

MINUTES

**REGULAR MEETING OF THE
BOARD OF DIRECTORS**

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

APRIL 10, 2012

49020 The Board of Directors of The Metropolitan Water District of Southern California met in Regular 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, April 10, 2012.

Chairman Foley called the Meeting to order at 12:05 p.m.

49021 The Meeting was opened with an invocation by Ayo Akingbemi, Principal Administrative Analyst, Water Resource Management Group.

49022 The Pledge of Allegiance to the Flag was given by Director Doug Wilson.

49023 Board Secretary Morris called the roll. Those answering present were: Directors Abdo, Ackerman, Ballin, Barbre, Blake, Brick, Brown, Camacho, De Jesus, Edwards, Evans (via telephone participation), Fleming, Foley, Grandsen, Gray, Griset, Grunfeld, Hawkins, Heidel, Lewinger, Little, Millard, Morris, J. Murray, K. Murray, Peterson, Quiñonez, Record, Steiner, Wilson, Wright, and Wunderlich.

Those not answering were: Directors Dick, Friedman, Lowenthal (entered 12:15 p.m.), Montalvo (entered 12:50 p.m.), and Sanchez.

Chairman Foley declared a quorum present.

49024 General Manager Kightlinger introduced John Laird, California Secretary for Natural Resources. Secretary Laird updated the Board on the Delta.

Director Lowenthal took her seat at 12:15 p.m.

49025 Chairman Foley invited members of the public to address the Board on matters within the Board's jurisdiction.

The following members of the public spoke in reference to Agenda Item 8-1, the proposed biennial budget for fiscal years 2012/13 and 2013/14, and the recommended water rates and charges for 2013 and 2014:

David Pettijohn, Manager of Water Resources, Los Angeles Department of Water and Power

Rob Beste, City of Torrance

John Rossi, General Manager, Western Municipal Water District of Riverside County

Mark Weston, Director, San Diego County Water Authority (representing City of Poway)

Tom Wornham, Director, San Diego County Water Authority (representing City of San Diego)

Elsa Saxod, Director, San Diego County Water Authority (representing City of San Diego)

Jim Ferrara, Member of 2010/2011 San Diego County Grand Jury

Weston LaBar, Long Beach and Redondo Beach Chambers of Commerce

Alex Ruiz, Assistant Director, Public Utilities Department, City of San Diego

Reddy Pakala, Ventura County Waterworks District

Stephen Williams, President of AFSCME Local 1902

DeAna Verbeke, President, Helix Water District

Gary Felien, Oceanside City Council

Director Montalvo took his seat at 12:50 p.m.

Brendan Huffman, Chambers Alliance of Ventura and Santa Barbara Counties

Brian McNerney, La Verne Chamber of Commerce

Stephanie Taylor, Green LA Coalition

Bob Cable, Inland Empire Legislative Chamber Alliance

Carolyn Casanan, Valley Industry and Commerce Association

Anne Williams, Central City Association

John Mendoza, Resident of Pomona

James H. Knott III, Utilities Commission, City of Oceanside

Dennis Cushman, Assistant General Manager, San Diego County Water Authority

Paul Jones, General Manager, Eastern Municipal Water District

Carlos Cruz, Bell Gardens Chamber of Commerce

Michelle Garakian, Los Angeles Business Council

Susan Mulligan, General Manager, Calleguas Municipal Water District

Jeff Wilson, Manhattan Beach Chamber of Commerce

George Kivett, South Bay Association of Chambers of Commerce
Andrew Henderson, BILD Foundation
Brenna Norton, Food & Water Watch
Rich Nagel, General Manager, West Basin Municipal Water District

Chairman Foley thanked all the members of the public for their input on Agenda Item 8-1.

49026 Finance and Insurance Committee Chairman Grunfeld reported on the various discussions taken place at the committee and board workshops over the past few months regarding the proposed biennial budget and water rates. At its meeting of April 9, the committee was unable to get a majority vote on any of the recommended options. The committee therefore decided to refer all options to the full Board for consideration and action. Committee Chairman Grunfeld stated that three options and a substitute motion were voted on by the committee, with none receiving a majority vote.

Committee Chairman Grunfeld therefore moved, seconded by Director Fleming and carried, that the Board consider the options in the order being proposed until one option receives a greater than 50 percent vote. The voting order was as follows:

3.0%/3.0% proposal proffered by Directors Lewinger and Wilson
7.5%/5.0% proposal (Option #1 in board letter)
6.5%/5.0% proposal (Option #3 in board letter)
5.0%/5.0% proposal (Option #2 in board letter)

Chairman Foley called for a vote on the motion on the 3.0%/3.0% proposal.

The following is a record of the vote on the 3.0%/3.0% proposal (proffered by Directors Lewinger and Wilson):

Ayes: San Diego County Water Authority (Dirs. Heidel, Lewinger, Wilson, and Steiner, 36,682 votes). Total 36,682 votes.

Noes: Anaheim (Dir. K. Murray, 3,436 votes), Beverly Hills (Dir. Wunderlich, 2,127 votes), Burbank (Dir. Brown, 1,805 votes), Calleguas Municipal Water District (Dir. Grandsen, 7,849 votes), Central Basin Municipal Water District (Dirs. Hawkins and Montalvo, 10,955 votes), Eastern Municipal Water District

(Dir. Record, 5,342 votes), Foothill Municipal Water District (Dir. Edwards, 1,313 votes), Fullerton (Dir. Blake, 1,465 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 (Dirs. Fleming, Grunfeld, J. Murray, and Quiñonez, 40,008 votes), Municipal Water District of Orange County (Noes: Dirs. Ackerman and Barbre. Not Participating: Dir. Foley. Absent: Dir. Dick. 34,710 votes), Pasadena (Dir. Brick, 2,103 votes), San Fernando (Dir. Ballin, 146 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), Torrance (Dir. Wright, 2,238 votes), Upper San Gabriel Valley Municipal Water District (Dir. Millard, 7,408 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 165,751 votes.

Abstain: None.

Absent: Compton (Dir. Sanchez, 321 votes), Glendale (Dir. Friedman, 2,296 votes). Total 2,617 votes).

The Chair declared the 3.0%/3.0% proposal failed by a vote of 36,682 ayes, 165,751 noes, and 2,617 absent.

Chairman Foley called for a vote on the motion on the 7.5.0%/5.0% proposal.

The following is a record of the vote on the 7.5%/5.0% proposal (Option #1 in the board letter):

Ayes: Burbank (Dir. Brown, 1,805 votes), Foothill Municipal Water District (Dir. Edwards, 1,313 votes), Fullerton (Dir. Blake, 1,465 votes), Pasadena (Dir. Brick, 2,103 votes), San Marino (Dir. Morris, 439 votes), Torrance (Dir. Wright, 2,238 votes), Upper San Gabriel Valley Municipal Water District (Dir. Millard, 7,408 votes), West Basin Municipal Water District (Dirs. Gray and Little, 13,904 votes). Total 33,122 votes.

Noes: Anaheim (Dir. K. Murray, 3,436 votes), Beverly Hills (Dir. Wunderlich, 2,127 votes), Calleguas Municipal Water District (Dir. Grandsen, 7,849 votes), Central Basin Municipal Water District (Dirs. Hawkins and Montalvo, 10,955 votes),

Eastern Municipal Water District (Dir. Record, 5,342 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 (Dirs. Fleming, Grunfeld, J. Murray, and Quiñonez, 40,008 votes), Municipal Water District of Orange County (Noes: Dirs. Ackerman and Barbre. Not Participating: Dir. Foley. Absent: Dir. Dick. 34,710 votes), San Diego County Water Authority (Dirs. Heidel, Lewinger, Wilson, and Steiner, 36,682 votes), San Fernando (Dir. Ballin, 146 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), Western Municipal Water District of Riverside County (Dir. Evans, 7,426 votes). Total 169,311 votes.

Abstain: None.

Absent: Compton (Dir. Sanchez, 321 votes), Glendale (Dir. Friedman, 2,296 votes). Total 2,617 votes).

The Chair declared the 7.5%/5.0% proposal failed by a vote of 33,122 ayes, 169,311 noes, and 2,617 absent.

Chairman Foley called for a vote on the motion on the 6.5.0%/5.0% proposal.

The following is a record of the vote on the 6.5%/5.0% proposal (Option #3 in the board letter):

Ayes: Beverly Hills (Dir. Wunderlich, 2,127 votes), Burbank (Dir. Brown, 1,805 votes), Eastern Municipal Water District (Dir. Record, 5,342 votes), Foothill Municipal Water District (Dir. Edwards, 1,313 votes), Fullerton (Dir. Blake, 1,465 votes), Pasadena (Dir. Brick, 2,103 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), Torrance (Dir. Wright, 2,238 votes), West Basin Municipal Water District (Dirs. Gray and Little, 13,904 votes). Total 40,148 votes.

Noes: Anaheim (Dir. K. Murray, 3,436 votes), Calleguas Municipal Water District (Dir. Grandsen, 7,849 votes), Central Basin Municipal Water District (Dirs. Hawkins and Montalvo, 10,955 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 (Dirs. Fleming, Grunfeld, J. Murray, and Quiñonez, 40,008 votes), Municipal Water District of Orange County (Noes: Dirs. Ackerman and Barbre. Not Participating: Dir. Foley. Absent: Dir. Dick. 34,710 votes), San Diego County Water Authority (Dirs. Heidel, Lewinger, Wilson, and Steiner, 36,682 votes), San Fernando (Dir. Ballin, 146 votes), Upper San Gabriel Valley Municipal Water District (Dir. Millard, 7,408 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,426 votes). Total 162,285 votes.

Abstain: None.

Absent: Compton (Dir. Sanchez, 321 votes), Glendale (Dir. Friedman, 2,296 votes). Total 2,617 votes).

The Chair declared the 6.5%/5.0% proposal failed by a vote of 40,148 ayes, 162,285 noes, and 2,617 absent.

Chairman Foley called for a vote on the motion on the 5.0%/5.0% proposal.

The following is a record of the vote on the 5.0%/5.0% proposal (Option #2 in the board letter):

Ayes: Anaheim (Dir. K. Murray, 3,436 votes), Beverly Hills (Dir. Wunderlich, 2,127 votes), Burbank (Dir. Brown, 1,805 votes), Calleguas Municipal Water District (Dir. Grandsen, 7,849 votes), Central Basin Municipal Water District (Dirs. Hawkins and Montalvo, 10,955 votes), Eastern Municipal Water District (Dir. Record, 5,342 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 (Dirs. Fleming, Grunfeld, J. Murray, and Quiñonez, 40,008 votes), Municipal Water District of Orange County (Ayes: Dirs. Ackerman and Barbre. Not Participating: Dir. Foley. Absent: Dir. Dick. 34,710 votes), San Fernando (Dir. Ballin, 146 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), 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 153,462 votes.

Noes: Fullerton (Dir. Blake, 1,465 votes), Pasadena (Dir. Brick, 2,103 votes), San Diego County Water Authority (Dirs. Heidel, Lewinger, Wilson, and Steiner, 36,682 votes), Upper San Gabriel Valley Municipal Water District (Dir. Millard, 7,408 votes). Total 47,658 votes.

Abstain: Foothill Municipal Water District (Dir. Edwards, 1,313 votes). Total 1,313 votes.

Absent: Compton (Dir. Sanchez, 321 votes), Glendale (Dir. Friedman, 2,296 votes). Total 2,617 votes).

The Chair declared the 5.0%/5.0% proposal passed by a vote of 153,462 ayes, 47,658 noes, 1,313 abstain, and 2,617 absent.

The complete motion as passed is as follows, as set forth under Option #2 in the letter of the General Manager signed on April 5, 2012:

Adopt the CEQA determination and

a. Approve the FY 2012/13 budget and:

- i. Appropriate \$1,086.2 million for Metropolitan O&M and operating equipment, power costs on the Colorado River Aqueduct, SWP operations, maintenance, power and replacement costs and SWP capital charges; demand management programs including the local resources and conservation credits program; and costs associated with supply programs;
- ii. Appropriate as continuing appropriation, \$342.0 million for FY 2012/13 debt service on Metropolitan general obligation and revenue bonds; and
- iii. Authorize the use of \$55.0 million in operating revenues to fund Replacement and Refurbishment expenditures.

b. Approve the FY 2013/14 budget and:

- i. Appropriate \$1,069.8 million for Metropolitan O&M and operating equipment, power costs on the Colorado River Aqueduct, SWP operations, maintenance, power and replacement costs and SWP capital charges; demand management programs including the

- local resources and conservation credits program; and costs associated with supply programs;
- ii. Appropriate as continuing appropriation, \$344.8 million for FY 2013/14 debt service on Metropolitan general obligation and revenue bonds; and
 - iii. Authorize the use of \$125.0 million in operating revenues to fund Replacement and Refurbishment expenditures.
- c. Determine that the revenue requirement to be paid from rates and charges is \$1,366.0 million in FY 2012/13 and \$1,443.2 million in FY 2013/14;
 - d. Approve water rates effective January 1, 2013, and January 1, 2014, as shown under Option #2 in Table 2 of the aforementioned letter;
 - e. Adopt the Resolution Fixing and Adopting Water Rates to be Effective January 1, 2013 and 2014 (**Resolution 9140**) in the form of Attachment 8 in the board letter, using the rates shown under Option #2 in Section 1 of the Resolution;
 - f. Adopt the Resolution Fixing and Adopting a Readiness-to-Serve Charge for Calendar Year 2013 (**Resolution 9141**) in the form of Attachment 9 in the board letter, using the charge shown under Option #2 in Section 5 of the Resolution; and
 - g. Adopt the Resolution Fixing and Adopting a Capacity Charge Effective January 1, 2013 (**Resolution 9142**) in the form of Attachment 10 in the board letter, using the charge shown under Option #2 in Section 6 of the Resolution.

Said Resolutions are entitled:

- | | |
|------------------------|--|
| Resolution 9140 | RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA FIXING AND ADOPTING WATER RATES TO BE EFFECTIVE JANUARY 1, 2013 AND 2014 |
| Resolution 9141 | RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA FIXING AND ADOPTING A READINESS-TO-SERVE CHARGE FOR CALENDAR YEAR 2013 |

**Resolution 9142 RESOLUTION OF THE BOARD OF DIRECTORS OF
THE METROPOLITAN WATER DISTRICT OF
SOUTHERN CALIFORNIA FIXING AND ADOPTING
A CAPACITY CHARGE EFFECTIVE JANUARY 1,
2013**

At 1:48 p.m., Chairman Foley called a recess.

Directors Abdo and Lowenthal withdrew from the Meeting at 1:49 p.m.

Chairman Foley called the Meeting into session at 1:56 p.m.

49027 There being no objection, Chairman Foley ordered the reading of the Minutes of the Meeting of March 13, 2012, dispensed with, a copy having been mailed to each Director.

Board Vice Chairman J. Murray moved, seconded by Director Edwards and carried, approving the foregoing Minutes as mailed.

49028 A written report of meetings attended by Directors at Metropolitan expense during the month of March was distributed. Chairman Foley stated that the report would be revised to show Directors Ballin, Fleming, Friedman, Grunfeld, and Wunderlich attended the Los Angeles Area Chamber of Commerce Access D.C. meetings in Washington, D.C. on March 5-7, 2012. The report was received and filed.

49029 Chairman Foley reported there were no new committee assignments.

49030 There was no Chairman's Monthly Activity Report.

49031 Director Blake moved, seconded by Director Fleming and carried, that the Board adopt the CEQA determination and affirm Marcia L. Scully as General Counsel and the terms of her employment as set forth in the letter signed by the Chairman of the Board on March 27, 2012.

49032 Director Blake moved, seconded by Board Vice Chairman J. Murray and carried, that the Board adopt the CEQA determination and (a) approve the terms and conditions of employment of Jeffrey L. Cable as Interim Ethics Officer; and

(b) authorize the Chairman of the Board to execute an agreement consistent with the approved terms and conditions set forth in the letter signed by the Chairman of the Board on March 27, 2012.

49033 Regarding matters relating to Metropolitan's operations and activities, General Manager Kightlinger referred to the activity report for March dated March 31, 2012, which was posted to the Directors' website.

General Manager Kightlinger had no further report.

49034 Regarding Legal Department activities, General Counsel Scully referred to the General Counsel's activity report for March dated April 3, 2012, which was posted to the Directors' website. She expressed her appreciation to the Board. Ms. Scully informed the Board that the federal QSA case has been dismissed.

Director Peterson reminded the Board that a roll call vote should be taken for all action items whenever a board member participates in the meeting via telephone conference or by videoconference pursuant to the Brown Act.

49035 General Auditor Riss referred to the Audit Department's activity report for the month of March dated March 31, 2012, which was posted to the Directors' website.

General Auditor Riss had no further report.

49036 The Interim Ethics Officer's activity report for March dated March 31, 2012, was posted to the Directors' website. No further report was given.

Director Blake moved, seconded by Director Fleming, that the Board take action on the Consent Calendar Items, **M.I. 49037** through **M.I. 49039**, as follows:

49037 Adopt the California Environmental Quality Act (CEQA) determinations and (a) appropriate \$240,000 (Appropriation No. 15441, No. 41, from the Revenue Bonds, Replacement and Refurbishment or General Funds); and (b) authorize preliminary design to replace the Bixby Valve on the Second Lower Feeder and the Collis Valve on the Palos Verdes Feeder, as set forth in the letter signed by the General Manager on March 28, 2012.

49038 Adopt the CEQA determination and (a) appropriate \$120,000 (Appropriation No. 15441, No. 42, from the Revenue Bonds, Replacement and Refurbishment or General Funds); and authorize (b) preliminary design to relocate a portion of the Orange County Feeder; and (c) an agreement with the city of Fullerton to perform the relocation, as set forth in the letter signed by the General Manager on March 28, 2012.

49039 Adopt the CEQA determination and authorize amendment of the contract for legal services with Manatt, Phelps and Phillips LLP for the *In Re Tronox Incorporated* matter to increase the maximum amount payable by \$60,000 to a maximum of \$440,000, with the \$60,000 to be shared equally with Central Arizona Water Conservation District, as set forth in the letter signed by the General Counsel on March 27, 2012.

Chairman Foley called for a vote on Consent Calendar Items 49037 through 49039.

The following is a record of the vote on the Consent Calendar Items:

Ayes: Anaheim (Dir. K. Murray, 3,436 votes), Burbank (Dir. Brown, 1,805 votes), Calleguas Municipal Water District (Dir. Grandsen, 7,849 votes), Central Basin Municipal Water District (Dirs. Hawkins and Montalvo, 10,955 votes), Eastern Municipal Water District (Dir. Record, 5,342 votes), Foothill Municipal Water District (Dir. Edwards, 1,313 votes), Fullerton (Dir. Blake, 1,465 votes), (Inland Empire Utilities Agency (Dir. Camacho, 7,971 votes), Las Virgenes Municipal Water District (Dir. Peterson, 1,929 votes), Los Angeles (Dirs. Fleming, Grunfeld, J. Murray, and Quiñonez, 40,008 votes), Municipal Water District of Orange County (Ayes: Dirs. Ackerman and Barbre. Not Participating: Dir. Foley. Absent: Dir. Dick. 34,710 votes), Pasadena (Dir. Brick, 2,103 votes), San Diego County Water Authority (Dirs. Heidel, Lewinger, Wilson, and Steiner, 36,682 votes), San Fernando (Dir. Ballin, 146 votes), San Marino (Dir. Morris, 439 votes), Santa Ana (Dir. Griset, 1,987 votes), Three Valleys Municipal Water District (Dir. De Jesus, 4,978 votes), Torrance (Dir. Wright, 2,238 votes), Upper San Gabriel Valley Municipal Water District (Dir. Millard, 7,408 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 194,094 votes.

Noes: None.

Abstain: Beverly Hills (Dir. Wunderlich, 2,127 votes). Total 2,127 votes.

Absent: Compton (Dir. Sanchez, 321 votes), Glendale (Dir. Friedman, 2,296 votes), Long Beach (Dir. Lowenthal, 3,765 votes), Santa Monica (Dir. Abdo, 2,447 votes). Total 8,829 votes).

The Chair declared the Consent Calendar Items passed by a vote of 194,094 ayes, 2,127 abstain, and 8,829 absent.

49040 Finance and Insurance Committee Chairman Grunfeld moved, seconded by Director Fleming, that the Board adopt the CEQA determination and (a) approve the Draft Official Statement substantially in the form attached to the board letter, with changes approved by the General Manager and General Counsel; and authorized (b) the General Manager to execute the Official Statement; and (c) distribution of the Official Statement in connection with issuance of the bonds, as set forth in the letter jointly signed by the General Counsel and the General Manager on March 28, 2012.

Chairman Foley called for a vote on the execution and distribution of the Official Statement.

The following is a record of the vote on the execution and distribution of the Official Statement:

Ayes: Anaheim (Dir. K. Murray, 3,436 votes), Beverly Hills (Dir. Wunderlich, 2,127 votes), Burbank (Dir. Brown, 1,805 votes), Calleguas Municipal Water District (Dir. Grandsen, 7,849 votes), Central Basin Municipal Water District (Dirs. Hawkins and Montalvo, 10,955 votes), Eastern Municipal Water District (Dir. Record, 5,342 votes), Foothill Municipal Water District (Dir. Edwards, 1,313 votes), Fullerton (Dir. Blake, 1,465 votes), (Inland Empire Utilities Agency (Dir. Camacho, 7,971 votes), Las Virgenes Municipal Water District (Dir. Peterson, 1,929 votes), Los Angeles (Dirs. Fleming, Grunfeld, J. Murray, and Quiñonez, 40,008 votes), Municipal Water District of Orange County (Ayes: Dirs. Ackerman and Barbre. Not Participating: Dir. Foley. Absent: Dir. Dick. 34,710 votes), Pasadena (Dir. Brick, 2,103 votes), San Fernando (Dir. Ballin, 146 votes),

San Marino (Dir. Morris, 439 votes), Santa Ana (Dir. Griset, 1,987 votes), Three Valleys Municipal Water District (Dir. De Jesus, 4,978 votes), Torrance (Dir. Wright, 2,238 votes), Upper San Gabriel Valley Municipal Water District (Dir. Millard, 7,408 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 159,539 votes.

Noes: San Diego County Water Authority (Dirs. Heidel, Lewinger, Wilson, and Steiner, 36,682 votes). Total 36,682 votes.

Abstain: None.

Absent: Compton (Dir. Sanchez, 321 votes), Glendale (Dir. Friedman, 2,296 votes), Long Beach (Dir. Lowenthal, 3,765 votes), Santa Monica (Dir. Abdo, 2,447 votes). Total 8,829 votes).

The Chair declared the execution and distribution of the Official Statement passed by a vote of 159,539 ayes, 36,682 noes, and 8,829 absent.

Director Wilson stated that the Water Authority's no vote had to do with the same objections to the Official Statement that it has stated previously, as set forth in its letter dated April 9, 2011 [sic]. The letter is on file with the Board Executive Secretary.

49041 Board Vice Chairman Record moved, seconded by Board Vice Chairman De Jesus, that the Board adopt the CEQA determination and the proposed revisions to the Metropolitan Water District Administrative Code set forth in Attachment 2 to the letter signed by the General Manager on April 3, 2012, regarding travel policy and general provisions relating to inspection trips.

Chairman Foley called for a vote on the proposed revisions.

The following is a record of the vote on the proposed revisions:

Ayes: Anaheim (Dir. K. Murray, 3,436 votes), Beverly Hills (Dir. Wunderlich, 2,127 votes), Burbank (Dir. Brown, 1,805 votes), Calleguas Municipal Water District (Dir. Grandsen, 7,849 votes), Central Basin Municipal Water District (Dirs. Hawkins and Montalvo, 10,955 votes), Eastern Municipal Water District (Dir. Record, 5,342 votes), Foothill Municipal Water District (Dir. Edwards, 1,313 votes), Fullerton (Dir. Blake, 1,465 votes), (Inland Empire Utilities Agency (Dir. Camacho, 7,971 votes), Las Virgenes Municipal Water District (Dir. Peterson, 1,929 votes), Los Angeles (Dirs. Fleming, Grunfeld, J. Murray, and Quiñonez, 40,008 votes), Municipal Water District of Orange County (Ayes: Dirs. Ackerman and Barbre. Not Participating: Dir. Foley. Absent: Dir. Dick. 34,710 votes), Pasadena (Dir. Brick, 2,103 votes), San Diego County Water Authority (Dirs. Heidel, Lewinger, Wilson, and Steiner, 36,682 votes), San Fernando (Dir. Ballin, 146 votes), San Marino (Dir. Morris, 439 votes), Santa Ana (Dir. Griset, 1,987 votes), Three Valleys Municipal Water District (Dir. De Jesus, 4,978 votes), Torrance (Dir. Wright, 2,238 votes), Upper San Gabriel Valley Municipal Water District (Dir. Millard, 7,408 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 196,221 votes.

Noes: None.

Abstain: None.

Absent: Compton (Dir. Sanchez, 321 votes), Glendale (Dir. Friedman, 2,296 votes), Long Beach (Dir. Lowenthal, 3,765 votes), Santa Monica (Dir. Abdo, 2,447 votes). Total 8,829 votes).

The Chair declared the proposed revisions passed by a vote of 196,221 ayes and 8,829 absent.

49042 Legal and Claims Committee Chairman Wunderlich moved, seconded by Director Peterson, that the Board adopt the CEQA determination and (a) appropriate \$300,000 (Appropriation No. 15392, No. 9, from the Revenue Bonds, Replacement and Refurbishment or General Funds and Proposition 50 Grant Funds); and (b) authorize an increase in the maximum amount payable under contract with Hunt Ortmann Palffy Nieves Lubka Darling & Mah, Inc. for legal services by \$300,000 to an amount not to exceed \$400,000, as set forth in the confidential letter signed

by the General Counsel on April 2, 2012, for *J.R. Filanc Construction Co. v Metropolitan Water District of Southern California, et al.*, Los Angeles County Superior Court Case No. KC063261.

Chairman Foley called for a vote on the motion regarding expenses of the *J.R. Filanc Construction Co.* lawsuit.

The following is a record of the vote on the motion regarding expenses of the *J.R. Filanc Construction Co.* lawsuit:

Ayes: Anaheim (Dir. K. Murray, 3,436 votes), Beverly Hills (Dir. Wunderlich, 2,127 votes), Burbank (Dir. Brown, 1,805 votes), Calleguas Municipal Water District (Dir. Grandsen, 7,849 votes), Central Basin Municipal Water District (Dirs. Hawkins and Montalvo, 10,955 votes), Eastern Municipal Water District (Dir. Record, 5,342 votes), Foothill Municipal Water District (Dir. Edwards, 1,313 votes), Fullerton (Dir. Blake, 1,465 votes), (Inland Empire Utilities Agency (Dir. Camacho, 7,971 votes), Las Virgenes Municipal Water District (Dir. Peterson, 1,929 votes), Los Angeles (Dirs. Fleming, Grunfeld, J. Murray, and Quiñonez, 40,008 votes), Municipal Water District of Orange County (Ayes: Dirs. Ackerman and Barbre. Not Participating: Dir. Foley. Absent: Dir. Dick. 34,710 votes), Pasadena (Dir. Brick, 2,103 votes), San Diego County Water Authority (Dirs. Heidel, Lewinger, Wilson, and Steiner, 36,682 votes), San Fernando (Dir. Ballin, 146 votes), San Marino (Dir. Morris, 439 votes), Santa Ana (Dir. Griset, 1,987 votes), Three Valleys Municipal Water District (Dir. De Jesus, 4,978 votes), Torrance (Dir. Wright, 2,238 votes), Upper San Gabriel Valley Municipal Water District (Dir. Millard, 7,408 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 196,221 votes.

Noes: None.

Abstain: None.

Absent: Compton (Dir. Sanchez, 321 votes), Glendale (Dir. Friedman, 2,296 votes), Long Beach (Dir. Lowenthal, 3,765 votes), Santa Monica (Dir. Abdo, 2,447 votes). Total 8,829 votes).

The Chair declared the motion regarding the *J.R. Filanc Construction Co.* lawsuit expenses passed by a vote of 196,221 ayes and 8,829 absent.

49043 Communications and Legislation Committee Chair Ackerman moved, seconded by Director Peterson, that the Board adopt the CEQA determination and express support and seek amendments to H.R. 2538 (Calvert, R-CA) - Reducing Environmental Barriers to Unified Infrastructure and Land Development (REBUILD) Act of 2011, as set forth in the letter signed by the General Manager on March 28, 2012.

Chairman Foley called for a vote on H.R. 2538.

The following is a record of the vote on H.R. 2538:

Ayes: Anaheim (Dir. K. Murray, 3,436 votes), Beverly Hills (Dir. Wunderlich, 2,127 votes), Burbank (Dir. Brown, 1,805 votes), Calleguas Municipal Water District (Dir. Grandsen, 7,849 votes), Central Basin Municipal Water District (Dirs. Hawkins and Montalvo, 10,955 votes), Eastern Municipal Water District (Dir. Record, 5,342 votes), Fullerton (Dir. Blake, 1,465 votes), (Inland Empire Utilities Agency (Dir. Camacho, 7,971 votes), Las Virgenes Municipal Water District (Dir. Peterson, 1,929 votes), Los Angeles (Dirs. Fleming, Grunfeld, J. Murray, and Quiñonez, 40,008 votes), Municipal Water District of Orange County (Ayes: Dirs. Ackerman and Barbre. Not Participating: Dir. Foley. Absent: Dir. Dick. 34,710 votes), Pasadena (Dir. Brick, 2,103 votes), San Diego County Water Authority (Dirs. Heidel, Lewinger, Wilson, and Steiner, 36,682 votes), San Fernando (Dir. Ballin, 146 votes), San Marino (Dir. Morris, 439 votes), Santa Ana (Dir. Griset, 1,987 votes), Three Valleys Municipal Water District (Dir. De Jesus, 4,978 votes), Torrance (Dir. Wright, 2,238 votes), Upper San Gabriel Valley Municipal Water District (Dir. Millard, 7,408 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 194,908 votes.

Noes: None.

Abstain: Foothill Municipal Water District (Dir. Edwards, 1,313 votes). Total 1,313 votes.

Absent: Compton (Dir. Sanchez, 321 votes), Glendale (Dir. Friedman, 2,296 votes), Long Beach (Dir. Lowenthal, 3,765 votes), Santa Monica (Dir. Abdo, 2,447 votes). Total 8,829 votes).

The Chair declared the vote on H.R. 2538 passed by a vote of 194,908 ayes, 1,313 abstain, and 8,829 absent.

49044 Communications and Legislation Committee Chair Ackerman moved, seconded by Director Peterson, that the Board adopt the CEQA determination and authorize the General Manager to express Metropolitan's support for SB 1387 (Emmerson, R-Riverside) - Metal Theft; and AB 1508 (Carter, D-Rialto) - Junk Dealers and Recyclers: Nonferrous Materials, as set forth in the letter signed by the General Manager on April 4, 2012.

Chairman Foley called for a vote on SB 1387 and AB 1508.

The following is a record of the vote on SB 1387 and AB 1508:

Ayes: Anaheim (Dir. K. Murray, 3,436 votes), Beverly Hills (Dir. Wunderlich, 2,127 votes), Burbank (Dir. Brown, 1,805 votes), Calleguas Municipal Water District (Dir. Grandsen, 7,849 votes), Central Basin Municipal Water District (Dirs. Hawkins and Montalvo, 10,955 votes), Eastern Municipal Water District (Dir. Record, 5,342 votes), Fullerton (Dir. Blake, 1,465 votes), (Inland Empire Utilities Agency (Dir. Camacho, 7,971 votes), Las Virgenes Municipal Water District (Dir. Peterson, 1,929 votes), Los Angeles (Dirs. Fleming, Grunfeld, J. Murray, and Quiñonez, 40,008 votes), Municipal Water District of Orange County (Ayes: Dirs. Ackerman and Barbre. Not Participating: Dir. Foley. Absent: Dir. Dick. 34,710 votes), Pasadena (Dir. Brick, 2,103 votes), San Diego County Water Authority (Dirs. Heidel, Lewinger, Wilson, and Steiner, 36,682 votes), San Fernando (Dir. Ballin, 146 votes), San Marino (Dir. Morris, 439 votes), Santa Ana (Dir. Griset, 1,987 votes), Three Valleys Municipal Water District (Dir. De Jesus, 4,978 votes), Torrance (Dir. Wright, 2,238 votes), Upper San Gabriel Valley Municipal Water District (Dir. Millard, 7,408 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 194,908 votes.

Noes: Foothill Municipal Water District (Dir. Edwards, 1,313 votes). Total 1,313 votes.

Abstain: None.

Absent: Compton (Dir. Sanchez, 321 votes), Glendale (Dir. Friedman, 2,296 votes), Long Beach (Dir. Lowenthal, 3,765 votes), Santa Monica (Dir. Abdo, 2,447 votes). Total 8,829 votes).

The Chair declared the vote on SB 1387 and AB 1508 passed by a vote of 194,908 ayes, 1,313 noes, and 8,829 absent.

49045 Communications and Legislation Committee Chair Ackerman moved, seconded by Director Peterson, that the Board adopt the CEQA determination and authorize the General Manager to express Metropolitan's opposition to SB 1495 (Wolk, D-Davis) - Sacramento-San Joaquin Delta Reform Act of 2009, unless it is amended, as set forth in the letter signed by the General Manager on March 28, 2012.

Chairman Foley called for a vote on SB 1495.

The following is a record of the vote on SB 1495:

Ayes: Anaheim (Dir. K. Murray, 3,436 votes), Beverly Hills (Dir. Wunderlich, 2,127 votes), Burbank (Dir. Brown, 1,805 votes), Calleguas Municipal Water District (Dir. Grandsen, 7,849 votes), Central Basin Municipal Water District (Dirs. Hawkins and Montalvo, 10,955 votes), Eastern Municipal Water District (Dir. Record, 5,342 votes), Foothill Municipal Water District (Dir. Edwards, 1,313 votes), Fullerton (Dir. Blake, 1,465 votes), (Inland Empire Utilities Agency (Dir. Camacho, 7,971 votes), Las Virgenes Municipal Water District (Dir. Peterson, 1,929 votes), Los Angeles (Dirs. Fleming, Grunfeld, J. Murray, and Quiñonez, 40,008 votes), Municipal Water District of Orange County (Ayes: Dirs. Ackerman and Barbre. Not Participating: Dir. Foley. Absent: Dir. Dick. 34,710 votes), Pasadena (Dir. Brick, 2,103 votes), San Fernando (Dir. Ballin, 146 votes), San Marino (Dir. Morris, 439 votes), Santa Ana (Dir. Griset, 1,987 votes), Three Valleys Municipal Water District (Dir. De Jesus, 4,978 votes), Torrance (Dir. Wright, 2,238 votes), Upper San Gabriel Valley Municipal Water District (Dir. Millard, 7,408 votes), West Basin Municipal Water District (Dir. Little,

6,952 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,426 votes). Total 152,587 votes.

Noes: None.

Abstain: San Diego County Water Authority (Dirs. Heidel, Lewinger, Wilson, and Steiner, 36,682 votes), West Basin Municipal Water District (Dir. Gray, 6,952 votes). Total 43,634 votes.

Absent: Compton (Dir. Sanchez, 321 votes), Glendale (Dir. Friedman, 2,296 votes), Long Beach (Dir. Lowenthal, 3,765 votes), Santa Monica (Dir. Abdo, 2,447 votes). Total 8,829 votes).

The Chair declared the vote on SB 1495 passed by a vote of 152,598 ayes, 43,634 abstain, and 8,829 absent.

49046 The following communication was submitted to the Board for information:

- a. Proposal to enter into two agreements related to implementation of interim international cooperative measures in the Colorado River Basin, signed by the General Manager on March 28, 2012.

49047 There being no objection, the Chairman adjourned the Meeting at 2:13 p.m.



JOHN T. MORRIS
SECRETARY



JOHN V. FOLEY
CHAIRMAN