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CALIFORNIA EVIDENCE CODE §1542

CONFIDENTIAL PERSONNEL COMMUNICATION

October 18, 2024

Mr. Adan Ortega
Chair of the Board of Directors; and
The Board of Directors of Metropolitan Water District
c/o Ms. Rickita Hudson
Board Executive Secretary
rhudson@mwd2o.com
Metropolitan Water District of Southern California
700 North Alameda Street
Los Angeles, CA 90012
VIA EMAIL ONLY

Re: Katano Kasaine, Assistant General Manager and Chief Financial Officer

Dear Chair Ortega and the Board of Directors of Metropolitan Water District:

Please be advised that this law firm has been retained to represent Katano Kasaine in connection with her employment at the Metropolitan Water District of Southern California (“MWD”). This is confidential communication. This letter contains Ms. Kasaine’s private personnel matters. It should be treated as confidential and not released to the public or to any person who does not have a need to know.

Ms. Kasaine is a whistleblower who has been subjected to retaliation that has caused her monetary, emotional, and reputational harm.

Five months ago, Ms. Kasaine, in her capacity as the Assistant General Manager and Chief Financial Officer of the Metropolitan Water District of Southern California (“MWD”) sent a confidential 14-page letter to the MWD Chair Adan Ortega, members of MWD’s Board of Directors, and to Marcia Scully, MWD’s General Counsel.¹ The letter disclosed a troubling and on-going pattern of conduct by MWD General Manager and CEO Adel Hagekhalil. [REDACTED]

¹ For reference, Ms. Kasaine’s May 27, 2024 letter is attached hereto as Exhibit “A”

[REDACTED]

Ms. Kasaine's May 27, 2024 letter also set forth protected complaints [REDACTED]

[REDACTED]

[REDACTED]

Notice of Claim

MWD and Hagekhalil face significant exposure for Ms. Kasaine's legal claims that include, but are not limited to, whistleblower retaliation (Labor Code §1102.5); discrimination and harassment based on race, national origin, and gender (Gov't Code §12940 *et seq.*); retaliation for engaging in protected activity (Gov't Code §12940 *et seq.*); and violation of the California Equal Pay Act (Labor Code §1197.5).

Attached hereto as Exhibit "B" is Ms. Kasaine's right-to sue letter regarding her claims under the Fair Employment and Housing Act (Gov't Code §§12940 *et seq.*) Further, this letter serves as notice to MWD and Hagekhalil of Ms. Kasaine's claims pursuant to the Government Claims Act (Gov't Code § 910.) Ms. Kasaine's May 27, 2024 letter, which is incorporated herein by reference, as well as the contents of this letter, set forth the circumstances giving rise to Ms. Kasaine's claims. If forced to sue, Ms. Kasaine will seek damages in excess of \$10,000.

Whistleblower Retaliation

We will not restate here the protected complaints and reports of unlawful and unethical conduct that Ms. Kasaine articulated to Mr. Ortega, members of the Board, and Ms. Scully in her May 27, 2024 letter. (See Exhibit "A"). Rather, what we discuss below is the swift and damaging retaliation that followed and that continues until this day, serving as the basis for Ms. Kasaine's whistleblower claim.

The Unauthorized Leak of Ms. Kasaine's Confidential Letter.

In retaliation for exposing Hagekhalil and MWD's unethical and unlawful conduct, MWD caused Ms. Kasaine's confidential letter to be leaked to the public. The result was immediate and significant reputational harm that has and will continue to have a lasting negative impact on Ms. Kasaine's professional reputation and employment prospects.

The unauthorized release of her letter was not only a violation of Ms. Kasaine's right to privacy in her own personnel matters, but it also exposed her to unwarranted public scrutiny. She has become the target of attacks from Hagekhalil's supporters and surrogates who have attempted to garner public support to undermine her and the serious issues raised in her letter. They have made every attempt to change the narrative by casting Hagekhalil as the "victim" and Ms. Kasaine as merely a "disgruntled employee".

Just yesterday, in an obvious attempt to undermine Ms. Kasaine, MWD caused an LA Times opinion piece to be distributed to the Board and *all staff* which, among other things, suggested that Ms. Kasaine was part of a "coup at Metropolitan." This was meant to intimidate Ms. Kasaine and to inject bias into the organization at a time when a critically consequential investigation into Ms. Kasaine's letter is pending.

Moreover, since the release of her letter, Ms. Kasaine has become the target of a flurry of anonymous complaints filed with MWD's Ethics and EEO offices. All of these complaints have been unsubstantiated. However, they appear to be part of the coordinated effort by MWD, Hagekhalil, his inner circle of consultants, and surrogates to discredit Ms. Kasaine's leadership and integrity.

Since the retaliatory leak of her letter, Ms. Kasaine has stood alone and unprotected in a storm of backlash and public bullying. For the last five months, she has remained professional, she has made every effort to fulfill her duties as AGM/Chief Financial Officer, and she has acted with grace and discretion notwithstanding attacks on her character, wild conspiracy theories, on-going adverse employment actions, and debilitating emotional distress.

[REDACTED]

Notably, Ms. Kasaine is not the only victim of MWD's retaliation and reckless disregard for her privacy and safety. By leaking her letter and causing an avalanche of backlash, MWD has sent a clear message about what a well-intentioned whistleblower can expect if they dare challenge the unethical and unlawful pattern of conduct at the highest levels of MWD. There is a chilling effect that undermines public trust and serves as a strong disincentive for anyone to say anything

that may upset those who have an interest in perpetuating and profiting from such unethical and unlawful conduct.

The Reassignment of Key Responsibilities.

Rather than take immediate corrective action to protect Ms. Kasaine from the hostile work environment, discrimination, and retaliation detailed in her May 27, 2024 letter, MWD instead further marginalized Ms. Kasaine by removing critical functions from her scope of responsibility.

Ms. Kasaine’s oversight of the Human Resources (HR) and Diversity, Equity, and Inclusion (DEI), functions which are expressly delegated to the AGM/CFO in Operating Policy No. A-02, remains in a state of flux, with a dual reporting structure to the Interim General Manager. Without any clear business rationale or explanation provided to Ms. Kasaine, the HR and DEI units have been redirected to report directly to the Interim General Manager. This sudden disruption in established reporting lines, along with the inconsistent application of management policies—seemingly affecting only Ms. Kasaine—has created significant inefficiencies and internal discord. The HR Director and DEI managers now find themselves caught between conflicting dual reporting structures, hampering their ability to perform their core functions effectively. And, it has deeply undermined Ms. Kasaine’s authority and credibility within the organization.

Not only did the current administration significantly reduce the scope of Ms. Kasaine’s responsibilities after she “blew the whistle,” but they further retaliated against her by continuing to exclude her from oversight of the Business Model project in favor of Mohsen Mortada, a member of Hagekhalil’s inner circle who is in a position to carry out Hagekhalil’s agenda even while Hagekhalil remains on administrative leave. This continued assignment occurred, despite Mortada’s documented failures in managing the Business Model project. Indeed, Mortada’s inability to manage the project is evident in the Board’s recent decision to expend further public funds to bring in multiple outside consultants as well as Member Agencies in an attempt to accomplish what Mortada failed to do and what MWD would not allow Ms. Kasaine to do. The resulting confusion and inefficiencies have significant financial and budgetary consequences for MWD, calling into question any purported legitimate business reason for removing Ms. Kasaine from overseeing the Business Model project in the first place.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

On-Going Ethical Violations

Despite Ms. Kasaine’s urgent plea for the Chair and the Board of Directors to take immediate action to repair and prevent the harm done by Hagekhalil’s ethical violations and breach of his fiduciary duty to act in the best interest of MWD, Chair Ortega and the Board have at best, done nothing, and at worst, have perpetuated the harm to MWD. In what appears to be a ratification of Hagekhalil’s unethical conduct, the current administration has disregarded and failed to take action to correct the fact that Hagekhalil brought on numerous contractors who continue to get paid public funds to perform work *already being performed* by MWD staff, or to perform no work at all.

[REDACTED]

MWD remains complicit, ratifying these unethical contracts with ongoing payment using public funds, eroding the principles of transparent governance and fiduciary responsibility.

Request for Employment File

In anticipation of litigation, we hereby request a complete copy of the following documents within 30 days of the date of this letter:

- Ms. Kasaine’s employee file including, without limitation, her personnel file, medical file, and investigation file, as well as any and all other records which MWD maintains related to Ms. Kasaine’s entire employment. (CA Labor Code § 1198.5)

Mr. Adan Ortega
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- All documents signed by Ms. Kasaine that relate to her obtaining and holding employment with MWD. (CA Labor Code §432)
- All of Ms. Kasaine's payroll records from August 2019 (CA Labor Code §§ 226(b) and (c)).

Kindly send the above requested documents to the following address: Dawn T. Collins, CollinsKim LLP, 8383 Wilshire Blvd, Suite 800, Beverly Hills, CA 90211. Alternatively, the documents can be delivered electronically to: *dcollins@collinskim.com*.

Litigation Hold

Please also regard this letter as a formal request that MWD preserve all relevant or potentially relevant documents related to Ms. Kasaine's employment including, without limitation, all documents related to Ms. Kasaine's written and/or verbal complaints, and any investigation and findings related thereto, including all emails, memorandum, calls (including recorded teleconferences such as Zoom calls), voicemails, text messages, instant messages, social media messages, social media posts, internet searches, and other electronic communication or data, as well as financial, budget and personnel records maintained by MWD's HR, Ethics, EEO, and Legal Departments, and internal and external auditors.

We request that MWD immediately cease any routine business practices that would lead to the destruction of documents related to Ms. Kasaine's employment.

To ensure that all relevant documents are preserved, we specifically request that MWD preserve any documents relating to Ms. Kasaine's employment and that were created, received, or maintained by: Adel Hagekhalil, Deven Upadhyay, Mohsen Mortada, Marcia Scully, Adan Ortega, Shane Chapman, Dee Zinke, Lori Lalla, Henry Torres, Mark Brower, Tony Zepeda, Heather Beatty, all current/retired General Manager Staff, all current Board members, all current/retired Executive Managers, and Group Managers.

Steps should promptly be taken to avoid deliberate or inadvertent deletion of the above mentioned custodians' emails, text messages, including Teams messages, WhatsApp messages, Slack messages, and other instant messages, or voicemails that may exist on both the personal or work-issued devices of the listed individuals and others who may have relevant or potentially relevant documents or information.

* * * * *

Before Ms. Kasaine files her lawsuit against MWD and Adel Hagekhalil, she has authorized this law firm to explore an amicable resolution. If MWD is interested in having that conversation, I invite you to contact me on or before Monday, October 28, 2024. I can be reached by phone at 213-341-0238, or by email at: *dcollins@collinskim.com*. If we do not hear from you

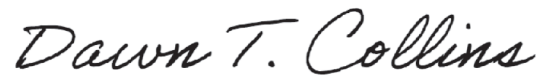
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by close of business on October 28, we will assume that MWD has no interest in exploring an amicable resolution.

Please be advised that this letter and its contents are not a complete statement of Ms. Kasaine's rights, interests, and remedies, all of which are expressly reserved.

Thank you for your prompt attention to this matter.

Very truly yours,

A handwritten signature in black ink that reads "Dawn T. Collins". The signature is written in a cursive, flowing style.

Dawn T. Collins

Enclosures

cc: Marcia Scully, General Counsel (via email only: Mscully@mwd2o.com)

EXHIBIT A

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EXHIBIT B



Civil Rights Department

651 Bannan Street, Suite 200 | Sacramento | CA | 95811
1-800-884-1684 (voice) | 1-800-700-2320 (TTY) | California's Relay Service at 711
calcivilrights.ca.gov | contact.center@calcivilrights.ca.gov

October 17, 2024

RE: Notice of Filing of Discrimination Complaint

CRD Matter Number: 202410-26707817

Right to Sue: Kasaine / Metropolitan Water District of Southern California et al.

To All Respondent(s):

Enclosed is a copy of a complaint of discrimination that has been filed with the Civil Rights Department (CRD) in accordance with Government Code section 12960. This constitutes service of the complaint pursuant to Government Code section 12962. The complainant has requested an authorization to file a lawsuit. A copy of the Notice of Case Closure and Right to Sue is enclosed for your records.

Please refer to the attached complaint for a list of all respondent(s) and their contact information.

No response to CRD is requested or required.

Sincerely,

Civil Rights Department



Civil Rights Department

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1-800-884-1684 (voice) | 1-800-700-2320 (TTY) | California's Relay Service at 711
calcivilrights.ca.gov | contact.center@calcivilrights.ca.gov

October 17, 2024

Katano Kasaine

RE: **Notice of Case Closure and Right to Sue**

CRD Matter Number: 202410-26707817

Right to Sue: Kasaine / Metropolitan Water District of Southern California et al.

Dear Katano Kasaine:

This letter informs you that the above-referenced complaint filed with the Civil Rights Department (CRD) has been closed effective October 17, 2024 because an immediate Right to Sue notice was requested.

This letter is also your Right to Sue notice. According to Government Code section 12965, subdivision (b), a civil action may be brought under the provisions of the Fair Employment and Housing Act against the person, employer, labor organization or employment agency named in the above-referenced complaint. The civil action must be filed within one year from the date of this letter.

To obtain a federal Right to Sue notice, you must contact the U.S. Equal Employment Opportunity Commission (EEOC) to file a complaint within 30 days of receipt of this CRD Notice of Case Closure or within 300 days of the alleged discriminatory act, whichever is earlier.

Sincerely,

Civil Rights Department

1 **COMPLAINT OF EMPLOYMENT DISCRIMINATION**
2 **BEFORE THE STATE OF CALIFORNIA**
3 **Civil Rights Department**
4 **Under the California Fair Employment and Housing Act**
5 **(Gov. Code, § 12900 et seq.)**

6 **In the Matter of the Complaint of**

7 Katano Kasaine

CRD No. 202410-26707817

8 Complainant,

9 vs.

10 Metropolitan Water District of Southern California
11 700 North Alameda Street
12 Los Angeles, CA 90012

13 Adel Hagekhalil
14 700 North Alameda Street
15 Los Angeles, CA 90012

16 Respondents

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19 **1.** Respondent **Metropolitan Water District of Southern California** is an **employer** subject to
20 suit under the California Fair Employment and Housing Act (FEHA) (Gov. Code, § 12900 et
21 seq.).

22 **2.** Complainant is naming **Adel Hagekhalil** individual as Co-Respondent(s).

23 **3.** Complainant **Katano Kasaine**, resides in the City of , State of .

24 **4.** Complainant alleges that on or about **October 17, 2024**, respondent took the
25 following adverse actions:

26 **Complainant was harassed** because of complainant's national origin (includes language
27 restrictions), sex/gender, race (includes hairstyle and hair texture).

28 **Complainant was discriminated against** because of complainant's national origin
(includes language restrictions), sex/gender, race (includes hairstyle and hair texture) and
as a result of the discrimination was denied equal pay, demoted, denied any employment
benefit or privilege, denied work opportunities or assignments.

1 **Complainant experienced retaliation** because complainant reported or resisted any form
2 of discrimination or harassment and as a result was denied equal pay, demoted, denied any
3 employment benefit or privilege, denied work opportunities or assignments.

4 **Additional Complaint Details:** Katano Kasaine is a Black woman of African descent with
5 over 30 years of government service. Since August 2019, she has served as the Chief
6 Financial Officer and Assistant General Manager of the Metropolitan Water District of
7 Southern California where she oversees a budget in excess of \$2 billion. MWD and General
8 Manager/CEO, Adel Hagekhalil have subjected Ms. Kasaine to an on-going pattern of
9 harassment, discrimination, and retaliation based on her race, gender and national origin,
10 and for engaging in protected activity.

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1 VERIFICATION

2 I, **Dawn T. Collins**, am the **Attorney** in the above-entitled complaint. I have read the
3 foregoing complaint and know the contents thereof. The matters alleged are based
4 on information and belief, which I believe to be true.

5 On October 17, 2024, I declare under penalty of perjury under the laws of the State of
6 California that the foregoing is true and correct.

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Los Angeles, CA