attached, was handed to me by Director Hayward on March 24, 1959. I understand that copies of this letter have also been mailed to all Water Problems Committee members.

The portion of Foothill's system for which reimbursement is requested consists of 6759 feet of 39 and 36-inch diameter steel cylinder concrete pipe extending from a connection with Metropolitan District's Upper feeder, south of the Rose Bowl in the Arroyo Seco, northerly about 1.3 miles to a main pumping plant that supplies two delivery lines. One of the last two lines runs northeasterly to the Altadena area north of Pasadena, and the other northwesterly to the La Canada-La Crescenta area north of Glendale. The letter invites attention to the fact that the northerly end of the portion of line for which reimbursement is requested is still a considerable distance from Foothill District's boundary line.

The most important reasons presented for requesting the repayment of the \$149,940.35 are as follows:

1. Foothill District was not treated the same as other annexing areas with regard to delivery being made to the boundary of the area.



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2. Metropolitan District agreed to pay one-third of the cost, some five and one-half million dollars, of the pipe line that would have been needed to carry water to the San Bernardino area if its annexation election had carried.
3. Metropolitan District is subsidizing the spreading of water in Los Angeles and Orange Counties both in regard to the construction of pipe lines and the price charged for water, and Foothill is contributing its share to this program.
4. Foothill will help pay for the Second San Diego Aqueduct extending nearly six miles into the area of the San Diego County Water Authority.
5. The sum of money requested is less than one annual installment payment on Foothill's annexation charge.
6. Fairness and equity warrant the granting of the request.

To review the history of this annexation, inquiries regarding the foothill areas becoming a part of Metropolitan District date back to August 1930 when a letter was received from the La Canada Valley Chamber of Commerce. In 1932, Metropolitan District made a rather comprehensive report at the request of Mr. E. C. Gates, Secretary of the La Canada Irrigation District, on the feasibility of serving the area with Colorado River water. These inquiries stemmed from the knowledge that the foothill areas had a very limited natural water supply. Additional studies and reports were made from time to time in response to repeated inquiries, but no progress toward annexation was made because of the high cost of the facilities that would be required to serve the area. It was for this reason that the Board of Directors, on November 14, 1947, concluded that the La Canada-La Crescenta Valley area did not represent a desirable unit for direct annexation to Metropolitan District. It was the belief of the Staff and Board at that time that the interests of all parties concerned would probably be best served if the foothill areas annexed to the Cities of Pasadena, Glendale and Los Angeles. However, an election held on December 6, 1949, to annex the La Crescenta area to the City of Glendale, failed.

In November 1949 and January 1950, letters were received from Mr. J. H. Tumbach, Chairman for the Altadena-La Canada Water Group, regarding an enlarged annexation area. In recommending to the Board that favorable consideration be given to an annexation

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area, substantially the same as the present Foothill Municipal Water District, General Manager and Chief Engineer Julian Hinds stated in letter of March 10, 1950:

"An important element in past recommendations, that these areas be annexed to adjacent cities rather than directly to the Metropolitan Water District, is the cost of facilities required to supply them independently. Representatives of the areas are now fully aware of this difficulty, and know that they cannot expect the required facilities to be furnished, by the District. All present inquiries are based upon the understanding that the annexing areas must come to existing lines and do all booster pumping."

Prior to the formation of the Foothill Municipal Water District, the annexation area was fully aware of the above requirement as evidenced by the following statements which appeared in a brochure prepared under the direction of the Foothill Water Group in advance of the election date (December 18, 1951) to form a municipal water district:

1. "The take-off for the Foothill Water District will be from the main conduit where 509 cfs of water is available."
2. "A complete report has been made and revised as of July, this year (of plans for importing Colorado River water), so that all costs have been brought up to date. It contains everything from route, to size of pipe, pumps, valves, storage facilities, to operating costs after the system is completed."

The above-mentioned report included the costs of all works beginning at Metropolitan District's Upper feeder, and prorated the costs to various areas within the proposed Foothill District.

The Board of Directors, at its meeting on November 18, 1952, adopted Resolution 4164, copy of which is attached, granting formal consent to the annexation of Foothill Municipal Water District. One of the conditions specified in the Resolution was as follows:

"In the event of such annexation, all feeder pipe lines, structures, connections, and other facilities required for the area of Foothill, from works owned and operated by Metropolitan, shall be constructed, provided, and installed without cost or expense to Metropolitan, and Metropolitan shall be under no obligation to provide, construct, operate, or maintain such works."

-4-

The Foothill District voted favorably on annexation to Metropolitan District on December 22, 1952, subject to the terms and conditions imposed by Metropolitan District including the requirement that it provide all necessary facilities for obtaining water from Metropolitan's Upper feeder.

On November 10, 1953, the Board of Directors authorized the construction of a connection to the Upper feeder for Foothill District, at Foothill District's expense.

Under date of June 5, 1954, Mr. J. H. Tumbach, President, Foothill Municipal Water District, addressed a letter to the General Manager and Chief Engineer requesting that Metropolitan District consider assuming the cost of the service connection. The letter is quoted in part as follows:

"In the preliminary discussions of the project with your esteemed predecessor as General Manager & Chief Engineer, Mr. Julian Hinds, we understood our District would have to meet the major costs of works necessary to bring water to our territory; but it was thought Metropolitan would meet the cost of the items in question, which was the custom at that time."

"The writer assumes personal responsibility for failure to raise the question at the time of our annexation, confessing frankly that attaining the goal, annexation, over-shadowed all minor details."

"If you, as General Manager and Chief Engineer, do not consider such a request of your Board proper and in order we will drop it."

On June 28, 1954, the Board, on the recommendation of the Water Problems Committee, authorized construction of the connection on the basis that Metropolitan District would pay the cost, estimated at \$21,000. The recommendation was endorsed by the General Manager and Chief Engineer. The actual cost of the connection when completed was \$15,400.

Foothill District was short of water, and was glad to annex to Metropolitan Water District under the terms of annexation prescribed in Resolution 4164. In order to help overcome the local water shortage, Metropolitan District sold water in 1951, 1952, and 1953 to six water distributing companies operating within Foothill District. This water was transported by the City of Pasadena through its pipe lines. After the annexation of Foothill District, water was sold to that agency and transported by the City of Pasadena until Foothill's facilities were constructed and ready for use in 1955.

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It is my opinion that Foothill District received preferred treatment when it was permitted to annex directly to Metropolitan District, with representation on Metropolitan's Board of Directors, at a time when the policy was to admit only large basin-wide areas. No area of comparable size and valuation has been permitted to annex directly to Metropolitan District since Foothill District was annexed. At the time Central Basin District was being formed, the City of Vernon, with assessed valuation double that of Foothill District, was denied a request to annex directly to Metropolitan District. The Culver City-County Territory annexation to West Basin District also had double the assessed valuation of Foothill District. Neither of these areas was provided with additional facilities at Metropolitan District's expense.

Had not Metropolitan District relented in its policy, the Foothill areas would have had to annex to one or more of the adjacent Cities of Pasadena, Glendale, and Los Angeles, in order to maintain their economy, because of inadequate local water supplies. With an assured water supply, the areas have been able to maintain their individual identities rather than be forced to annex to other incorporated cities on terms which may have been very unattractive to the annexing areas.

Mr. Tumbach's letter makes particular mention of the fact that Metropolitan District does not deliver water to the boundary of Foothill District. Actually, the Upper feeder passes through the extreme easterly portion of Foothill District but Foothill did not want their connection to be made at this location. In regard to deliveries in general, Metropolitan District's January 9, 1931 Statement of Policy, copy of which is attached, specifies that: "The Metropolitan Water District will deliver water, either directly or indirectly, through a system provided by the District, to each of the eleven original member cities, and to those cities whose application for admission prior to March 1, 1931, have been approved, at or near the boundary of each,-----." With regard to other areas, the Statement of Policy reads as follows:

"Applications from municipalities, or other areas eligible for membership in the District, within the described area, will be individually considered by the Board of Directors. The consent of the Board to such municipalities or areas becoming a part of the District and receiving water from the aqueduct system will be decided on the basis of mutual advantage, and the terms and conditions of joining will be determined on the merits of each application."

By letter of July 6, 1949, copy of which is attached, the Water Problems and Public Relations Committee made a report to the Board in connection with annexation policy. The opening and closing paragraphs of this letter read as follows:

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Opening paragraph

"Your Water Problems and Public Relations Committee has given careful consideration to the problems of policy with respect to annexation of additional areas to the Metropolitan Water District and is pleased to report that a unanimous conclusion has been reached."

Closing paragraph

"Consideration was also given to the matter of expenditures for the purpose of construction of works necessary to accomplish delivery of water to annexing areas, but it was concluded that, because of the fact that each area presents a different geographical and physical problem, no rigid policy should be expressed, and that each situation should be examined on its merits."

This report of the Water Problems Committee, which proposed certain changes in the terms and conditions of annexation, was adopted by the Board on July 8, 1949, at about the time early negotiations were being carried on for the Foothill annexation.

The District's annexation terms have become progressively less liberal in recent years. The first annexations to the original 11 cities were the Cities of Compton, Fullerton, Long Beach, and Torrance, in 1931. They were required to pay their back taxes in cash with a 3 percent interest factor. Facilities were provided to deliver water a short distance inside the boundary of each city.

There were no further annexations until the original Coastal Municipal Water District annexed 11 years later, in 1942. This agency was permitted to pay its back taxes over a period of 20 years without interest on the unpaid balance, but with interest from the due date of each original tax payment to the date of annexation with a 4 percent interest factor. In order to serve the newly created agency a pipe line 12.6 miles long was constructed at Metropolitan's expense extending the Orange County feeder southerly from Santa Ana to the Coast Highway near Corona del Mar. During the next 7 years, 5 additional areas annexed to Coastal District under similar financial terms, except that the number of years for paying back taxes was increased from 20 years to 30 years for the 3 areas that annexed after 1946. No additional facilities were provided by the District to serve these additional areas.

The next direct annexation to Metropolitan District was the original San Diego County Water Authority in 1946. The Authority was granted a 30-year repayment period without interest

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after annexation, but with 4 percent interest on tax payments due prior to the time of annexation. By the terms of annexation, San Diego's Colorado River water rights were merged with those of Metropolitan District, and Metropolitan District agreed to pay for and operate the northerly one-half of the San Diego Aqueduct. Metropolitan District also agreed to enlarge or parallel the northerly half of this aqueduct when necessary to satisfy the Authority's requirements for water.

Original West Basin Municipal Water District was annexed in 1948 as the nucleus of a contemplated larger unit in southwestern Los Angeles County. Its financial terms with respect to interest rate and number of years for repayment of annexation charges were the same as those for the San Diego County Water Authority. This was the last direct annexation to Metropolitan District that did not require payment of interest on the unpaid balance of deferred annexation charges. As a condition to annexation, the District agreed to construct a feeder line extending from its existing Palos Verdes feeder to Aviation Blvd., and also to provide 5 turnouts on this feeder and 5 additional turnouts on other Metropolitan District feeder lines.

On July 8, 1949 the Board of Directors adopted a new annexation policy requiring the payment of interest at 3 percent on the unpaid balance of deferred annexation charges for new annexing areas. The last seven direct annexations to Metropolitan District, Pomona Valley, Eastern, Chino Basin, Orange County, Foothill, Central Basin, and Western Municipal Water Districts, all paid this 3 percent interest rate on deferred annexation charges. Pomona District annexed in 1950; Eastern, Chino Basin, and Orange County Districts in 1951; Foothill District in 1953; and Central Basin and Western Riverside Districts in 1954.

In 1954, the Board increased the interest rate to be applied in amortizing any unpaid balance of annexation charges from 3 percent to 4 percent for new areas that had not qualified for annexation prior to March 1, 1954. Although no direct annexations to Metropolitan District have taken place requiring the 4 percent interest rate on the unpaid balance of annexation charges, 16 new areas have annexed to existing member agencies, the largest being the Culver City-County Territory annexation to West Basin District in 1955. At the time of annexation, this new area had an assessed valuation of \$153,700,000.

When original Pomona District annexed, Metropolitan District made the sum of \$275,000 available for a service connection and other facilities for the delivery of Colorado River water.

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When original Eastern District annexed, Metropolitan District provided one service connection at Metropolitan's expense, made the sum of \$325,000 available for other facilities for the delivery of Colorado River water, and agreed to transport local water collected in San Jacinto tunnel to points of delivery within Eastern District without charge. As a condition to this annexation, certain legal claims and causes of action pending against Metropolitan District were settled.

When original Chino Basin District annexed, Metropolitan District made the sum of \$360,000 available for service connections and other works for the delivery and distribution of Colorado River water.

When original Orange County Municipal Water District annexed, Metropolitan District agreed to provide works and service connections by means of which Colorado River water could be delivered into Santiago Reservoir, into existing canals on the north and south side of the Santa Ana River, into the Santa Ana River bed, at a point in the vicinity of Buena Park, and at a point in the vicinity of the intersection of Stanton Avenue and Katella Avenue. Only one service connection was provided at Metropolitan expense for the last two delivery points. In agreeing to provide these facilities, an important consideration was the fact that Orange County was a potential customer for large volumes of water from Metropolitan District. To date, more than 20 percent of all water delivered by Metropolitan has been to areas in Orange County.

As stated before, one service connection was provided for Foothill District at Metropolitan expense at the time of Foothill's annexation.

When original Central Basin District annexed, the terms and conditions of annexation specified that all service connections and required facilities for the distribution of Colorado River water be provided without cost to Metropolitan District.

In the case of original Western Municipal Water District of Riverside County, the terms and conditions of annexation provided that Metropolitan District would construct, at its expense, portions of seven service connections, the portions to include the turnout valve structures and shut-off valve and appurtenances at each connection. All other facilities, including meters, were required to be constructed without expense to Metropolitan District. Western and Central Basin Districts were the last direct annexations to Metropolitan District.

In addition to the 10 direct annexations to Metropolitan District since 1942, there have been 40 additional annexations to these 10 agencies aggregating 1185 square miles of area. These

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annexations nearly doubled the original area of the 10 agencies. The District constructed special facilities for both the Inglewood and Culver City-County Territory annexations to West Basin District. However, the costs of these facilities (Inglewood feeder and Culver City feeder) were added to the annexation charges and are being repaid with interest by the annexing areas. The Inglewood annexation took place in 1952, prior to Foothill's annexation, and the Culver City annexation took place in 1955, after Foothill's annexation.

Changing conditions have influenced past annexation policy and the fixing of terms and conditions of annexation. When Coastal District annexed in 1942, Metropolitan's tax rate was 48 cents and was still on the increase, and the prospects for water sales were dismal. The Board of Directors welcomed applications for annexation, and many inquiries were received, but the various areas, including Foothill District, were not willing to assume the financial obligations involved in joining the District.

When the Authority's application for annexation was granted in 1946 the tax rate had reached a high of 50 cents, and annual water sales were still only 60,000 acre-feet - about 40 percent of a one-pump flow.

Two years later, when original West Basin District was given its terms and conditions of annexation, the turning point in Metropolitan's operations had been reached. The tax rate dropped to 35 cents, and annual water deliveries had increased to 113,000 acre-feet - about 80 percent of a one-pump flow. From this time on, the Board's terms and conditions of annexation became less liberal.

By the time Foothill District annexed in 1953, the tax rate had dropped to 28 cents, and water deliveries had increased appreciably. In 1953-54, the District delivered 246,000 acre-feet of water - approaching a full two-pump flow. Between 1942 and 1953, Metropolitan District's total area increased from 625 to 1750 square miles, its population from 2,300,000 to 4,340,000 persons, and its assessed valuation from \$2,001,000,000 to \$6,015,000,000. Most of this expansion took place after 1948. With further expansion taking place at an accelerated rate, it is understandable that the Board's attitude toward new annexations changed, and terms and conditions of annexation became less lenient since each new annexation decreased existing members' rights to Colorado River water.

The present request of Foothill District for Metropolitan District to purchase the first 6759 feet of its feeder system is in effect a request to change the terms and conditions of annexation of Foothill District predicated on the argument that, intentionally or unintentionally, Metropolitan's Board did not accord Foothill District the same treatment that has been accorded other annexing areas.

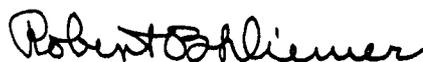
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In the first place, it is my understanding that Metropolitan District cannot legally purchase this portion of line because it would be useful only for delivering water to Foothill District, and for no other purpose and therefore could not be considered to benefit Metropolitan District as a whole. In the second place, the terms of annexation were determined by the Board under conditions existing at the time of annexation, and after full consideration of all information pertinent to the situation. The terms were acceptable to Foothill District and formed the basis on which the area voted favorably to join Metropolitan District. Even though it were legally possible to do so, it is my opinion that it would be a mistake for Metropolitan District to purchase this portion of line because it would establish a precedent that could be followed in innumerable instances throughout the District where agencies have constructed feeder lines leading away from connections to the District's aqueduct system.

On page 6 of his letter, Mr. Tumbach states that recharging underground basins in Los Angeles and Orange Counties will not "inure to the benefit of Foothill whose underground basins are also depleted." This is not true, since a large reserve supply of underground water, no matter where located in the Southern California Coastal Plain, would be available for some areas to draw upon in emergencies, leaving water flowing in the aqueduct system available to other areas that would not have access to the underground supplies because of their geographical locations. For example, in the event of an extended shutdown of the main aqueduct due to enemy action or for other reasons, underground water supplies could provide for most of the needs in Orange and Southern Los Angeles Counties, leaving water stored in Lake Mathews available for use in other areas not so fortunately situated with respect to local underground supplies. Foothill District would be one of the areas that would stand to benefit most from this arrangement. Moreover the program to which Mr. Tumbach refers, involves overcoming current overdraft before any actual restoration of groundwater supplies to historic levels can take place. If present pumping of wells was stopped in order to overcome this overdraft, the District would not be able to supply the added load on its system without constructing additional works that would cost at least as much as the pipe lines now approved for construction. In my opinion Foothill District stands to benefit more from the replenishment program than it will contribute to it.

It is my belief, in view of the facts presented herein, that Foothill District has been treated fairly by the Board of Directors, and therefore it is my recommendation that Foothill's request that Metropolitan District purchase 6759 feet of its feeder line for \$149,940.35 be denied.

Very truly yours,


Robert B. Diemer

General Manager and Chief Engineer

Enclosures

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P
Y

FOOTHILL MUNICIPAL WATER DISTRICT

La Canada, California

March 15, 1959

Mr. Robert Diemer,
General Manager & Chief Engineer
The Metropolitan Water District

Gentlemen:

This is to request that Foothill Municipal Water District be reimbursed by Metropolitan Water District for the cost of a portion of the pipeline connecting facilities of Foothill Municipal Water District with the Upper Feeder of Metropolitan Water District, to wit:

THE SUM OF \$149,940.35; in consideration of which Foothill Municipal Water District will convey to Metropolitan Water District title to the portion of the Foothill Municipal Water District pipeline in question. This portion of the pipeline is 6759 feet long and consists of 241.97 feet of 36" and 6517.11 feet of 39" steel cylinder concrete pipe. It extends northwardly from a manhole connection on the Upper Feeder at Rosemont and Seco Street in the City of Pasadena to the Arroya Pumping Plant of Foothill Municipal Water District, located on Rosemont Avenue near its intersection with Howard Street, also in Pasadena. This is not the boundary line of Foothill Municipal Water District.

From this Foothill Pumping Plant 2 trunklines diverge, one going eastwardly toward Altadena, the other westwardly to La

(NOTE: Where "Metropolitan" appears herein it refers to Metropolitan Water District and "Foothill" refers to Foothill Municipal Water District.)

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Canada and La Crescenta. The Altadena line is approximately 11,240 feet long, of which 6800 feet lies in the City of Pasadena, and the La Canada-La Crescenta lines are approximately 31,332 feet long, of which 3600 feet lies in the City of Pasadena. The total distance from the Metropolitan Aqueduct to Foothill territory is 13,559 feet on the Altadena (east) side and 10,359 feet on the La Canada-La Crescenta (west) side of Arroya Seco.

We emphasize that purchase by Metropolitan of the pipeline for which reimbursement is asked WILL NOT reimburse Foothill for the cost of the whole line from the Upper Feeder to Foothill territory. From the foregoing review of distance and from examination of accompanying map, it will be observed the payment requested would cover the cost of a comparatively small portion of the lines built to bring Metropolitan water to Foothill boundaries.

That portion, 6759 feet of 36" and 39" lines for which reimbursement is requested lies entirely within the boundaries of the City of Pasadena, outside Foothill territory. It is now and always has been under Metropolitan control. The metering facilities are installed in it, in a locked vault, to which Foothill has no access, the key being held by Metropolitan personnel.

Reasons for requesting the Repayment.

When the promoters of Foothill were negotiating for admission to Metropolitan we were informed that while Metropolitan had theretofore paid the cost of pipelines from Metropolitan facilities to the border of annexing territory, it had now been determined that future annex-

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tions would be considered only on the basis of the annexing territory paying such costs; it would be, in effect, a "come and get it" deal.

Later on, when the cost of the immediate connection itself was being discussed (the cost was estimated to us at \$40,000.00), we reminded General Manager and Chief Engineer Diemer that his predecessor, Mr. Julian Hinds, told us Metropolitan MIGHT perhaps assume this connection-cost. Whereupon Mr. Diemer recommended and the Board of Directors approved of the District's assuming this cost which, by the way, we now understand was about \$15,000.00. This is the only expenditure Metropolitan ever made for the benefit of the annexation of Foothill, whose obligation for back taxes and interest was \$4,734,000.00. (20th Annual Report, Page 150).

Evidence now available to us as a member of Metropolitan points the fact that at the time Foothill was annexed (January 1953), Metropolitan was still operating on the basis of the doctrine embodied in a letter to the Board of Directors under date July 6, 1949, by Franklin Thomas, as Chairman of the Water Problems and Public Relations Committee, which concludes:

Consideration was also given to the matter of expenditures for the purpose of construction of works necessary to accomplish delivery of water to annexing areas, but it was concluded that, because of the fact that each area presents a different geographical and physical problem, no rigid policy should be expressed, and that each situation should be examined on its merits. (Underlining is ours.)

We now learn further, that it was not until July 14, 1953, six months after Foothill was annexed under the "come and get it" terms, that Resolution #4249 was adopted, in which resolution we read:

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"BE IT RESOLVED, by the Board of Directors of The Metropolitan Water District of Southern California, that it be declared to be the intent of this Board that all future annexations to the Metropolitan Water District be based on the principle that this District shall not be obligated to provide additional works or facilities, necessitated by such future annexations, for the delivery of water from works owned and operated by the District." (Underscoring is ours).

Previous thereto, that is to say prior to July 14, 1953, the policy had been to build connecting pipelines at Metropolitan expense to the boundaries (or borders), of annexing areas as has been said. Notable examples of this policy were the annexations of Coastal Municipal Water District, San Diego, West Basing Pomona, Eastern, Chino Basin and Orange County Municipal districts. This and any other reference to these several districts and to contributions made toward making Metropolitan water available to them is not to be read as criticism of the policy nor as unfriendliness to the areas. It is made solely, entirely and completely to bring into prominence the fact that Foothill Municipal Water District was not treated the same as were these other annexing districts and as some of these and other districts and consumers are presently being treated.

Nor can it be said that the exception unfavorable to Foothill was and is being made because of the amount being pledged and paid for payment of back taxes. The obligations assumed for back taxes on the original areas plus annexations to the original areas to January 1, 1953, based on Table #40, pages 146-7 of the 1957 Report are as follows:

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Coastal Municipal	\$ 1,442,650
Orange County Municipal	20,064,000
San Diego Authority	14,289,797
West Basin	15,353,500*
Pomona	5,514,000
<u>FOOTHILL</u>	<u>4,734,000</u>
Eastern	1,395,000
Chino Basin	5,405,100

(* Includes cost of portion of the Inglewood lateral)

It was the original purpose to list with the tabulation of annexation charges pledged (or paid) the amount or amounts contributed or paid by Metropolitan for extension of pipelines and facilities for serving the newly annexed areas. Exhaustive research of the annual reports shows it will involve a tremendous lot of time and work to prepare such a tabulation; and experience prompts the belief that probably no one would read it if it was prepared. And even a casual review of the annual reports plainly shows that in every instance, Metropolitan contributed toward or paid the entire cost of the needed facilities---in every instance save for Foothill.

So, too, the fact was widely publicized recently that Metropolitan, disregarding the "come and get it" rule adopted July 14, 1953, proposed to pay one-third the cost, some five and one-half millions of dollars, of the pipeline that would be needed to carry water to their boundaries had the San Bernardino annexation election carried. It is readily understood that there were other motives involved in that project and offer; but the fact remains that it was proposed here to again disregard the "come and get it" principle adopted after Foothill was annexed and which was presented as a reason for not contributing at the time to the cost of delivering water to Foothill boundaries.

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Again: Metropolitan has paid for and according to reports is planning to expend millions of dollars for installation of pipeline facilities to furnish raw water for recharging certain depleted underground storage basins in both Los Angeles and Orange Counties, none of which will inure to the benefit of Foothill, whose underground basins are also depleted.

It is understandable that such measures have merit--even though the water is furnished at what Metropolitan must consider a loss, if the 25% increases recently made in the prices charged for water are justified; but here, too, we find a departure from the "come and get it" policy under which Foothill was annexed. Metropolitan proposes, or has already contracted, to build and pay for lines and facilities needed to make delivery of such basin-replenishing waters; and Foothill will help pay for them.

So, too, will Foothill help to pay for the additional facilities being installed to increase deliveries to our friends in San Diego. Here the added facilities being paid for by Metropolitan will make great quantities of additional water available, not only to the borders of the original territory, but, according to announcements as we read them, as much as nearly six (6) miles inside Authority territory. And it might be added, such of this additional water being so made available, will service many thousands of acres of territory annexed to the Authority since Foothill came in.

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We hope it is not unseemly in this discussion to call attention also to the fact that Foothill is probably the only Municipal Water

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District in the Metropolitan family to serve all of its existing retail entities with Metropolitan water through one single connection (on the Upper Feeder). There are seven of these retail entities, one of which now pays \$46.00 per acre foot to Foothill for Metropolitan water which it (Foothill) has pumped from an elevation of 800 feet in Arroya Seco to 1600 feet and which this entity in turn pumps and delivers at an elevation of 2800 feet.

The Foothill facilities installed to handle Metropolitan water have been accorded many complimentary comments for the excellence of design and construction. These facilities were constructed at a cost of nearly one and three quarters millions of dollars, toward which Metropolitan contributed nothing - as compared with some of the magnificent contributions made and being made to and for the benefit of the other members of the Metropolitan family.

In the request now before you, you are asked to make such a contribution in the sum of \$149,940.35 - for which you will be given title to pipelines which would cost much more today. The sum involved is less than one annual installment payment of \$157,800 on our back taxes obligation of \$4,734,000, on which we have already made payments to Metropolitan amounting to \$789,365.00 (20th Annual Report, Page 150)

In addition to the annual payment of \$157,800 on back taxes Foothill also paid \$140,527.00 for water used in the fiscal year ending June 30, 1958.

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We hope that your Board will give earnest consideration to our request and you may be sure of our hearty cooperation with the District in its great problems of serving water to all of the southland.

Respectfully submitted

By authority of the Board of
Directors:

/s/

Jos. H. Tumbach

(Jos. H. Tumbach) President

RESOLUTION 4164

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA CONSENTING TO THE ANNEXATION TO SAID DISTRICT OF THE CORPORATE AREA OF FOOTHILL MUNICIPAL WATER DISTRICT AS SUCH CORPORATE AREA WILL EXIST UPON THE COMPLETION OF THE PROCEEDINGS FOR THE EXCLUSION FROM SAID FOOTHILL MUNICIPAL WATER DISTRICT OF CERTAIN UNINHABITED TERRITORY ANNEXED TO THE CITY OF PASADENA, DESIGNATED AS HASTINGS NO. 5, AND FIXING THE TERMS AND CONDITIONS OF SUCH ANNEXATION TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

A. WHEREAS, the governing body, to wit, the Board of Directors, of FOOTHILL MUNICIPAL WATER DISTRICT, a municipal water district situated in the County of Los Angeles, State of California (hereinafter referred to as "Foothill"), pursuant to its Resolution No. 34, adopted on November 14, 1952, and in accordance with the provisions of the Metropolitan Water District Act of the State of California, has applied to the Board of Directors of The Metropolitan Water District of Southern California (hereinafter referred to as "Metropolitan") for consent to annex to Metropolitan the corporate area of Foothill as such corporate area will exist upon the completion of the proceedings for the exclusion from Foothill of certain uninhabited territory annexed to the City of Pasadena, and designated as Hastings Annex No. 5 (such corporate area as it will so exist being hereinafter referred to as "said corporate area of Foothill"); and

B. WHEREAS, on November 3, 1952, the Board of Directors of Foothill, pursuant to proceedings duly initiated by Resolution No. 30 of said Board, duly adopted Ordinance No. 3, entitled "An Ordinance of the Board of Directors of Foothill Municipal Water District approving the exclusion of certain territory designated as Hastings Annex No. 5 from the boundaries of Foothill Municipal Water District", by which ordinance the exclusion from Foothill of that certain uninhabited territory annexed to the City of Pasadena under the designation of Hastings Annex No. 5 and so designated in said Ordinance No. 3, was approved, and unless sufficient petition for referendum be filed within thirty days from the adoption of said Ordinance No. 3, requiring submission of said Ordinance to the voters of Foothill for their vote, such Ordinance will become effective and thereupon it will be the duty of the proper officials to perform the acts necessary to complete the exclusion from Foothill of said territory so designated as Hastings Annex No. 5, and upon completion of such exclusion no part of the corporate area of Foothill then will lie within Metropolitan; and

Resolution 4164

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C. WHEREAS, it appears to the Board of Directors of Metropolitan that said application of the Board of Directors of Foothill for consent to annex to Metropolitan said corporate area of Foothill should be granted, subject to the terms and conditions hereinafter set forth:

D. NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of The Metropolitan Water District of Southern California, subject to the following terms and conditions, does hereby grant the said application of the governing body of Foothill Municipal Water District to annex to The Metropolitan Water District of Southern California the corporate area of Foothill Municipal Water District as such corporate area will exist upon the completion of said proceedings for the exclusion from Foothill of said uninhabited territory designated as Hastings Annex No. 5, and does hereby fix the terms and conditions upon which such annexation may occur as follows:

Section 1. Such exclusion from Foothill of that certain uninhabited territory annexed to the City of Pasadena and designated as Hastings Annex No. 5, shall be completed prior to the adoption by the Board of Directors of Foothill of its resolution calling the election for the purpose of submitting to the voters of Foothill the proposition of such annexation of said corporate area of Foothill to Metropolitan; in the event that this condition be not met, annexation to Metropolitan of said corporate area of Foothill shall not be authorized, and Metropolitan's consent thereto shall be void and of no force or effect.

Section 2. The annexation to Metropolitan of said corporate area of Foothill shall be completed on or before January 20, 1953.

Section 3. In the event of such annexation:

a. There shall be levied by Metropolitan special taxes upon taxable property within said corporate area of Foothill, in addition to the taxes elsewhere in the Metropolitan Water District Act (Stats. 1927, page 694, as amended) authorized to be levied by Metropolitan.

b. The aggregate amount to be raised by such special taxes shall be \$4,734,000.

c. The number of years prescribed for raising such aggregate sum shall be thirty years, commencing with the fiscal year 1953-1954.

Resolution 4164

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d. Substantially equal annual levies will be made for the purpose of raising said sum over the period so prescribed.

Section 4. In the event of such annexation, all feeder pipe lines, structures, connections, and other facilities required for the delivery of water to said corporate area of Foothill, from works owned or operated by Metropolitan, shall be constructed, provided, and installed without cost or expense to Metropolitan, and Metropolitan shall be under no obligation to provide, construct, operate, or maintain such works.

E. BE IT FURTHER RESOLVED, that the Executive Secretary be, and he hereby is, directed to transmit forthwith to the governing body of Foothill Municipal Water District a certified copy of this resolution.

I HEREBY CERTIFY, that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California, at its meeting held November 18, 1952.

STATEMENT OF POLICY
of
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
ADOPTED JANUARY 9, 1931.

To the end that the furnishing of a supply of water to the Coastal Plain of Southern California from the Colorado River, may be accomplished in the most effective and economical manner, and to the best interests of the area taken as a unit, the following statement of policy is presented:

- (1) The Coastal Plain is taken to be

That part of Los Angeles County southerly from the Santa Susana and the San Gabriel or Sierra Madre, Mountains; that part of San Bernardino County south of the San Gabriel or Sierra Madre Mountains, and south and west of the San Bernardino Mountains extending easterly to the summit of San Gorgonio Pass; that part of Riverside County west of the San Jacinto Mountains; that part of Orange County west and north of the Santa Ana Mountains.

- (2) Those portions of the Coastal Plain to which the aqueduct system can economically deliver water are regarded as the ultimate area that should be included within The Metropolitan Water District.

Water will be made available to all areas within the District in accordance with their requirements, domestic use being the dominant use.

- (3) Applications from municipalities, or other areas eligible for membership in the District, within the described area, will be individually considered by the Board of Directors. The consent of the Board to such municipalities or areas becoming a part of the District and receiving water from the aqueduct system will be decided on the basis of mutual advantage, and the terms and conditions of joining will be determined on the merits of each application.

- (4) The Metropolitan Water District will deliver water, either directly or indirectly, through a system provided by the District, to each of the eleven original member cities, and to those cities whose application for admission prior to March 1, 1931, have been approved, at or near the boundary of each, this point of delivery to be

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April 14, 1959

The letter bore a notation of approval by the Engineering and Operations Committee.

It was moved by Director Holmgren, seconded by Director Chase, and carried, that Resolution 5485 be adopted, accepting the bid of the Union Oil Company of California on furnishing gasoline and other petroleum products as specified in Request for Bids P-1785, and that the other bids received be rejected; rejecting all of the bids received under Request for Bids P-1784 and authorizing readvertisement for bids; authorizing the General Manager and Chief Engineer to execute a purchase agreement with the Union Oil Company of California for furnishing petroleum products as specified in Request for Bids P-1785, and the Executive Secretary to attest his signature; and ordering that copies of the specifications and the other communications referred to, be filed.

19511 Water Problems Committee Chairman Hayward submitted, and moved the adoption of, the recommendation of the Committee: that consideration of the letter of the General Manager and Chief Engineer (previously sent to all Directors), recommending rejection of the offer of the Foothill Municipal Water District to transfer 6759 feet of its pipe line connecting with the aqueduct system in return for a reimbursement of \$149,940.35, be made a special order of business for final disposition at the regular meeting of the Committee to be held on May 11, 1959, and that Mr. Jos. H. Tumbach, President of the Board of Directors of that District, be requested to send answers to the reasons given for the rejection well in advance for study and circulation to the members of the Committee.

The motion was seconded by Director Fischer----

An amendment by Director Heilbron was accepted: that Mr. Tumbach be invited to be present and present his views when the matter is taken up for consideration.

An amendment by the Chair was accepted: that the consideration of General Manager and Chief Engineer Diemer's letter and Mr. Tumbach's answer be designated a special order of business for final disposition, both at the meeting of the Water Problems Committee on May 11, and at the Regular Meeting of the Board of Directors on the following day, May 12, 1959.

Amendments proposed by General Manager and Chief Engineer Diemer were accepted: that Mr. Tumbach be requested to submit his answers in writing and, when received, a copy be sent to each member of the Water Problems Committee, together with a copy of his original letter to General Manager and Chief Engineer Diemer under date of March 15, 1959, requesting reimbursement in consideration of the conveyance of the pipe line, and of General Manager and

Minutes

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April 14, 1959

Chief Engineer Diemer's letter to the Board of Directors under date of April 9, 1959, recommending that the request be denied.

Thereupon, the motion, as amended, was carried.

Director Hayward requested that he be recorded as not voting on the motion.

19512 A letter from General Manager and Chief Engineer Diemer recommending: that Mr. Harry F. Jahn be found qualified to render engineering services subsequent to his mandatory retirement, and that his continued employment be authorized, beginning May 1, 1959, was presented. (Addressed to the Board of Directors, dated March 31, 1959)

Director Austin, Vice Chairman of the Organization and Personnel Committee, reported the approval of the Committee, and moved the adoption of the recommendations.

The motion was seconded by Director Fischer, and carried.

19513 A letter from General Manager and Chief Engineer Diemer announcing: that employee Harry G. Matthews will be required to retire on April 30, 1959, and recommending that he be found qualified to perform engineering services and his continued employment be authorized effective May 1, 1959, was presented. (Addressed to the Board of Directors, dated April 6, 1959)

Director Austin, Vice Chairman of the Organization and Personnel Committee, reported its approval, and moved that the recommendations be adopted.

The motion was seconded by Director Fischer, and carried.

19514 A letter from General Manager and Chief Engineer Diemer reviewing the regulations in effect governing the granting of annual vacations; reporting the practices of other public and of private agencies in this regard; and

recommending that the regulations be amended to provide that twenty working days of vacation be granted after twenty-two years of continuous employment, was presented. (Addressed to the Board of Directors, dated April 3, 1959)

Director Austin, Vice Chairman of the Organization and Personnel Committee, reported the recommendation of the Committee that consideration of the communication be deferred to the next meeting; and the Chair so ordered.

19515 A letter from General Manager and Chief Engineer Diemer submitting, with the recommendation that it be approved, Estimate and Authority Y-34, Revision 1, increasing the authorization to construct Schedule 80SC of the Lower Feeder pipe line by the addition of pressure control structures at an estimated cost of \$250,000, thereby increasing the total to \$4,950,000, was presented. (Addressed to the Board of Directors, dated April 14, 1959)

April 27, 1959

Mr. Jos. H. Tumbach, President
Board of Directors
Foothill Municipal Water District
341 Foothill Boulevard
La Canada, California

Dear Mr. Tumbach:

In accordance with the request contained in your letter of April 22, 1959, I am sending today to the Honorable Frank Lanterman, member of the Assembly of the State of California, a copy of Mr. Diemer's letter to the Board of Directors under date of April 9, 1959, in which he recommends denial of a proposal that this District take over the cost of a portion of the service connection of the Foothill Municipal Water District.

Miss Morgan, my Secretary, is of the opinion that you intended to send personally a copy of Mr. Diemer's letter to Assemblyman Lanterman. If this proves to be the case, there is no harm done.

Yours truly,

A. L. Gram
Executive Secretary

May 5, 1959

Mr. Jos. H. Tumbach, President
Board of Directors
Foothill Municipal Water District
341 Foothill Boulevard
La Canada, California

Dear Mr. Tumbach:

The consideration of General Manager and Chief Engineer Diemer's letter recommending denial of the proposal of the Foothill Municipal Water District that a portion of its connecting pipe line be taken over by this District, with reimbursement of the cost, and your answer in support of the proposal will be taken up by the Water Problems Committee as a special order on Monday morning, May 11, 1959, at 10:30 o'clock.

The Board of Directors, at the time the action was taken, ordered that you be invited to attend the meeting. This notice and invitation is sent to you pursuant to the order referred to.

The Committee will meet at its customary place in the Board of Directors' Room on the twelfth floor at 306 West Third Street, Los Angeles.

Yours truly,

A. L. Gram

cc: Chairman
Vice Chairman
GMCE
Gen. Coun.
Dir. Hayward

May 7, 1959

Mr. Nelson Hayward
c/o Valley Water Company
341 Foothill Boulevard
La Canada, California

Dear Mr. Hayward:

Enclosed is the copy of Assemblyman Lanter-
man's letter to the Board of Directors under date of
May 5, 1959, which was addressed to the Water Problems
Committee Chairman, relating to the proposal of trans-
ferring to this District a portion of the connecting
pipe line of the Foothill Municipal Water District.

I am sending this to you by special delivery
in conformity with your request.

Yours truly,

A. L. Gran

Enclosure

Attachment C

19548



Foothill Municipal Water District

341 FOOTHILL BOULEVARD
LA CANADA, CALIFORNIA
SYLVAN 0-4036

PRESIDENT
JOSEPH H. TUMBACH

SECRETARY
E. D. RICHARDS

April 30, 1959

Mr. A. L. Gram
Executive Secretary
Metropolitan Water District
Los Angeles, California

FILED by order
of the Board of Directors of
The Metropolitan Water District
of Southern California
at its meeting held 5-12-59
A. L. Gram
Executive Secretary

Dear Mr. Gram:

As per our telephone conversation with
Nelson Hayward, herewith are the following enclosures:
Mr. Jos. H. Tumbach's letter to the Board of Directors.
Review of Water Matters in the Altadena-La Canada area
August 23, 1949.
Report of Executive Committee, Altadena-La Canada Water
Group - November 1, 1950.

Yours truly,

E. D. Richards
E. D. Richards, Secretary



Foothill Municipal Water District

341 FOOTHILL BOULEVARD
LA CANADA, CALIFORNIA
SYLVAN D-4036

May 5, 1959

PRESIDENT
JOSEPH H. TUMBACH

SECRETARY
E. D. RICHARDS

Board of Directors
Metropolitan Water District
Los Angeles, California

Gentlemen:

Mr. Hayward made available to me his copy of Mr. Diemer's letter to the Board of date April 9, 1959 in which he recommends that our request for payment for a portion of pipeline be denied; and Executive Secretary Gram has advised me of the action taken, including an invitation to reply to Mr. Diemer's statement and to attend the meetings of the Water Problems Committee on May 11th and of the Board on May 12th. I appreciate the consideration. Because of his being President of Valley Water Company of La Canada, which company is the buyer of greatest quantities of Metropolitan water through Foothill, I have asked Mr. Frank Lanterman to attend the meetings with me - if he can get away from State Assembly affairs.

After most careful consideration I can see no worthwhile purpose in answering much of the material in Mr. Diemer's historical review. This review is interesting; but it is quite evident that it is founded on misconception of the origin of Foothill Municipal Water District.

Foothill was projected and promoted as a direct result of

("Foothill" refers to Foothill Municipal Water District
"Metropolitan" to Metropolitan Water District)

Altadena - Flintridge - La Canada - La Crescenta

- 2 -

the decree in Pasadena vs. Alhambra et al. (Pasadena C 1323) which included a reduction of pumping rights in Monk Hill Basin and the appointment of a Water Master to enforce it. Altadena and La Canada water companies with the City of Pasadena own practically all such pumping rights in Monk Hill Basin. The water companies in question for many years derived their entire water supplies from that basin excepting for one organization that had and has certain rights in Verdugo Basin.

The approach to formation of Foothill is embodied in a presentation the writer made to a joint and largely attended meeting of civic leaders and directors of water companies of Altadena and La Canada on August 23, 1949, copy of which is appended. Also appended is copy of a progress report made under date of November, 1950.

From all of which it will be found apparent that spasmodic approaches to Metropolitan by small areas had no bearing whatever on organization of Foothill.

I find two particularly interesting points in Mr. Diemer's review:

1. The fact that members of Metropolitan staff urged some people in Foothill territory to annex to adjacent cities rather than join Metropolitan.

2. The omission by him of Resolution No. 4249.

1: Members of the staff advised people to annex to cities. This, by the way, is the proverbial "red rag to a bull" in Foothill areas. We cherish our independence. Members of this

- 3 -

Board who were on the roster when our joining Metropolitan was under discussion will possibly recall that I lead the discussions for Foothill throughout. I can recall no occasion when a member of the Board or staff recommended that we annex to adjacent cities rather than join Metropolitan. Admittedly prejudiced, it is my belief that if members of the staff did repeatedly urge such a course on people of the Foothill areas it was certainly a great disservice to their employer - Metropolitan. Had such advice been followed Metropolitan would not only have been deprived of four and three quarter millions of dollars of backtax revenue, now seemingly most welcome, Metropolitan would also have been deprived of our member of the Board and his contribution toward attendance and devotion needed for the conduct of the Corporate affairs of Metropolitan in recent years.

It will also be hurtful to Metropolitan's public relations in Foothill territory if, as and when it becomes known that members of the staff urged such a course in contradiction of the decision of civic leaders and water company officials.

2. The omission from Mr. Diemer's statement of Resolution No. 4249: this resolution, adopted July 14, 1953, SIX MONTHS AFTER FOOTHILL WAS ANNEXED TO METROPOLITAN is quoted in full in my previous statement, page 3. That resolution and the "closing paragraph" of the report of the Water Problems Committee dated July 6, 1949, quoted by Mr. Diemer on page 6 of his review very definitely confirms our position, towit:

- 4 -

Metropolitan HAD NOT adopted a policy of "come and get it" when Foothill was annexed, as we had been given to understand and as we understood when we accepted the terms. Until we were members and had opportunity to consult past records we had no possible means of ascertaining the facts herein related and on which our request is based.

Here, then, we have the question before us, clearly defined: Was Foothill's acceptance of the terms of annexation based on incorrect information?

Turning to other points in Mr. Diemer's letter:

He refers to letters from me in November 1949 and January 1950 "regarding an enlarged annexation area". This had no reference whatever to the previous applications for admission to Metropolitan he mentions. They had to do specifically with adding La Crescenta to the areas previously under discussion. Mr. Hines advised us in a letter dated February 8, 1950, that the matter of adding La Crescenta to Altadena-La Canada was under discussion by the Board and that we would be advised of the decision. On May 11, 1951, the Board definitely defined the boundaries of areas to be included, which added not only La Crescenta, but the easterly portion of Altadena as well as Kinneloa; whereupon the organization previously restricted to Altadena-La Canada was enlarged and renamed "The Foothill Water Group". Mr. Hayward, who had been in attendance at our meetings prior to that time was then elected a member of our Board representing the La Crescenta area.

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There is no room for argument on the score of Foothill promoters understanding that Foothill would have to pay all costs of connecting with Metropolitan lines. See my letter of March 15, 1959, pages 2 and 3. The point at issue here is that Metropolitan had not at the time adopted the "come and get it" policy, and that we did not know it.

As to Foothill having received preferential treatment (his page 5) in being permitted to annex "when the policy was to admit only large, basin-wide areas". We have found nothing in the record to warrant this statement; but regardless if there was, or is, such a record, Mr. Diemer is again misinformed. Foothill agencies cover the whole of Verdugo Basin; and Pasadena, already part of Metropolitan, with the addition of the Altadena-La Canada areas cover the whole of Monk Hill Basin, established as such by the decree in Pasadena vs Alhambra.

On the other hand we did understand that Metropolitan looked with favor on our application because, if consummated, the annexation of territory defined by the Board would "clean the slate" along the foothills - which it does.

As to "the Upper Feeder passing through the extreme easterly portion of Foothill District but Foothill did not want their connection at this location":

This doubtless refers to the vicinity of Sierra Madre Road and Sierra Madre Boulevard. As near as we can make out the Upper Feeder originally lay along the Foothill boundary line at this point. Foothill was forced to include the area

- 6 -

by decision of Metropolitan Board; and before proceedings to admit Foothill were consummated a large segment (or two?) of the area was annexed to Pasadena, proceedings which caused another delay and which, we think, removed the contact with the Upper Feeder.

Connection at this point was suggested by the writer himself. Our engineers conferred with Metropolitan engineers and with engineers of the County Flood Control District regarding such a routing for our delivery lines. The engineers unanimously disapproved of such a plan. Such a route would have resulted in a net addition of approximately 35 miles of pipelines at an estimated cost of over \$400,000.00. It would have involved crossing Eaton Wash on the east and Devil's Gate Reservoir on the west. It was also pointed out to me that when the Upper Feeder was built a connection-point was provided for Altadena-La Canada on Seco Street a short distance below Lincoln Avenue. This indicates that designers of the Upper Feeder recognized even at that time that a connection at the Sierra Madre location for Altadena-La Canada would be ill-advised from an engineering standpoint. It might also be said that both Mr. Jensen and Mr. Diemer were in sympathy with such a decision since they both joined our directors in a picture taking ceremony at the Seco-Lincoln location when our plans were being drawn.

Turning to another point in Mr. Diemer's letter where he says the Foothill line "would be useful only for delivering water to Foothill and for no other purpose". This statement

- 7 -

is also probably founded on misinformation. Crescenta Valley County Water District, one of our delivery agencies, serves 2394 meters in territory annexed to Glendale after Foothill organization was under way, presumably because Glendale does not have the facilities to serve them. And if Crescenta Valley County Water District did not have Metropolitan water available through Foothill it could not serve these people, numbering, according to the usual formula of 3.6 people per meter, between 8500 and 9000. What will happen in that area as a result of the Pueblo litigation instituted by Los Angeles is problematical. It is conceivable that Foothill might be called upon to take up a much heavier load some day.

Meanwhile the people involved are paying a handsome premium to get water. It illustrates the fallacy of the advice staff members of Metropolitan are said to have given people of the Foothill areas - that they had best annex to adjacent cities.

Mr. Diemer includes several times the statement that it would be illegal for Metropolitan to accede to our request, complete the taking over of the line in question and pay for it. He cites no authority for this. If the opinion is based on the fact that Foothill was voted in on the basis of having to pay the entire cost of being joined to the Metropolitan line and that it would be illegal to alter the conditions, then it seems to me, a mere layman, that the thought is a bit late. Foothill agreed also, and our admission was based on the agreement that we would pay the cost of the connection itself as well as the pipelines. The Board, at my request and

- 8 -

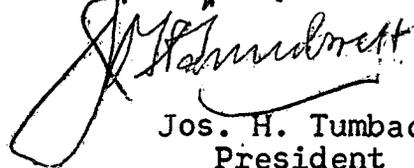
on Mr. Diemer's recommendation altered the agreement so far as the connection was concerned. If it be said that any change in the terms vitiates the agreement, hasn't that already been done, and isn't the door open to any further changes the Board deems fair and reasonable?

And since I am being presumptuous enough to follow Mr. Diemer's lead and venture on sacred legal ^epromises: Hasn't Metropolitan obligated itself with respect to the pipeline in question by taking over complete control of the vault constructed and paid for by Foothill in which the metering devices are located and to which Foothill has no access?

If for any reason it is determined that it would be illegal or not feasible for the Board to change the annexation conditions again, might it not be legal and feasible for the Board, by resolution at this time to authorize the purchase of the pipeline in question and the vault, which Metropolitan already has completely in its control?

It is my earnest hope that the Board, having taken all of these points into consideration, will see fit to act favorably on our request.

Respectfully submitted,



Jos. H. Tumbach
President

A REVIEW OF WATER MATTERS IN THE ALTADENA-LACANADA AREA

By

Joseph H. Tumbach, Chairman
Altadena-LaCanada Water Group

August 23, 1949

We welcome representatives of civic organizations of Altadena and LaCanada whom we have invited to hear this review of the water situation and to counsel with us in solving the problems which involve matters political as distinguished from the practical.

To review all details would involve not hours but days, not pages but volumes. So this discussion will attempt only to cover outlines. It is our hope that you will get enough from it to give you a general understanding of the situation, rather than the garbled versions broadcast by unknowing people.

Under the decree entered in what is usually referred to as the Pasadena Water Suit, the annual Safe Yield of Monk Hill Basin, from which we pump, was fixed at 6060 ac. ft. 6039 ac. ft. of this is decreed to Pasadena and the 6 companies here represented. Pasadena agreed, and it is so decreed, that we, by purchasing surplus water offered annually by parties to the agreement, including Pasadena, would have the privilege of pumping from Monk Hill Basin, not only our own decreed rights, but also the the right decreed to Pasadena. We pay Pasadena extra tribute for this, of course.

In the five years elapsed since the decree became effective parties other than Pasadena have always furnished at least part of this so-called Exchange Water. For the present fiscal year, 1949-50, we have engaged to take 3782 ac. ft., of which 898 ac. ft. comes from others and 2884 ac. ft. from Pasadena.

This is emphasized to clear the minds of those who wrongfully assume or assert that Pasadena is supplying us with our total needs - and doing it voluntarily; that we have been and are leaning on Pasadena. The fact is that the water made available to us by all parties is done by virtue of a court decree based on a settlement voluntarily entered into by all; and we are beholden to no one in that connection.

At the time the settlement was made there was little thought that within the minimum life of the agreement, 15 years in Pasadena's case, the whole available Safe Yield, 6039 ac. ft., would be needed by the Monk Hill Basin Group. Some of us who were engaged in these matters during the litigation and even years before, would have laughed at the idea that within the 15 year period the Altadena-LaCanada companies would require any such quantity of pumped water as 6039 ac. ft. annually. We pumped only 2701 ac. ft. in the fiscal year 1944-45. It was generally assumed that we would be amply supplied for the 15 year period.

It was likewise generally assumed that unless Pasadena meanwhile,

- 2 -

finding the arrangement profitable to them as it is, would agree to an extension of the arrangement beyond the 15 year period, we would have to turn to Metropolitan for the future.

Two factors upset the calculations. The one patent to all is the tremendous development of our area. This is most vividly portrayed by the fact that Lincoln Avenue ("Water Company" is omitted throughout) meters increased from 1795 on 1-1-45 to 2834 on 1-1-49, a gain of nearly 60%. We've all seen this mushrooming and can easily grasp the effect on water demand.

The second factor, scarcely mentioned in most discussions of the subject, is the drought. Again using Lincoln Avenue records for the purpose: Our 20 year average use per meter to 1946 was 22,635 cu. ft. In 1947 the use per meter jumped to 25,658 cu. ft. and 1948 it was 27,038 cu. ft. - an increase of nearly 20% over the 20-year average. Pasadena's experience is along the same lines. The use per person per day, shown by their annual report, was 127 gallons in 1942-43 and 152 gallons in 1947-48.

The third factor, due also to drought, is the very great reduction in gravity supplies. This affected all three of the Alhambra companies and the La Canada Irrigation District as well.

Both last named factors, increased use per meter and decrease in gravity supplies had to be covered by pumping from the underground basin. A season of normal, even nearly normal, rainfall will be reflected in decreased pumping requirements of almost the whole group. Which, of course, is entering into the field of conjecture; but these conditions will arise one of these seasons to further confound prophets of doom. Furthermore; As a result of the efforts of this group initiated by petition filed April 9, 1947, with Flood Control officials, water spreading basins have been constructed in Arroyo Seco. Flood Control Engineers estimate that an average of 600 ac. ft. per year can be salvaged from flood waters that have ~~been heretofore been~~ wasted to the sea through Devils Gate Reservoir. These flood waters will be allowed to percolate into the underground basin, increasing the supply in storage.

During the five years past, combined pumpage of the Monk Hill Group was: 2701 ac. ft.; 4118 ac. ft.; 5577 ac. ft.; and, for the year 7-1-48 to 7-1-49, 6120 ac. ft. The estimated pumpage for the year 7-1-49 to 7-1-50 is 6463 ac. ft. A rainfall 50% of normal during the coming fall and winter would reduce pumping needs sufficiently to easily bring us within the Safe Yield basis, 6039 ac. ft.

But it has been our consistent policy to assume the pessimistic rather than the optimistic view. When it appeared that continued drought and such additional development as might normally be expected might run our pumping needs above the decreed Safe Yield, several plans were considered. In these discussions we had the benefit of the advice and counsel of the Water Master appointed in the decree of settlement.

- 3 -

The plan most in favor for a time, and still the favored one with some of our Group, was the drilling of a well east of the easterly boundary of Monk Hill Basin, for joint account of the Group. Such a well could be pumped into the lines of one or two of the Altadena companies. Water purchased under the Exchange Agreement could be pumped there, rather than in Monk Hill Basin, and without paying extra tribute to Pasadena.

Before embarking on this project it was thought advisable to have competent, outside engineering advice. Mr. A. L. Sonderegger, an outstanding authority in water matters was retained. His report, based on the assumption that Pasadena will not extend their participation in the Exchange Agreement beyond the 15 year limit, states that application to Metropolitan is the final solution.

Mr. Sonderegger contacted Metropolitan and confirmed statements made to us previously by Metropolitan officials to the effect that no further applications for admission to the District would be entertained at that time. It should be said, too, that in our contacts with officials of Metropolitan, prior to Mr. Sonderegger's being retained, we were definitely advised NOT to push the matter at the time. We were so advised about the time local people, not connected with the water companies, were agitating forming a District to join Metropolitan.

With Metropolitan out of it for the time, Mr. Sonderegger suggested three possible courses of action:

- 1 - Drilling the east side well, as we had planned.
- 2 - In lieu of drilling the well, ask Pasadena to sell us an additional supply outside the Exchange Agreement, to tide us over until the Metropolitan situation was clarified.
- 3 - That application be made to the Water Master and Court for a review of the decreed Safe Yield of the basin with a view to increasing it.

Departing from the main theme for the moment: An increase in the Safe Yield of the basin seems reasonable, especially in view of the fact that in years past, notably during the last drought, Pasadena's heavy pumping from the basin carried total extractions to nearly 8000 ac. ft. one year. Even in 1941-42 total extractions were 7830 ac. ft., 5612 ac. ft. of it being pumped by Pasadena. And the basin has never been pumped below an economical, safe level. Water levels in our wells as of this date are well above the lowest level ever pumped, to wit:

Lincoln Avenue Well	<u>#2</u>	<u>#3</u>	<u>#4</u>
8-15-49	266	258	268
Dec. 1933	307	307	298

- 4 -

In view of the heavy expense involved in drilling the proposed east side well it was decided to first learn Pasadena's reaction to a request for water outside the Exchange Agreement. A committee was appointed to confer with City officials, Messrs. Fred C. Nash, E. Roy Mosher and Arthur S. Hand undertook the work, Mr. Sonderegger assisting.

The final outcome was a letter from the City Manager in which was stated the request would be granted under certain conditions therein specified.

Assuming that this leads to some agreement; that this and/or an increase in the Safe Yield of the basin - possibly the drilling of the east side well - assuming that by some or all of these suggested methods we take care of such possible overdraft of the basin during the coming four or five years; we then arrive at the point of considering the ultimate solution of the problem, which may be stated, briefly and bluntly, something like this:

For the purpose of assuring a permanent and ample water supply beyond the 15-year Exchange Agreement -

- 1 - Shall Altadena and La Canada organize a movement to gain admission to Metropolitan Water District direct; or
- 2 - Shall we consider annexing to Pasadena?

The latter, considering annexation to Pasadena, may seem purposeless in view of the very definite statements made by City officials, to the effect that Pasadena cannot afford to and will not consider annexing our territory. But one skeptic might be tempted to quote our old friend Shakespeare, "Methinks the lady doth protest too much"; while another might hand you a news dispatch taken from the very same issue in which one of those denials is published, in which it is reported that Pasadena is planning to annex certain outside territory.

However, and in any event, there are some few people in our territory who think annexing to Pasadena is the answer to their every prayer, civically speaking, and the subject should be explored.

We, of the water companies, have felt that keeping the communities supplied with water is the problem of the water companies. If those in charge do not meet that obligation it is time to find men who can. But the future problem involves political questions which pass beyond the realm of the water companies. It is not for the water companies to attempt to determine the future status of the communities.

That is the reason for inviting representatives of the civic associations to sit in with us - perhaps by forming a joint committee of water companies and civic association representatives. There is

- 5 -

a wealth of data to assemble and consider and decisions to be made that transcend in importance anything that has ever been before us.

We ask you to help solve the problem.

-----*

Note: From minutes of the meeting

Present: 13 Directors of water service organizations in Altadena and LaCanada
Representatives of seven (7) civic organizations
Representatives of the Press

Chairman Tumbach read the foregoing statement. After extensive discussion it was moved by Frank E. Engle (representing West Altadena Improvement Association), seconded by T. Fenton Knight (representing LaCanada Chamber of Commerce and Civic Association) that a committee consisting of one representative from each of the seven civic organizations in the Altadena-LaCanada area be appointed for the purpose of assisting the Water Group in its efforts to form a district so that Metropolitan District water might be made available to the Foothill area. *****

The motion carried by unanimous vote of all present.

REPORT OF EXECUTIVE COMMITTEE, ALTADENA-LA CANADA WATER GROUP
To
JOINT MEETING WITH CIVIC ORGANIZATIONS
November 1, 1950
By
Jos. H. Tumbach

In our report of August 23, 1949 to directors of the water companies and representatives of civic organizations of Altadena and La Canada, it was pointed out that the ultimate solution of the water supply problem of the two communities lies, without question, in gaining admission to Metropolitan Water District, and that this might be accomplished in one of two ways; by application to Metropolitan direct, or by annexation to Pasadena.

Those of you who participated in that meeting need not be reminded that the latter alternative was not favorably received and, that, after a thorough discussion, the water companies were unanimously directed to investigate and report on the possibility of joining Metropolitan. We are now making this interim report.

To report our step by step progress would consume a wearisome amount of time, though it might be a surprise to some who have criticised our inaction. We have decided therefore to set forth the present position of negotiations, while assuring you of our readiness to detail any points on which information is desired.

The Executive Committee of Altadena-La Canada Water Group met on September 12, 1949 and decided to initiate the negotiations by contacting Dr. Franklin Thomas, Chairman of Metropolitan's Water Problems Committee. Dr. Thomas told us Metropolitan was now considering adding new territory and advised us the course to follow.

We started on the basis of including the territory of the six Altadena-La Canada Water Companies. In December 1949 we were asked by representatives of the three water companies in the La Crescenta Valley to include their territory in our negotiations. Metropolitan approved of the addition of this and any other nearby territory. In January 1950 Kinnelea asked to be included, and in September 1950 Mesa Mutual Water Company, in the Pasadena Glen area near Kinnelea, also joined in. So the final setup extended from the east boundary of Tujunga (Los Angeles City) to the westerly boundary of Hastings Ranch properties, lately annexed to Pasadena.

From these outer boundaries we excluded the areas outside the City of Pasadena which are served by Pasadena, the sections lying south of Figueroa Drive on the west side, and easterly of Allen Avenue on the east side; also in and around the former Altadena Golf Club on which Pasadena inaugurated water service after the Golf Club grounds were broken up.

The matter was finally crystallized by action of the board of directors of Metropolitan on September 11, 1950 as follows: "In response to an

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inquiry **** the Board of Directors authorized that indication be made that either a County Water Authority or a Municipal Water District, when properly constituted and having boundaries satisfactory to this District, would be given consideration for annexation."; and on September 22, 1950, "the decision of the Board of Directors was that any unit which did not include the three areas referred to, adjacent to or in the vicinity of the City of Pasadena, would be unacceptable as a basis for an annexation unit".

And that is where the matter now stands. In our discussion with Dr. Thomas; with members of the staff, both operational and legal, and with the Water Problems Committee in meeting assembled, we have stressed the fact that we have nothing to offer the areas in question in exchange for their assuming past and present tax obligations to Metropolitan; that Mr. Howard, Chief Counsel for Metropolitan, has formally advised the Water Problems Committee that Pasadena is bound, legally and contractually (?) to serve these areas regardless of membership in Metropolitan; and we also stressed that if these areas are "getting a free ride" as has been argued by members of the Problems Committee, it is none of our doing and we should not, in fairness, be called upon to correct it.

We have very good reason to feel that Metropolitan is now favorably inclined toward having a unit of their system in this Foothill area. The day is surely coming when some of the smaller municipalities, not interested in joining at this time, will be forced by growth of population and water demand to apply for membership; and a district such as we propose would be the natural if, not indeed, the only means of membership except for consolidation with larger cities now members.

A log is available, recounting the step by step progress in the negotiations to date. We can tell you when we contacted any of the cities which Metropolitan thought might be interested, who was interviewed, and what he said; details of discussions of possible forms of district; legal complexities which only a lawyer should tangle with; and incidents such as members of our committee coming to the defense of Pasadena when debate was warm over the question of Metropolitan water being used to serve these "outside" areas.

But when everything is said and done, the bare fact emerges that Metropolitan is ready to receive an application for membership by a Foothill District such as has been outlined herein, providing it includes the "fringe" areas served by Pasadena which do not now contribute any revenue to Metropolitan.

We would like to know what you think of the situation and to have the benefit of your advice and counsel as to procedure.

And
It would be ungracious to omit telling you that the Metropolitan staff, Mr. Hines and his assistant Mr. Diemer, Mr. Howard, Chief Counsel, and his assistant Mr. Cooper, and all others with whom we have been in contact at all times have been exceedingly co-operative, thoughtful and helpful; and all of us who have been in touch with them feel obliged and grateful. to them.

M I N U T E S
SPECIAL MEETING OF THE BOARD OF DIRECTORS
FOOTHILL MUNICIPAL WATER DISTRICT
May 8, 1959

A special meeting of the Board of Directors of Foothill Municipal Water District was held at the office of the District at 4508 Hampton Road, La Canada, California, on the 8th day of May, 1959 at 4:00 P. M.

In accordance with the By-Laws all members had been duly notified of the meeting.

The President called the meeting ot order and requested the Secretary to call the roll of the Directors present at said meeting. The Secretary reported that there were present at said meeting and answered to said roll call the following:

Nelson Hayward, Director
Donald B. Milliken, Director
Robert Williams, Director
Jos. H. Tumbach, President and Director

The said Directors remained present during the entire meeting. Also present was Assemblyman Frank Lanterman.

(Absent: J. Clifford Argue, Director)

Chairman Tumbach stated that his purpose in calling the special meeting was to acquaint the members of the Board with recent developments in connection with the request for reimbursement of costs of the District's gravity line, extending from the Metropolitan Water District Upper Feeder to the Arroyo Pumping Plant.

At the Chairman's request Director Hayward, the District's representative on the Board of Directors of Metropolitan Water District, explained the situation in detail.

After discussion Chairman Tumbach requested that Director Hayward take the chair. Director Hayward assumed the chair and President Tumbach then moved that the petition presented to Metropolitan Water District, dated March 15, 1959, in which it was requested that Foothill Municipal Water District be reimbursed for the cost of a portion of our main feeder line

in Arroyo Seco in the sum of \$149,940.35 be withdrawn with-
out prejudice and that the Secretary be instructed to so
advise the Metropolitan Water District. He explained this
motion was offered because from dependable information avail-
able it had become apparent that there was no possibility
whatever of a favorable vote by the Metropolitan Board of
Directors at this time under which circumstances it seemed
prudent to withdraw the request and to hope for a time when
there was a better chance for success. The motion was seconded
by Director Williams and carried by the unanimous vote of all
Directors present.

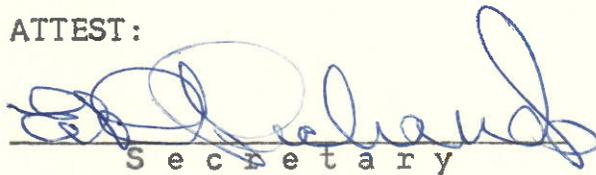
Director Hayward then returned the chair to President
Tumbach.

Chairman Tumbach inquired if there were any other
matters to be taken up and there being none he adjourned the
meeting.



P r e s i d e n t

ATTEST:



S e c r e t a r y

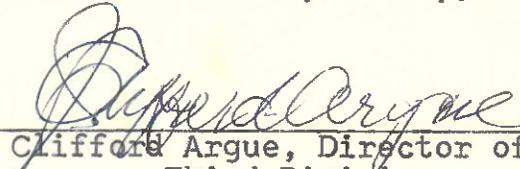
WAIVER OF NOTICE AND CONSENT TO HOLDING A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF FOOTHILL MUNICIPAL WATER
DISTRICT.

La Canada, California

May 8th, 1959

I, the undersigned, being a duly elected Director of the Foothill Municipal Water District, DO HEREBY WAIVE the giving of notice and holding of a Special meeting of the Foothill Municipal Water District Board of Directors on the 8th day of May, 1959, at 4:00 P. M. at the office of the Foothill Municipal Water District, 4508 Hampton Road, La Canada, County of Los Angeles, State of California; and I do hereby further agree that any business transacted at said meeting shall be a valid and legal and of the same force and effect as though the said meeting were held after notice duly given.

"Witness My Signature this 8th day of May, 1959."



J. Clifford Argue, Director of the
Third Division

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

RESOLUTION NO. 9318

**AFFIRMING A CALL TO ACTION AND A
COMMITMENT TO REGIONAL RELIABILITY
FOR ALL MEMBER AGENCIES**

- 1) **WHEREAS, Metropolitan seeks to provide water supply reliability to its Member Agencies.**
 - a) Metropolitan’s enabling legislation provides broad powers for “developing, storing, and distributing water for domestic and municipal purposes.”
 - b) The Board in 1931 established, “Neither surface nor subsurface storage shall be created to the advantage of any area within the limits of the District, or elsewhere, unless such storage is a necessary and economical part of the general engineering plans which may be accepted.”
 - c) The Board in 1991 established its current mission to “provide the service area with adequate supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.”
 - d) The Board in 1996 adopted its first in a series of Integrated Water Resource Plans (IRPs) to identify infrastructure and supply programs to achieve 100 percent reliability.
 - e) The Board in 2008 adopted a water supply allocation plan (WSAP) for use when regional shortages exist to manage shortage conditions felt across the entire service area.

- 2) **WHEREAS, Metropolitan’s infrastructure today cannot provide equivalent water supply reliability to all Member Agencies.**
 - a) Metropolitan’s distribution system was designed decades ago to operate by gravity and to serve large portions of the service area from a single supply system.
 - b) Past reliability efforts focused largely on increasing supply availability rather than connecting member agency demand to multiple imported sources
 - c) Infrastructure constraints prevent the State Water Project (SWP)-dependent agencies from accessing sufficient amounts of supply from the Colorado River Aqueduct, or from storage in Diamond Valley Lake or Lake Mead
 - d) Metropolitan’s actions to operate existing infrastructure to distribute water across the service area, such as the rehabilitation of the Greg Avenue pumping plant, can only meet a small portion of SWP dependent-area needs.

- 3) **WHEREAS, infrastructure constraints created substantial and disparate impacts between Member Agencies.**
 - a) Under the Emergency Water Conservation Program, six out of 26 member agencies, serving about one-third of Southern California’s population, were required to severely constrain outdoor water use or comply with strict volumetric limits beginning on June 1, 2022.
 - b) These affected member agencies must cut their use of Metropolitan’s SWP supply by up to 73 percent, or face volumetric penalties of \$2,000 per acre-foot or a first-ever total ban on outdoor irrigation.

- c) Meanwhile, other member agencies face lesser requirements under statewide regulation to implement demand reductions under Level 2 of their Water Shortage Contingency Plans, locally determined to achieve up to 20 percent water use reduction, and without volumetric penalties.

4) WHEREAS, Severe drought curtailed Metropolitan’s State Water Project Supplies.

- a) Beginning in water year 2020 (October 1, 2019, to September 30, 2020), the watersheds supplying the California State Water Project (SWP) received below-average precipitation. The California Department of Water Resources (DWR) classified water years 2020 - 2022 as dry or critically dry.
- b) The three-year sequence of water years 2020 - 2022 (October 1, 2019, through September 30, 2022) is projected to be the driest on record in California for statewide precipitation. Precipitation in Northern California during the three months from January through March 2022 was the driest on record for that region.
- c) On March 18, 2022, DWR reduced the SWP Table A allocation for 2022 from 15 to only five percent of contract amounts. Table A allocations for 2020 and 2021 were 20 and five percent, respectively. The last three years marks the lowest three-year combined deliveries of allocated water in the history of the SWP.

5) WHEREAS, Metropolitan and its Member Agencies have taken specific actions to preserve SWP supplies.

- a) Metropolitan’s member agencies have, where feasible, operated their systems to reduce dependency on Metropolitan’s supply delivered through service connections fed from the SWP system.
- b) On August 17, 2021, by Minute Item 52481, Metropolitan’s Board adopted a resolution declaring a “Condition 2 – Water Supply Alert” to preserve Metropolitan’s supply for the region.
- c) On November 9, 2021, by Minute Item 52581, Metropolitan’s Board adopted a resolution recognizing the statewide drought emergency, declaring specified emergency conditions to exist within portions of its service area, and calling on member agencies to take various actions to preserve Metropolitan’s supply from the SWP.
- d) On April 26, 2022, by Minute Item 52802, Metropolitan’s Board adopted a resolution declaring a Water Shortage Emergency Condition and established an Emergency Water Conservation Program for member agencies within the SWP-Dependent Area.

6) WHEREAS, Metropolitan has sought additional water for the Human Health and Safety needs of the residents in the SWP-dependent areas.

- a) Supply and infrastructure capabilities within the SWP Dependent Area became insufficient in 2022 to meet basic human health and safety needs, as defined by State Water Resources Control Board regulations and based on 55 gallons per capita per day.
- b) Although DWR granted Metropolitan’s request for additional supply for unmet Human Health and Safety water needs, this water comes under certain conditions: Metropolitan must impose mandatory conservation and must also repay any water borrowed for this purpose within five years.

7) AND WHEREAS, Metropolitan and the affected Member Agencies jointly agree on this problem statement:

- a) Due to limited infrastructure, Metropolitan cannot provide the SWP-dependent member agencies equitable access to water supply and storage assets during severe droughts.

- 1) **NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of The Metropolitan Water District of Southern California hereby affirms the following:
 - a) Southern California's water reliability is in crisis because of record-breaking drought and insufficient pipeline connectivity for imported supplies and existing regional storage to serve all member agencies.
 - b) The disparity in water supply reliability between member agencies is unacceptable.
 - c) Serving any member agency from only one supply source creates a long-term and unacceptable risk.

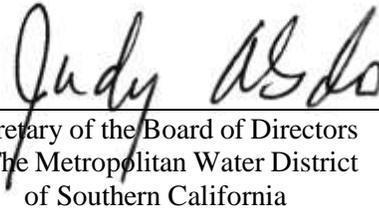
- 2) **BE IT FURTHER RESOLVED** that the Board intends to provide equitable reliability across the service area through a balanced combination of infrastructure, storage, demand management, and water supply programs. These three policy statements affirm this intent:
 - a) All member agencies must receive equivalent water supply reliability through an interconnected and robust system of supplies, storage, and programs.
 - b) Metropolitan will reconfigure and expand (1) its existing portfolio to provide sufficient access to the integrated system of water sources, conveyance and distribution, storage, and (2) programs to achieve equivalent levels of reliability to all member agencies.
 - c) Metropolitan will eliminate disparate water supply reliability through a One Water integrated planning and implementation approach to manage finite water resources for long-term resilience and reliability, meeting both community and ecosystem needs.

- 3) **BE IT FURTHER RESOLVED** that the urgency of this inequity requires a Call to Action where the General Manager is directed to:
 - a) Identify a portfolio of projects and programs, in coordination with the member agencies, to address the problem statement in this resolution. The selected portfolio must include infrastructure improvements to deliver available water supplies to the SWP-dependent areas. The portfolio must also be balanced through new storage and supply programs and local supply development and management.
 - b) Bring a recommended portfolio and implementation plan for Board approval in February 2023.
 - c) Reprioritize CIP projects and spending plans as needed to expedite work on critical and time-sensitive elements to address the supply and infrastructure inequity. If available, use alternative project delivery methods to deliver the projects.
 - d) Provide quarterly reports on the status of the drought emergency projects.

- 4) **BE IT FURTHER RESOLVED** that the Board directs the General Manager to address these actions through a One Water approach with robust Board oversight through the implementation phase of the IRP. The cornerstone elements of the actions must include the following:
 - a) Upgrade water infrastructure to ensure equitable access to supply and storage assets.
 - b) Increase long-term water savings through water use efficiency and transformation of non-functional turfgrass into a more appropriate Southern California landscape.
 - c) Advance development of local supplies for recycled water, groundwater recovery, stormwater capture, and desalination.

- d) Align imported supply planning and actions for the full potential impacts of climate change, using the best available science. These actions include stabilizing those supplies through conveyance improvements, storage infrastructure and programs, water-loss prevention, and voluntary transfers.
- 5) **BE IT FURTHER RESOLVED** that the Board recognizes that the urgency of these improvements may appear to diminish when this present drought eases. The Board affirms that the General Manager must continue to pursue these infrastructure investments even if temporary relief is provided and the water supply conditions improve.
- 6) **BE IT FURTHER RESOLVED** that the General Manager is hereby directed to continue the actions and activities specified in Board Resolution 9313 (August 17, 2021), 9289 (November 9, 2021), and 9305 (April 26, 2002), except as expanded or limited herein.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California at its meeting held on Aug. 15, 2022.



Secretary of the Board of Directors
of The Metropolitan Water District
of Southern California