

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

LEGAL AND CLAIMS COMMITTEE

December 13, 2011

Chair Wunderlich called the meeting to order at 8:31 a.m. in Committee Room 2-145 at Metropolitan's Headquarters.

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

Member absent: Vice Chair Quiñonez

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

Staff present: Scully, Bennion, Bennett, Breaux, Burman, Campbell, Gagar-Downing, Green, Ivey, Johnson, Kear, Kightlinger, Man, Miyashiro, Patterson, Riss, Roberts, Schlotterbeck, Vanderhorst, Waade and Zinke

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 MEETINGS HELD ON NOVEMBER 7, 2011

Approved

Motion: Steiner

Seconded: Edwards

3. CONSENT CALENDAR ITEMS -- ACTION

7-6 Subject: Authorize contracts for special bond counsel and co-special bond counsel services for the period ending December 31, 2014.

Presented by: Assistant General Counsel Sydney Bennion

Assistant General Counsel Sydney Bennion reported on Metropolitan's process for selection of bond counsel. Every three years, Metropolitan sends out requests for proposals (RFPs). The selected firms form a pool of bond counsel firms

to use for bond counsel transactions. Once Metropolitan enters into contracts with those firms, they bid on specific transactions which enables Metropolitan to match bond counsel expertise with the particular transaction to get the best pricing.

In October, Metropolitan issued an RFP to 51 bond counsel firms, which are listed in the "Red Book" of nationally recognized bond counsel that have offices in California. There were 13 responses. Seven firms were selected by staff for recommendation: Fulbright & Jaworski L.L.P., Hawkins, Delafield & Wood, Nixon Peabody LLP, Sidley Austin LLP, Curls Bartling P.C., GCR LLP and the Law Offices of Alexis Chiu.

Motion Carried: Moved: Record Seconded: Edwards

4. **OTHER BOARD ITEMS -- ACTION**

8-3 Subject: *Report on Village Retail Center, LLC, et al. v. Metropolitan Water District, et al., Los Angeles Superior Court Case No. BC439334; and authorize settlement of all claims. (Closed Session)*

Presented by: Senior Deputy General Counsel Joseph Vanderhorst

Closed Session: The Committee heard a report on Item 8-3 in closed session and voted to adopt the CEQA determination and authorize settlement of all claims.

8-4 Subject: *Report on San Luis Rey River Indian Water Authority v. Metropolitan Water District, JAMS Arbitration No. 1400013202; and authorize increase in the maximum amount payable under contract with Raftelis Financial Consultants, Inc. of \$75,000 to an amount not to exceed \$175,000. (Closed session)*

Presented by: Senior Deputy General Counsel Joseph Vanderhorst

Closed Session: In closed session the Committee heard a report on Item 8-4. In open session the Committee voted to adopt the CEQA determination and authorize increase of \$75,000 for a total of \$175,000 in maximum amount payable under contract with Raftelis Financial Consultants, Inc.

Motion Carried: Moved: Fleming Seconded: Dick

b. Subject: **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; *San Luis & Delta Mendota Authority, et al. v. Locke, et al.*, USDC Case No. 1:09-CV-1053 OWW DLB, and consolidated cases; *Watershed Enforcers v. California Dept. of Water Resources, et al.*, Alameda County Superior Court No. RG06292124; *State Water Contractors v. California Dept. of Fish & Game, et al.*, Sacramento County Superior Court Case No. 34-2009-80000203; *Central Delta Water Agency v. California Dept. of Water Resources, et al.*, Sacramento County Superior Court Case No. 34-2009-80000269. (Closed Session)**

Presented by: Interim General Counsel Marcia Scully and Assistant General Manager Roger Patterson

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: Interim General Counsel Marcia Scully

Closed Session: Directors Heidel, Lewinger, Steiner and Wilson, 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 regular meeting will be held on January 10, 2011.

Meeting adjourned at 10:16 a.m.

Robert Wunderlich
Chair