

3. CHAIRMAN’S REPORT

Chair Record had no report.

4. CONSENT CALENDAR ITEMS – ACTION

None

5. OTHER BOARD ITEMS – ACTION

None

6. OTHER BOARD ITEMS – ACTION

None

7. COMMITTEE ITEMS

- a. Subject: Approve draft committee and board meeting agendas, and schedule for April 2016
- Presented by: Chair Record
- Motion: Approve draft committee and board meeting agendas, and schedule for April 2016

Director Ackerman entered the meeting at 12:03 p.m.

Motion: Carried

Moved: Director De Jesus Seconded: Director Gray

Ayes: Directors Record, Ackerman, Gray, Morris, Touhey, Barbre, Camacho, De Jesus, Kurtz, and Peterson

Noes: None

Abstentions: None

Absent: Directors Murray, Hogan, and Quiñonez

The motion passed by a vote of 10 ayes, 0 no, 0 abstain, and 3 absent.

- c. Subject: General Counsel's report of Legal Department activities
Presented by: General Counsel Marcia Scully

General Counsel Scully provided a summary of a memo that was sent to directors regarding Metropolitan sponsored inspection trips and related California Fair Political Practices Commission rules. The topic will be explained further at the next Communications and Legislation Committee meeting.

General Counsel Scully reported that the mediation for the cross complaint filed against Metropolitan for construction work done at Copper Basin was successfully completed. Metropolitan will return \$300,000 in liquidated damages to the subcontractor who filed a cross complaint against Metropolitan.

Directors Murray and Quiñonez entered the meeting at 12:05 p.m.

- b. Subject: General Manager's report of Metropolitan's activities
Presented by: General Manager Jeffrey Kightlinger

General Manager Kightlinger informed directors that they will notice a heightened security presence at Union Station today due to the terrorist attacks in Brussels.

- d. Subject: General Auditor's report of Audit Department activities
Presented by: General Auditor Gerry Riss

General Auditor Riss stated that he attended an international auditors' conference in Dallas, Texas. The main topics discussed were cyber security and a new approach to auditing that investigates whether the culture in an organization matches the stated goals and objectives of that organization.

Director Hogan entered the meeting at 12:09 p.m.

- e. Subject: Ethics Officer's report of Ethics Department activities
Presented by: Ethics Officer Deena Ghaly

Ethics Officer Ghaly reminded the Board that the 700 form is due to Metropolitan by the end of March 2016. A majority of the forms have been submitted already and reminders will be sent to Directors who are yet to submit their compliance form. Ethics Officer Ghaly stated that certificates of completion for the sexual harassment training conducted by Metropolitan on March 7, 2016, have been handed out.

Anyone who was at the training and has not received their certificate should inform the Ethics Department.

- f. Subject: Approve changing the Real Property and Asset Management Committee from a special committee to a standing committee

Presented by: Chair Record

Chair Record stated that the work load of the Real Property and Asset Management Committee has increased significantly. This vote is to direct staff to change the language in Metropolitan's Administrative Code to reflect that this committee will from now on be designated as a standing committee rather than a special committee.

Motion: Carried

Moved: Director Murray Seconded: Director Touhey

Ayes: Directors Record, Ackerman, Gray, Murray, Morris, Touhey, Barbre, Camacho, De Jesus, Hogan, Kurtz, Peterson, and Quiñonez

Noes: None

Abstentions: None

Absent: None

The motion passed by a vote of 13 ayes, 0 no, 0 abstain, and 0 absent.

- g. Subject: Consideration of modifying budget process

Presented by: Chair Record

This item was placed on the agenda in response to a concern raised by Director Paskett about the ability of Director Friedman to participate in budget discussions. Metropolitan's General Counsel and Ethics Officer sent out a communication to the Board outlining the procedure that could be used to modify the budget process. Since the budget cycle has already begun, it would be inappropriate to try and change the process in the middle of the cycle.

8. REPORTS FROM COMMITTEES

a. Subject: Finance and Insurance Committee

Presented by: Committee Chair Barbre

Committee Chair Barbre reported that at the April meeting, the committee will have its fifth and final workshop to discuss the budget and rate setting process. At that meeting, the committee hopes to come to an agreement on the budget for the next two fiscal years 2016/17 and 2017/18.

b. Subject: Water Planning and Stewardship Committee

Presented by: Committee Chair De Jesus

Committee Chair De Jesus reported that in April the committee will begin the meeting with a public hearing on the draft 2015 Urban Water Management Plan for Metropolitan.

The committee will consider an action item authorizing the leasing of Metropolitan's land in the Palo Verde irrigation District, and hear reports on conservation and the Water Surplus and Drought Management Plan. Staff will also present a report on the status of water transfers in 2016 including projections of limited capacity to move water from Northern California if needed.

c. Subject: Engineering and Operations Committee

Presented by: Committee Chair Peterson

Committee Chair Peterson reported that in April the committee will consider four action items including: certification of the Final Environmental Impact Report for the Right-of-Way and Infrastructure Protection Program in Orange County, a design to replace valves at service connections on the Rialto pipeline, an increase in change order authority for the seismic retrofit of the Upper Feeder Santa Ana River Bridge, and design and construction for emergency repairs to the Second Lower Feeder.

The committee will also hear a report on the new 50-year contract for power from the Hoover Dam.

- d. Subject: Communications and Legislation Committee
Presented by: Committee Chair Kurtz

Committee Chair Kurtz reported that there will be four action items on the April agenda including; Senate Bill 1173 on water efficient fixtures and retrofits for homes and businesses, Assembly Bills 1755 and 2304 on public access to water data, Assembly Bill 2550 to compensate Delta water users for instream flow curtailments, and Assembly Constitutional Amendment 8 to lower the voter requirement to finance water projects.

The committee will hear an informational report on Metropolitan's 2016/17 inspection trip program, and the usual reports from our Sacramento and Washington, D.C. legislative representatives.

Committee Chair Kurtz thanked Director Morris for recommending that Metropolitan compete for the Environmental Communications Award from the American Academy of Environmental Engineers and Scientists. Metropolitan was awarded the Grand Prize.

- e. Subject: Organization, Personnel and Technology Committee
Presented by: Committee Chair Murray

Committee Chair Murray had no report.

- f. Subject: Legal and Claims Committee
Presented by: Committee Chair Quiñonez

Committee Chair Quiñonez reported that in April, the committee will hear in closed session, a report on a petition filed with the State Water Resources Control Board for an additional point of diversion on the Sacramento River as part of the California WaterFix/Bay Delta Conservation.

In closed session, the committee will also hear reports on the *San Diego County Water Authority v. Metropolitan* lawsuit and the *Delta Stewardship Council Cases*.

- g. Subject: Real Property and Asset Management Committee
Presented by: Committee Chair Camacho

Committee Chair Camacho had no report.

9. FOLLOW-UP ITEMS

None

10. FUTURE AGENDA ITEMS

None

Meeting adjourned at 12:16 p.m.

Randy A. Record
Chairman of the Board