

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

LEGAL AND CLAIMS COMMITTEE

June 14, 2016

Chair Quiñonez called the meeting to order at 8:31 a.m. in Committee Room 2-145 at Metropolitan's Headquarters.

Members present: Chair Quiñonez, Vice Chair McKenney, Directors Atwater, Camacho (entered at 8:34 a.m.), Dear, Murray, Steiner, Tu, and Wunderlich.

Members absent: Directors Dick and Paskett.

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

Staff present: Scully, Beatty, Vanderhorst, Arakawa, Bradshaw, Breaux, Donhoff, Green, Horton, Jankovich, G. Johnson, Kightlinger, Man, Mares, Miyashiro, Otake, Patterson, Philp, Pitman, Riss, Shraibati, Sims, Stites, Torres, Jr., Upadhyay, Von Haam, D. West, 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 MAY 10, 2016

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

The motion passed unanimously by a vote of 7 ayes, 0 no, 1 abstain, and 3 absent.

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

3. CONSENT CALENDAR ITEMS – ACTION

7-4 Subject: Approve amendments to the Metropolitan Water District Administrative Code to conform to current laws, practices and regulations

Presented by: General Counsel Marcia Scully

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

Approve amendments to the Administrative Code set forth in Attachment 2 to the board letter to reflect the changes recommended in the letter.

General Counsel Marcia Scully gave a brief report on this matter.

Director Tu requested clarification as to whether the Water Management Fund is a restricted fund. Chief Financial Officer Gary Breaux explained that it is a board-designated fund. Director Tu also asked for an explanation regarding the Exchange Agreement Set-Aside Fund and whether it is a board-designated or restricted fund. Both the General Counsel and the Chief Financial Officer explained that the fund is limited in accordance with the terms of the Exchange Agreement.

Moved: Director Murray Seconded: Director Atwater

Ayes: Chair Quiñonez, Vice Chair McKenney, Directors Atwater, Camacho, Dear, Murray, and Wunderlich

Noes: Directors Tu and Steiner

Abstentions: None

Absent: Directors Dick and Paskett

The motion passed by a vote of 7 ayes, 2 noes, 0 abstain, and 2 absent.

Director Steiner's electronic vote was shown as "yes"; she stated that her intent was to vote "no" and asked that the "yes" vote be changed to a "no" vote.

4. OTHER BOARD ITEMS – ACTION

None

5. BOARD INFORMATION ITEMS

None

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 Department of Water Resources' Petition to the State Board to implement the California WaterFix. She also provided an update to the *LADWP v. MWD* Public Records Act litigation. Director Steiner asked if the appeal in that case was based only on the attorney's fees issue. General Counsel answered affirmatively.

The General Counsel also gave an update on the appellate cases regarding the Clean Water Rule.

Director Faessel inquired whether the *Francia Elsa Fate v. MWD* incident occurred during a director's trip. Ms. Scully answered affirmatively.

6. COMMITTEE ITEMS

a. 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 and the appeal of this action, Court of Appeal for the Third Appellate District Case No. C082154; *North Coast Rivers Alliance v. Metropolitan Water District of Southern California et al.*, Contra Costa County Superior Court Case No. MSN16-0629; *Pacific Coast Federation of Fishermen's Associations v. Metropolitan Water District of Southern California, et al.*, Solano County Superior Court Case No. FCS046934; and *Central Delta Water Agency, et al. v. Delta Wetlands Properties, et al.*, Contra Costa County Superior Court Case No. C16-01022

Presented by: Senior Deputies General Counsel Catherine Stites and Robert Horton

In closed session, a report was given on this item. No action was taken.

- b.** Subject: Report on Delta Stewardship Council Cases, Sacramento County Superior Court Case No. JCCP 4758

Presented by: Senior Deputy General Counsel Robert Horton

In closed session, Senior Deputy General Counsel Robert Horton gave a report on this item. No action was taken.

- c.** Subject: Report on *Bradley Wayne Nutt v. Metropolitan Water District of Southern California*, Los Angeles Superior Court Case No. BC550863

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

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

- d.** 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-10-510380, 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: General Counsel Marcia Scully

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, General Counsel Marcia Scully gave a report on this item. No action was taken.

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

None

Next meeting will be held on July 12, 2016.

Meeting adjourned at 10:01 a.m.

Jesús Quiñonez
Chair