THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

LEGAL AND CLAIMS COMMITTEE

May 12, 2015

Chair Quiñonez called the meeting to order at 8:35 a.m. in Committee Room 2-145 at Metropolitan's Headquarters.

Members present: Chair Quiñonez, Vice Chair McKenney, Directors Atwater, Camacho (entered 10:16 am), Dear, Dick, Murray (entered 8:38 am), Steiner, Tu, and Wunderlich.

Member absent: None.

Other Board members present: Directors Ackerman, Arceneaux, Ballin, Barbre, Beard, Blois, Calkins, Dake, Galleano, Hogan, Kurtz, Lewinger, Morris, Peterson, Ramos, Record, and Touhey.

Staff present: Scully, Beatty, Vanderhorst, Breaux, Chaudhuri, Donovan, Ghaly, Hasencamp, Hughes, Jankovich, Kightlinger, Kuo, Man, Mares, Miyashiro, Nagai, Patterson, Riss, Schlotterbeck, Sims, Stewart, Torres, Jr., Teraoka, Upadhyay, Yenko, 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 APRIL 14, 2015.

Motion: Carried

Moved: Director Dear Seconded: Director Steiner

Ayes: Chair Quiñonez, Vice Chair McKenney, Directors Atwater, Dear,

Dick, Steiner, Tu, and Wunderlich

Noes: None

Abstentions: None

Absent: Directors Camacho and Murray

The motion passed by a vote of 8 ayes, 0 no, 0 abstain, and 2 absent.

3. CONSENT CALENDAR ITEMS – ACTION

None

Director Murray entered the meeting at 8:38 a.m.

4. OTHER BOARD ITEMS – ACTION

8-5 Subject: Report on *In Re Tronox Incorporated, et al.*, Chapter 11, United

States Bankruptcy Court, Southern District of New York, Case No. 09-10156 (MEW), and authorize increase in maximum amount payable under contract with Manatt, Phelps and Phillips, LLP for legal services by \$100,000 to a maximum amount of \$540,000

Presented by: Senior Deputy General Counsel Jill Teraoka

Motion: Adopt the CEQA determination that the proposed action is not

subject to the provisions of CEQA, and

Authorize amendment of the contract for legal services with Manatt, Phelps and Phillips, LLP for the *In Re Tronox*

Incorporated, et al. matter to increase the maximum amount payable by \$100,000 to a maximum amount of \$540,000. The

\$100,000 is to be shared equally with CAWCD.

Moved: Director Steiner Seconded: Director Murray

Ayes: Chair Quiñonez, Vice Chair McKenney, Directors Atwater, Dear,

Murray, Steiner and Tu

Noes: None

Abstentions: Directors Dick and Wunderlich

Absent: Director Camacho

The motion passed by a vote of 7 ayes, 0 no, 2 abstain, and 1 absent.

Chair Quiñonez announced that there would be a reordering of the meeting agenda. Item 6a would be heard first with the remaining Board Action Item following.

6. COMMITTEE ITEMS

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

Presented by: General Counsel Marcia Scully

General Counsel Marcia Scully introduced the committee to the newest member of the Legal Department, Karen Donovan. Ms. Scully informed the committee of a lawsuit filed by the Center for Environmental Science Accuracy and Reliability (CESAR) regarding the Delta salt intrusion barrier. She also gave a short update regarding the *Capistrano* case involving rates.

Director Camacho entered the meeting at 10:16 a.m.

5. OTHER BOARD ITEMS – ACTION (Continued)

8-7 Subject: Report on Peter E. Von Haam v. Metropolitan Water District of

Southern California, et al., Los Angeles Superior Court Case No. BC555560; and authorize an increase in the maximum amount payable under contract with Seyfarth Shaw LLP for legal services by \$200,000 to an amount not to exceed \$300,000

Presented by: Chief Deputy General Counsel Henry Torres, Jr.

Motion: Adopt the CEQA determination that the proposed action is not

defined as a project and is not subject to the provisions of CEQA,

and

Authorize the General Counsel to amend the agreement with Seyfarth Shaw LLP to increase by \$200,000 to the maximum

amount payable under contract not to exceed \$300,000.

In closed session, Chief Deputy General Counsel Henry Torres, Jr. gave a report on this item. In open session, the committee voted on this item.

Moved: Director Atwater Seconded: Director Wunderlich

Ayes: Chair Quiñonez, Vice Chair McKenney, Directors Atwater, Camacho,

Dear, Dick, Murray, Steiner, Tu, and Wunderlich

Noes: None

Abstentions: None

Absent: None

The motion passed by a vote of 10 ayes, 0 no, 0 abstain, and 0 absent.

6. BOARD INFORMATION ITEMS

b. Subject: Report on San Diego County Water Authority v. Metropolitan

> Water District of Southern California, et al., San Francisco County Superior Court Case Nos. CPF-10-510830 and CPF-12-512466,

and CPF-14-514004.

Presented by: Assistant General Counsel Heather Beatty

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

In closed session, Assistant General Counsel Heather Beatty gave a report on this item. No action was taken.

Subject: Home committee discussion of Department Head Performance c.

and Expectations

Presented by: Chair Jesùs Quiñonez

In closed session, the committee discussed the above item. No action was taken.

7. FOLLOW-UP ITEMS

Director Steiner asked for a report on recusal issues.

8. FUTURE AGENDA ITEMS

None

Next meeting will be held on June 9, 2015.

Meeting adjourned at 10:32 a.m.

Jesùs Quiñonez

Chair