



● Board of Directors

4/14/2026 Board Meeting

7-6

Subject

Approve amendments to the Metropolitan Water District of Southern California Administrative Code to modify the processes for Department Head evaluation, performance expectations, and annual business planning; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

This letter proposes amendments to the Metropolitan Water District of Southern California Administrative Code (Administrative Code), which would modify the processes for Department Head evaluations, performance expectations, and annual business planning. These updates are intended to be consistent with the presentation and input provided at the March meeting of the Executive Committee and are offered to improve coordination and add clarity to the existing Department Head-related processes. They are not intended to either modify or limit the Board's ultimate authority over the Department Heads. If approved, the amendments would:

- Require Department Heads to jointly prepare an annual "Department Heads Operations Plan" (DHOP) and to submit it to the Executive Committee by June for its approval,
- Transfer committee responsibilities for the General Manager from the Executive Committee to the Organization, Personnel and Effectiveness Committee (OPE),
- Require each committee that has primary responsibility over a Department Head to consider and make annual salary and compensation recommendations for that Department Head to the Board, and
- Allow flexibility and predictability in the timing of the annual Department Head evaluation workflow.

The proposed amendments are to Division II (Procedures Pertaining to Board, Committees, and Directors) and to Chapter 2 (Personnel Regulations) and Chapter 4 (Officers) of Division VI (Personnel Matters).

See **Attachment 1** and **Attachment 2**.

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

Staff Recommendation: Option #1

Option #1

Approve amendments to the Metropolitan Water District of Southern California Administrative Code to modify the processes for Department Head evaluation, performance expectations, and annual business planning.

Fiscal Impact: None

Business Analysis: The Administrative Code will be amended to update Department Head-related processes.

Option #2

Do not approve amendments to the Metropolitan Water District of Southern California Administrative Code to modify the processes for Department Head evaluation, performance expectations, and annual business planning.

Fiscal Impact: None

Business Analysis: The Administrative Code will not be amended to update Department Head-related processes.

Alternatives Considered

Not applicable

Applicable Policy

Administrative Code Section 2416: Duties and Functions [Executive Committee]

Administrative Code Section 2471: Duties and Functions [Organization, Personnel and Effectiveness Committee]

Administrative Code Section 6208: Pay Rate Administration

Administrative Code Section 6210: Employee Evaluation

Administrative Code Section 6400: Officers

Administrative Code Section 11104: Delegation of Responsibilities

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

Not applicable

California Environmental Quality Act (CEQA)

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

Background


This letter proposes amendments to the Administrative Code that would update the processes for Department Head evaluations, performance expectations, and annual business planning. These updates are intended to be consistent with the presentation and input provided at the March meeting of the Executive Committee and are offered to improve overall coordination and add clarity to the existing Department Head-related processes. They are not intended to modify or limit the Board's ultimate authority and discretion with respect to the evaluation, compensation, and oversight of Department Heads. The proposed changes, if approved, would accomplish the following:

- Amend Section 2416 subsection (d) and add Section 6402 subsection (a) to require Department Heads to:
 - Jointly prepare an annual DHOP that would at a minimum identify organization-wide goals and identify actions that foster interdepartmental collaboration,
 - Submit a DHOP to the Executive Committee by June of each year for review and approval, and

- Transfer General Manager-related business plan and annual evaluation responsibilities from the Executive Committee, stated in Section 2416 subsections (d) and (e), to OPE in new subsections (k) and (l) at Section 2417. Accordingly, Section 2416 subsection (e) is deleted and subsection (f) renumbered to (e) to allow these changes. The responsibilities transferred to OPE are to:
 - Review and approve the General Manager’s annual business plan in advance of the July Board meeting, and
 - Engage with the General Manager in annual performance expectations discussions and conduct progress checks.
- Amend Section 6208 to add a requirement that each committee to which a Department Head primarily reports, *by no later* than its June meeting, make its recommendation to the Board on salary and compensation for that Department Head, and in turn, *by no later* than its August meeting, the Board review and adjust such salary and compensation. Also, amend this section to clarify the effective date of any such salary and compensation adjustments.
- Amend Section 6210 subsection (b)(4) to allow flexibility in the timing for the Board to conduct its annual evaluations of and salary and compensation adjustments for the Department Heads, as follows:
 - Department Heads to present their accomplishments by *no later than* the June Board meeting,
 - Board members to evaluate each Department Head by *no later than the* July Board meeting, and
 - The Board to evaluate, determine performance ratings, and adjust salaries and compensation, if any, by *no later than* the August Board meeting.
- Amend Section 6402 subsections (b) and (c) to specify that each Department Head shall prepare and submit their annual business plan for review and approval to the committee to which they primarily report in advance of the July Board meeting. Further, such committee review and approval will not be considered until the Executive Committee reviews and approves the DHOP.

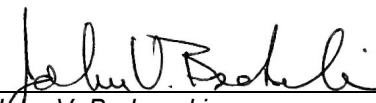
The complete list of proposed amendments is set forth in **Attachment 1**, with overstrikes reflecting deletions and underlining reflecting additions. **Attachment 2** sets forth the sections as they will appear in the Administrative Code if the changes are approved.

All amendments would be effective upon board approval unless specified otherwise.



 Jon Rubin
 Board Executive Officer

4/6/2026
Date



 John V. Bednarski
 Assistant General Manager

4/6/2026
Date

Attachment 1 – The Administrative Code of The Metropolitan Water District of Southern California (with changes marked)

Attachment 2 – The Administrative Code of The Metropolitan Water District of Southern California (clean copy)

Division II

**PROCEDURES PERTAINING TO BOARD, COMMITTEES
AND DIRECTORS**

§ 2416. Duties and Functions. [Executive Committee]

[SUBSECTIONS (a) through (c) OMMITTED]

~~(d) The Executive Committee shall be responsible for reviewing and approving the annual business plan containing the General Manager’s key priorities for the coming year. Department Heads shall jointly prepare, and the Executive Committee shall be responsible for reviewing and approving an annual Department Heads Operations Plan (DHOP). The DHOP shall, at a minimum, identify organization-wide goals and identify actions that foster interdepartmental collaboration. The Department Heads shall submit their DHOP to the Executive Committee no later than June of each year.~~

~~————(e) As part of the Department Head annual evaluation process, the Executive Committee shall be responsible for engaging in periodic performance expectations discussions, including progress checks, with the General Manager.~~

~~(e) The Executive Committee shall also:~~

[SUBSECTIONS (f)(1) through (f)(5)] OMMITTED]

§ 2471. Duties and Functions.

The OPE Committee shall study, advise, and make recommendations with regard to:

[SUBSECTIONS (a) through (j) OMMITTED]

~~(k) The OPE Committee shall be responsible for reviewing and approving the annual business plan containing the General Manager’s key priorities for the coming year. It shall review and approve the business plan in advance of the July Board meeting.~~

~~(l) As part of the Department Head annual evaluation process, the OPE Committee shall be responsible for engaging in periodic performance expectations discussions, including progress checks, with the General Manager.~~

Division VI

PERSONNEL MATTERS

Chapter 2

PERSONNEL REGULATIONS

§ 6208. Pay Rate Administration.

(a) Pay rate schedules, as approved by the Board, shall include pay rate grades and pay rate ranges consisting of minimum and maximum rates of pay for each position. Except by action of the Board, or as provided in Section 6208(d), the hourly pay rate paid each employee shall be at least the minimum but not in excess of the maximum hourly pay rate prescribed for the applicable position. Notwithstanding any other provision of this section, the salaries of the ~~De~~partment ~~H~~heads shall be fixed as a flat rate.

(b) Pay rates for Department Heads shall be individually fixed by the Board. Pay rates for all employees shall be fixed by their respective Department Heads within the ranges fixed by the Board for such positions in accordance with practices, policies, and procedures promulgated by the General Manager. Each committee that has responsibility to engage in periodic performance expectations discussions of a Department Head may, by no later than its June meeting, consider and make a recommendation to the Board on salary and compensation for that Department Head. The Board by no later than ~~at~~ its August meeting will review each Department Head's salary and compensation after determining an overall performance rating for each Department Head, and make adjustments as appropriate, if any, based on salary comparisons, pay rate survey and/or performance, with any change to be effective at the beginning of the pay period that includes ~~the prior~~ July 1.

[SUBSECTIONS (c) through (i) OMMITTED]

§ 6210. Employee Evaluation.

[SUBSECTION (a) OMMITTED]

(b) District requirements:

[SUBSECTIONS (b)(1) through (b)(3) OMMITTED]

(4) Department Heads (General Manager, General Counsel, Auditor and Ethics Officer). Each Department Head shall provide a narrative summary and presentation to the Board at by no later than its July meeting concerning accomplishments in performance areas deemed relevant by the Board, including but not limited to strategic leadership, operational leadership, Board relationships and results. ~~It~~By no later than July, each member of the Board shall submit an evaluation form for each Department Head. ~~At~~By no later than its August meeting, the Board shall discuss the evaluation results and determine an overall performance rating for each Department Head. Each member of the Board shall properly execute their right and duty to actively participate in the annual evaluation of each Department Head.

[SUBSECTION (c) OMMITTED]

Chapter 4

OFFICERS

Sec.

6400. Creation of Offices.

6401. Method of Appointment and Removal.

6402. Department Heads Business Plans and Joint Operations Plan.

§ 6402. Department Heads Business Plans and Joint Operations Plan.

(a) The Department Heads shall jointly prepare an annual Department Heads Operations Plan (DHOP), as provided in Section 2416 (Duties and Functions).

(b) Each Department Head shall prepare an annual business plan containing their key priorities for the coming year, and shall submit them to the committees to which they primarily report, as provided in Sections 6416 (General Manager to Organization, Personnel and Effectiveness Committee), 6436(b) (General Counsel to Legal and Claims Committee), 6450(b) (General Auditor to Audit Committee) and 6472(a) (Ethics Officer to Ethics Committee).

(c) Each committee to which a Department Head primarily reports shall be responsible to review and approve the annual business plan submitted by their reporting Department Head; provided however, that such approval will not be considered until after the Executive Committee reviews and approves the DHOP.

Division II

**PROCEDURES PERTAINING TO BOARD, COMMITTEES
AND DIRECTORS**

§ 2416. Duties and Functions. [Executive Committee]

[SUBSECTIONS (a) through (c) OMMITTED]

(d) Department Heads shall jointly prepare and the Executive Committee shall be responsible for reviewing and approving an annual Department Heads Operations Plan (DHOP). The DHOP shall, at a minimum, identify organization-wide goals and identify actions that foster interdepartmental collaboration. The Department Heads shall submit their DHOP to the Executive Committee no later than June of each year.

(e) The Executive Committee shall also:

[SUBSECTIONS (f)(1) through (f)(5)] OMMITTED]

§ 2471. Duties and Functions.

The OPE Committee shall study, advise, and make recommendations with regard to:

[SUBSECTIONS (a) through (j) OMMITTED]

(k) The OPE Committee shall be responsible for reviewing and approving the annual business plan containing the General Manager’s key priorities for the coming year. It shall review and approve the business plan in advance of the July Board meeting.

(l) As part of the Department Head annual evaluation process, the OPE Committee shall be responsible for engaging in periodic performance expectations discussions, including progress checks, with the General Manager.

Division VI

PERSONNEL MATTERS

Chapter 2

PERSONNEL REGULATIONS

§ 6208. Pay Rate Administration.

(a) Pay rate schedules, as approved by the Board, shall include pay rate grades and pay rate ranges consisting of minimum and maximum rates of pay for each position. Except by action of the Board, or as provided in Section 6208(d), the hourly pay rate paid each employee shall be at least the minimum but not in excess of the maximum hourly pay rate prescribed for the applicable position. Notwithstanding any other provision of this section, the salaries of the Department Heads shall be fixed as a flat rate.

(b) Pay rates for Department Heads shall be individually fixed by the Board. Pay rates for all employees shall be fixed by their respective Department Heads within the ranges fixed by the Board for such positions in accordance with practices, policies, and procedures promulgated by the General Manager. Each committee that has responsibility to engage in periodic performance expectations discussions of a Department Head may, by no later than its June meeting, consider and make a recommendation to the Board on salary and compensation for that Department Head. The Board by no later than its August meeting will review each Department Head's salary and compensation after determining an overall performance rating for each Department Head, and make adjustments as appropriate, if any, based on salary comparisons, pay rate survey and/or performance, with any change to be effective at the beginning of the pay period that includes July 1.

[SUBSECTIONS (c) through (i) OMMITTED]

§ 6210. Employee Evaluation.

[SUBSECTION (a) OMMITTED]

(b) District requirements:

[SUBSECTIONS (b)(1) through (b)(3) OMMITTED]

(4) Department Heads (General Manager, General Counsel, Auditor and Ethics Officer). Each Department Head shall provide a narrative summary and presentation to the Board by no later than its July meeting concerning accomplishments in performance areas deemed relevant by the Board, including but not limited to strategic leadership, operational leadership, Board relationships and results. By no later than July, each member of the Board shall submit an evaluation form for each Department Head. By no later than its August meeting, the Board shall discuss the evaluation results and determine an overall performance rating for each Department Head. Each member of the Board shall properly execute their right and duty to actively participate in the annual evaluation of each Department Head.

[SUBSECTION (c) OMMITTED]

Chapter 4

OFFICERS

Sec.

6400. Creation of Offices.

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(b) Each Department Head shall prepare an annual business plan containing their key priorities for the coming year, and shall submit them to the committees to which they primarily report, as provided in Sections 6416 (General Manager to Organization, Personnel and Effectiveness Committee), 6436(b) (General Counsel to Legal and Claims Committee), 6450(b) (General Auditor to Audit Committee) and 6472(a) (Ethics Officer to Ethics Committee).

(c) Each committee to which a Department Head primarily reports shall be responsible to review and approve the annual business plan submitted by their reporting Department Head; provided however, that such approval will not be considered until after the Executive Committee reviews and approves the DHOP.