

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

LEGAL AND CLAIMS COMMITTEE

May 10, 2016

Chair Quiñonez called the meeting to order at 9:04 a.m. in Committee Room 2-145 at Metropolitan's Headquarters.

Members present: Chair Quiñonez, Directors Camacho, Dear, Murray, Paskett, Tu, and Wunderlich.

Members absent: Vice Chair McKenney, Directors Atwater, Dick, and Steiner.

Other Board members present: Board Chairman Record, Directors Ackerman, Ballin, Barbre, Beard, Blois, Dake, Faessel, Friedman, Hogan, Kurtz, Lefevre, Lewinger, Morris, Peterson, Ramos, and Touhey.

Staff present: Scully, Beatty, Vanderhorst, Arakawa, Bradshaw, Breaux, Donhoff, Green, Horton, Jankovich, Kightlinger, Man, Mares, Miyashiro, Neudeck, Otake, Patterson, Philp, Pitman, Quilizapa, Riss, Shraibati, Sims, Stites, Torres, Jr., Upadhyay, D. West, Wiseman, Yenke, 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 12, 2016

Motion: Carried
Moved: Director Dear Seconded: Director Murray
Ayes: Chair Quiñonez, Directors Camacho, Dear, Murray, Paskett, Tu, and Wunderlich
Noes: None
Abstention: None
Absent: Vice Chair McKenney, Directors Atwater, Dick, and Steiner

The motion passed unanimously by a vote of 7 ayes, 0 no, 0 abstain, and 4 absent.

Chair Quiñonez announced there would be a reordering of the agenda to accommodate the closed session items.

4. OTHER BOARD ITEMS – ACTION

8-8 Subject: **Report on *Bradley Wayne Nutt v. Metropolitan Water District of Southern California*, Los Angeles Superior Court Case No. BC550863; and authorize an increase in the maximum amount payable under contract with Atkinson, Andelson, Loya, Ruud & Romo for legal services by \$250,000 to an amount not to exceed \$800,000**

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 CEQA, and

Authorize the General Counsel to amend the agreement with Atkinson, Andelson, Loya, Ruud & Romo to increase by \$250,000 the maximum amount payable under the contract to a total of \$800,000.

In closed session, Chief Deputy General Counsel Henry Torres, Jr. gave a report on this item. No action was taken in closed session. In open session, the committee voted on this item.

Moved: Director Dear Seconded: Director Paskett

Ayes: Chair Quiñonez, Directors Camacho, Dear, Murray, Paskett, Tu, and Wunderlich

Noes: None

Abstentions: None

Absent: Vice Chair McKenney, Directors Atwater, Dick, and Steiner

The motion passed by a vote of 7 ayes, 0 no, 0 abstain, and 4 absent.

5. BOARD INFORMATION ITEMS

9-1 Subject: Report on existing and potential litigation challenging the purchase of property from Delta Wetlands Properties in Contra Costa, San Joaquin, and Solano Counties, including *County of San Joaquin v. Metropolitan Water District of Southern California, et al.*, San Joaquin County Superior Court Case No. STK-CV-UWM-2016-3597; *North Coast Rivers Alliance v. Metropolitan Water District of Southern California, et al.*, Contra Costa County

Superior Court Case No. MSN16-0629; and *Pacific Coast Federation of Fishermen’s Associations v. Metropolitan Water District of Southern California, et al.*, Solano County Superior Court Case No. FCS046934

Presented by: Catherine Stites and Bryan Otake

In closed session, a presentation was given regarding the above item. No action was taken.

3. CONSENT CALENDAR ITEMS – ACTION

7-5 Subject: Redesignation of the Special Real Property and Asset Management Committee as a Board Standing Committee

Presented by: No presentation was given

Motion: Adopt the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA, and

Approve the changes to the Administrative Code set forth in Attachment 2 to Board Letter 7-5 to establish the Real Property and Asset Management Committee as a board standing committee.

Moved: Director Murray Seconded: Director Tu

Ayes: Chair Quiñonez, Directors Camacho, Dear, Murray, Paskett, Tu, and Wunderlich

Noes: None

Abstentions: None

Absent: Vice Chair McKenney, Directors Atwater, Dick, and Steiner

The motion passed by a vote of 7 ayes, 0 no, 0 abstain, and 4 absent.

Director Murray expressed his strong support to make the Real Property Committee a standing committee given the value of real estate assets under Metropolitan’s direction.

Director Wunderlich asked for clarification on what types of real property issues are taken to which committees; for instance, which committee has jurisdiction over terms of a property purchase versus the strategic decision whether to make a purchase. The General Counsel advised that the Real Property and Asset Management Committee would generally hear any matters involving the purchase of real estate, but that some issues related to the purpose of an acquisition may be jointly raised at another committee.

Director Peterson added a statement in support. He reminded the directors that in the past, Metropolitan had a Land Committee that was a standing committee, which was responsible for all property acquisition matters including holding hearings on whether to acquire property by condemnation. He urged that the present Real Property and Asset Management Committee have jurisdiction over Metropolitan's exercise of its condemnation powers.

7. MANAGEMENT REPORTS

- a. Subject: General Counsel's report of monthly activities
- Presented by: General Counsel Marcia Scully

General Counsel Marcia Scully gave an update on the Los Angeles Department of Water and Power Public Records Act litigation.

Director Tu inquired about the status of the pending case titled, *Newhall County Water District v. Castaic Lake Water Agency*, and reports of an investigation into spending on the California WaterFix project. The General Counsel responded that she would report to the committee on these matters when there was information available.

6. COMMITTEE ITEMS

- a. 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; and *San Diego County Water Authority v. Metropolitan Water District of Southern California*, Los Angeles County Superior Court Case No. BS161729

Presented by: Assistant General Counsel Heather Beatty

Directors Hogan, Lewinger, 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.

7. FOLLOW-UP ITEMS

None

FUTURE AGENDA ITEMS

None

Next meeting will be held on June 14, 2016.

Meeting adjourned at 10:45 a.m.

Jesùs Quiñonez
Chair