

3. CHAIRMAN’S REPORT

Chair Record stated that he is forming a committee to continue with local resource projects and conservation. As the Integrated Resources Plan winds down to a conclusion, this new committee will continue to monitor and encourage local resource projects and conservation. Director Gold will chair the committee and Director Abdo will serve as vice chair. Any directors interested in being a committee member should let Chair Record know.

4. OTHER MATTERS

None

5. CONSENT CALENDAR ITEMS – ACTION

None

6. OTHER BOARD ITEMS – ACTION

None

7. BOARD INFORMATION ITEMS

None

8. COMMITTEE ITEMS

- a. Subject: Approve draft committee and board meeting agendas and schedule for February 2017
- Presented by: Chair Record
- Motion: Approve draft committee and board meeting agendas and schedule for February 2017.

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

General Auditor Riss reported that members of the State Auditors staff are at Metropolitan to gather information regarding the California WaterFix and the Bay-Delta Conservation Plan as part of an audit they are performing of expenditures at the Department of Water and Power.

- e. Subject: Ethics Officer's report of Ethics Department activities
Presented by: Assistant Ethics Officer Peter Von Haam

Assistant Ethics Officer Von Haam had no report.

9. REPORTS FROM COMMITTEES

- a. Subject: Finance and Insurance Committee
Presented by: Committee Chair Barbre

Committee Chair Barbre reported that in addition to receiving reports on Metropolitan's investment activities and the treatment charge workgroups recommendations, in February the Finance and Insurance Committee will vote to authorize the distribution of Appendix A for use in the issuance and remarketing of Metropolitan's bonds.

- b. Subject: Water Planning and Stewardship Committee
Presented by: Committee Chair Gray

Committee Chair Gray reported that in February the committee will consider one action item to authorize a new contract for a regional conservation program vendor.

The committee will hear informational reports including an audit report for State Water Project charges, a report on the water supply conditions projected for 2017, a conservation program update and a report on the Foundational Action Funding now that most of the research is complete.

- c. Subject: Engineering and Operations Committee
Presented by: Committee Chair Peterson

Committee Chair Peterson reported that in February the committee will consider awarding a contract to repair expansion joints at the Colorado River Aqueduct pumping plants.

The committee will also hear reports of water treatment plant operating capacities, an update on the Control System Improvement Program, and a quarterly report on the Capital Investment Plan.

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

Committee Chair Kurtz reported that in February, in addition to the regular reports on state and federal issues, the committee will hear a presentation on Metropolitan's attitudes and awareness survey which measures the response to the conservation outreach campaign of the last year.

Committee Chair Kurtz stated that she was honored to announce that the American Water Works Association has selected Metropolitan as the winner of this year's Public Communications Achievement Award that honors excellence and achievement in public outreach to promote water conservation, and highlights our 2015/16 advertising campaign. The award will be presented at the AWWA national conference in spring 2017 in Philadelphia.

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

Committee Chair Wunderlich reported that in February the committee will confer with labor negotiators in closed session to receive updates on contract negotiations.

The committee will also be provided with an interim progress check from the Department Heads as part of the annual performance evaluation process.

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

Committee Chair Quiñonez reported that in February the committee will hear a request to increase contract amount with Western Energy & Water for legal services and hear a report related to the future management and operation of Metropolitan's CRA power and transmission resources.

The committee will hear an overview of the State Water Project.

In closed session, the committee will hear a report on the *San Diego County Water Authority v. Metropolitan* rate case, and the *In re Holy Hill Community Church, U.S.*, bankruptcy court case.

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

Committee Chair Camacho reported that in February the committee will consider authorizing a long-term ground lease to New Cingular Wireless.

The committee will hear a report on activities related to the purchase of the Bay Delta Property as well as an update on Metropolitan's surplus property process.

10. FOLLOW-UP ITEMS

None

11. FUTURE AGENDA ITEMS

None

The meeting was adjourned at 12:27 p.m.

Randy A. Record
Chairman of the Board