

# The Metropolitan Water District of Southern California

# Agenda

The mission of the Metropolitan Water District of Southern California is to provide its service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.

## Special Board Meeting - Final

February 27, 2024

2:00 PM

Tuesday, February 27, 2024 Meeting Schedule
09:30 a.m. BOD WKSP 12:30 p.m. Break 01:00 p.m. Exec 02:00 p.m. Sp BOD

Agendas, live streaming, meeting schedules, and other board materials are available here: <https://mwdh2o.legistar.com/Calendar.aspx>. If you have technical difficulties with the live streaming page, a listen-only phone line is available at 1-877-853-5257; enter meeting ID: 891 1613 4145. Members of the public may present their comments to the Board on matters within their jurisdiction as listed on the agenda via in-person or teleconference. To participate via teleconference 1-833-548-0276 and enter meeting ID: 815 2066 4276 or click <https://us06web.zoom.us/j/81520664276pwd=a1RTQWh6V3h3ckFhNmDsUWpKR1c2Zz09>

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MWD Headquarters Building - 700 N. Alameda Street - Los Angeles, CA 90012

Teleconference Locations:

Fullerton City Hall Council Chambers • 303 W. Commonwealth Avenue • Fullerton, CA 92832

525 Via La Selva • Redondo Beach, CA 90277

3214 Colchester Street • Douglasville, GA 30135

2680 W. Segerstrom Avenue Unit I • Santa Ana, CA 92704

The Willard Hotel • 1401 Pennsylvania Ave NW, • Washington DC 20004

Alandale Insurance Agency • 337 W. Foothill Blvd., • Glendora, CA 91740

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1. Call to Order
2. Roll Call
3. Determination of a Quorum
4. Opportunity for members of the public to address the Board limited to the items listed on agenda. (As required by Gov. Code §54954.3(a))
5. OTHER BOARD ITEMS - ACTION

- a. Adopt a resolution authorizing the General Manager to take fee title to lands purchased by the Conservation Fund in the Palo Verde Valley, find that disposition of the lands is exempt from the Surplus Lands Act, and authorize the conveyance of the lands to the State of California for conservation use implemented by the Lower Colorado River Multi-Species Conservation Program; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA [21-3075](#)

**Attachments:** [02272024 BOD 5a B-L](#)  
[02272024 BOD 5a Presentation](#)

- b. Update on labor negotiations and approve entering into a two-year extension of 2022-2024 Memorandum of Understanding between The Metropolitan Water District of Southern California and The Management and Professional Employees Association of The Metropolitan Water District of Southern California/AFSCME Local 1101; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA [Conference with Labor Negotiators; to be heard in closed session pursuant to Gov. Code 54957.6. Metropolitan representatives: Katano Kasaine, Assistant General Manager, Chief Financial Officer and Gifty J. Beets, Human Resources Section Manager of Labor Relations. Employee organization: The Management and Professional Employees Association of The Metropolitan Water District of Southern California/AFSCME Local 1101; the Supervisors Association; and the Association of Confidential Employees.] [21-3134](#)

**Attachments:** [02272024 BOD 5b B-L](#)  
[02272024 Sp BOD 5B Non-Interest Disclosure Notice](#)

**6. OTHER MATTERS**

- a. Discussion of Department Head Performance Evaluation [Public Employee Performance Evaluation: General Manager; to be heard in closed session pursuant to Gov. Code Section 54957.] [21-3136](#)

**7. FOLLOW-UP ITEMS**

NONE

**8. FUTURE AGENDA ITEMS**

**9. ADJOURNMENT**

**NOTE: Each agenda item with a committee designation will be considered and a recommendation may be made by one or more committees prior to consideration and final action by the full Board of Directors. The committee designation appears in parenthesis at the end of the description of the agenda item, e.g. (EOT). Board agendas may be obtained on Metropolitan's Web site <https://mwdh2o.legistar.com/Calendar.aspx>**

**Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan's Headquarters Building and on Metropolitan's Web site <https://mwdh2o.legistar.com/Calendar.aspx>.**

**Requests for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.**



- Board of Directors

2/27/2024 Board Meeting

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5a

## Subject

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Adopt a resolution authorizing the General Manager to take fee title to lands purchased by the Conservation Fund in the Palo Verde Valley, find that disposition of the lands is exempt from the Surplus Lands Act, and authorize the conveyance of the lands, without the reservation or retention of oil, mineral, and gas rights, to the State of California for conservation use implemented by the Lower Colorado River Multi-Species Conservation Program; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

## Executive Summary

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Metropolitan is a participating permittee in the Lower Colorado River Multi-Species Conservation Program (LCR MSCP), through which it has federal and state incidental take permits for impact on protected species caused by water and power operations on the Colorado River. The LCR MSCP creates and manages habitat for endangered and threatened species along the Lower Colorado River.

The Conservation Fund (TCF) is a private organization operating nationwide to acquire and protect lands with conservation value. TCF has a purchase agreement for 1,971 acres of land in the Palo Verde Valley that have long been sought by the State of California and the LCR MSCP for their high conservation potential. The purchase will be implemented with \$25.5 million in LCR MSCP and \$10 million of Wildlife Conservation Board (WCB) funds. Although the LCR MSCP funds are immediately available, the WCB funds will be delayed until that state agency completes its approval process.

LCR MSCP and TCF have requested Metropolitan's assistance in completing the LCR MSCP-funded portion of the transaction by accepting fee title to the lands purchased using LCR MSCP funds (approximately 1,300 gross acres). These lands (the Property) would be conveyed to the State of California upon the release of state funds to complete the purchase. LCR MSCP and TCF intend all the purchased lands to be owned by the state and managed by the LCR MSCP. Metropolitan has no funding obligations for the purchase. Metropolitan's participation in the transaction would be conditioned on written agreement that the property costs be paid from LCR MSCP funds and/or from the rent paid by farm tenants under existing leases.

Because the Property is being acquired through funding by the LCR MSCP for permanent conservation purposes required by state and federal Endangered Species Acts, the conveyance from Metropolitan to the state is exempt from certain Surplus Land Act requirements (Govt. Code section 54221(f)(1)(D), (J), and (N)). A board resolution making the findings and determination that the land is exempt surplus land is attached as **Attachment 1**.

## Proposed Action(s)/Recommendation(s) and Options

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### Staff Recommendation: Option #1

#### Option #1

Adopt a resolution authorizing the General Manager to take fee title to the Property in the Palo Verde Valley, find and declare that disposition of the lands is for “exempt surplus lands” under the Surplus Lands Act on the grounds set forth in the board letter, and authorize the conveyance of the lands, without the reservation or retention of oil, mineral, and gas rights, to the State of California for conservation use implemented by the LCR MSCP under the terms and conditions set forth in the resolution.

**Fiscal Impact:** None. The purchase price will be paid by the LCR MSCP, and Metropolitan will be reimbursed for property ownership costs by the LCR MSCP and/or rental income during the interim period of ownership.

**Business Analysis:** This acquisition by LCR MSCP provides indirect benefits to Metropolitan by providing the lands required to fully comply with the Endangered Species Act permits that cover Metropolitan’s water and power operations on the Colorado River.

#### Option #2

Do not approve taking fee title to the Property purchased with LCR MSCP funds for the interim period. The absence of an agency to hold fee title temporarily may result in the termination of TCF’s purchase agreement and the permanent loss of the opportunity to use the land to satisfy the conditions of the Endangered Species Act permits that cover Metropolitan’s water and power operations on the Colorado River.

**Fiscal Impact:** None

**Business Analysis:** Loss of the opportunity to acquire the Property for conservation purposes would require the LCR MSCP to find other lands within California to satisfy the requirements in the Endangered Species Act permits that cover Metropolitan’s water and power operations on the Colorado River.

### Alternatives Considered

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Other California water agencies covered by the LCR MSCP were considered for holding title during the interim period pending approval of WCB funding. Metropolitan was determined to be the best alternative given its existing ownership of agricultural lands within the Palo Verde Valley, its experience in working with the LCR MSCP to establish the Dennis Underwood Conservation Area, and the ability of its staff to act within the short time constraints available.

### Applicable Policy

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Metropolitan Water District Administrative Code Section 8221: Authority to Acquire Real Property

Metropolitan Water District Administrative Code Section 8240: Disposal of Real Property

Metropolitan Water District Administrative Code Section 8254: Exceptions to Public Sale Requirements

Metropolitan Water District Administrative Code Section 8255: Reservation of Oil, Gas and Mineral Rights

Metropolitan Water District Administrative Code Section 8256: Retention of Oil and Mineral Rights

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

By Minute Item 41222, dated January 10, 1995, the Board adopted a policy that Metropolitan continue to seek ways to increase the reliability of its Colorado River supplies in order to operate the Colorado River Aqueduct at capacity as much of the time as is feasible.

By Minute Item 42820, dated February 10, 1998, the Board approved the policy principle on Colorado River Resources Strategy supporting Metropolitan’s interests and increasing its dependable entitlements to Colorado River water, while collaborating with other California Colorado River agencies.

By Minute Item 46113, dated February 8, 2005, the Board approved Metropolitan’s participation in the Lower Colorado River Multi-Species Conservation Program.

## Related Board Action(s)/Future Action(s)

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Not Applicable

## California Environmental Quality Act (CEQA)

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### CEQA determination for Option #1:

The proposed action is exempt from CEQA because it involves the acquisition of lands for fish and wildlife conservation purposes. (Section 15313 of the State CEQA Guidelines.)

### CEQA determination for Option #2:

None required

## Details and Background

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### Background

The Gabrych family owns substantial real property, including acreage within the Palo Verde Irrigation District (PVID). Metropolitan has long expressed interest in acquiring a contiguous parcel of the Gabrych land consisting of approximately 2,000 acres located in Imperial County. Of this total, 1,485 acres are within the PVID service area served with Priority 1 Colorado River water. See **Attachment 2** for a map and list of assessor parcel numbers. Metropolitan sought to purchase the land for its Colorado River water management efforts and to meet the habitat conservation requirements for the Endangered Species Act permits issued through the LCR MSCP. The same lands were the subject of offers by the State of California and private conservation groups, which put a high priority on the lands for their conservation potential. Despite years of effort, the owner of the property would not agree to sell to Metropolitan or others.

In 2023, TCF was working with the Gabrych family to identify lands with high conservation potential and negotiated a purchase agreement with the Gabrych family to acquire 2,300 acres, including the parcel sought in the past by Metropolitan. TCF is a non-profit organization that acquires properties and turns the ownership over to public agencies or private conservation organizations. For this transaction, TCF has arranged for the purchase to be funded by the LCR MSCP and WCB, with fee title to be held by the State of California. On February 15, 2024, the LCR MSCP Steering Committee approved the expenditure of \$25.5 million towards the purchase price of \$35 million. The State of California has given TCF a written commitment that it will pay the balance of the purchase price through the WCB upon approval at its May 2024 meeting.

### Metropolitan's Assistance to Close the Purchase

The LCR MSCP funding will be spent to acquire the Property in a closing in March. The balance of the whole parcel will be acquired with state funding in June 2024. The LCR MSCP does not hold title to property but operates on publicly-owned lands through long-term management agreements. Title to the entire 1,971 acres of Gabrych property being purchased will ultimately be held by the State of California. But the state can only take fee title upon approval of the funding provided by the WCB. Temporary ownership of the initial 1,300-acre conveyance is required for the interim period between the LCR MSCP funding in March 2024 and the WCB funding date, which is anticipated to occur in June 2024. The TCF has declined to hold title during this interim period and has been unable to identify another non-profit conservation entity to do so. The LCR MSCP and TCF have requested that Metropolitan assist in closing this transaction by holding the fee title to the Property during this interim period.

Upon payment of the state funding, Metropolitan will convey the lands to the State of California. During the interim period, the lands will continue to be farmed under existing leases with Robinson Farms and Red River Farms. Personal property taxes and water tolls are paid by the tenant farmers. A total annual rental income of \$300 per water toll acre (pro-rated for the period of time ownership is with Metropolitan) would be used to cover property ownership costs (e.g., real property taxes). Metropolitan will require a written agreement that LCR MSCP would cover any excess costs incurred as a result of this interim ownership.

It is Metropolitan’s policy, embodied in Administrative Code Sections 8255 and 8256, to retain the oil, gas and mineral rights in lands that it conveys. Because Metropolitan is not paying for the Property and will be conveying title to the State of California, any such rights included in the fee title will not be retained in this transaction.

Title conveyed to Metropolitan will be subject to written agreement with the LCR MSCP that the Property will be conveyed to the State of California for conservation use. Habitat created on the lands acquired with LCR MSCP funds will assist in satisfying the Endangered Species Act obligations that provide Metropolitan with incidental take authorization for water and power operations on the Colorado River. These statutory and contractual restrictions on Metropolitan’s ownership and required conveyance make this transaction one involving “exempt surplus land” under the state Surplus Land Act provisions at Government Code section 54221(f)(1)(D) (transfer to a state agency), 54221(f)(1)(J) (restriction to conservation use in an agreement with the entity providing the purchase funding), and 54221(f)(1)(N)(agency’s use).

  
 Bill Hasencamp  
 Manager, Colorado River Resources

2/24/2024  
 Date

  
 Adel Hagekhalil  
 General Manager

2/24/2024  
 Date

**Attachment 1 – Resolution**

**Attachment 2 – Map of the Gabrych Lands**

Ref# eo12695985

THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA

RESOLUTION NO. XXXX

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA  
AUTHORIZING THE GENERAL MANAGER TO TAKE FEE TITLE TO LANDS  
PURCHASED BY THE CONSERVATION FUND IN THE PALO VERDE VALLEY,  
FIND THAT DISPOSITION OF THE LANDS IS EXEMPT FROM THE SURPLUS  
LANDS ACT, AND AUTHORIZE THE CONVEYANCE OF THE LANDS, WITHOUT  
THE RESERVATION OR RETENTION OF OIL, MINERAL, AND GAS RIGHTS, TO  
THE STATE OF CALIFORNIA FOR CONSERVATION USE IMPLEMENTED BY THE  
LOWER COLORADO RIVER MULTI-SPECIES CONSERVATION PROGRAM**

WHEREAS, the Metropolitan Water District of Southern California (Metropolitan) is a metropolitan water district created under the authority of the Metropolitan Water District Act (California Statutes 1927, Chapter 429, as reenacted in 1969 as Chapter 209, as amended) which authorizes Metropolitan to amongst other things expand water conservation, water recycling, and groundwater recovery efforts in a sustainable, environmentally sound, and cost-effective manner, acquire water and water rights within or without the state, develop, store, and transport water, provide, sell, and deliver water at wholesale for municipal and domestic uses and purposes, and acquire, construct, operate, and maintain any and all works, facilities, improvements, and property necessary or convenient to the exercise of such powers; and

WHEREAS, pursuant to its statutory purposes and powers, Metropolitan owns, constructs, maintains, operates, repairs and replaces the Colorado River Aqueduct as a major supply of water for more than 19 million persons in Southern California; and

WHEREAS, in order to mitigate the impacts of Metropolitan's statutorily authorized water and power operations on the Colorado River, Metropolitan is a participating permittee in the Lower Colorado River Multi-Species Conservation Program (LCR MSCP), through which it secures federal and state incidental take permits for impacts on protected species under the federal and state Endangered Species Acts needed for Metropolitan's vital Colorado River Aqueduct operations; and

WHEREAS, the LCR MSCP creates and manages habitat for endangered and threatened species along the Lower Colorado River and operates with the support of Metropolitan and other permittees that need such services in order to serve their water users; and

WHEREAS, the LCR MSCP and The Conservation Fund (TCF), a nonprofit land preservation organization, request Metropolitan's assistance in the short term acquisition and then conveyance to the State of California of approximately 1,971 acres of land in the Palo Verde Valley (referenced sometimes herein as the Property), subject to conservation restrictions, that have long been sought by the State of California and the LCR MSCP for their high conservation potential. The entire purchase price for this land acquisition will be paid for by the LCR MSCP and the State of California; and



WHEREAS, this land acquisition and conveyance transaction would satisfy endangered species preservation and habitat conservation requirements in order for Metropolitan to continue operating the Colorado River Aqueduct, and the Metropolitan Board of Directors desires to make certain findings in support of a declaration of the lands involved as exempt surplus lands under the Surplus Lands Act; and

WHEREAS, the acquisition and then conveyance of the lands in question, subject to permanent conservation restrictions and other provisions to ensure usage and management by the LCR MSCP would further Metropolitan water supply, water reliability and collaborative water efficient land management practices expressed in the following actions: (1) By Minute Item 41222, dated January 10, 1995, the Board adopted a policy that Metropolitan continue to seek ways to increase the reliability of its Colorado River supplies in order to operate the Colorado River Aqueduct at capacity as much of the time as is feasible; (2) By Minute Item 42820, dated February 10, 1998, the Board approved the policy principle on Colorado River Resources Strategy supporting Metropolitan's interests and increasing its dependable entitlements to Colorado River water, while collaborating with other California Colorado River agencies; (3) By Minute Item 44542, dated July 10, 2001, the Board approved Principles of Agreement for a Land Management, Crop Rotation, and Water Supply Program with Palo Verde Irrigation District; (4) By Minute Item 45053, dated October 22, 2002, the Board authorized entering into agreements for the Palo Verde Irrigation District Land Management, Crop Rotation, and Water Supply Program and community improvement programs; (5) By Minute Item 45517, dated September 23, 2003, the Board approved the QSA and related agreements among Imperial Irrigation District, Coachella Valley Water District, San Diego County Water Authority, and Metropolitan. Under the QSA, Metropolitan could acquire Colorado River water from PVID during the Quantification period without objection by IID and/or CVWD; (6) By Minute Item 46113, dated February 8, 2005, the Board approved Metropolitan's participation in the Lower Colorado River Multi-Species Conservation Program; and (7) By Minute Item 48766, dated August 16, 2011, the Board adopted the proposed policy principles for managing Metropolitan's real property assets.

NOW, THEREFORE, the Metropolitan Board of Directors does hereby resolve as follows:

**Section 1. Recitals.** The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference and are made in part the official findings of the Board of Directors.

**Section 2. Authorization to General Manager for Acquisition, Interim Land Management and Conveyance.** The Board of Directors hereby authorizes the General Manager to take fee title to the Property and to later convey the Property in whole or in part to the State of California or its designee for conservation uses implementing the Lower Colorado River Multi-Species Conservation Program, under the terms and conditions set forth in this Resolution and in the board letter prepared by Metropolitan staff accompanying this Resolution. The General Manager is further authorized to pay for any and all necessary escrow and closing costs associated with the acquisition and conveyance of the Property, excluding the purchase price, which shall be paid by the LCR MSCP and TCF, and to also hold and manage the Property during the interim period

of Metropolitan land ownership and pay related costs thereto until title to the Property is conveyed to the State of California or its designee. Furthermore, the directive to Metropolitan staff to retain oil, gas, and mineral rights in Metropolitan land conveyances, embodied in Metropolitan Administrative Code sections 8255 and 8256, is suspended and found to not be appropriate by this Board for conveyance of the Property.

**Section 3. Findings and Declaration of Exempt Surplus Land Status.** The Board of Directors further finds and declares that the conveyance of the Property to the State of California constitutes “exempt surplus land” pursuant to the Surplus Land Act provisions at Government Code section 54221(f)(1)(D) (transfer to a state agency), 54221(f)(1)(J) (restriction to conservation use in an agreement with the entity providing the purchase funding), and 54221(f)(1)(N)(agency’s use).

**Section 4. Authorization to Transmit.** Metropolitan staff is hereby authorized to provide the Department of Housing and Community Development (“HCD”) all necessary documentation and to take such actions as deemed necessary or proper to effectuate the purposes of this Resolution.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California at its meeting held on February 27, 2024.

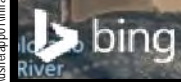
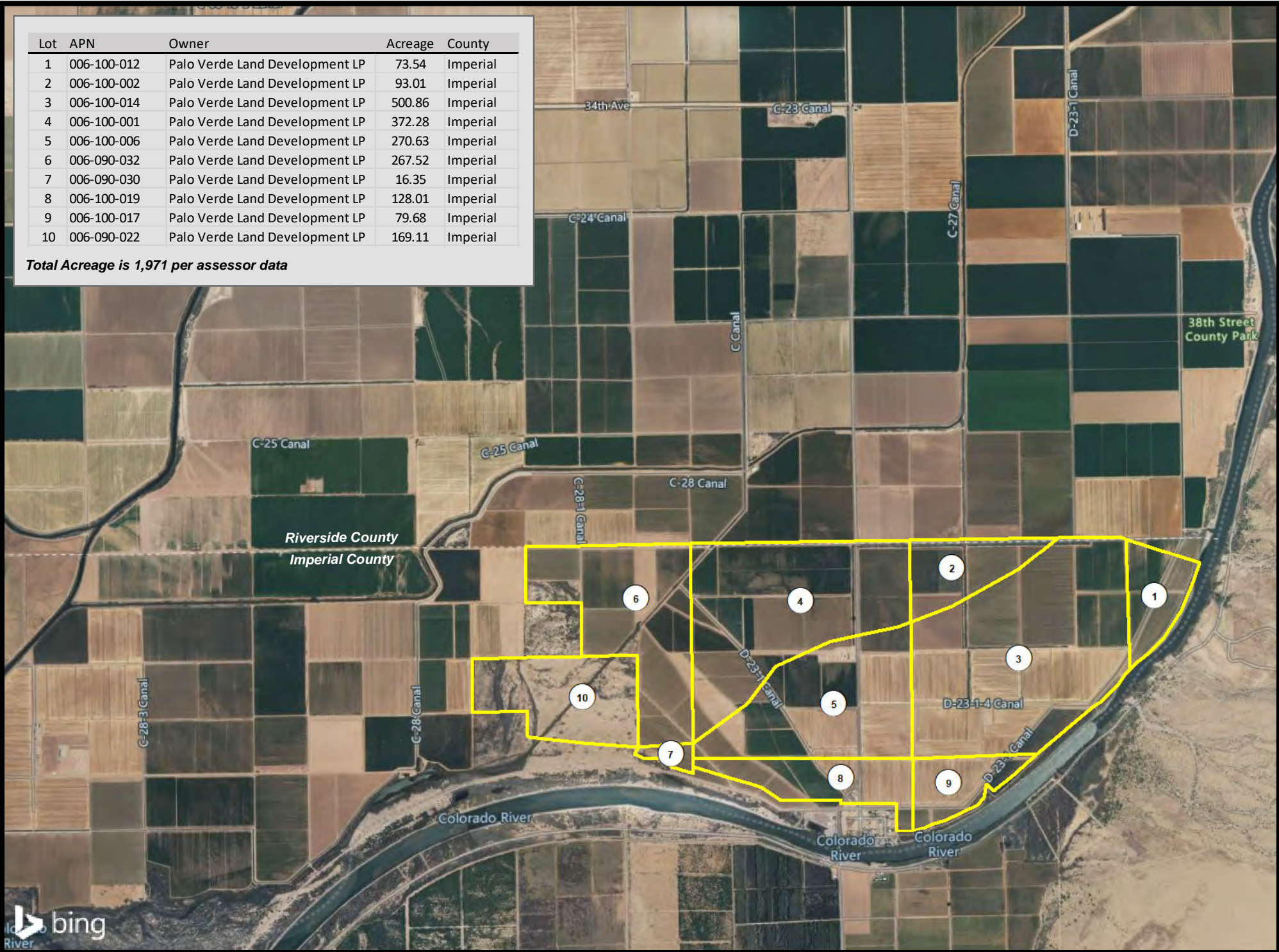
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Secretary of the Board of Directors  
of The Metropolitan Water District  
of Southern California

Lot	APN	Owner	Acreage	County
1	006-100-012	Palo Verde Land Development LP	73.54	Imperial
2	006-100-002	Palo Verde Land Development LP	93.01	Imperial
3	006-100-014	Palo Verde Land Development LP	500.86	Imperial
4	006-100-001	Palo Verde Land Development LP	372.28	Imperial
5	006-100-006	Palo Verde Land Development LP	270.63	Imperial
6	006-090-032	Palo Verde Land Development LP	267.52	Imperial
7	006-090-030	Palo Verde Land Development LP	16.35	Imperial
8	006-100-019	Palo Verde Land Development LP	128.01	Imperial
9	006-100-017	Palo Verde Land Development LP	79.68	Imperial
10	006-090-022	Palo Verde Land Development LP	169.11	Imperial

Total Acreage is 1,971 per assessor data

\\usrap01\Infrastructure\_Reliability\_Section\Infrastructure\_Unit\Geodetics\_and\_Mapping\_Team\_1\Projects\Pal\_Verde\_Irrigation\_District\GIS\Gabrych\_Farmlands.mxd [Printed 2/22/2024] Prepared by: AU (Geodetics & Mapping Team) - Job# GIS24-02-35



## Special Board Meeting



Resolution authorizing taking title to land acquired by the Lower Colorado River Multi-Species Conservation Program and conveying land as exempt surplus land to the State of California

Item 5a

February 27, 2024

Special  
Board  
Meeting  
  
Item 5a

## Subject

Adopt a resolution authorizing the General Manager to take fee title to lands purchased by the Lower Colorado River Multi-Species Conservation Program and convey the lands as exempt surplus lands to the State of California

## Purpose

Assist in completing Endangered Species Act compliance for Metropolitan's Colorado River operations

## Recommendation and Fiscal Impact

Adopt the resolution. No fiscal impact.

Unbudgeted

# Prior Efforts To Acquire the Land

Negotiations by Metropolitan to purchase began in 2007. Board appropriated of \$30 million for the purchase in 2012. Negotiations ended in 2015.

Owner also negotiated with State and environmental trusts starting in 2008.

The Conservation Fund finally executed a purchase agreement in May 2023.

# Lower Colorado River Multi-Species Conservation Program

Federal and California Endangered Species Act protection for water and power operations on the Lower Colorado River

Federal permit covers:

- Federal water deliveries and dam operations

- Water diversions for AZ, CA and NV water contractors

- Power production for Hoover and Parker-Davis

- Maintenance for water systems in river floodplain (PVID)

California permit covers same for CA water and power contractors

# Lower Colorado River Multi-Species Conservation Program

Federal Permit Habitat Requirements: 8,162 acres  
7,048 acres completed to date

California Permit Requirements:

	Required	Completed
Cottonwood-Willow	1,566 acres	1,020 acres
Mesquite	1,048 acres	1,013 acres
Marsh	240 acres	0 acres
Backwater	194 acres	63 acres
Total	3,048 acres	2,096 acres



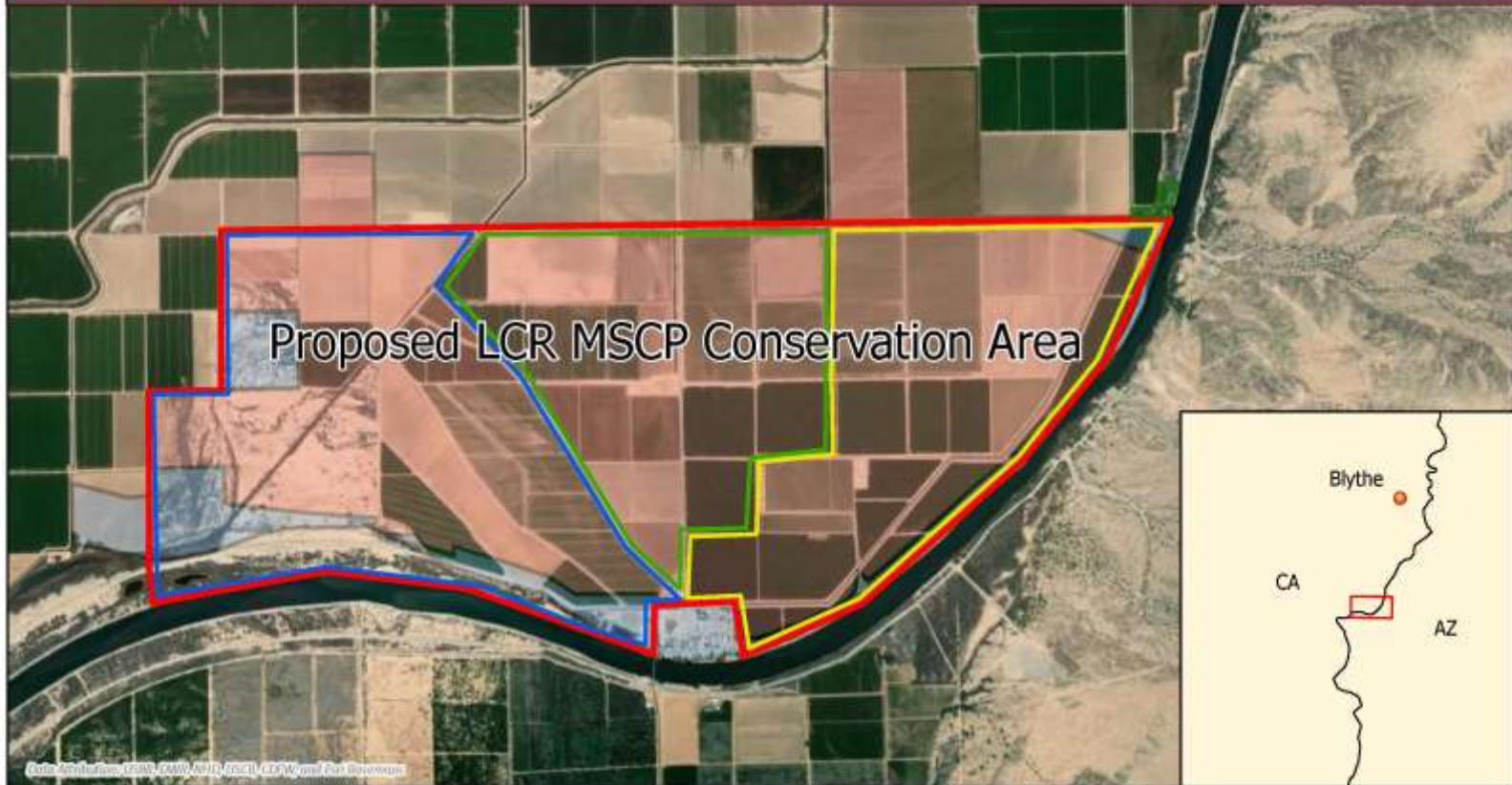
# Lower Colorado River Multi-Species Conservation Program

## Remaining California Permit Requirements:

Cottonwood-Willow	562 acres
Mesquite	35 acres
Marsh	240 acres
Backwater	<u>131 acres</u>
Total	968 acres



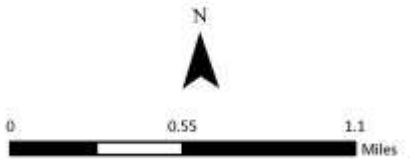
# GABRYCH PROPERTY CONCEPTUAL DESIGN



**Landowner**  
PALO VERDE LAND DEVELOPMENT LP ETAL  
U S A

**Land Use**  
Proposed LCR MSCP Conservation Area  
~900 acres - LCR MSCP Proposed Habitat  
~700 acres - LCR MSCP Proposed Habitat  
~600 acres - Proposed Low-water Usage Crops (General Wildlife)

Map Notes: Sensitive Information, property boundaries and landowners have not been verified with BLM cadastrol



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## Terms of Pending Purchase

Purchase totals 1,971 acres in Imperial County

Price is \$18,000/acre (\$35.5 million total)

LCR MSCP committed \$25.5 million payable immediately

State committed \$10 million payable after Wildlife Conservation Board approval in May

## Issues With Closing Purchase

Escrow closing date in mid-March

State funding not available to close until May/June

Absence of interim funding to make mid-March closing

Issue may be resolved by:

(1) seller extends escrow to June

(2) seller splits sale, closing with LCR MSCP in March

## Issue With Split Transaction

March closing with up to \$25.5 million (1,300 to 1,400 acres)

Need entity to hold title pending State funding on balance of purchase in June

Reclamation and Conservation Fund decline to hold title

Alternative interim title holders being sought:

(1) Another non-profit conservation organization

(2) LCR MSCP California permittee (Metropolitan or IID)

# Metropolitan Potential Role In Transaction

No payment for purchase – fully funded by LCR MSCP

Ownership costs covered by farm lease income and LCR MSCP funds

Lands conveyed to State at final closing or pursuant to California ESA permit

Conveyance exempt from Surplus Land Act

# Benefits To Metropolitan

Land allows completion of California permit requirements

Additional acreage to cover Post-2026 mitigation

State ownership resolves issues over use of federal land

Metropolitan benefits from ESA coverage for water and power operations

## Item 5a

### Board Options

- Option #1

Adopt a resolution authorizing the General Manager to take fee title to the Property in the Palo Verde Valley, find and declare that disposition of the lands is for “exempt surplus lands” under the Surplus Lands Act on the grounds set forth in the board letter, and authorize the conveyance of the lands, without the reservation or retention of oil, mineral, and gas rights, to the State of California for conservation use implemented by the LCR MSCP under the terms and conditions set forth in the resolution.



## Item 5a

### Board Options

- Option #2

Do not approve taking fee title to the Property purchased with LCR MSCP funds for the interim period. The absence of an agency to hold fee title temporarily may result in the termination of TCF's purchase agreement and the permanent loss of the opportunity to use the land to satisfy the conditions of the Endangered Species Act permits that cover Metropolitan's water and power operations on the Colorado River.

## Item 5a

# Staff Recommendation

- Option #1





- Board of Directors

2/27/2024 Board Meeting

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5b

## Subject

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Update on labor negotiations and approve entering into a two-year extension of 2022-2024 Memorandum of Understanding between The Metropolitan Water District of Southern California and The Management and Professional Employees Association of The Metropolitan Water District of Southern California/AFSCME Local 1101; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA [Conference with Labor Negotiators; to be heard in closed session pursuant to Gov. Code 54957.6. Metropolitan representatives: Katano Kasaine, Assistant General Manager, Chief Financial Officer, and Gifty J. Beets, Human Resources Section Manager of Labor Relations. Employee organization: The Management and Professional Employees Association of The Metropolitan Water District of Southern California/AFSCME Local 1101; the Supervisors Association; and the Association of Confidential Employees.]

## Executive Summary

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The current Memorandum of Understanding (MOU) between Metropolitan and MAPA is set to expire on December 31, 2024. The parties have negotiated changes to a defined list of issues and have reached a tentative agreement, extending the term of the parties' agreement by two years, to December 31, 2026. The tentative agreement is attached and before the Board for approval and adoption and is contingent upon ratification by the MAPA membership. See **Attachment 1**.

## Proposed Action(s)/Recommendation(s) and Options

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### Staff Recommendation: Option #1

#### Option #1

Authorize the General Manager to exercise discretion under Administrative Code Section 610(k) to enter into a new Memorandum of Understanding with MAPA.

**Fiscal Impact:** The cost increase for the 330 MAPA positions is estimated to range from \$8.3 million for FY 2023/24, \$13.3 million for FY 2024/25, and \$24.9 million for FY 2025/26.

**Business Analysis:** If approved, the MOU with MAPA will be implemented.

#### Option #2

Do not authorize agreement; direct staff to continue negotiations with MAPA.

**Fiscal Impact:** Unknown

**Business Analysis:** If the agreement is not approved, there will be no agreement with MAPA, and the parties will resume negotiations.

## Alternatives Considered

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Not Applicable

## Applicable Policy

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Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

Metropolitan Water District Administrative Code Section 6101(k): As a result of negotiations, as set forth in Section 6101 (k), the General Manager is authorized with Board approval to enter into a contractual agreement with MAPA/AFSCME Local 1001.

## Related Board Action(s)/Future Action(s)

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Not Applicable

## California Environmental Quality Act (CEQA)

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### CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves organizational, maintenance, or administrative activities; personnel-related actions; and/or general policy and procedure making that will not result in direct or indirect physical changes in the environment. (Public Resources Code Section 21065; State CEQA Guidelines Section 15378(b)(2) and (5).)

### CEQA determination for Option #2:

None required

## Details and Background

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### Background

MAPA represents 330 budgeted positions throughout the District, performing managerial and technical duties. All classifications in MAPA are Fair Labor Standards Act exempt and not eligible for overtime.

Key economic elements of the tentative agreement are consistent with provisions recently approved by the Board for other bargaining units as follows:

- This action extends the MOU by two (2) years, with a new end date of December 31, 2026.
- Each of the two (2) additional years provide an across-the-board salary increase. In the first full pay period of July 2025 and July 2026, an across-the-board increase will be provided of four percent (4%).
- One-time equity wage adjustment of 5.5 percent (5.5%) effective July 1, 2023, in addition to the three percent (3%) COLA already received for 2023.
- One-time lump sum payment of three thousand five hundred dollars (\$3,500) to current employees who were unable to utilize teleworking options on a regular or recurrent basis during the pandemic.
- Five percent (5%) incentive pay to employees assigned at Gene Camp and Intake. Fifteen percent (15%) incentive pay to employees assigned to Eagle Mountain, Hinds, and Iron Mountain. This will replace the remote location pay employees assigned in the desert currently receive.
- Update to medical language, consistent with the District philosophy of paying for coverage of one HMO Plan. Also provides additional enhancements to Desert staff who face limited medical options.

Other important language and policy issues in the tentative agreement include:

- Updated recruitment and selection language to provide efficiencies to accelerate the hiring process and in compliance with the state audit.
- Clarification on the use of temporary promotions.
- Performance-based exempt time off.
- An agreement to conduct a compensation and salary compression study.

  
\_\_\_\_\_  
*Mark Brower* *2/23/2024*  
*Human Resources Group Manager* *Date*

  
\_\_\_\_\_  
*Adel Hagekhalil* *2/23/2024*  
*General Manager* *Date*

**Attachment 1 – Tentative Agreement Between Metropolitan and MAPA**

Ref# hr12699328

**TENTATIVE REOPENER AGREEMENT  
 BETWEEN  
 METROPOLITAN WATER DISTRICT OF SOUTHERN  
 CALIFORNIA AND  
 THE MANAGEMENT AND PROFESSIONAL EMPLOYEES  
 ASSOCIATION OF  
 THE METROPOLITAN WATER DISTRICT  
 OF SOUTHERN CALIFORNIA  
 MAPA /AFSCME Local 1001**

As a part of the 2023-24 Reopener negotiations, the District and MAPA have reached agreement on a package that will extend the 2023-24 MOU by two (2) years through December 31, 2026. In addition, the parties have reached tentative agreement on the following:

1. Article 9 – Salaries and one-time COVID Essential Worker Pay
2. Article 10 -Temporary Upgrade Assignment
3. Article 12 – Standby & Premium Pay for Desert Team Managers
4. Article 15 - Management Exempt Time Off
5. Article 26 – Medical Benefits
6. Article 45 – Recruitment & Selection
7. Article 75 – Desert Branch Location Pay
8. NEW – Compensation Study

The parties have reached tentative agreement on a Reopener MOU, the terms of which are attached. Such agreement is tentative until agreement by the Board of Directors. However, the General Manager agrees to recommend its approval to the Board. The Union likewise agrees to recommend positive ratification to its membership.

**For the District:**

*Gifty Beets*  
 \_\_\_\_\_  
**Gifty J. Beets**  
 Employee Relations Officer

Date: 2/23/2024

**For the Union:**

*John V. ...*  
 \_\_\_\_\_  
**John V. ...**  
 President

Date: 2/23/2024

2/27/2024 Board Meeting

5b

Attachment 1, Page 2 of 18

MWD TO MAPA

Salaries Article 9

JB



January 15, 2024; February 6, 2024

2/23/2024

2/23/2024

**New sections to be added to Article 9 Salaries:**

9.11 Equity Wage Adjustment: All individuals in job classifications within the MAPA bargaining unit employed as of the date of ratification of this MOU, shall receive an equity wage adjustment effective the pay period including July 1, 2023, of 5.5%.

9.12 COLA: Effective the first day of the pay period including July 1, 2024, there shall be an increase of 3% for each employee who is represented by the bargaining unit as of that date.

9.13 COLA: Effective the first day of the pay period including July 1, 2025, there shall be an increase of 4% for each employee who is represented by the bargaining unit as of that date.

9.14 COLA: Effective the first day of the pay period including July 1, 2026, there shall be an increase of 4% for each employee who is represented by the bargaining unit as of that date.

9.15 The District shall provide a one-time lump-sum non-PERSable COVID Essential Worker payment to current eligible employees in the amount of Three Thousand Five Hundred Dollars (\$3,500) within 90 days following approval of this MOU by the Board of Directors. To be eligible for this payment, employees must have met the following criterion during the time-period of April 2020 to April 2022:

- a. the employee must have been required by the District to report to work on a daily basis;
- b. the employee must not have been able to utilize teleworking options on a regular/recurring basis.

MAPA and District agree to develop a list of MAPA employees who continued to work without the ability to telework on a regular/recurring basis during April 2020 to April 2022. Employees who have left District employment as of the date of the adoption of this Agreement by the Board of Directors shall not be eligible for this lump sum payment.



MAPA Article 12 – Standby and Premium Pay Desert Team Managers  
February 1, 2024

JB



2/23/2024

2/23/2024

**ARTICLE 12 — STANDBY & PREMIUM PAY FOR DESERT TEAM MANAGERS**

- 12.1 The intent of this provision is to compensate Desert Team Managers in FLSA “exempt” classifications for being available for a call during off duty hours, for days worked outside of their regular work schedule, or on days during their regular work schedule when they are assigned shifts of 12 hours or more, when they are directed by Management at the Unit level or higher to provide oversight of a work crew during Shutdowns, emergencies, or other urgent assignments as determined by the District.
- 12.2 An employee is on Standby when he/she is required by management to be available for a call for his/her services while in a non-working status during off duty hours. Only employees in the classification of Team Manager - Pump Plant may be placed on standby.
- 12.3 An employee on Standby duty shall:
- A. Be ready to respond in a reasonable time to calls for his/her service;
  - B. Be readily available at all hours by telephone, or other communication devices; and
  - C. Refrain from activities which might impair his/her assigned duties upon call.
- 12.4 Employees who are assigned to standby will be paid Standby Pay Premium in the amount of 10 percent of his/her normal hourly rate for qualifying hours.
- 12.5 Employees who are assigned to standby and required to respond within 15 minutes, will be paid Standby Pay Premium in the amount of 15 percent of his/her normal hourly rate for qualifying hours.
- 12.6 For purposes of this section, a Shutdown is a project which is part of the District’s annual Shutdown schedule, or which has been deemed by Management as requiring immediate attention. Emergencies and other urgent assignments include those which have been deemed by the District as requiring immediate attention due to operational impacts, impacts on public safety, or potential loss of property.
- 12.7 Hours of work for exempt employees shall be as defined in Section 6223 of the Administrative Code. Notwithstanding, for each day of the assignment that the employee works at least four (4), but less than eight (8) hours on a day outside of his regular work schedule as determined by the District, he shall receive a daily premium of \$300. For each day of the assignment that the employee works eight (8) hours or more on a day outside of his regular work schedule as determined by the District, he shall receive a daily premium of \$600. In no instance shall an employee receive both the \$300 and \$600 daily premiums for the same day of work. Additionally, no employee shall simultaneously receive a standby premium and a daily premium for the same period of time.

- 12.8 For shutdowns, emergencies, or other critical assignments occurring during an employee's regular work schedule, when the employee is directed to work at least a 12-hour shift providing oversight of a work crew, he shall receive a daily premium of \$300 for that day.

2/27/2024 Board Meeting  
MWD Proposal to MAPA  
2/21/24

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2/23/2024 2/23/2024

Article 15 – Personal Leave

- 15.1 All eligible employees shall be entitled to 24 hours of personal leave with pay per calendar year. The District shall determine if personal leave will be granted. However, an employee's timely request for personal leave shall only be denied for good and sufficient business reasons.
- 15.2 In order to use personal leave an employee must have more than 1,044 hours of:
  - A. Current service;
  - B. Total service if the employee has returned to service within 12 months of a separation from the District, including military service during the period of current service; or
  - C. Total service if the employee has returned to service following a non-cause involuntary separation from the District.

An eligible employee may take personal leave each calendar year which shall not be charged against any accumulated leave. With prior approval, such personal leave may be taken for any personal reason.

Use of personal leave to respond to a personal emergency does not require prior approval. A personal emergency is a circumstance that requires action that cannot be postponed. In such case, the employee shall notify his/her supervisor as soon as practicable. At that time, the employee shall also explain the general nature of the emergency.

- 15.3 Personal leave must be used in the calendar year in which it is received. Personal leave shall not be carried over into the year following the year in which it is received.
- 15.4 Management Exempt Time Off
  - a) Each calendar year, all exempt classifications shall receive an annual allotment of 40 hours of Management Exempt Time Off to be used within the calendar year it is allotted. The annual allotment of Management Exempt Time Off becomes available for use the first District business day of the calendar year and shall not roll over into the following calendar year. Only employees that are active members of the bargaining unit at the time of distribution (first business day of the calendar year) will be eligible for the hours. Any unused portion of Management Exempt Time Off will be automatically cashed out by the District to the employee on the first paycheck following December 1 of each calendar year.
  - b) Effective January 1, 2025 and each calendar year thereafter, exempt employees with a current overall annual evaluation rating of Meets Standards and above for the prior evaluation year, shall receive an additional annual allotment of 40 hours of Exempt Time Off to be used within the calendar year it is allotted. The annual allotment of Management Exempt Time Off becomes available for use the first District business day of the calendar year and shall not roll over into the following calendar year. Only employees that are active members of the bargaining unit at the time of distribution (first business day of the calendar year) will be eligible for the hours. Any unused portion of Management Exempt Time Off will be automatically cashed out by the District to the employee on the first paycheck following December 1 of each calendar year.

- 1) The District will provide an additional allotment as described in 15.4b to MAPA exempt employees that were a part of the MAPA bargaining unit and the evaluation period from July 1, 2022 - June 30, 2023. This shall be implemented as soon as administratively possible.
  
- c) For both a and b, a member shall make a request for Exempt Time Off to their direct supervisor. The District shall determine whether or not a request for Exempt Time off shall be granted. However, an employee's timely request for Exempt Time Off under this provision shall only be denied for good and sufficient business reasons.

MWD Proposal  
November 30, 2023





2/23/2024

2/23/2024

ARTICLE 26 — MEDICAL INSURANCE

26.1 The District shall continue to provide medical plans maintained by the California Public Employees' Retirement System ("CalPERS").

26.2 The District's monthly contribution shall be equal to 100% of the total premium of the highest cost Health Maintenance Organization ("HMO") basic medical plan for either CalPERS Region 2 or CalPERS Region 3, whichever is higher, but shall not exceed the monthly premium for the medical plan selected by the employee.

26.3

26.4 Desert employees enrolled in PERS Gold (formerly Pers Choice) or PERS Platinum (formerly PERSCare) will continue to receive the dollar amounts specified below and shall continue receiving such amounts through the term of the MOU.

- Employee Only: \$172/month
- Employee + 1 Dependent: \$343/month
- Employee + 2 or More Dependents: \$445/month

Effective January 1, 2024 through December 31, 2026, Desert Region employees enrolled in PERS Gold or Platinum PPO through Metropolitan will continue to receive the amounts listed above as a taxable cash incentive. In addition, Desert Region employees enrolled in PERS Gold or Platinum PPO with an employee cost shall receive an additional credit equivalent to the employee cost. This credit shall be applied within the employee's paycheck at the same time as the deduction.

26.5 An employee who opts out of District provided medical insurance will receive \$125 per month (\$1,500 per year), provided the employee provides proof of alternative medical insurance coverage.

26.6 If subsequent to December 31, 2026, the insurance premium increases and the parties have not agreed to an increased District contribution, then the District's contribution shall continue at the same amount reflected above in Sections 26.1 through 26.5 until the parties agree in writing to change the District's contributions.

26.7 The parties agree to establish a Health Benefits Advisory Committee, at the request of either party. The Committee will examine such issues as benefit levels, plan design, administration, and cost containment. Committee recommendations will be presented to the parties for their use in negotiations for a successor Agreement. Additionally, the Benefits home page on the MWD Intranet provides various resources about medical and other benefits available to employees and their families.

**ARTICLE 10 - SHORT TERM ACTING ASSIGNMENT AND TEMPORARY  
UPGRADE ASSIGNMENT**

JB



2/23/2024

2/23/2024

Management will communicate opportunities for Short-Term Acting Assignment and Temporary Upgrade Assignment to eligible employees of the team via email.

**10.1 Short-Term Acting Assignment**

- A. An employee who is assigned Short-Term Acting Assignment on a daily basis to a higher-level classification shall receive a premium equal to a 15% increase. Such premium shall only be provided for those days in which the employee is actually performing a majority of the significant duties of the higher-level classification and will be approved by the supervisor on the employee's timesheet. However, such premium shall not be reportable to PERS as compensation earned for retirement purposes. Management shall specify the expected duration of the Short-Term Acting Assignment, but such duration shall be for one or more days, not to exceed a total of six (6) weeks. The intent is that an employee is not asked to perform a majority of the significant duties of the higher-level classification on days for which they are not receiving the premium. The employee shall remain in their bargaining unit and shall continue to receive the benefits provided for their original classification.
- B. An employee who is working in a Short-Term Acting Assignment as defined above shall not also receive any other compensation for the Acting Assignment.

**10.2 Temporary Upgrade Assignment**

A. Temporary Upgrade Assignment is the full-time performance of a position in a higher classification listed in a Board-approved salary schedule, not to exceed 12 months. Temporary Upgrade Assignment will be reflected in the employee's annual performance evaluation. Management should make every effort to distribute such assignments for the development and succession of the work group.

- 1) Temporary Upgrade Assignment may be used in the following circumstances:
  - i. When a position is vacant.
  - ii. When an employee is on an approved extended leave (i.e., medical, FMLA, workers' compensation, vacation, or other leave types).
  - iii. When an employee is assigned to a Special Project full-time at a higher classification. This must be a Special Project that is already identified and budgeted. Special projects that require more than 12 months may be extended by the HR Group Manager and the approval of MAPA for up to a total of 18 months.

- iv. If, in the beginning of a short-term acting assignment, the assignment is expected to exceed six (6) weeks individuals will be placed on a temporary upgrade assignment from the beginning of the assignment.
- B. Temporary Upgrade Assignments and Special Projects shall not be offered to an employee with a current performance evaluation of less than Meets Standards, or who has received an appealable disciplinary action within the preceding twelve months. An employee given a Temporary Upgrade Assignment shall receive additional pay equal to the first salary step of the higher classification, or a three-step (8.25%) salary increase, whichever is higher, not to exceed the salary range maximum of the higher classification. Such pay shall be processed using a District Employee Data Change Form (EDCF), and shall be paid for all hours during the period of Temporary Promotion designated on the EDCF. Temporary Upgrade Assignment Pay will be reported to CalPERS as compensation earned for retirement purposes.
- C. An employee who has been in Temporary Upgrade Assignment for more than twelve (12) months will receive a two-step increase (equivalent to 5.5%) for each year the employee is in that Temporary Upgrade Assignment, provided that the regular hourly rate plus the premium pay has not already exceeded the range established for the job classification of the Temporary Upgrade Assignment. The Human Resources Group shall meet with the employee's management prior to the conclusion of each 12-month interval, to determine whether the temporary promotion continues to be necessary.
- 1) An employee on a Temporary Upgrade Assignment who receives a regular promotion to the same classification shall receive increases as if they had been permanently placed in the position at beginning of the TUA provided it does not exceed the top step of the new salary grade and should not result in a negative impact when moving from temporary to permanent. After receiving a regular promotion, the anniversary date for determining eligibility for the next merit increase will be the next July 1st common evaluation date.
- D. Employees on a Temporary Upgrade Assignment shall be required to complete and submit a Statement of Economic Interests Form 700, if they perform duties or participate in decision-making which would require such filing. Management shall consult with the District's Ethics Office and Human Resources Group to ensure compliance with the District's Conflict of Interest Code and California Fair Political Practices Commission regulations on interim appointment to a designated position.

JB 

**ARTICLE 45 — RECRUITMENT AND SELECTION** 2/23/2024 2/23/2024

45.1 The following definitions shall apply to this Article.

A. *Employee* — A Category A and Category B employee as referenced in ARTICLE 34 — CATEGORIES OF EMPLOYMENT.

B. *Recruitment* — Process of locating individuals to fill the District's personnel (staffing) requirements.

C. *Selection* — Selection is the process of hiring the best-qualified candidate for a vacant position.

D. *Screening of Material* – HR Recruiters shall screen resumes to determine who meets the minimum qualifications.

E. *Employment Testing* — A test is an instrument administered by the Human Resources Group, used as a basis for any employment decision including, but not limited to, hiring and competitive-bid promotion. Such tests may measure aptitude, achievement, and other proficiencies. Examples include, but are not limited to, a review of records, interviews, computer skills, job knowledge, work sample or other demonstration tests deemed reliable and job-related as approved by the Human Resources Group Manager.

F. *Panel Member* – A panel member is an individual participating in the formal/structured interview and may be an internal employee or an external subject matter expert. A conflict of interest form is required to be completed by panel members.

F. *Panel Interview* - The purpose of the panel interview is to give each candidate an equal opportunity to reveal the knowledge, skills and abilities which would enable them to perform the job. The interview consists of an evaluation of work-related experience and training.

G. *Final Hiring Interview Recommendation (FHIR)* – The FHIR is used to identify the candidate to hire along with the justification for the hiring decision. The FHIR is completed by the Hiring Manager and subject to review by their chain of command.

An eligibility list may be developed if the original job posting (Job Announcement) specifically states an eligibility list will be created. The eligibility list will consist of all remaining unhired qualified candidates as listed on the original FHIR.



The eligibility list can be limited to specific disciplines described in an approved Job Description (e.g., civil, electrical, mechanical, structural, geotechnical, and instrumentation and controls).

The eligibility list may be used for up to six (6) months and may be extended for a specific period of time by the Human Resources Group Manager. The eligibility list may be closed by the HR Group Manager once there are three (3) or fewer candidates remaining.

When a vacancy occurs and an eligibility list exists that is able to be used, HR will provide the Hiring Manager the top five ranked candidates from the eligibility list. In the case of tie ranks, more than five candidates can be provided to the Hiring Manager. All provided candidates must be interviewed by the Hiring Manager and one must be offered the job. Candidates not selected will return to the eligibility list for future consideration. If all eligible candidates on the eligibility list elect to not be considered for a specific vacancy, the Human Resources Group Manager may expire the list and may open a new recruitment.

With Human Resources Group Manager approval, eligibility lists may be merged or used to fill a vacancy for an alternative specific discipline within the same classification. The expiration date of merged lists of remaining eligible candidates will be the earliest of the original expiration dates.

## 45.2 Recruitment Process Overview

### (A) Transfers:

- (1) Before an Internal or Open Recruitment is conducted, the District will first consider employees on a Transfer List prior to a job announcement for a vacant position and follow the process described in Article 54 Transfers.
  - a) The District will post the requisition utilizing the Internal Recruitment process if:
    - i. no person is on the transfer list;
    - ii. a transfer list candidate is not hired;
    - iii. or an eligibility list does not exist.

### (B) Internal Recruitment:

- (1) No external candidates will be invited to apply during the Filing Period.
- (2) The District may run an Open Recruitment if any of the following exceptions exist:
  - (a) there are three (3) or fewer internal candidates who applied;
  - (b) the vacancy requires specialized skills not known to exist in current workforce (ex: limnology);

- (c) documented evidence showing the last recruitment for that specific classification had three (3) or fewer applicants. In this instance, a specific classification cannot move directly to Open Recruitment more than 3 consecutive times;
- (d) there is a need for external outreach for job groups/job classifications as applicable where underutilization is identified or departments where significant underrepresentation exists to ensure a diverse candidate pool as determined by the Equal Employment Opportunity Office and/or Office of Diversity, Equity and Inclusion.

**(C) Open Recruitment:**

- (1) A job announcement will be posted as an Open Recruitment if the vacancy was not filled using the processes above and is subject to the Filing Period.

**(D) Internal Only Job Bid Promotion Process:**

- (1) Upon staffing requisition approval by Budget and HR, a recruitment may be conducted within a specific Group, Section, Unit or Team to fill a position in which there is no vacant position number. These recruitments shall follow the same process used for Internal Recruitments.
- (2) This is not intended to or provided to circumvent the in-family promotion process. This process will not be utilized when employees on a team or unit could reasonably promote to the position through in-family promotion.
- (3) Applications will be reviewed for minimum qualifications by Human Resources. Upon completion of the recruitment process, the Hiring Manager will complete the Final Hiring Interview Recommendation Form (FHIR) to notify Human Resources of their decision of which candidate to hire and HR shall notify all candidates whether they were (un)successful in the recruitment at approximately the same period.
- (4) At no time are positions/requisitions which are posted utilizing this process permitted to utilize the Open Recruitment Process and is not authorized to result in an eligibility list.

### **45.3 Job Announcement and Application Filing Process**

**A. Job Announcement**

Job announcements will be advertised through the District's available communication mediums, including but not limited to MWD's website and email.

The District shall also include, at minimum, the following in all job announcements: Number of openings, open/close dates, work schedule (days/hours), Group/Section/Unit/Team, work location, bargaining unit, minimum and maximum hourly rate, teleworking options (if applicable), overview and/or summary which is reflective of job description, job duties, minimum requirements (education, experience, certifications, licenses).

**B. Filing Period**

- (1) The filing period for submitting applications will be a minimum of 10 working days and shall be indicated on the job announcement.

(2) Employees on disability or workers' compensation leave are permitted to apply for vacant positions following the same timelines and testing procedures as other applicants, provided their participation is within their medical restrictions.

### **C. Application**

Each employee applying for a position shall thoroughly complete an application package.

### **D. Exemptions**

An employee shall be excluded from the recruitment and selection process if that individual:

- (1) Has a current overall performance evaluation rating of less than "meets standards;" or
- (2) Has received an appealable disciplinary action in the last six (6) months.
- (3) Has not completed their current probationary period.

## **45.4 Selection Process**

### **A. Invitation to Test**

Qualified employees shall be notified of the time and location of a test at least three (3) days in advance. For purposes of this section, Recurrent employees (defined as Category E employees under Section 34.1 of the Agreement) shall be permitted to apply for positions as "internal" candidates.

### **A. Release/Leave Time**

- (1) If requested, an employee shall be entitled to release time to participate in and commute to, a test.
- (2) Alternatively, an employee may use accumulated annual leave or personal leave to participate in and commute to, a test.
- (3) The employee shall give reasonable, prior notice of his/her need for release or leave time.

### **C. Probationary Promotion**

The intent of the probationary promotion language is to provide a probationary period for those employees who are promoted as a result of the recruitment and selection process or out-of-career progression (family) promotions. Furthermore, it is also agreed by both parties that this language does not include employees who are promoted as a result of a classification study pursuant to ARTICLE 46 — CLASSIFICATION STUDY/JOB AUDIT or employees who are promoted for having already performed the higher level duties for a significant period of time.

### **D. Probationary Period**

After each appointment, an employee shall serve a complete period of probation before appointment or probation is complete.

- (1) A new employee shall serve an initial probationary period of six (6) months.
- (2) A District employee who has been promoted shall serve a promotional

probationary period of six (6) months. If an employee fails promotional probation, he/she has reinstatement rights to his/her former position.  
(3) Employees who successfully complete a probationary period shall be eligible for a merit increase in compliance with Section 68.2.A. below.

JB



2/23/2024

2/23/2024

**ARTICLE 72 - DESERT BRANCH LOCATION PAY**

The intention of this Article 72 is to improve recruitment and retention at Metropolitan’s desert facilities. The sunseting of the previous program, Desert Remote Location Pay and the terms of the newly negotiated Incentive Pay shall be as follows:

72.1 The parties agree that the previous program, Desert Remote Location Incentive Pay, shall sunset (terminate) effective January 20, 2024. All employees who were entitled to receive the incentive under the previous program shall receive a pro-rated portion of the incentive, for the period up to and including January 20, 2024; this pro-rata amount will be provided prior on or about February 8, 2024.

72.2. The Incentive Pay program will be setup to provide a Desert Branch Assignment Premium to qualifying employees as follows:

- A. Effective January 21, 2024, employees assigned to work in desert facilities will be eligible to receive one of the premium pay options below:
  - 1. 5% for all employees assigned to Gene Camp or Intake.
  - 2. 15% for all employees assigned to Hinds Pumping Plant, Eagle Mountain, or Iron Mountain.
  - 3. This incentive pay will be applicable to the base pay for the normal work schedule. This incentive pay will not apply to overtime/additional hours.
- B. Following approval by Metropolitan’s Board of Directors and the MAPA membership, employees shall begin entering the incentive pay premium as part of their bi-weekly payroll, (including authorized medical leaves) for pay period beginning 2/28/24 on or around the first week of March. A retroactive payment for the period of 1/21/24 through 2/17/24 will be processed as soon as administratively possible.

72.3. This incentive payment program for Desert Branch Locations applies specifically to regular full-time employees at these Locations, and does not any other category of employment.


72.4. Qualifying service at a Desert Branch Location shall include:

A. Assignment to a Desert Branch Location as the regular reporting location.

1. Employees temporarily assigned to a desert facility for assignments of 30 days or more will be eligible for the premium associated with the facility they are assigned to for the entirety of the time at the location.

B. All scheduled and assigned hours in a paid status, not including overtime/additional hours and including authorized medical leaves.

72.5. Employees assigned to a Desert Branch Location after the date the Incentive Pay program is implemented as agreed above, shall begin qualifying on the first day of the pay period of assignment to the Desert Branch Location.

  
1/15/24

JB

**Compensation Assessment** 2/23/2024 2/23/2024

To address salary compression, the District will conduct a compensation assessment. The assessment shall have the following deliverables:

1. Identify current MAPA base salary differential percentages for MAPA Managers. The base salary differential will be based on the difference of the maximum step of the Manager's base salary grade and the maximum step of the Manager's highest paid subordinates in MAPA.
2. Any classification that is found to be less than two (2) salary steps between a MAPA classification and their subordinate will be adjusted to ensure a two (2) salary grade differential between the MAPA manager and their MAPA subordinate. These reviews shall be conducted within six (6) months of Board approval of this agreement to ensure adherence. The effective date of such adjustment shall be the date of Board approval.
3. Maintain the Dual Career Path (DCP) currently in place. The assessment will review and consider the DCP to address current compression concerns.
4. The District shall review all organizational structures as part of an efficiency study. MAPA agrees that as a result of such study, some MAPA positions may be eliminated by the District to avoid redundancies or for purposes of realigning the organization. The District shall first inform MAPA of any positions that are being considered and will give MAPA an opportunity to provide a response. The District agrees to complete this study by the end of the contract extension, December 31, 2026.
5. Within eighteen months after Board approval of this agreement, the District will develop a comprehensive management certification program in consultation with MAPA. Such program shall be introduced to MAPA managers with staff (i.e., "*people managers*"). The program will be structured to include an incentive as a non-PERSable, annual, lump-sum, flat amount to be provided at the completion of the program.
6. For purposes of this language, the managerial relationship must be one of fact, and not merely of form. Salary differentials to compensate individuals in the same classification will not be approved.
7. The Manager and subordinate must be in allocated and authorized classifications. Neither shall be serving in a temporary promotion or annuitant assignment.
8. In no event shall the results of this study result in a reduction of an individual's base pay.

**Certificate Of Completion**

Envelope Id: F361CD4491B4422589A05234F315FEA0	Status: Completed
Subject: Complete with DocuSign: MAPA MWD DesertCompProposal_30Nov2023.pdf, MAPA Salaries-ARTICLE 9-MWD ...	
Source Envelope:	
Document Pages: 17	Signatures: 2
Certificate Pages: 5	Initials: 16
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	John Vrsalovich
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	700 N Alameda St
	Los Angeles, CA 90012
	jvrsalovich@mwdh2o.com
	IP Address: 144.166.56.173

**Record Tracking**

Status: Original	Holder: John Vrsalovich	Location: DocuSign
2/23/2024 2:23:25 PM	jvrsalovich@mwdh2o.com	

**Signer Events**

Signer Events	Signature	Timestamp
Gifty Beets GBeets@mwdh2o.com Security Level: Email, Account Authentication (None)		Sent: 2/23/2024 2:27:43 PM Viewed: 2/23/2024 2:28:50 PM Signed: 2/23/2024 2:31:28 PM
	Signature Adoption: Pre-selected Style Using IP Address: 144.166.56.174	

**Electronic Record and Signature Disclosure:**  
Accepted: 2/23/2024 2:28:50 PM  
ID: 3ef38800-1e9c-4744-ae59-07e0250af28c

John Vrsalovich jvrsalovich@mwdh2o.com Construction Contracts Unit Manager Metropolitan Water District of SoCal Security Level: Email, Account Authentication (None)		Sent: 2/23/2024 2:27:43 PM Viewed: 2/23/2024 2:27:50 PM Signed: 2/23/2024 2:28:14 PM
	Signature Adoption: Uploaded Signature Image Using IP Address: 144.166.56.173	

**Electronic Record and Signature Disclosure:**  
Accepted: 3/6/2018 7:31:31 AM  
ID: ca372596-a983-4527-83d8-297c516f50e0

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	2/23/2024 2:27:43 PM
Certified Delivered	Security Checked	2/23/2024 2:27:50 PM



**SPECIAL BOARD MEETING**  
**February 27, 2024 – 2:00 p.m.**  
**MWD Headquarters Building/Teleconference Meeting**

**NON-INTEREST DISCLOSURE NOTICE**  
**BOARD ITEM 5.b.**

BOARD ITEM 5.b. – Update on labor negotiations and approve entering into two-year extension of 2022-2024 Memorandum of Understanding between The Metropolitan Water District of Southern California and The Management and Professional Employees Association of The Metropolitan Water District of Southern California/AFSCME Local 1101; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA [Conference with Labor Negotiators; to be heard in closed session pursuant to Gov. Code 54957.6. Metropolitan representatives: Katano Kasaine, Assistant General Manager, Chief Financial Officer and Gifty J. Beets, Human Resources Section Manager of Labor Relations. Employee organization: The Management and Professional Employees Association of The Metropolitan Water District of Southern California/AFSCME Local 1101; the Supervisors Association; and the Association of Confidential Employees.]

This Non-Interest Disclosure Notice is being provided under the California Government Code. The following District officers or employees have been, or may be, involved in the bargaining unit negotiations on behalf of management: Adel Hagekhalil, Mohsen Mortada, Marcia Scully, Katano Kasaine, Shane Chapman, Deven Upadhyay, Gifty Beets, Mark Brower, Henry Torres, Tony Zepeda, Gonzalo Barriga Jr., Adam Benson, and Isamar Munoz Marroquin. Accordingly, they have been, or may be, involved in the participation of a making of a District contract. Government Code Section 1090 prohibits an officer, employee, or agency from participating in the making of a government contract in which the official or employee within the agency has a financial interest.

Pursuant to Government Code Section 1091.5(a)(9), a District officer or employee who is involved in the participation of a making of a District contract

does not have a financial interest in the District contract if these conditions are satisfied: (i) his or her interest is that of a person receiving a salary, per diem or reimbursement for expenses from a government entity; (ii) the contract does not directly involve the department of the government entity that employs him or her; and (iii) the interest is disclosed to his or her body or board at the time the contract is considered and is noted in its official record.

In accordance with these statutes, the following interests are disclosed:

- Isamar Munoz Marroquin is a member of the Association of Confidential Employees (“ACE”), which has a salary provision in its Memorandum of Understanding that allows ACE to select an annual salary adjustment from any one of the Memoranda of Understanding for the other bargaining units, including The Management and Professional Employees Association (“MAPA”). Because this individual is a member of ACE, they are excluded from participating in the making of a District contract with ACE, including participating in labor negotiations with ACE.
- The remaining individuals are all unrepresented. Under Administrative Code Section 6500(d), unless the Board directs otherwise, the pay rate range for unrepresented employees, except Adel Hagekhalil and Marcia Scully, will be adjusted annually to correspond with the annual across-the-board salary adjustment provided to the District’s management employees under the Memoranda of Understanding; although actual pay rates for these unrepresented individuals will be determined by their management. The other compensation and benefits for which the unrepresented individuals are eligible are set forth in the Administrative Code. These unrepresented individuals may participate in labor negotiations and the making of a District contract with any of the bargaining units.