

MINUTES

REGULAR MEETING OF THE

BOARD OF DIRECTORS

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MARCH 8, 2016

50391 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, March 8, 2016.

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

50392 The Meeting was opened with an invocation by Silvia Lanza, Engineer, Engineering Services Group.

50393 The Pledge of Allegiance to the Flag was given by Director Donald Galleano.

50394 Board Secretary Morris called the roll. Those answering present were: Directors Abdo, Ackerman, Apodaca, Barbre, Beard, Blois, Camacho, Dake, Dear, De Jesus, Dick, Faessel, Friedman, Galleano, Hogan, Lefevre, Lewinger, Martinez, McKenney, Morris, Murray, Paskett, Peterson, Quiñonez, Ramos, Record, Steiner, Touhey, Tu, Vasquez, and Wunderlich.

Those not answering were: Directors Atwater, Ballin, Gray, Koretz, Kurtz, Lowenthal, and Zurita.

Board Secretary Morris declared a quorum present.

50395 Chairman Record invited members of the public to address the Board on matters within the Board's jurisdiction. No members of the public responded.

50396 At 12:10 p.m., Chairman Record opened a public hearing to receive comments on (1) suspending the tax rate limitations in Section 124.5 of the Metropolitan Water District Act to maintain the ad valorem tax rate; and (2) proposed water rates and charges for calendar years 2017 and 2018 to meet revenue requirements.

Director Friedman requested that the record reflect that she recused herself from participating in the budget and rate-setting matters in accordance with advice from the Ethics Officer. She further requested that advice on the scope of the recusal be sought from the Fair Political Practices Commission.

Director Friedman withdrew from the Meeting at 12:13 p.m.

June Skillman, Manager, Budget and Financial Planning, provided a brief overview of the proposals to maintain the current ad valorem tax rate, and for the water rates and charges.

The following members of the public expressed comments about the proposed water rates and charges:

Susan Mulligan, General Manager, Calleguas Municipal Water District
Tony Stafford, Camrosa Water District
Jozi Scholl, Ventura County Waterworks Districts
Dennis Cushman, Assistant General Manager, San Diego County Water Authority
Bruce Reznik, Los Angeles Waterkeeper
Jesus R. Jimenez
Armando Reyes
Jose Piña
Godfrey Wechila
Brenna Norton, Food and Water Watch
Raven Farrel
Marty Sabo, Food and Water Watch
Thomas Haberkorn
Daryl Gale
Alex Acuña
Ira Thompson
Tom Bresnahan

Chairman Record closed the public hearing at 1:07 p.m.

Director Friedman returned to the Meeting at 1:07 p.m.

50397 There being no objection, Chairman Record ordered the reading of the Minutes of the Meeting of February 9, 2016 dispensed with, a copy having been mailed to each Director.

Director Camacho moved, seconded by Board Vice Chairman Murray, that the Board approve the foregoing Minutes.

Chairman Record called for a vote to approve the Minutes of the Meeting of February 9, 2016.

The following is a record of the vote:

Ayes: Anaheim (Dir. Faessel, 3,953 votes), Beverly Hills (Dir. Wunderlich 2,773 votes), Burbank (Dir. Ramos, 2,064 votes), Calleguas Municipal Water District (Dir. Blois, 9,007 votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 12,579 votes), Eastern Municipal Water District (Dir. Record, 6,507 votes), Fullerton (Dir. Beard, 1,716 votes), Glendale (Dir. Friedman, 2,680 votes), Inland Empire Utilities Agency (Dir. Camacho, 9,319 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,212 votes), Los Angeles (Ayes: Dirs. Dake, Murray, Paskett, and Quiñonez. Absent: Dir. Koretz. 48,956 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, Dick, and McKenney, 41,581 votes), San Diego County Water Authority (Dirs. Hogan, Lewinger, Steiner, and Tu, 42,459 votes), San Marino (Dir. Morris, 554 votes), Santa Ana (Dir. Martinez, 2,284 votes), Santa Monica (Dir. Abdo, 3,096 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,891 votes), Torrance (Dir. Lefevre, 2,531 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 8,842 votes), West Basin Municipal Water District (Aye: Dir. Dear. Absent: Dir. Gray. 16,568 votes), Western Municipal Water District of Riverside County (Dir. Galleano, 8,812 votes). Total 234,384 votes.

Noes: None.

Abstain: None.

Absent: Compton (Dir. Zurita, 376 votes, Foothill Municipal Water District (Dir. Atwater, 1,580 votes), Long Beach (Dir. Lowenthal, 4,448 votes), Pasadena (Dir. Kurtz, 2,544 votes), San Fernando (Dir. Ballin, 167 votes). Total 9,115 votes.

The motion to approve the Minutes of February 9, 2016, passed by a vote of 234,384 ayes and 9,115 absent.

50398 A written report of meetings attended by Directors at Metropolitan expense during the month of February was distributed.

50399 There were no new committee assignments.

50400 Chairman Record referred to his written monthly report, which was distributed to the Board.

50401 Regarding matters relating to Metropolitan's operations and activities, General Manager Kightlinger referred to the General Manager's activity report for February dated February 29, 2016.

General Manager Kightlinger stated that June of this year will be the 75th anniversary of the first delivery of the Colorado River water to Southern California, and that staff is planning a full exhibit in the rotunda area. Also, State Historian Kevin Starr is scheduled to address the Board in June and speak on the history of water in Southern California and Metropolitan's role.

50402 Regarding Legal Department activities, General Counsel Scully referred to the General Counsel's activity report for February dated March 1, 2016.

General Counsel Scully stated that last month she distributed to the Legal and Claims Committee a list of commonly used terms. The list is available as an app called "Met Wiki" that can be downloaded to cell phones from the Apple store.

50403 Deputy General Auditor Tonsick referred to the Audit Department's activity report for the month of February dated February 29, 2016.

Deputy General Auditor Tonsick stated that one audit report was issued regarding the purchasing of nonprofessional service contracts, which received a generally satisfactory opinion, and that management had addressed all the issues and concerns that were in the report.

50404 Ethics Officer Ghaly referred to the Ethics Department activity report for February 2016.

Ethics Officer Ghaly stated she will be sending out additional details on the conflict rule applicable to the budget adoption process. The Ethics Officer responded to Director Friedman's comments about the budget approval process. The Fair Political Practices Commission had sent a letter noting that under certain circumstances the conflict restrictions in a budget process could be broad, but could be addressed in the future by appropriate segmentation of the process.

Vice Chairman Touhey moved, seconded by Director Peterson, that the Board approve the Consent Calendar Items, **M.I. 50405** through **M.I. 50407**, as follows:

50405 Certify that the Final Environmental Impact Report (EIR) has been completed in compliance with CEQA and the State CEQA Guidelines; certify that the Board has reviewed and considered the information presented in the Final EIR, certify that the Final EIR reflects the Board's independent judgment and analysis; adopt the Findings of Fact and Mitigation Monitoring and Reporting Program; and (a) appropriate \$620,000 (Appropriation No. 15377, No. 38); and authorize (b) final design to rehabilitate a blow-off structure on the Orange County Feeder; and (c) increase of \$200,000 to an agreement with Dudek, for a new not-to-exceed total of \$485,000, as set forth in Agenda Item 7-1 board letter.

50406 Adopt the CEQA determination that the proposed action is categorically exempt, and (a) appropriate \$840,000 (Appropriation No. 15384, No. 10); and (b) authorize preliminary investigations to rehabilitate the auxiliary power systems at the Colorado River Aqueduct pumping plants, as set forth in Agenda Item 7-2 board letter.

50407 Adopt the CEQA determination that the proposed action was previously determined to be categorically exempt and not

subject to CEQA, and that no further environmental analysis or documentation is required, and authorize the revised final terms for the pilot program agreement with Bard Water District and the land management and seasonal fallowing agreements with farmers of farmland in the Bard Unit, as set forth in Agenda Item 7-3 board letter.

Chairman Record called for a vote to approve the Consent Calendar Items, **M.I. 50405** through **M.I. 50407**.

Ayes: Anaheim (Dir. Faessel, 3,953 votes), Beverly Hills (Dir. Wunderlich 2,773 votes), Burbank (Dir. Ramos, 2,064 votes), Calleguas Municipal Water District (Dir. Blois, 9,007 votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 12,579 votes), Eastern Municipal Water District (Dir. Record, 6,507 votes), Fullerton (Dir. Beard, 1,716 votes), Glendale (Dir. Friedman, 2,680 votes), Inland Empire Utilities Agency (Dir. Camacho, 9,319 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,212 votes), Los Angeles (Ayes: Dirs. Dake, Murray, Paskett, and Quiñonez. Absent: Dir. Koretz. 48,956 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, Dick, and McKenney, 41,581 votes), San Diego County Water Authority (Dirs. Hogan, Lewinger, Steiner, and Tu, 42,459 votes), San Marino (Dir. Morris, 554 votes), Santa Ana (Dir. Martinez, 2,284 votes), Santa Monica (Dir. Abdo, 3,096 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,891 votes), Torrance (Dir. Lefevre, 2,531 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 8,842 votes), West Basin Municipal Water District (Aye: Dir. Dear. Absent: Dir. Gray. 16,568 votes), Western Municipal Water District of Riverside County (Dir. Galleano, 8,812 votes). Total 234,384 votes.

Noes: None.

Abstain: None.

Absent: Compton (Dir. Zurita, 376 votes, Foothill Municipal Water District (Dir. Atwater, 1,580 votes), Long Beach (Dir. Lowenthal, 4,448 votes), Pasadena (Dir. Kurtz, 2,544 votes), San Fernando (Dir. Ballin, 167 votes). Total 9,115 votes.

The motion to approve the Consent Calendar Items passed by a vote of 234,384 ayes and 9,115 absent.

50408 Finance and Insurance Committee Chairman Barbre moved, seconded by Director Ramos, that the Board adopt the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA, and adopt the (a) Master Subordinate Resolution (**Resolution 9199**) authorizing the issuance of subordinate water revenue bonds to finance any legal purpose of Metropolitan and providing the terms and conditions for the issuance of said bonds, as contained in Attachment 1 to the board letter; and (b) First Supplemental Subordinate Resolution (**Resolution 9200**) to the Master Subordinate Resolution authorizing the issuance of subordinate water revenue refunding bonds, providing the terms and conditions of such bonds and authorizing the approval if other related documents, as contained in Attachment 2 to the board letter, as set forth in Agenda Item 8-1 board letter, said resolutions entitled:

Resolution 9199 **RESOLUTION AUTHORIZING HE ISSUANCE OF SUBORDINATE WATER REVENUE BONDS TO FINANCE ANY LEGAL PURPOSE OF THE DISTRICT AND PROVIDING THE TERMS AND CONDITIONS OR THE ISSUANCE OF SAID BONDS (MASTER SUBORDINATE RESOLUTION)**

Resolution 9200 **RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA AUTHORIZING THE ISSUANCE OF SUBORDINATE WATER REVENUE REFUNDING BONDS, PROVIDING THE TERMS AND CONDITIONS OF SUCH BONDS AND AUTHORIZING THE APPROVAL OF OTHER RELATED DOCUMENTS (FIRST SUPPLEMENTAL SUBORDINATE RESOLUTION)**

Chairman Record called for a vote to approve
M.I. 50408.

The following is a record of the vote:

Ayes: Anaheim (Dir. Faessel, 3,953 votes), Beverly Hills (Dir. Wunderlich 2,773 votes), Burbank (Dir. Ramos, 2,064 votes), Calleguas Municipal Water District (Dir. Blois, 9,007 votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 12,579 votes), Eastern Municipal Water District (Dir. Record, 6,507 votes), Fullerton (Dir. Beard, 1,716

votes), Glendale (Dir. Friedman, 2,680 votes), Inland Empire Utilities Agency (Dir. Camacho, 9,319 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,212 votes), Los Angeles (Ayes: Dirs. Dake, Murray, Paskett, and Quiñonez. Absent: Dir. Koretz. 48,956 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, Dick, and McKenney, 41,581 votes), San Diego County Water Authority (Dirs. Hogan, Steiner, and Tu, 31,844.25 votes), San Marino (Dir. Morris, 554 votes), Santa Ana (Dir. Martinez, 2,284 votes), Santa Monica (Dir. Abdo, 3,096 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,891 votes), Torrance (Dir. Lefevre, 2,531 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 8,842 votes), West Basin Municipal Water District (Aye: Dir. Dear. Absent: Dir. Gray. 16,568 votes), Western Municipal Water District of Riverside County (Dir. Galleano, 8,812 votes). Total 223,769.25 votes.

Noes: San Diego County Water Authority (Dir. Lewinger, 10,614.75 votes). Total 10,614.75 votes.

Abstain: None.

Absent: Compton (Dir. Zurita, 376 votes, Foothill Municipal Water District (Dir. Atwater, 1,580 votes), Long Beach (Dir. Lowenthal, 4,448 votes), Pasadena (Dir. Kurtz, 2,544 votes), San Fernando (Dir. Ballin, 167 votes). Total 9,115 votes.

The motion to approve **M.I.50408** passed by a vote of 223,769.25 ayes, 10,614.75 noes, and 9,115 absent.

50409 Finance and Insurance Committee Chairman Barbre moved, seconded by Director Blois, that the Board adopt the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA, and adopt the Short-Term Certificates Resolution (**Resolution 9201**) authorizing the sale and issuance from time to time of up to \$400 million of short-term revenue Certificates and providing for credit facilities and trust agreements, as contained in Attachment 1 to Agenda Item 8-2 board letter, said resolution entitled:

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA AUTHORIZING THE SALE AND ISSUANCE FROM TIME TO TIME OF UP TO \$400 MILLION OF SHORT-TERM REVENUE CERTIFICATES AND PROVIDING FOR CREDIT FACILITIES AND TRUST AGREEMENTS (SHORT-TERM CERTIFICATES RESOLUTION)

Committee Chairman Barbre requested that the letter from San Diego County Water Authority dated March 7, 2016, opposing Agenda Item 8-2 be made a part of the record.

Chairman Record called for a vote to approve
M.I. 50409.

The following is a record of the vote:

Ayes: Anaheim (Dir. Faessel, 3,953 votes), Beverly Hills (Dir. Wunderlich 2,773 votes), Burbank (Dir. Ramos, 2,064 votes), Calleguas Municipal Water District (Dir. Blois, 9,007 votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 12,579 votes), Eastern Municipal Water District (Dir. Record, 6,507 votes), Fullerton (Dir. Beard, 1,716 votes), Glendale (Dir. Friedman, 2,680 votes), Inland Empire Utilities Agency (Dir. Camacho, 9,319 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,212 votes), Los Angeles (Ayes: Dirs. Dake, Murray, Paskett, and Quiñonez. Absent: Dir. Koretz. 48,956 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, Dick, and McKenney, 41,581 votes), San Marino (Dir. Morris, 554 votes), Santa Ana (Dir. Martinez, 2,284 votes), Santa Monica (Dir. Abdo, 3,096 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,891 votes), Torrance (Dir. Lefevre, 2,531 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 8,842 votes), West Basin Municipal Water District (Aye: Dir. Dear. Absent: Dir. Gray. 16,568 votes), Western Municipal Water District of Riverside County (Dir. Galleano, 8,812 votes). Total 191,925 votes.

Noes: San Diego County Water Authority (Dirs. Hogan, Lewinger, Steiner, and Tu, 42,459 votes). Total 42,459 votes.

Abstain: None.

Absent: Compton (Dir. Zurita, 376 votes, Foothill Municipal Water District (Dir. Atwater, 1,580 votes), Long

Beach (Dir. Lowenthal, 4,448 votes), Pasadena (Dir. Kurtz, 2,544 votes), San Fernando (Dir. Ballin, 167 votes). Total 9,115 votes.

The motion to approve **M.I. 50409** passed by a vote of 191,925 ayes, 42,459 noes, and 9,115 absent.

50410 Following comments made by Directors regarding Agenda Item 8-3, Directors Camacho, Dake, and Tu recused themselves and withdrew from the Meeting at 1:17 p.m. Director Tu further withdrew her signature from a San Diego County Water Authority letter regarding this matter.

Engineering and Operations Committee Chairman Peterson moved, seconded by Director Lefevre, that the Board adopt the CEQA determination that the proposed actions are not defined as a project and/or are statutorily and categorically exempt, and (a) adopt a resolution (**Resolution 9202**) supporting Metropolitan's application to State Water Resources Control Board's (SWRCB) Water Recycling Funding Program, and authorize the General Manager to accept potential grant funding or low interest loans, and to enter into an agreement with SWRCB in a form approved by the General Counsel; and authorize agreement with (b) MWH Americas, Inc. in an amount not to exceed \$1.2 million for design of the demonstration-scale recycled water treatment plant; and (c) Black & Veatch Corporation, Inc. in an amount not to exceed \$1.9 million to conduct initial feasibility studies of the recycled water delivery system, 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 IN SUPPORT OF ITS PROPOSAL FOR FUNDING UNDER THE WATER RECYCLING FUNDING PROGRAM AND TO AUTHORIZE THE EXECUTION OF A FINANCING AGREEMENT, AMENDMENTS AND REQUIRED ASSOCIATED RESPONSIBILITIES FOR POTENTIAL REGIONAL RECYCLED WATER SUPPLY PROGRAM

Director Lewinger requested that the letter from San Diego County Water Authority dated March 5, 2016, regarding Agenda Item 8-3 be entered into the record.

Chairman Record called for a vote to approve **M.I. 50410**.

The following is a record of the vote:

Ayes: Anaheim (Dir. Faessel, 3,953 votes), Beverly Hills (Dir. Wunderlich 2,773 votes), Burbank (Dir. Ramos, 2,064 votes), Calleguas Municipal Water District (Dir. Blois, 9,007 votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 12,579 votes), Eastern Municipal Water District (Dir. Record, 6,507 votes), Fullerton (Dir. Beard, 1,716 votes), Glendale (Dir. Friedman, 2,680 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,212 votes), Los Angeles (Ayes: Dirs. Murray, Paskett, and Quiñonez. Absent: Dirs. Dake and Koretz. 48,956 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, Dick, and McKenney, 41,581 votes), San Marino (Dir. Morris, 554 votes), Santa Ana (Dir. Martinez, 2,284 votes), Santa Monica (Dir. Abdo, 3,096 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,891 votes), Torrance (Dir. Lefevre, 2,531 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 8,842 votes), West Basin Municipal Water District (Aye: Dir. Dear. Absent: Dir. Gray. 16,568 votes), Western Municipal Water District of Riverside County (Dir. Galleano, 8,812 votes). Total 182,606 votes.

Noes: San Diego County Water Authority (Noes: Dirs. Hogan, Lewinger, and Steiner. Absent: Dir. Tu. 42,459 votes). Total 42,459 votes.

Abstain: None.

Absent: Compton (Dir. Zurita, 376 votes), Foothill Municipal Water District (Dir. Atwater, 1,580 votes), Inland Empire Utilities Agency (Dir. Camacho, 9,319 votes), Long Beach (Dir. Lowenthal, 4,448 votes), Pasadena (Dir. Kurtz, 2,544 votes), San Fernando (Dir. Ballin, 167 votes). Total 18,434 votes.

The motion to approve **M.I. 50410** passed by a vote of 182,606 ayes, 42,459 noes, and 18,434 absent.

Directors Camacho, Dake, and Tu returned to the Meeting at 1:20 p.m.

Director Martinez withdrew from the Meeting at 1:21 p.m.

50411 Organization, Personnel and Technology Committee Chairman Murray moved, seconded by Board Vice Chairman Touhey, that the Board adopt the CEQA determination that the proposed actions are not defined as a project and are not subject to CEQA, and authorize the General Manager to enter into memorandums of agreement in excess of \$250,000 with Metropolitan's four bargaining units to implement a three-year \$1,200,000 incentive payment program for Remote Location employees according to the provisions outlined in Agenda Item 8-4 board letter.

Chairman Record called for a vote to approve
M.I. 50411.

The following is a record of the vote:

Ayes: Anaheim (Dir. Faessel, 3,953 votes), Beverly Hills (Dir. Wunderlich 2,773 votes), Burbank (Dir. Ramos, 2,064 votes), Calleguas Municipal Water District (Dir. Blois, 9,007 votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 12,579 votes), Eastern Municipal Water District (Dir. Record, 6,507 votes), Fullerton (Dir. Beard, 1,716 votes), Glendale (Dir. Friedman, 2,680 votes), Inland Empire Utilities Agency (Dir. Camacho, 9,319 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,212 votes), Los Angeles (Ayes: Dirs. Dake, Murray, Paskett, and Quiñonez. Absent: Dir. Koretz. 48,956 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, Dick, and McKenney, 41,581 votes), San Diego County Water Authority (Dirs. Hogan, Lewinger, Steiner, and Tu, 42,459 votes), San Marino (Dir. Morris, 554 votes), Santa Monica (Dir. Abdo, 3,096 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,891 votes), Torrance (Dir. Lefevre, 2,531 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 8,842 votes), West Basin Municipal Water District (Aye: Dir. Dear. Absent: Dir. Gray. 16,568 votes), Western Municipal Water District of Riverside County (Dir. Galleano, 8,812 votes). Total 232,100 votes.

Noes:

Abstain: None.

Absent: Compton (Dir. Zurita, 376 votes, Foothill Municipal Water District (Dir. Atwater, 1,580 votes), Long

Beach (Dir. Lowenthal, 4,448 votes), Pasadena (Dir. Kurtz, 2,544 votes), San Fernando (Dir. Ballin, 167 votes), Santa Ana (Dir. Martinez, 2,284 votes). Total 11,399 votes.

The motion to approve **M.I. 50411** passed by a vote of 232,100 ayes and 11,399 absent.

50412 Engineering and Operations Committee Chairman Peterson moved, seconded by Board Vice Chairman Touhey, that the Board adopt the CEQA determination that the proposed action was previously determined to be statutorily exempt and that no further environmental analysis or documentation is required, and (a) ratify the prior action of the Executive Committee; (b) appropriate \$13.9 million (Appropriation No. 15496, No. 2); and (c) ratify the General Manager's award of a \$9.15-million contract to J. F. Shea Construction, Inc. for urgent prestressed concrete cylinder pipe repairs on the Sepulveda Feeder, as set forth in Agenda Item 8-5 board letter.

Chairman Record called for a vote to approve **M.I. 50412**.

The following is a record of the vote:

Ayes: Anaheim (Dir. Faessel, 3,953 votes), Beverly Hills (Dir. Wunderlich 2,773 votes), Burbank (Dir. Ramos, 2,064 votes), Calleguas Municipal Water District (Dir. Blois, 9,007 votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 12,579 votes), Eastern Municipal Water District (Dir. Record, 6,507 votes), Fullerton (Dir. Beard, 1,716 votes), Glendale (Dir. Friedman, 2,680 votes), Inland Empire Utilities Agency (Dir. Camacho, 9,319 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,212 votes), Los Angeles (Ayes: Dirs. Dake, Murray, Paskett, and Quiñonez. Absent: Dir. Koretz. 48,956 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, Dick, and McKenney, 41,581 votes), San Diego County Water Authority (Dirs. Hogan, Lewinger, Steiner, and Tu, 42,459 votes), San Marino (Dir. Morris, 554 votes), Santa Monica (Dir. Abdo, 3,096 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,891 votes), Torrance (Dir. Lefevre, 2,531 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 8,842 votes), West Basin Municipal Water District (Aye: Dir. Dear. Absent: Dir. Gray. 16,568 votes), Western Municipal Water District of

Riverside County (Dir. Galleano, 8,812 votes). Total 232,100 votes.

Noes:

Abstain: None.

Absent: Compton (Dir. Zurita, 376 votes, Foothill Municipal Water District (Dir. Atwater, 1,580 votes), Long Beach (Dir. Lowenthal, 4,448 votes), Pasadena (Dir. Kurtz, 2,544 votes), San Fernando (Dir. Ballin, 167 votes), Santa Ana (Dir. Martinez, 2,284 votes). Total 11,399 votes.

The motion to approve **M.I. 50412** passed by a vote of 232,100 ayes and 11,399 absent.

50413 Real Property and Asset Management Committee Chairman Camacho stated that in closed session the committee conferred with the Real Property negotiators regarding Agenda Item 8-6, the purchase of property from Delta Wetlands Properties.

Real Property and Asset Management Committee Chairman Camacho then moved, seconded by Director Peterson that the Board adopt Option #1 in Agenda Item 8-6 confidential board letter, authorizing the General Manager to purchase property from Delta Wetlands Properties on the terms set forth in Agenda Item 8-6 confidential board letter.

Board Chairman Record offered a friendly amendment to the motion to authorize the General Manager to enter into an agreement to purchase certain property from Delta Wetlands Properties in Contra Costa, San Joaquin, and Solano Counties by adding direction that the General Manager report on due diligence findings at a Special Board Meeting on April 26, 2016. Committee Chairman Camacho accepted the amendment to his motion.

Following a discussion among the Board members, Director Paskett offered a substitute motion, seconded by Director Steiner, to put this item over for a later time.

Chairman Record called for a vote to approve the second substitute motion.

The following is a record of the vote:

Ayes: Beverly Hills (Dir. Wunderlich 2,773 votes), Central Basin Municipal Water District (Dirs. Apodaca and Vasquez, 12,579 votes), Glendale (Dir. Friedman, 2,680 votes), Los Angeles (Ayes: Dirs. Dake, Murray, Paskett, and Quiñonez. Absent: Dir. Koretz. 48,956 votes), San Diego County Water Authority (Dirs. Hogan, Lewinger, Steiner, and Tu, 42,459 votes), Santa Monica (Dir. Abdo, 3,096 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,891 votes), Total 118,434 votes.

Noes: Anaheim (Dir. Faessel, 3,953 votes), Burbank (Dir. Ramos, 2,064 votes), Calleguas Municipal Water District (Dir. Blois, 9,007 votes), Eastern Municipal Water District (Dir. Record, 6,507 votes), Fullerton (Dir. Beard, 1,716 votes), Inland Empire Utilities Agency (Dir. Camacho, 9,319 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,212 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, Dick, and McKenney, 41,581 votes), San Marino (Dir. Morris, 554 votes), Torrance (Dir. Lefevre, 2,531 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 8,842 votes), West Basin Municipal Water District (No: Dir. Dear. Absent: Dir. Gray. 16,568 votes), Western Municipal Water District of Riverside County (Dir. Galleano, 8,812 votes). Total 113,666 votes.

Abstain: None.

Absent: Compton (Dir. Zurita, 376 votes), Foothill Municipal Water District (Dir. Atwater, 1,580 votes), Long Beach (Dir. Lowenthal, 4,448 votes), Pasadena (Dir. Kurtz, 2,544 votes), San Fernando (Dir. Ballin, 167 votes), Santa Ana (Dir. Martinez, 2,284 votes). Total 11,399 votes.

The motion to approve the second substitute motion failed by a vote of 118,434 ayes, 113,666 noes, and 11,399 absent.

Chairman Record called for a vote to approve the original motion as amended.

The following is a record of the vote:

Ayes: Anaheim (Dir. Faessel, 3,953 votes), Beverly Hills (Dir. Wunderlich 2,773 votes), Burbank (Dir. Ramos, 2,064 votes), Calleguas Municipal Water District (Dir. Blois, 9,007

votes), Central Basin Municipal Water District (Dir. Apodaca, 6,289.50 votes), Eastern Municipal Water District (Dir. Record, 6,507 votes), Fullerton (Dir. Beard, 1,716 votes), Glendale (Dir. Friedman, 2,680 votes), Inland Empire Utilities Agency (Dir. Camacho, 9,319 votes), Las Virgenes Municipal Water District (Dir. Peterson, 2,212 votes), Municipal Water District of Orange County (Dirs. Ackerman, Barbre, Dick, and McKenney, 41,581 votes), San Marino (Dir. Morris, 554 votes), Three Valleys Municipal Water District (Dir. De Jesus, 5,891 votes), Torrance (Dir. Lefevre, 2,531 votes), Upper San Gabriel Valley Municipal Water District (Dir. Touhey, 8,842 votes), West Basin Municipal Water District (Aye: Dir. Dear. Absent: Dir. Gray. 16,568 votes), Western Municipal Water District of Riverside County (Dir. Galleano, 8,812 votes). Total 131,299.50 votes.

Noes: Los Angeles (Noes: Dirs. Dake, Murray, Paskett, and Quiñonez. Absent: Dir. Koretz. 48,956 votes), San Diego County Water Authority (Noes: Dirs. Lewinger, Steiner, and Tu. Absent: Dir. Hogan. 42,459 votes), Santa Monica (Dir. Abdo, 3,096 votes) Total 100,800.50 votes.

Abstain: None.

Absent: Compton (Dir. Zurita, 376 votes, Foothill Municipal Water District (Dir. Atwater, 1,580 votes), Long Beach (Dir. Lowenthal, 4,448 votes), Pasadena (Dir. Kurtz, 2,544 votes), San Fernando (Dir. Ballin, 167 votes), Santa Ana (Dir. Martinez, 2,284 votes). Total 11,399 votes.

The motion to approve the first substitute motion, **M.I. 50413**, passed by a vote of 131,299.50 ayes, 100,800.50 noes, and 11,399 absent.

Director Quiñonez withdrew from the Meeting at 1:34 p.m.

50414 The following communications were submitted to the Board for information:

- a. Options for leasing Metropolitan-owned lands in the Palo Verde valley.

- b. Proposed revenue requirements for fiscal years 2016/17 and 2017/18 and proposed water rates and charges for calendar years 2017 and 2018 to meet revenue requirements.

50415 Vice Chairman Touhey commented in response to the public hearing on the need for secure water supplies to serve growing population in Southern California.

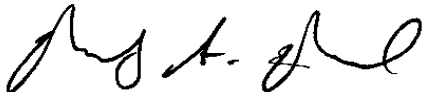
50416 Director Blois thanked the members of the public who came from the Ventura County area to express their opinions, and stated he will work with his Metropolitan colleagues to make sure their requests are given consideration.

50417 There being no objection, Chairman Record adjourned the Meeting at 1:38 p.m.



JOHN T. MORRIS

SECRETARY



RANDY A. RECORD

CHAIRMAN