

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

EXECUTIVE COMMITTEE

May 23, 2023

Chair Ortega called the meeting to order at 1:00 p.m.

Chair Ortega welcomed guest Shana E. Epstein, Public Works Director, City of Beverly Hills to participate in the Committee meeting with the exception of voting.

Chair Ortega announced at this time that we do not have any Directors participating in the meeting utilizing AB 2449. We have members participating on Zoom, so we will complete a verbal roll call of committee members.

Members present: Directors Abdo, Camacho, Cordero, Erdman, Goldberg, Gray (entered after roll call, teleconference posted location), Jung (entered after roll call, AB 2449), Luna, McCoy, Ortega, Pressman, Ramos, Repenning, Smith, and Sutley.

Director Jung participated under (AB2449) “just cause” regarding official legislative business travel.

Members absent: Director Fong-Sakai, and Quinn.

Other Board members present: Directors Ackerman, Alvarez, Atwater, De Jesus, Fellow, Garza, Kurtz, Lefevre, McMillian, Miller (teleconference posted location), Morris, and Seckel

Committee staff present: Beatty, Chapman, Hagekhalil, Hudson, Kasaine, Scully, Shope, Sims, Suzuki, Upadhyay, and Wheeler.

1. OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE COMMITTEE ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION

Name	Affiliation	Item
1. Caty Wagner	Sierra Club of California	Governor Newsom proposed infrastructure news

2. VOICES OF MET (SPOTLIGHT ON ADVANCING DIVERSITY, EQUITY, AND INCLUSION – EMPLOYEE PERSPECTIVES)

Chair Ortega called on Phyvin Mok, Senior Admin Analyst SRI Group and President of the Asian American Employee Organization, to present the item.

3. OTHER MATTERS AND REPORTS

a. Subject: Chair's Report

Presented by: Chair Adán Ortega

Chair Ortega reported on the following:

- Report on the attendance at the first inaugural One Water Awards ceremony

b. Subject: General Manager's Report of Metropolitan activities

Presented by: General Manager Adel Hagekhalil

General Manager Hagekhalil reported on the following:

- Reported on the One Water Awards ceremony and the six agencies that received awards for their efficiency programs
- Update on the Colorado River Negotiations
- Update on the Governor's Executive Order
- Update on the Department of Water Resources auditor report
- Update on State Water Project Dependent areas request and grant

c. Subject: General Counsel's report of Metropolitan activities

Presented by: General Counsel Marcia L. Scully

General Counsel Scully stated she had nothing to add to her report.

d. Subject: General Auditor's report of Metropolitan activities

Presented by: General Auditor Scott Suzuki

General Auditor Suzuki stated he had nothing to add to his report.

e. Subject: Ethics Officer's report of Metropolitan activities

Presented by: Assistant Ethics Officer Kelli Shope

Assistant Ethics Officer Shope stated she had nothing to add to the report.

Directors Jung, Gray, and Miller entered the meeting.

Chair Ortega announced that the Legal and Claims Committee will not meet in June.

f. Subject: Report from Engineering, Operations, and Technology

Presented by: Committee Chair Erdman

Committee Chair Erdman announced that the Committee will consider the following two consent items:

- Authorize agreements with AECOM Technical Services, Inc. and CDM Smith Inc., each in an amount not to exceed \$800,000, for water desalination studies in Metropolitan's service area.
- Amend the Capital Investment Plan for fiscal years 2022/2023 and 2023/2024 to include three projects: (1) Jensen Administration Building column panel replacement; (2) Skinner chemical storage tanks replacement; and (3) Auld Valley and Red Mountain Control Structures upgrade; and award a \$281,900 contract to MMJ Contracting, Inc. to replace the existing entrance column panels at the Jensen Administration Building.

And two action items:

- Authorize on-call agreements with Kennedy Jenks Consultants, Inc., Lee & Ro, Inc., and Stantec Consulting Services, Inc., in amounts not to exceed \$10 million each, for a maximum of five years for engineering services.
- Award a \$16,490,000 contract to J. F. Shea Construction, Inc. to replace equipment storage buildings at three Colorado River Aqueduct pumping plants.

The Committee will consider the following two committee items:

- Metropolitan's Dam Safety Program
- Capital Investment Plan Quarterly Report for the Period Ending March 2023

Lastly, the Committee will hear three management report(s):

- Water System Operations Manager's report
- Engineering Services Manager's report
- Information Technology Manager's report

g. Subject: Report from Equity, Inclusion, and Affordability Committee

Presented by: Committee Chair McCoy

Committee Chair McCoy announced that the Committee will hear the one committee item:

- DEI Assessment Report

Lastly, the Committee will hear the management report

- Diversity, Equity, and Inclusion Manager's Report

h. Subject: Report from Ethics, Organization, and Personnel Committee

Presented by: Committee Chair Ramos

Committee Chair Ramos announced that the Committee will hear the one action item:

- Approve entering into 2022-2026 Memorandum of Understanding between The Metropolitan Water District of Southern California and The Supervisors Association of The Metropolitan Water District of Southern California

The Committee will consider the following three committee items:

- Ethics Officer's Annual Plan for Fiscal year 2023/2024
- Contractor Code of Conduct
- Update on Apprenticeship Program

The following item has been added to the June draft agenda

- Update on Department Head evaluation process and timeline for fiscal year 2022/23

Three management report(s):

- Ethics Officer's report
- Human Resources Manager's Report
- Equal Employment Opportunity Manager's report

i. Subject: Report from Finance, Audit, Insurance, and Real Property Committee

Presented by: Committee Chair Smith

Committee Chair Smith announced that the Committee will hear two Subcommittee reports:

- Report from Subcommittee on Audits
- Report from Subcommittee on Long-Term Regional Planning Processes and Business Modeling

The Committee will hear four action items:

- Approve the purchase of insurance coverage for Metropolitan's Property and Casualty Insurance Program for fiscal year 2023/24
- Approve Metropolitan's Statement of Investment Policy for fiscal year 2023/24, delegate authority to the Treasurer to invest Metropolitan's funds for fiscal year 2023/24
- Authorize the General Manager to execute six lease amendments and two new license agreements with various landowners or site operators for the installation and upgrade of telecommunication equipment and changes in the premises at existing telecom sites known as Edom Hill, Vidal Junction, Crossman Peak, Las Vegas Junction, Searchlight, Christmas Tree, Black Peak, and to commence occupying a new site known as Super Nap. These agreements are to facilitate the implementation of Metropolitan's Desert-Wide-Area Network Upgrade Project. The subject telecom sites are located in Riverside, San Bernardino, Mohave, Clark and La Paz Counties
- Authorize the General Manager to grant a permanent easement to Eastern Municipal Water District for the construction and operation of a pipeline northeast of Diamond Valley Lake in the city of Hemet

The Committee will hear one information item:

- Introduction of Ordinance 152

The Committee will hear two committee items:

- Quarterly Investment Activities Report
- Annexation Policies within Metropolitan's Current Boundaries

Lastly, the Committee will hear the management reports:

- Chief Financial Officer's Report
- General Auditor's Report
- Real Property Group Manager's Report

k. Subject: Report from Legislation, Regulatory Affairs, and Communications Committee

Presented by: Committee Chair Jung

Committee Chair Jung announced that the Committee will hear one Subcommittee report:

- Report from Subcommittee on Public Affairs Engagement

The Committee will hear one action item:

- Express support, if amended on AB 1567 (Garcia) and SB 867 (Allen), legislative bond proposals to provide funding for water projects to address climate change impacts.

The Committee will hear five committee items:

- Presentation on Regional Survey of Public Attitudes on Water Issues
- Update on inspection trips
- Update on Community Partnering Program
- Reports on activities from Washington D.C.
- Report on activities from Sacramento

Lastly, the Committee will one the management report:

- External Affairs Management Report

- i. Subject: Report from One Water and Stewardship Committee
Presented by: Committee Chair Quinn

Committee Chair Quinn announced that the Committee will hear two Subcommittee reports:

- Report from Subcommittee on Bay-Delta
- Report from Subcommittee on Demand Management and Conservation Programs and Priorities

The Committee will consider two consent items and two action items:

- By a two-thirds vote, authorize payment of up to \$932,800 for support of the Colorado River Board and Six Agency Committee for FY 2023/24
- Adopt Mitigated Negative Declaration for the Delta Smelt and Native Species Preservation Project and take related CEQA actions
- Note the following item has been deferred. Review and consider the Antelope Valley-East Kern Water Agency's
- Authorize the General Manager to: (1) enter into an agreement with the U.S. Bureau of Reclamation to create Colorado River system water for Lake Mead from 2023 through 2026 using funds provided by the federal government; and (2) forebear up to 268,500 acre-feet

The Committee will consider the following three Committee items:

- Update on Metropolitan's Groundwater Storage and Delivery Programs
- Update on Stormwater 2023
- Update on Water Surplus and Drought Management

Lastly, three management reports:

- Colorado River Management Manager's report
- Bay-Delta Manager's report
- Water Resource Management Manager's report

CONSENT CALENDAR ITEMS – ACTION

4. CONSENT CALENDAR OTHER ITEMS – ACTION

A. Approval of the Minutes of the Executive Committee Meeting for April 25, 2023.

Chair Ortega asked Directors if there were any comments or discussion on the minutes of the April 25, 2023, Executive Committee Meeting. None were made.

B. Approve draft Committee and board meeting agendas, and schedule for June 2023.

5. CONSENT CALENDAR ITEMS – ACTION

None

Chair Ortega called for the vote on Items 4A and 4B.

Director Pressman made a motion, seconded by Director Erdman to approve the consent calendar Items 4A and 4B as listed.

The vote was:

Ayes: Directors Abdo, Camacho, Cordero, Erdman, Goldberg, Gray, Jung, McCoy, Ortega, Pressman, Ramos, Repenning, Smith, and Sutley.

Noes: None

Abstentions: None

Absent: Fong-Sakai, Luna, and Quinn

The motion for Items 4A and 4B passed by a vote of 14 ayes; 0 noes; 0 abstention; and 3 absent.

END OF CONSENT CALENDAR ITEMS

6. OTHER COMMITTEE ITEMS – ACTION

None

7. COMMITTEE INFORMATION ITEMS

- a. Update on Draft Supplemental Environmental Impact Statement for Colorado River Interim Guidelines. [Conference with legal counsel – anticipated litigation; based on existing facts and circumstances, including that requiring significant water use reductions in relation to the Draft Supplemental Environmental Impact Statement could lead to litigation among the United States and one or more Colorado River water users; there is a significant exposure to litigation against Metropolitan: unknown number of potential cases; may be heard in closed session pursuant to Gov. Code Section 54956.9(d)(2)].
- b. Labor Negotiations Update. [Conference with labor negotiators; to be heard in closed session pursuant to Gov. Code Section 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 Metropolitan Water District of Southern California Supervisors Association].

Chair Ortega announced that due to the closed session committee items the Committee welcomes Ms. Epstein to return to another meeting and presented her with a gift from Metropolitan.

Chair Ortega called the meeting into closed session to hear Agenda Item 7a, Update on Draft Supplemental Environmental Impact Statement for Colorado River Interim Guidelines, and Agenda Item 7b Labor Negotiations Update. Chair Ortega read the closed session language and non-interest disclosure notice.

Before going into closed session General Manager Hagekhalil made a statement regarding Agenda Item 7a and introduced William Hasencamp, Manager of Colorado River Resources Group, and Shanti Rosset, Program Manager to present in open session portions of Agenda Item 7a.

The following Director(s) asked questions or made comments:

Director(s)

1. Repenning
2. Lefevre
3. Sutley
4. Smith

Staff responded to the Directors' comments or questions.
Chair Ortega called the meeting into closed session.

The meeting returned to open session at 2:36 p.m. Chair Ortega stated that no action was taken in closed session.

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

None

10. ADJOURNMENT

The meeting was adjourned at 2:37 p.m.

Adán Ortega, Jr.
Chair of the Board