

MINUTES

SPECIAL MEETING OF THE

BOARD OF DIRECTORS

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

SEPTEMBER 27, 2011

48811 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, September 27, 2011.

Chairman Foley called the Meeting to order at 10:34 a.m.

48812 Board Secretary Morris called the roll. Those answering present were: Directors Abdo (via tele-conference), Ackerman, Barbre, Blake, Brick, Brown, Camacho, De Jesus, Dick, Edwards, Evans, Foley, Friedman, Grandsen, Gray, Griset, Grunfeld, Hawkins, Heidel, Lewinger, Little, Lowenthal, Montalvo, Morris, J. Murray, K. Murray, Peterson, Quiñonez, Record, Sanchez, Steiner, Wright, and Wunderlich.

Those not answering were: Directors Ballin, Bowersox, Chavez, and Fleming.

Chairman Foley declared a quorum present.

48813 Chairman Foley invited members of the public to address the Board on matters within the Board's jurisdiction. No members of the public responded.

48814 Chairman Foley stated that this special meeting was called to approve (1) the process for selection of the General Counsel; and (2) the Memoranda of Understanding between Metropolitan and AFSCME Local 1902 and the Management

and Professional Employees Association MAPA/AFSCME Chapter 1001.

48815 Legal and Claims Committee Chairman Wunderlich reported that the process for selection of the General Counsel was heard by the committee in closed session.

Committee Chairman Wunderlich then moved that the Board approve the committee's recommendation to obtain a search firm to conduct a national search for the position of General Counsel, with Interim General Counsel Marcia Scully designated as a finalist. A smaller subcommittee shall be appointed among the Legal and Claims Committee members to work with the search firm and interview candidates. The motion was seconded by Director Blake and carried.

Directors Dick and Edwards requested to be recorded as voting no.

48816 For the record, Organization, Personnel and Technology Committee Chairman J. Murray read the statement relating to the disclosure of interests of Metropolitan employees negotiating on behalf of management.

General Manager Kightlinger gave a brief summary of the key provisions of the Memoranda of Understanding (MOA) with AFSCME, Local 1902 and MAPA, Local 1001, as follows:

- Six-year term, effective January 1, 2011 to December 31, 2016
- New hires to contribute 7% to PERS, effective January 1, 2012
- Longer vesting period (20 years) for new hires for retiree medical, effective January 1, 2012
- Metropolitan's medical contribution for all employees reduced to 100% PERS Choice/HMO, effective January 1, 2012
- 2% @ 60 PERS retirement formula for new hires at board discretion
- \$6,000 non-PERS lump sum payment per employee, effective April 1, 2012
- Classifications moved up 2 salary grades, effective January 1, 2013

- 0.25% salary increase plus opportunity for merit-based increase, effective January 1, 2013 and January 1, 2014
- Salary re-openers (minimum increase = 50% of 3-year average increases to CPI), effective July 1, 2015 and July 1, 2016
- Additional 0.75% 401(k) match, only when 2% a 60 implemented

General Manager Kightlinger stated that the contract terms agreed to with AFSCME and MAPA (Metropolitan's two largest bargaining units) are the same as the Board approved for the Supervisors Association on September 13, 2011.

Organization, Personnel and Technology Committee Chairman J. Murray then moved that the Board adopt the CEQA determination and authorize the General Manager to exercise discretion under Administrative Code Sections 6101(k) and (l) to enter into a successor MOU with AFSCME and MAPA, as set forth in the letter signed by the General Manager on September 26, 2011.

Following comments made by Directors and the statement that the board letter was not distributed at the Organization, Personnel and Technology Committee meeting, Director Edwards moved a substitute motion to table this item for further discussion and action at the October meetings of the committee and the Board. The substitute motion was seconded by Director Blake.

There was further discussion by the Board on the different components of the agreements.

Directors Grunfeld and Hawkins withdrew from the Meeting at 10:50 a.m.

Chairman Foley called for a vote on the substitute motion.

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

Ayes: Burbank (Dir. Brown, 1,805 votes), Calleguas Municipal Water District (Dir. Grandsen, 7,849 votes),

Foothill Municipal Water District (Dir. Edwards, 1,313 votes), Fullerton (Dir. Blake, 1,465 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, and Dick, 26,032.50 votes), San Diego County Water Authority (Dir. Lewinger, 12,227.33 votes), Torrance (Dir. Wright, 2,238 votes). Total 59,929.84 votes.

Noes: Beverly Hills (Dir. Wunderlich, 2,127 votes), Central Basin Municipal Water District (No: Dir. Montalvo. Absent: Dir. Hawkins. 10,955 votes), Compton (Dir. Sanchez, 321 votes), Eastern Municipal Water District (Dir. Record, 5,342 votes), Glendale (Dir. Friedman, 2,296 votes), Inland Empire Utilities Agency (Dir. Camacho, 7,971 votes), Las Virgenes Municipal Water District (Dir. Peterson, 1,929 votes), Long Beach (Dir. Lowenthal, 3,765 votes), Los Angeles (Noes: Dirs. J. Murray and Quiñonez. Absent: Dirs. Fleming and Grunfeld. 40,008 votes), Municipal Water District of Orange County (Dir. Foley, 8,677.50 votes), Pasadena (Dir. Brick, 2,103 votes), San Diego County Water Authority (Noes: Dirs. Heidel and Steiner. Absent: Dir. Bowersox. 24,454.67 votes), San Marino (Dir. Morris, 439 votes), Santa Ana (Dir. Griset, 1,987 votes), Santa Monica (Dir. Abdo, 2,447 votes), Three Valleys Municipal Water District (Dir. De Jesus, 4,978 votes), West Basin Municipal Water District (Dirs. Gray and Little, 13,904 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,426 votes). Total 141,130.16 votes.

Abstain: Anaheim (Dir. K. Murray, 3,436 votes). Total 3,436 votes.

Absent: San Fernando (Dir. Ballin, 146 votes), Upper San Gabriel Valley Municipal Water District (Dir. Chavez, 7,408 votes). Total 7,554 votes).

The Chair declared the substitute motion failed by a vote of 59,929.84 ayes, 141,130.16 noes, 3,436 abstain, and 7,554 absent.

Chairman Foley called for a vote on the original motion.

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

Ayes: Beverly Hills (Dir. Wunderlich, 2,127 votes), Burbank (Dir. Brown, 1,805 votes), Central Basin Municipal Water District (Aye: Dir. Montalvo. Absent: Dir. Hawkins. 10,955 votes), Compton (Dir. Sanchez, 321 votes), Eastern Municipal Water District (Dir. Record, 5,342 votes), Glendale (Dir. Friedman, 2,296 votes), Inland Empire Utilities Agency (Dir. Camacho, 7,971 votes), Las Virgenes Municipal Water District (Dir. Peterson, 1,929 votes), Long Beach (Dir. Lowenthal, 3,765 votes), Los Angeles (Ayes: Dirs. J. Murray and Quiñonez. Absent: Dirs. Fleming and Grunfeld. 40,008 votes), Municipal Water District of Orange County (Dirs. Ackerman and Foley, 17,355 votes), Pasadena (Dir. Brick, 2,103 votes), San Diego County Water Authority (Ayes: Dirs. Heidel and Steiner. Absent: Dir. Bowersox. 24,454.67 votes), Santa Ana (Dir. Griset, 1,987 votes), Santa Monica (Dir. Abdo, 2,447 votes), Three Valleys Municipal Water District (Dir. De Jesus, 4,978 votes), Torrance (Dir. Wright, 2,238 votes), West Basin Municipal Water District (Dirs. Gray and Little, 13,904 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,426 votes). Total 153,411.67 votes.

Noes: Anaheim (Dir. K. Murray, 3,436 votes), Calleguas Municipal Water District (Dir. Grandson, 7,849 votes), Foothill Municipal Water District (Dir. Edwards, 1,313 votes), Fullerton (Dir. Blake, 1,465 votes), Municipal Water District of Orange County (Dirs. Barbre and Dick, 17,355 votes), San Diego County Water Authority (Dir. Lewinger, 12,227.33 votes), San Marino (Dir. Morris, 439 votes). Total 44,084.33 votes.

Abstain: None.

Absent: San Fernando (Dir. Ballin, 146 votes), Upper San Gabriel Valley Municipal Water District (Dir. Chavez, 7,408 votes). Total 7,554 votes).

The Chair declared the original motion passed by a vote of 153,411.67 ayes, 44,084.33 noes, and 7,554 absent.

48817 There being no objection, the Chairman adjourned the Meeting at 11:00 a.m.



JOHN T. MORRIS

SECRETARY



JOHN V. FOLEY

CHAIRMAN