

**MINUTES**

**SPECIAL MEETING OF THE**

**BOARD OF DIRECTORS**

**THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

**JUNE 24, 2008**

**47533** The Board of Directors of The Metropolitan Water District of Southern California met in Special Meeting in the Board Room located in the building at 700 North Alameda Street in the City of Los Angeles, State of California, on Tuesday, June 24, 2008.

Chairman Brick called the Meeting to order at 12:38 p.m.

**47534** Board Secretary Abdo called the roll. Those answering present were: Directors Abdo, Ackerman, Apodaca, Bakall, Barrett, Bond, Brick, Brown, De Jesus, Dick, J. Edwards, M. Edwards, Fellow, Foley, Grandsen, Griset, Hawkins, Koopman, Little, Lopez, Lowenthal, Morris, J. Murray, W. Murray, Parker, Peterson, Record, Rez, Sutley, Wright, and Wunderlich.

Those not answering were: Directors Ballin, Blake, Grunfeld, Hall, Pocklington, and Quiñonez.

Chairman Brick declared a quorum present.

**47535** Chairman Brick invited members of the public to address the Board on matters within the Board's jurisdiction. No members of the public responded.

**47536** Chairman Brick stated that this special meeting was called to respond to action taken by the State Senate Committee on Local Government with regard to Assembly Bill 885 (Calderon, D-Whittier): Metropolitan Water District of Southern California. There were some concerns raised by various senators inquiring whether Metropolitan had fully considered the elements of the

bill, as well as other options that might be considered such as proxy voting. The Chairman stated that he wanted to give the Board members the opportunity to comment on this important change in the governance of Metropolitan.

**47536** General Manager Kightlinger referred to the board letter before each Director, which recapped the status and explanation of AB 885. Mr. Kightlinger reported that discussions were held with the author of the bill who agreed to accept two amendments to the bill: one on costs for alternate board members to be paid by the member agencies, and the other for the member agencies also having the burden of dealing with the conflict of interest laws and conflict of interest issues. As of the reporting of this matter to the Board, Mr. Kightlinger said that he had not yet seen any of these amendments in print.

General Manager Kightlinger asked that the Board consider its opposition to AB 885 and support if amended or oppose unless amended to provide for proxy voting.

General Manager Kightlinger gave a description of the bill from the Assembly side to the current event taking place in the Senate side. If the Senate approves this bill, it would then go to the Governor for signature.

Assistant General Counsel Bennion explained how a proxy vote would work and referred to the San Diego County Water Authority's use of proxy vote.

**47537** Following comments by Directors on the pros and cons of accepting AB 885, Director J. Edwards moved that the Board adopt the CEQA determination and express support for AB 885, if amended to include proxy voting, as set forth in the letter signed by the General Manager on June 23, 2008.

The Chair announced that there was no second to the motion; therefore it would not be considered.

**47538** After further discussion on whether the bill would be beneficial to Metropolitan, Director Lowenthal moved, seconded by Director Hawkins, that the Board express support for AB 885 as written.

Director Record withdrew from the Meeting at 1:03 p.m.

Vice Chairman Fellow offered a substitute motion that Metropolitan Water District Board of Directors opposes AB 885 unless the author accepts an amendment allowing proxy votes instead of alternate Directors, with a proxy vote being defined as one cast by a sitting Metropolitan Director. Director Rez seconded the substitute motion.

Director Koopman offered a friendly amendment to the substitute motion adding that any further amendment to the bill would change Metropolitan's position to a straight oppose. The maker and seconder of the substitute motion accepted the friendly amendment.

The Chair called for a vote on the substitute motion that Metropolitan Water District Board of Directors opposes AB 885 unless the author accepts an amendment allowing proxy votes instead of alternate Directors, with a proxy vote being defined as one cast by a sitting Metropolitan Director, and that any further amendment to the bill would change Metropolitan's position to a straight oppose.

The following is a record of the vote on the substitute motion:

Ayes: Anaheim (Dir. M. Edwards, 3,352 votes), Beverly Hills (Dir. Wunderlich, 1,817 votes), Burbank (Dir. Brown, 1,679 votes), Calleguas Municipal Water District (Dir. Grandsen, 7,950 votes), Foothill Municipal Water District (Dir. J. Edwards, 1,197 votes), Glendale (Dir. Rez, 2,106 votes), Inland Empire Utilities Agency (Dir. Koopman, 7,982 votes), Las Virgenes Municipal Water District (Dir. Peterson, 1,859 votes), Los Angeles (Ayes: Dirs. J. Murray and Sutley. Absent: Dirs. Grunfeld and Quiñonez. 37,539 votes), Municipal Water District of Orange County (Dirs. Ackerman, Bakall, Dick and Foley, 33,589 votes), San Diego County Water Authority (Dirs. Barrett, Bond, and Parker. Absent: Dir. Pocklington. 36,606 votes), San Marino (Dir. Morris, 374 votes), Santa Ana (Dir. Griset, 2,094 votes), Santa Monica (Dir. Abdo, 2,103 votes), Three Valleys Municipal Water District (Dir. De Jesus, 4,771 votes), Torrance (Dir. Wright, 2,053 votes), Upper San Gabriel Valley Municipal Water District (Dir. Fellow, 6,840 votes), West Basin Municipal Water District (Dirs. Little and W. Murray, 12,760 votes), Western Municipal Water District of Riverside County (Dir. Lopez, 8,366 votes). Total 175,037 votes.

Noes: Central Basin Municipal Water District (Dirs. Apodaca and Hawkins, 10,595 votes), Long Beach (Dir. Lowenthal, 3,670 votes). Total 14,265 votes.

Abstain: None.

Not Participating: Pasadena (Dir. Brick, 1,846 votes). Total 1,846 votes.

Absent: Compton (Dir. Hall, 338 votes), Eastern Municipal Water District (Dir. Record, 6,788 votes), Fullerton (Dir. Blake, 1,408 votes), San Fernando (Dir. Ballin, 144 votes). Total 8,678 votes.

The Chair declared the substitute motion carried by a vote of 175,037 ayes, 14,265 noes, 1,846 not participating, and 8,678 absent.

Chairman Brick reminded the Board that amendments on the Senate floor can only come from the author of the bill, and that discussions would have to begin with the author and the sponsors to determine whether they would accept Metropolitan's approach or not. If Metropolitan's amendment is not accepted by the author, then the opposition to the bill becomes operative. The Chairman urged the Board members to contact their senators and express opposition to AB 885, which the majority of the Board supported.

**47539** There being no objection, the Chairman adjourned the Meeting at 1:11 p.m.

**JUDY ABDO**  
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**SECRETARY**

**TIMOTHY F. BRICK**  
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**CHAIRMAN**