

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

LEGAL AND CLAIMS COMMITTEE

January 8, 2013

Chair Wunderlich called the meeting to order at 8:38 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, Mudd, and Record.

Member absent: Director Steiner.

Other Board members present: Directors Babcock, Barbre, Friedman, Lewinger, Little, Morris, J. Murray, Peterson, Pringle, and Wright.

Staff present: Scully, Bennion, Beatty, Breaux, Downing, Ghaly, Horton, Kightlinger, Man, Mares, Miyashiro, Otake, Patterson, Purkiss, Teraoka, Upadhyay, Waade, and Zinke.

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

No members responded.

2. APPROVAL OF THE MINUTES OF THE LEGAL AND CLAIMS COMMITTEE MEETING HELD DECEMBER 11, 2012.

Motion Carried Moved: Director Fleming Seconded: Director Edwards

Votes: Unanimous

3. CONSENT CALENDAR ITEMS – ACTION

None

4. OTHER BOARD ITEMS – ACTION

None

5. BOARD INFORMATION ITEMS

None

6. COMMITTEE ITEMS

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

Presented by: General Counsel Marcia Scully

General Counsel Marcia Scully began her report by introducing the Legal Department's three new attorneys, Bryan Otake, Robert Horton and Jill Teraoka.

She then reported to the committee about three new copper piping lawsuits in which Metropolitan has been named as a defendant, but not yet served. There also have been a couple of claims filed by individual property owners who have indicated they may be seeking to form a class of individual property owners. The retail agencies who provide service to the areas involved in the lawsuits are Santa Margarita Water District, Moulton Niguel Water District and Irvine Ranch Water District. Ms. Scully told the committee that Metropolitan will continue to work with these agencies by entering into joint defense or joint interest agreements and will coordinate defense of these matters. In addition, in the *Lennar Homes v. MWD* case, the first copper piping lawsuit, Metropolitan filed a motion for judgment on the pleadings, which will be heard at the end of January.

The General Counsel referred the committee to a letter received by the Domenigoni family with respect to Diamond Valley Lake. During construction of the dam over ten years ago, there was an impact on local groundwater which prompted Metropolitan to enter into a number of agreements to provide supplemental water to property owners at the east and west ends of the dam. Now that the groundwater has returned to pre-construction levels, Metropolitan has been working to terminate these contracts. The Domenigoni family feels Metropolitan did not include their comments when Metropolitan performed the technical work. Ms. Scully informed the committee that staff is aware of the comments and are working to resolve the issue in dispute.

- b. Subject: Report on *Consolidated Delta Smelt Cases*, USDC Case No. 1:09-CV-407 LJO-DLB; and *Consolidated Salmonid Cases*, USDV Case No. 1:09-CV-1053 LJO-DLB

Presented by: General Counsel Marcia Scully

In closed session, General Counsel Marcia Scully gave a report on this item. 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 and No. CPF-12-512466

Presented by: General Counsel Marcia Scully

Directors Lewinger and Mudd, representing the San Diego County Water Authority, withdrew from the meeting for the report on this item.

In closed session, General Counsel Marcia Scully gave a report on this item. No action was taken.

7. FOLLOW-UP ITEMS

None

8. FUTURE AGENDA ITEMS

None

Next meeting will be held on February 12, 2013.

Meeting adjourned at 9:44 a.m.

Robert Wunderlich
Chair