1. **CALL TO ORDER** Chair Muir called the Special Board of Directors’ meeting to order at 8:40 a.m.

2. **SALUTE TO THE FLAG** Director Scalzitti led the salute to the flag.

3. **ROLL CALL, DETERMINATION OF QUORUM**
   Vice Chair Madaffer called the roll. Directors present were Arant, Barnum*, Bebee, Baines, Butkiewicz*, Cate, Cherashe, Croucher*, Evans, Fong-Sakai, Gallo, Guerin, Hedberg, Heinrichs, Hilliker, Hogan, Katz, Kennedy, Lewinger, Madaffer, Miller, Morrison*, Muir, Murtland, Saxod, Scalzitti, Smith, Steiner, Weston and Wilson.
   Directors absent were Ayala, Boyle, Hall, Preciado, Simpson, Watkins, and Supervisor Roberts.

   Staff present included General Manager Stapleton, General Counsel Hattam, Deputy General Manager Kerl, Assistant General Managers Cushman and Denham, Water Resources Director Yamada, and MWD Program Director Chen. Also in attendance were Special Counsel Frahm and consultant Bob Campbell.

   Member Agency General Managers and their staff present included Mike Bardin, Allen Carlisle, Wendy Chambers, Cari Dale, Carlos Lugo, Greg Thomas, Mark Watton and Cathy Pieroni.

3-A **Report on proxies received.** There were no proxies received.

4. **ADDITIONS TO AGENDA** There were no additions to the agenda.

5. **PUBLIC COMMENT** There were no members of the public who wished to speak.

6. **CLOSED SESSION(S)**
   Mr. Hattam took the Board into Closed Session at 8:42 a.m.
6-A Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
SDCWA v. Metropolitan Water District of Southern California; San Francisco Superior Court Case Nos. CPF-10-510830; CPF-12-512466; CPF-14-514004; CPF-16-515282; CPF-16-515391; CGC-17-563350; California Court of Appeal (1st District) Case Nos. A146901; A148266; and California Supreme Court Case No. S243500

6-B Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
California Department of Water Resources v. All Persons Interested; Sacramento Superior Court Case No. 34-2017-00215965-CU-MC-GDS

*Director Butkiewicz arrived at 8:50 a.m. and Director Barnum at 10:00 a.m.

Mr. Hattam brought the Board out of Closed Session at 10:10 a.m. and stated there was no reportable action.

7. **ACTION FOLLOWING CLOSED SESSION**
   There was no action following Closed Session.

8. **ACTION/DISCUSSION**

8-A **Board MWD Workshop**: Regarding Metropolitan Water District of Southern California key policy and planning issues, including status of MWD local resource program applications, Water Authority/MWD non-litigation Board Member discussions, status of all MWD-related litigation, and MWD activities affecting Water Authority.

   Ms. Stapleton welcomed everyone and provided information on the diversification progress, the review process, and what has changed since the October 2017 workshop.

   Mr. Hattam provided an update on the 2010 and 2012 rate cases and the status of the 2014 and 2016 cases.

   Staff responded to questions and comments posed by the Board.

   *Directors Croucher and Morrison arrived at 11:50 a.m.

The Board took a lunch break at 12:00 and reconvened at 1:02 p.m.

9. **PUBLIC COMMENT**
   There were no members of the public who wished to speak.
Ms. Stapleton reviewed the actions on Outreach Programs which included both the Water Authority actions and MWD's actions. A Review Timeline of Activities handout was provided and reviewed. Discussion included the outcome of the Water Authority and MWD non-litigation discussion group.

Water Authority Negotiation Team Members Muir, Madaffer, Croucher, Butkiewicz, Hogan and Steiner provided summary remarks.

Mr. Yamada provided an update and status of Local Resource Program (LRP) applications at MWD. He reviewed the agreement prerequisites, the application process, LRP subsidies, and conservation subsidies.

Staff responded to questions and comments posed by the Board.

Water Authority Directors and Member Agency Managers divided into groups to collaborate on questions posed; each group provided a report out.

10. CLOSED SESSION(S)
Mr. Hattam took the Board into Closed Session at 2:25 p.m.

10-A Conference with Legal Counsel – Existing Litigation
   Government Code §54956.9(d)(1)
   SDCWA v. Metropolitan Water District of Southern California; San Francisco Superior Court Case Nos. CPF-10-510830; CPF-12-512466; CPF-14-514004; CPF-16-515282; CPF-16-515391; CGC-17-563350; California Court of Appeal (1st District) Case Nos. A146901; A148266; and California Supreme Court Case No. S243500

10-B Conference with Legal Counsel – Existing Litigation
   Government Code §54956.9(d)(1)
   California Department of Water Resources v. All Persons Interested; Sacramento Superior Court Case No. 34-2017-00215965-CU-MC-GDS

10-C Conference with Legal Counsel – Anticipated Litigation
   Government Code §54956.9(d)(4)

Mr. Hattam brought the Board out of Closed Session at 3:44 p.m. and stated there was no reportable action.

11. ACTION FOLLOWING CLOSED SESSION
There was no action following Closed Session
12. **OTHER COMMUNICATIONS**
   There were no other communications.

13. **ADJOURNMENT**
    There being no further business to come before the Board, Chair Muir adjourned the meeting at 3:45 p.m.

Mark Muir, Chair

Gary Croucher, Secretary

Melinda Nelson, Clerk of the Board