

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

LEGAL AND CLAIMS COMMITTEE

August 16, 2011

Chair Wunderlich called the meeting to order at 8:02 a.m. in Committee Room 2-145 at Metropolitan's Headquarters.

Members present: Chair Wunderlich, Vice Chair Quiñonez
Directors Ackerman, Ballin, Camacho, Dick, Edwards, Fleming, Griset,
Hawkins, Heidel, Record and Steiner

Other Board Members present: Directors Barbre, Blake, Brick, Brown, Evans, Foley, Grandsen,
Little, J. Murray, Peterson and Wright

Staff present: Scully, Bennion, DeBacker, Clairday, Coffey, Dymally, Elliott, Gagar-Downing,
Green, G. Johnson, Kear, Kightlinger, Man, Masouredis, Miyashiro, Nagai, Neal,
Patterson, Riss, Schlotterbeck, M. Stewart, Stites, Torres, Upadhyay,
Vanderhorst, Von Haam and Waade

**1. OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE
COMMITTEE ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION**

None

**2. APPROVAL OF THE MINUTES OF THE LEGAL AND CLAIMS COMMITTEE
MEETING HELD ON JULY 12, 2011**

Approved

Motion: Edwards Seconded: Steiner

3. CONSENT CALENDAR ITEMS -- ACTION

None

4. OTHER BOARD ITEMS -- ACTION

8-9 Subject: **Authorize increase in maximum amount payable under contract with Morrison & Foerster for legal services by \$600,000 to a maximum of \$6,325,000; and report on *San Luis & Delta-Mendota Water Authority, et al. v. Salazar, et al.*, USDC Case No. 1:09-CV-407 OWW GSA, and consolidated cases; and *San Luis & Delta-Mendota Water Authority, et al. v. Locke, et al.*, USDC Case No. 1:09-CV-1053 OWW DLB, and consolidated cases. (Closed Session)**

Presented by: Chief Deputy General Counsel Linus Masouredis

Closed Session: In closed session the Committee heard a report on Item 8-9.
In open session the Committee voted to adopt the CEQA determination and authorize the General Counsel to amend the contract for legal services with Morrison & Foerster to increase the maximum amount payable by \$600,000 to a maximum of \$6,325,000 in the *San Luis & Delta-Mendota Water Authority* litigation.

Motion Carried: Moved: Steiner Seconded: Ballin

8-10 Subject: **Report on existing litigation: *Orange County Water District v. Northrop Corporation*, Orange County Superior Court Case No. 04CC00715, and *San Gabriel Basin Water Quality Authority v. Aerojet-General Corp., et al.*, United States District Court Case No. CV 02-4565 ABC (RCx) and consolidated cases; and authorize increases in maximum amount payable under contracts with Meyers, Nave, Riback, Silver & Wilson, PC for legal services in *OCWD v. Northrop* by \$700,000 to an amount not to exceed \$800,000; and Manatt, Phelps & Phillips, LLP for legal services in *San Gabriel Basin v. Aerojet-General* by \$700,000 to an amount not to exceed \$1 million. (Closed Session)**

Presented by: Senior Deputy General Counsel Catherine Stites

Closed Session: Chair Wunderlich recused himself from this item.
In closed session the Committee, chaired by Vice Chair Quiñonez, heard a report on Item 8-10.
In open session the Committee, chaired by Vice Chair Quiñonez, voted to adopt the CEQA determination and

authorize the General Counsel to amend the contracts for legal services and authorize increases in maximum amounts payable under contract with Meyers, Nave, Riback, Silver & Wilson, PC for legal services in *OCWD v. Northrop* by \$700,000 to a maximum of \$800,000; and Manatt, Phelps and Phillips LLP for legal services in *San Gabriel Basin Water Quality Authority v. Aerojet-General* by \$700,000 to a maximum of \$1 million.

Motion Carried: Moved: Edwards Seconded: Heidel
Recused: Chair Wunderlich

8-11 Subject: **Report on *Village Retail Center, LLC, et al. v. Metropolitan Water District, et al.*, Los Angeles Superior Court Case No. BC439334; and ratify settlement authority. (Closed Session)**

Presented by: Senior Deputy General Counsel Joseph Vanderhorst

Closed Session: The Committee heard a report on Item 8-11 in closed session and voted to ratify settlement authority.

5. BOARD INFORMATION ITEMS

None

6. COMMITTEE ITEMS

a. Subject: **Interim General Counsel's report of monthly activities**

Presented by: Interim General Counsel Marcia Scully

Interim General Counsel Marcia Scully reported that the State Water Resources Control Board is taking up a review of the Sacramento Regional County Sanitation District's permit. The hearing will take place on September 20.

Ms. Scully also reported on a new fluoridation lawsuit recently filed in the United States District Court, Southern District against Metropolitan alleging violations of civil rights. Metropolitan has not been served with the complaint.

b. Subject: **Report on Monterey II cases: *Central Delta Water Agency, et al. v. Department of Water Resources; Rosedale-Rio Bravo Water Storage District v. Department of Water Resources; Central Delta Water Agency, et al. v. Kern County Water Agency.* (Closed Session)**

Presented by: Senior Deputy General Counsel Adam Kear

Closed Session; In closed session the Committee heard a report on item 6b.
No action was taken.

c. Subject: **Report on *San Diego County Water Authority v. Metropolitan Water District of Southern California, et al., San Francisco County Superior Court Case No. CPF-10-510830.* (Closed Session)**

Presented by: Assistant General Counsel Sydney Bennion

Closed Session: Directors Heidel and Steiner, representing the San Diego County Water Authority, withdrew from the meeting for this item.

In closed session the Committee heard a report on item 6c.
No action was taken.

7. FOLLOW-UP ITEMS

None

8. FUTURE AGENDA ITEMS

None

Next meeting will be held on September 13, 2011.

Meeting adjourned at 9:50 a.m.

Robert Wunderlich
Chair