

MINUTES

REGULAR MEETING OF THE

BOARD OF DIRECTORS

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

FEBRUARY 11, 2014

49653 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, February 11, 2014.

Chairman Foley called the Meeting to order at 12:27 p.m.

49654 The Pledge of Allegiance to the Flag was given by Director Vincent Mudd.

49655 The Meeting was opened with an invocation by Benita L. Horne, Principal Public Affairs Representative, External Affairs, followed by the Black Employees Association Choir singing "It is Well with My Soul".

49656 Board Secretary Morris called the roll. Those answering present were: Directors Abdo, Ackerman, Ballin, Barbre, Brown, Camacho, Dear, De Jesus, Dick, Edwards, Evans, Foley, Friedman, Gray, Griset, Grunfeld, Koretz, Kurtz, Lefevre, Morris, Mudd, J. Murray, K. Murray, Peterson, Pringle, Record, Touhey, Vasquez, and Wunderlich.

Those not answering were: Directors Apodaca (entered 12:34 p.m.), Hogan, Lewinger, Lowenthal, Quiñonez, Sanchez, and Steiner.

Board Secretary Morris declared a quorum present.

Director Apodaca took his seat at 12:34 p.m.

49657 At 12:35 p.m., Chairman Foley called a public hearing to receive comments on the standby charge levy supporting Annexation No. 98 to Calleguas Municipal Water District and Metropolitan.

No members of the public responded; and with no protests received from the owners, the Chair closed the public hearing at 12:36 p.m.

49658 Chairman Foley invited members of the public to address the Board on matters within the Board's jurisdiction.

Mark Weyant from the Green Coalition of San Jacinto Valley commented on the drought and water conservation measures.

49659 There being no objection, Chairman Foley ordered the reading of the Minutes of the Meeting of January 14, 2014, dispensed with, a copy having been mailed to each Director.

Director Grunfeld moved, seconded by Director Edwards, that the Board approve the foregoing Minutes as mailed.

Chairman Foley called for a vote to approve the Minutes of the Meeting of January 14, 2014.

The following is a record of the vote:

Ayes: Anaheim (Dir. K. Murray, 3,609 votes), Beverly Hills (Dir. Wunderlich, 2,415 votes), Burbank (Dir. Brown, 1,890 votes), Calleguas Municipal Water District (Dir. Pringle, 8,110 votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 11,534 votes), Eastern Municipal Water District (Dir. Record, 5,520 votes), Foothill Municipal Water District (Dir. Edwards, 1,413 votes), Glendale (Dir. Friedman, 2,417 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,277 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,008 votes), Los Angeles (Ayes: Dirs. Grunfeld, Koretz, and J. Murray. Absent: Dir. Quiñonez. 43,135 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, Dick, and Foley, 36,669 votes), Pasadena (Dir. Kurtz, 2,258 votes), San Diego County Water Authority (Aye: Dir. Mudd. Absent:

Dirs. Hogan, Lewinger, and Steiner. 37,824 votes), San Fernando (Dir. Ballin, 154 votes), San Marino (Dir. Morris, 489 votes), Santa Ana (Dir. Griset, 2,091 votes), Santa Monica (Dir. Abdo, 2,733 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,288 votes), Torrance (Dir. Lefevre, 2,351 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,905 votes), West Basin Municipal Water District (Dirs. Dear and Gray, 14,907 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,699 votes). Total 210,696 votes.

Noes: None.

Abstain: Fullerton (Dir. Fitzgerald, 1,522 votes).
Total 1,522 votes.

Absent: Compton (Dir. Sanchez, 333 votes), Long Beach (Dir. Lowenthal, 4,148 votes). Total 4,481 votes).

The motion to approve the Minutes of January 14, 2014, passed by a vote of 210,696 ayes, 1,522 abstain, and 4,481 absent.

49660 A written report of meetings attended by Directors at Metropolitan expense during the month of January was distributed. The report was received and filed.

49661 The General Counsel's letter signed February 7, 2014, was presented, transmitting the credentials evidencing the appointment by the city of Fullerton of Jennifer Fitzgerald as its representative on Metropolitan's Board for an indefinite term, replacing Thomas Babcock.

General Counsel Scully reported the credentials had been examined and found legally sufficient.

The Oath of Office was administered to Mrs. Fitzgerald by Jody Miyashiro, Notary Public.

Chairman Foley ordered the credentials, together with the General Counsel's letter, received and filed.

Following her introduction by Director Dick, Director Fitzgerald took her seat as a member of the Board.

49662 Director Touhey moved, seconded by Vice Chairman J. Murray, that the Board approve the Chairman's appointment of

Director Koretz to the Water Planning and Stewardship Committee and the Agriculture and Business Outreach Committee.

Chairman Foley called for a vote to approve the appointment of Director Koretz to the Water Planning and Stewardship Committee and the Agriculture and Business Outreach Committee.

The following is a record of the vote on **M.I. 49662**:

Ayes: Anaheim (Dir. K. Murray, 3,609 votes), Beverly Hills (Dir. Wunderlich, 2,415 votes), Burbank (Dir. Brown, 1,890 votes), Calleguas Municipal Water District (Dir. Pringle, 8,110 votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 11,534 votes), Eastern Municipal Water District (Dir. Record, 5,520 votes), Foothill Municipal Water District (Dir. Edwards, 1,413 votes), Fullerton (Dir. Fitzgerald, 1,522 votes), Glendale (Dir. Friedman, 2,417 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,277 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,008 votes), Los Angeles (Ayes: Dirs. Grunfeld, Koretz, and J. Murray. Absent: Dir. Quiñonez. 43,135 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, Dick, and Foley, 36,669 votes), Pasadena (Dir. Kurtz, 2,258 votes), San Diego County Water Authority (Aye: Dir. Mudd. Absent: Dirs. Hogan, Lewinger, and Steiner. 37,824 votes), San Fernando (Dir. Ballin, 154 votes), San Marino (Dir. Morris, 489 votes), Santa Ana (Dir. Griset, 2,091 votes), Santa Monica (Dir. Abdo, 2,733 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,288 votes), Torrance (Dir. Lefevre, 2,351 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,905 votes), West Basin Municipal Water District (Dirs. Dear and Gray, 14,907 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,699 votes). Total 212,218 votes.

Noes: None.

Abstain: None.

Absent: Compton (Dir. Sanchez, 333 votes), Long Beach (Dir. Lowenthal, 4,148 votes). Total 4,481 votes).

The motion to approve the committee appointments for Director Koretz passed by a vote of 212,218 ayes and 4,481 absent.

49663 There was no Chairman's monthly activity report.

49664 Regarding matters relating to Metropolitan's operations and activities, General Manager Kightlinger referred to the activity report for January dated January 31, 2014, which was posted to the Directors' website.

General Manager Kightlinger commented on the activities taking place at Metropolitan regarding the celebration of Black History Month in February.

General Manager Kightlinger reported on the drought conditions in the state and the zero percent allocation from the State Water Project.

General Manager Kightlinger informed the Board of the death of Dr. Pankaj Parekh, Director of Water Quality Compliance at the Los Angeles Department of Water and Power, who was an amazing person working on water quality issues. Mr. Kightlinger asked the Board to adjourn the Board Meeting in memory of Dr. Parekh.

49665 Regarding Legal Department activities, General Counsel Scully referred to the General Counsel's activity report for January dated February 3, 2014, which was posted to the Directors' website.

General Counsel Scully had no further report.

49666 General Auditor Riss referred to the Audit Department's activity report for the month of January dated January 31, 2014, which was posted to the Directors' website.

General Auditor Riss reported on the evaluation of the audit plan progress for the first six months and the schedule for the remainder of the fiscal year, and stated that there were no changes in the plan to be made at this time.

49667 Ethics Officer Ghaly referred to the Ethics Department activity report for January dated January 31, 2014, which was posted to the Directors' website.

Ethics Officer Ghaly reminded the Directors of the Statement of Economic Interest (Form 700) filing, which should be submitted by mid-March.

Director Grunfeld moved, seconded by Director Edwards, that the Board approve the Consent Calendar Items, **M.I. 49668** through **M.I. 49673**, as follows:

49668 Adopt the California Environmental Quality Act (CEQA) determination that the proposed action is not subject to CEQA and is categorically exempt, and (a) grant conditional approval for Annexation No. 99 concurrently to Calleguas Municipal Water District and Metropolitan, conditioned upon receipt in full of annexation fee of \$9,992.78 to Metropolitan if completed by December 31, 2014, or if completed later, the current annexation charge applies; (b) approve Calleguas' Water Use Efficiency Compliance Statement with the current Water Use Efficiency Guidelines; and (c) adopt resolution of intention (**Resolution 9165**) to impose water standby charge at a rate of \$9.58 per acre, or per parcel of less than one acre, within the proposed annexation area, as set forth in Agenda Item 7-1 board letter, said resolution entitled:

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA GIVING NOTICE OF INTENTION TO IMPOSE WATER STANDBY CHARGES CONTINGENT UPON ANNEXATION-ANNEXATION NO. 99-CALLEGUAS MUNICIPAL WATER DISTRICT

49669 Adopt the CEQA determination that the proposed action is categorically exempt, and (a) appropriate \$1 million (Appropriation No. 15441, No. 60, from the Revenue Bonds, Replacement and Refurbishment or General Funds); and (b) award \$671,853 contract to Environmental Construction, Inc. to install cathodic protection on the Sepulveda Feeder, as set forth in Agenda Item 7-2 board letter.

49670 Adopt the CEQA determination that the proposed action is statutorily exempt, and (a) appropriate \$1.95 million (Appropriation No. 15441, No. 61, from the Revenue Bonds, Replacement and Refurbishment or General Funds); and (b) authorize construction to relocate a portion of the Orange County Feeder, as set forth in Agenda Item 7-3 board letter.

49671 Adopt the CEQA determination that the proposed action is categorically exempt, and (a) appropriate \$380,000 (Appropriation No. 15441, No. 62, from the Revenue Bonds, Replacement and Refurbishment or General Funds); and (b) authorize final design to replace the fish screens on the

Inlet/Outlet Tower at Diamond Valley Lake, as set forth in Agenda Item 7-4 board letter.

49672 Adopt the CEQA determination that the proposed action is categorically exempt, and (a) appropriate \$1.94 million (Appropriation No. 15441, No. 63, from the Revenue Bonds, Replacement and Refurbishment or General Funds); and authorize (b) preliminary design to replace discharge valves and repair the Lake Mathews forebay; and (c) final design to repair the Lake Mathews hydroelectric plant building, as set forth in Agenda Item 7-5 board letter.

49673 Adopt the CEQA determination that the proposed action is not subject to CEQA and resolutions to (a) support grant applications; (b) authorize the General Manager to accept potential grant funding of up to \$1 million; (c) delegate authority to the General Manager to enter into grant contract(s) with the U.S. Bureau of Reclamation (Reclamation), subject to the approval of the General Counsel, if awarded; (d) agree to fulfill the grant contract(s), including provision of matching funds up to \$1 million through existing Metropolitan programs; and (e) state that Metropolitan, if awarded a grant, will work with Reclamation to meet established deadlines upon entering into a cooperative agreement, as set forth in Agenda Item 7-6 board letter, said resolutions entitled:

Resolution 9166

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE METROPOLITAN WATER DISTRICT OF
SOUTHERN CALIFORNIA IN SUPPORT OF ITS
PROPOSAL FOR FUNDING UNDER THE
WATERSMART: WATER AND ENERGY EFFICIENCY
GRANTS FOR PHASE II CALIFORNIA FRIENDLY
TURF REPLACEMENT INCENTIVE PROGRAM**

Resolution 9167

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE METROPOLITAN WATER DISTRICT OF
SOUTHERN CALIFORNIA IN SUPPORT OF ITS
PROPOSAL FOR FUNDING UNDER THE
WATERSMART: WATER AND ENERGY EFFICIENCY
GRANTS FOR RECYCLED WATER RETROFIT
PROGRAM

Chairman Foley called for a vote to approve the Consent Calendar Items, **M.I. 49668** through **M.I. 49673**.

The following is a record of the vote:

Ayes: Anaheim (Dir. K. Murray, 3,609 votes), Beverly Hills (Dir. Wunderlich, 2,415 votes), Burbank (Dir. Brown, 1,890 votes), Calleguas Municipal Water District (Dir. Pringle, 8,110 votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 11,534 votes), Eastern Municipal Water District (Dir. Record, 5,520 votes), Foothill Municipal Water District (Dir. Edwards, 1,413 votes), Fullerton (Dir. Fitzgerald, 1,522 votes), Glendale (Dir. Friedman, 2,417 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,277 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,008 votes), Los Angeles (Ayes: Dirs. Grunfeld, Koretz, and J. Murray. Absent: Dir. Quiñonez. 43,135 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, Dick, and Foley, 36,669 votes), Pasadena (Dir. Kurtz, 2,258 votes), San Diego County Water Authority (Aye: Dir. Mudd. Absent: Dirs. Hogan, Lewinger, and Steiner. 37,824 votes), San Fernando (Dir. Ballin, 154 votes), San Marino (Dir. Morris, 489 votes), Santa Ana (Dir. Griset, 2,091 votes), Santa Monica (Dir. Abdo, 2,733 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,288 votes), Torrance (Dir. Lefevre, 2,351 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,905 votes), West Basin Municipal Water District (Dirs. Dear and Gray, 14,907 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,699 votes). Total 212,218 votes.

Noes: None.

Abstain: None.

Absent: Compton (Dir. Sanchez, 333 votes), Long Beach (Dir. Lowenthal, 4,148 votes). Total 4,481 votes).

The motion to approve the Consent Calendar Items passed by a vote of 212,218 ayes and 4,481 absent.

49674 Finance and Insurance Committee Chairman Grunfeld moved, seconded by Director Griset, that the Board adopt the CEQA determination that the proposed action is not subject to CEQA and set a public hearing for the March 2014 meeting of the Board at which interested parties may provide input regarding Metropolitan's rates and charges to be effective January 1, 2015 and January 1, 2016, and input regarding action on ad valorem tax rates pursuant to Section 124.5 of the MWD Act, as set forth in Agenda Item 8-1 board letter.

Director Mudd asked if it were possible for staff to bring another option to the Board for consideration: (1) a zero percent rate increase in 2015; (2) a 1.5 percent rate increase in 2016 with the ability to review and revise 2016 and 2015; and (3) use the \$320 million over reserves to fund the zero percent increase in 2015 and show how that impacts the way the \$320 million would be spent.

Finance and Insurance Committee Vice Chairman Barbre stated that today's motion was just to set the date for the public hearing next month.

General Manager Kightlinger stated that staff would look at the various proposals and their impacts and bring the information for consideration at the workshop.

Chairman Foley called for a vote to approve **M.I. 49674**.

The following is a record of the vote:

Ayes: Anaheim (Dir. K. Murray, 3,609 votes), Beverly Hills (Dir. Wunderlich, 2,415 votes), Burbank (Dir. Brown, 1,890 votes), Calleguas Municipal Water District (Dir. Pringle, 8,110 votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 11,534 votes), Eastern Municipal Water District (Dir. Record, 5,520 votes), Foothill Municipal Water District (Dir. Edwards, 1,413 votes), Fullerton (Dir. Fitzgerald, 1,522 votes), Glendale (Dir. Friedman, 2,417 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,277 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,008 votes), Los Angeles (Ayes: Dirs. Grunfeld, Koretz, and J. Murray. Absent: Dir. Quiñonez. 43,135 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, Dick, and Foley, 36,669 votes), Pasadena (Dir.

Kurtz, 2,258 votes), San Diego County Water Authority (Aye: Dir. Mudd. Absent: Dirs. Hogan, Lewinger, and Steiner. 37,824 votes), San Fernando (Dir. Ballin, 154 votes), San Marino (Dir. Morris, 489 votes), Santa Ana (Dir. Griset, 2,091 votes), Santa Monica (Dir. Abdo, 2,733 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,288 votes), Torrance (Dir. Lefevre, 2,351 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,905 votes), West Basin Municipal Water District (Dirs. Dear and Gray, 14,907 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,699 votes). Total 212,218 votes.

Noes: None.

Abstain: None.

Absent: Compton (Dir. Sanchez, 333 votes), Long Beach (Dir. Lowenthal, 4,148 votes). Total 4,481 votes).

The motion to approve **M.I. 49674** passed by a vote of 212,218 ayes and 4,481 absent.

49675 Water Planning and Stewardship Committee Chairman De Jesus moved, seconded by Director Touhey, that the Board adopt the CEQA determination that the proposed action is not subject to the provisions of CEQA and authorize \$3 million for an On-site Retrofit Pilot Program for converting sites to receive recycled water, as set forth in Agenda Item 8-2 board letter.

Committee Chairman De Jesus requested that the letter from the San Diego County Water Authority delegates addressed to Chairman Foley and members of the Board, dated February 10, 2014, regarding Board Memo 8-2 - Authorize \$3 million for an On-site Retrofit Pilot Program - be entered into the record. The letter is on file in the office of the Board Executive Secretary.

Chairman Foley called for a vote to approve **M.I. 49675**.

The following is a record of the vote:

Ayes: Anaheim (Dir. K. Murray, 3,609 votes), Beverly Hills (Dir. Wunderlich, 2,415 votes), Burbank (Dir. Brown, 1,890 votes), Calleguas Municipal Water District (Dir. Pringle, 8,110 votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 11,534 votes), Eastern Municipal Water District (Dir. Record, 5,520 votes), Foothill Municipal Water District (Dir.

Edwards, 1,413 votes), Fullerton (Dir. Fitzgerald, 1,522 votes), Glendale (Dir. Friedman, 2,417 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,277 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,008 votes), Los Angeles (Ayes: Dirs. Grunfeld, Koretz, and J. Murray. Absent: Dir. Quiñonez. 43,135 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, Dick, and Foley, 36,669 votes), Pasadena (Dir. Kurtz, 2,258 votes), San Fernando (Dir. Ballin, 154 votes), San Marino (Dir. Morris, 489 votes), Santa Ana (Dir. Griset, 2,091 votes), Santa Monica (Dir. Abdo, 2,733 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,288 votes), Torrance (Dir. Lefevre, 2,351 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,905 votes), West Basin Municipal Water District (Dirs. Dear and Gray, 14,907 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,699 votes). Total 174,394 votes.

No: San Diego County Water Authority (No: Dir. Mudd. Absent: Dirs. Hogan, Lewinger, and Steiner. 37,824 votes). Total 37,824 votes.

Abstain: None.

Absent: Compton (Dir. Sanchez, 333 votes), Long Beach (Dir. Lowenthal, 4,148 votes). Total 4,481 votes).

The motion to approve **M.I. 49675** passed by a vote of 174,394 ayes, 37,824 noes, and 4,481 absent.

49676 Water Planning and Stewardship Committee Chairman De Jesus moved, seconded by Director Touhey, that the Board adopt the CEQA determination that the proposed action is categorically exempt from CEQA and adopt the proposed Water Supply Alert Resolution (**Resolution 9168**), as set forth in Agenda Item 8-3 board letter, said resolution entitled:

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA CALLING FOR A WATER SUPPLY ALERT

Chairman Foley called for a vote to approve **M.I. 49676**.

The following is a record of the vote:

Ayes: Anaheim (Dir. K. Murray, 3,609 votes), Beverly Hills (Dir. Wunderlich, 2,415 votes), Burbank (Dir. Brown, 1,890 votes), Calleguas Municipal Water District (Dir. Pringle, 8,110

votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 11,534 votes), Eastern Municipal Water District (Dir. Record, 5,520 votes), Foothill Municipal Water District (Dir. Edwards, 1,413 votes), Fullerton (Dir. Fitzgerald, 1,522 votes), Glendale (Dir. Friedman, 2,417 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,277 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,008 votes), Los Angeles (Ayes: Dirs. Grunfeld, Koretz, and J. Murray. Absent: Dir. Quiñonez. 43,135 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, Dick, and Foley, 36,669 votes), Pasadena (Dir. Kurtz, 2,258 votes), San Diego County Water Authority (Aye: Dir. Mudd. Absent: Dirs. Hogan, Lewinger, and Steiner. 37,824 votes), San Fernando (Dir. Ballin, 154 votes), San Marino (Dir. Morris, 489 votes), Santa Ana (Dir. Griset, 2,091 votes), Santa Monica (Dir. Abdo, 2,733 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,288 votes), Torrance (Dir. Lefevre, 2,351 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,905 votes), West Basin Municipal Water District (Dirs. Dear and Gray, 14,907 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,699 votes). Total 212,218 votes.

No: None.

Abstain: None.

Absent: Compton (Dir. Sanchez, 333 votes), Long Beach (Dir. Lowenthal, 4,148 votes). Total 4,481 votes).

The motion to approve **M.I. 49676** passed by a vote of 212,218 ayes and 4,481 absent.

49677 On behalf of the Legal and Claims Committee, Director Edwards moved, seconded by Director Dear, that the Board adopt the CEQA determination that the project is not subject to CEQA and authorize an increase of \$500,000 to a maximum of \$7,425,000 to Morrison & Foerster for legal services in *Consolidated Delta Smelt Cases*, USDC Case No. 1:09-CV-407 LJO-DLB, and *Consolidated Salmonid Cases*, USDC Case No. 1:09-CV LJO-DLB, as set forth in confidential Agenda Item 8-4 board letter.

Legal and Claims Committee Vice Chairman Wunderlich requested that the records show he recused himself and did not vote on this item.

Chairman Foley called for a vote to approve **M.I. 49677**.

The following is a record of the vote:

Ayes: Anaheim (Dir. K. Murray, 3,609 votes), Burbank (Dir. Brown, 1,890 votes), Calleguas Municipal Water District (Dir. Pringle, 8,110 votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 11,534 votes), Eastern Municipal Water District (Dir. Record, 5,520 votes), Foothill Municipal Water District (Dir. Edwards, 1,413 votes), Fullerton (Dir. Fitzgerald, 1,522 votes), Glendale (Dir. Friedman, 2,417 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,277 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,008 votes), Los Angeles (Ayes: Dirs. Grunfeld, Koretz, and J. Murray. Absent: Dir. Quiñonez. 43,135 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, and Dick, 27,501.75 votes), Pasadena (Dir. Kurtz, 2,258 votes), San Diego County Water Authority (Aye: Dir. Mudd. Absent: Dirs. Hogan, Lewinger, and Steiner. 37,824 votes), San Fernando (Dir. Ballin, 154 votes), San Marino (Dir. Morris, 489 votes), Santa Ana (Dir. Griset, 2,091 votes), Santa Monica (Dir. Abdo, 2,733 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,288 votes), Torrance (Dir. Lefevre, 2,351 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,905 votes), West Basin Municipal Water District (Dirs. Dear and Gray, 14,907 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,699 votes). Total 200,635.75 votes.

No: None.

Abstain: Beverly Hills (Dir. Wunderlich, 2,415 votes), Municipal Water District of Orange County (Dir. Foley, 9,167.25 votes). Total 11,582.25 votes.

Absent: Compton (Dir. Sanchez, 333 votes), Long Beach (Dir. Lowenthal, 4,148 votes). Total 4,481 votes).

The motion to approve **M.I. 49677** passed by a vote of 200,635.75 ayes, 11,582.25 abstain, and 4,481 absent.

49678 Legal and Claims Committee Vice Chairman Wunderlich moved, seconded by Director Edwards, that the Board adopt the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA and authorize increase in maximum amount payable under contract with Atkinson, Andelson, Loya, Ruud & Romo PC for legal services in *Oscar Renda*

Contracting, Inc. v. Metropolitan Water District of Southern California, Riverside County Superior Court Case No. RIC 1213525, as set forth in confidential Agenda Item 8-5 board letter.

Chairman Foley called for a vote to approve **M.I. 49678**.

The following is a record of the vote:

Ayes: Anaheim (Dir. K. Murray, 3,609 votes), Beverly Hills (Dir. Wunderlich, 2,415 votes), Burbank (Dir. Brown, 1,890 votes), Calleguas Municipal Water District (Dir. Pringle, 8,110 votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 11,534 votes), Eastern Municipal Water District (Dir. Record, 5,520 votes), Foothill Municipal Water District (Dir. Edwards, 1,413 votes), Fullerton (Dir. Fitzgerald, 1,522 votes), Glendale (Dir. Friedman, 2,417 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,277 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,008 votes), Los Angeles (Ayes: Dirs. Grunfeld, Koretz, and J. Murray. Absent: Dir. Quiñonez. 43,135 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, and Dick, 27,501.75 votes), Pasadena (Dir. Kurtz, 2,258 votes), San Diego County Water Authority (Aye: Dir. Mudd. Absent: Dirs. Hogan, Lewinger, and Steiner. 37,824 votes), San Fernando (Dir. Ballin, 154 votes), San Marino (Dir. Morris, 489 votes), Santa Ana (Dir. Griset, 2,091 votes), Santa Monica (Dir. Abdo, 2,733 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,288 votes), Torrance (Dir. Lefevre, 2,351 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,905 votes), West Basin Municipal Water District (Dirs. Dear and Gray, 14,907 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,699 votes). Total 203,050.75 votes.

No: None.

Abstain: Municipal Water District of Orange County (Dir. Foley, 9,167.25 votes). Total 9,167.25 votes.

Absent: Compton (Dir. Sanchez, 333 votes), Long Beach (Dir. Lowenthal, 4,148 votes). Total 4,481 votes).

Chairman Foley declared the motion to approve **M.I. 49678** passed by a vote of 203,050.75 ayes, 9,167.25 abstain, and 4,481 absent.

Director Kurtz announced that for financial reasons she would not participate in the following matter and withdrew from the Meeting at 1:00 p.m.

49679 Legal and Claims Committee Vice Chairman Wunderlich moved, seconded by Director Peterson, that the Board adopt the CEQA determination that the proposed action is not subject to CEQA and is categorically exempt, and authorize the General Manager to accept the city of Monterey Park's proposed terms for removal of operational restrictions on the Garvey Reservoir as set forth in an existing settlement agreement and to enter into an amendment to the settlement agreement to incorporate the new terms, as set forth in confidential Agenda Item 8-6 board letter.

Chairman Foley called for a vote to approve **M.I. 49679**.

The following is a record of the vote:

Ayes: Anaheim (Dir. K. Murray, 3,609 votes), Beverly Hills (Dir. Wunderlich, 2,415 votes), Burbank (Dir. Brown, 1,890 votes), Calleguas Municipal Water District (Dir. Pringle, 8,110 votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 11,534 votes), Eastern Municipal Water District (Dir. Record, 5,520 votes), Fullerton (Dir. Fitzgerald, 1,522 votes), Glendale (Dir. Friedman, 2,417 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,277 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,008 votes), Los Angeles (Ayes: Dirs. Grunfeld, Koretz, and J. Murray. Absent: Dir. Quiñonez. 43,135 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, Dick, and Foley, 36,669 votes), San Diego County Water Authority (Aye: Dir. Mudd. Absent: Dirs. Hogan, Lewinger, and Steiner. 37,824 votes), San Fernando (Dir. Ballin, 154 votes), San Marino (Dir. Morris, 489 votes), Santa Ana (Dir. Griset, 2,091 votes), Santa Monica (Dir. Abdo, 2,733 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,288 votes), Torrance (Dir. Lefevre, 2,351 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,905 votes), West Basin Municipal Water District (Dirs. Dear and Gray, 14,907 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,699 votes). Total 208,547 votes.

No: None.

Abstain: Foothill Municipal Water District (Dir. Edwards, 1,413 votes). Total 1,413 votes.

Absent: Compton (Dir. Sanchez, 333 votes), Long Beach (Dir. Lowenthal, 4,148 votes), Pasadena (Dir. Kurtz, 2,258 votes). Total 6,739 votes).

The motion to approve **M.I. 49679** passed by a vote of 208,547 ayes, 1,413 abstain, and 6,739 absent.

Director Kurtz returned to the Meeting at 1:02 p.m.

49680 Water Planning and Stewardship Committee Chairman De Jesus moved, seconded by Director Touhey, that the Board adopt the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA, and authorize (a) implementation of an outreach campaign in response to the drought; and (b) an increase of \$20 million over two years for the conservation incentive program, as set forth in Agenda Item 8-7 board letter.

Committee Chairman De Jesus requested that the letter from the San Diego County Water Authority delegates addressed to Chairman Foley and members of the Board, dated February 10, 2014, regarding Board Memo 8-7 - Authorize an increase of \$20 million for conservation incentives and outreach - be entered into the record. The letter is on file in the office of the Board Executive Secretary.

Director Mudd remarked that the San Diego County Water Authority supported investment in water conservation and recycled water, and not just during time of shortages. He stated that this is a fundamental component of a region's long-term water supply and wanted to make sure the board letter includes whether or not these benefits talk about the fundamental concerns.

Vice Chair Gray expressed support for public awareness on the drought at all times. She commented on the press conference held by West Basin Municipal Water District recently regarding West Basin's water recycling plant, and that the public was aware of what is being done in relation to the drought.

General Manager Kightlinger reported that the funds are available for all consumers in the entire region including those in the San Diego County service area.

Chairman Foley called for a vote to approve **M.I. 49680**.

The following is a record of the vote:

Ayes: Anaheim (Dir. K. Murray, 3,609 votes), Beverly Hills (Dir. Wunderlich, 2,415 votes), Burbank (Dir. Brown, 1,890 votes), Calleguas Municipal Water District (Dir. Pringle, 8,110 votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 11,534 votes), Eastern Municipal Water District (Dir. Record, 5,520 votes), Foothill Municipal Water District (Dir. Edwards, 1,413 votes), Fullerton (Dir. Fitzgerald, 1,522 votes), Glendale (Dir. Friedman, 2,417 votes), Inland Empire Utilities Agency (Dir. Camacho, 8,277 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,008 votes), Los Angeles (Ayes: Dirs. Grunfeld, Koretz, and J. Murray. Absent: Dir. Quiñonez. 43,135 votes), Municipal Water District of Orange County (Ayes: Dirs. Ackerman, Barbre, and Dick. Not Participating: Dir. Foley. 36,669 votes), San Fernando (Dir. Ballin, 154 votes), San Marino (Dir. Morris, 489 votes), Santa Ana (Dir. Griset, 2,091 votes), Santa Monica (Dir. Abdo, 2,733 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,288 votes), Torrance (Dir. Lefevre, 2,351 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 7,905 votes), West Basin Municipal Water District (Dirs. Dear and Gray, 14,907 votes), Western Municipal Water District of Riverside County (Dir. Evans, 7,699 votes). Total 174,394 votes.

No: San Diego County Water Authority (No: Dir. Mudd. Absent: Dirs. Hogan, Lewinger, and Steiner. 37,824 votes). Total 37,824 votes.

Abstain: None.

Absent: Compton (Dir. Sanchez, 333 votes), Long Beach (Dir. Lowenthal, 4,148 votes). Total 4,481 votes).

The motion to approve **M.I. 49680** passed by a vote of 174,394 ayes, 37,824 noes, and 4,481 absent.

49681 The following communication was submitted to the Board for information:

- a. Report on H.R. 3964 (Valadao, R-CA) - Sacramento-San Joaquin Valley Emergency Water Delivery Act.

Communications and Legislation Committee Chair Ackerman stated that the letter on H.R. 3964 will be considered and taken up for action at the next meeting.

Director Koretz commented that attention should be paid to H.R. 3964 as it appeared to preempt California state sovereignty regarding water, and that it attempted to circumvent the Endangered Species Act, which bill is opposed by both our senators and the governor.

49682 Chairman Foley stated he is currently reviewing reassignment of committees and their memberships, and will be reporting on them at the March meeting. Chairman Foley asked members of the Board to submit any changes or committee suggestions to him.

49683 Finance and Insurance Committee Chairman Grunfeld commented on the first Budget and Rate Workshop held February 10 and announced that another budget workshop will be held on February 25, 2014.

49684 At 1:10 p.m., there being no objection, Chairman Foley adjourned the Meeting in memory of Dr. Pankaj Parekh, Director of Water Quality Compliance at the Los Angeles Department of Water and Power.



JOHN T. MORRIS

SECRETARY



JOHN V. FOLEY

CHAIRMAN