

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

EXECUTIVE COMMITTEE

February 22, 2022

Chairwoman Gray called the teleconference meeting to order at 10:40 a.m.

Members present: Directors Abdo, Atwater, Camacho, Cordero, De Jesus, Dick, Gray, Kurtz, Luna, Ramos, Record, Repenning (entered after roll), and Smith

Members absent: None.

Other Board members present: Directors Ackerman, Blois, Dennstedt, Erdman, Faessel, Fellow, Fong-Sakai, Goldberg, Hawkins, Lefevre, McCoy, Miller, Morris, Ortega, Peterson, G., Pressman, Tamaribuchi, and Williams

Committee staff present: Beatty, Castro, Chapman, Hagekhalil, Hudson, Kasaine, Riss, Salinas, Scully, Upadhyay, Walters, and Zinke

1. Opportunity for members of the public to address the committee on matters within the committee's jurisdiction

Name	Affiliation	Item
1. Ellen Mackey	Chair of AFSCME Women's Caucus	Personnel matters

2. OTHER MATTERS AND REPORTS

a. Subject: Chairwoman's Report

Presented by: Chairwoman Gloria D. Gray

Chairwoman Gray stated she had nothing to add to her report.

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

Presented by: General Manager Adel Hagekhalil

General Manager Hagekhalil reported on the following:

- Principles of government that was approved at the November 23, 2021 Special Board Meeting.

- Concerns regarding the State Water Project and the Colorado River water supply due to dry weather in February.
- Due to the dry weather Metropolitan needs to move forward with the Emergency Drought Program and Conservation Programs.
- The Integrated Resources plan needs to be advanced, Metropolitan needs to develop new supplies for the region, and options for storage.
- Metropolitan is working on securing federal funding for the priorities, such as including the Regional Recycled Water Project, Conservation Initiatives, the Bureau of Reclamation release of the draft criteria for large recycled water projects.
- Staff is drafting legislation to address the Leak Detection Demonstration Program and underserved communities. In addition, legislation staff will be briefing the fiscal committees and legislative offices on the \$552 million budget to address the Emergency Drought Program.
- Metropolitan is preparing for the shut down on the Colorado River Aqueduct.
- The General Manager's Team is working on conducting workforce forums that will include organizational policies, procedures, and culture, which includes hiring the new EEO Officer, establishing a Joint Labor Management Committee.
- Lastly, the General Manager's office will provide a review of the unredacted copy of the investigation reports for the four outstanding matters conducted by the Shaw Law Group.

The following Director provided comments or asked questions:

Director

1. Ortega

Staff responded to the Director questions and comments.

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

Presented by: General Counsel Marcia Scully

General Counsel Scully reported the following:

- On the Navajo Nation Matter and the 9th circuit court ruling denying the motion requesting a rehearing.
- The Sacramento County Superior Court issued a tentative decision on the Department of Water Resources action to validate the amendment

of the state water contract to extend the duration and state water contracts and to modify certain financial provisions. A full report on the matter will be presented at the April Legal and Claims Committee.

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

Presented by: General Auditor Gerald Riss

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

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

Presented by: Ethics Officer Abel Salinas

Ethics Officer Salinas stated he had nothing to add to his report.

- f. Subject: Report from Audit and Ethics Committee

Chairwoman Gray announced that the Audit and Ethics Committee will not be meeting in March.

- g. Subject: Report from Communications and Legislation Committee

Presented by: Committee Chair Cordero

Committee Chair Cordero announced that the Committee will hear the following consent item:

- Authorize entering into a three-year contract with GP Generate, LLC for media placement services related to water conservation not to exceed \$10.5 million.

In addition, the Committee will hear two committee items:

- Reports on activities from Washington D.C.
- Report on activities from Sacramento.

Lastly, the Committee will also hear the External Affairs Management Report.

h. Subject: Report from Engineering and Operations Committee

Presented by: Committee Chair Smith

Committee Chair Smith announced that the Committee will hear the following four consent items:

- Authorize implementation of a Project Labor Agreement for construction contracts exceeding \$5 million within Metropolitan's Capital Investment Plan and grant authority to the General Manager to amend the list of selected projects for PLA implementation as needed.
- Authorize two professional services agreements to support radial gates replacement projects: 1) an agreement with Hazen and Sawyer in an amount not to exceed \$890,000; and 2) an agreement with LEE + RO, Inc. in an amount not to exceed \$904,000.
- Adopt CEQA determination that the proposed action was previously addressed in the certified 2020 Program Environmental Impact Report and related CEQA actions; and award \$677,898 contract to Jeremy Harris Construction, Inc. to construct erosion control improvements for three sites in the Western San Bernardino.
- Authorize a professional services agreement with HDR Engineering, Inc. in an amount not to exceed \$2,800,000 for preliminary design services in support of erosion control improvements along the Colorado River Aqueduct.

In addition, the Committee will hear two oral reports:

- Regional Recycled Water Program Update.
- Capital Investment Plan quarterly report for period ending December 2021.

Lastly, the Committee will hear the following two management reports:

- Water System Operations Manager's report.
- Engineering Services Manager's report.

i. Subject: Report from Finance and Insurance Committee

Presented by: Committee Vice Chair Record

Committee Vice Chair Record announced that the Committee will hear the following two information items:

- Review of the applicability of the Metropolitan Water District Act Section 124.5 ad valorem property tax limitation for fiscal years 2022/23 through 2025/26.
- Proposed biennial budget, which includes the Capital Investment Plan

and revenue requirements for fiscal years 2022/23 and 2023/24; proposed water rates and charges for calendar years 2023 and 2024 to meet revenue requirements for fiscal years 2022/23 and 2023/24; ten-year forecast; and Cost of Service Report (Workshop #3).

Lastly, the Chief Financial Officer will present the monthly activity report.

j. Subject: Report from Legal and Claims Committee

Presented by: Committee Chair Dick

Committee Chair Dick announced that the Committee will hear the following:

- The General Counsel's monthly activities.
- In closed session, the Committee will hear a report on the *San Diego County Water Authority v. Metropolitan* litigation, including discussions regarding potential settlement.

k. Subject: Report from Organization, Personnel and Technology Committee

Presented by: Committee Vice Chair McCoy

Committee Vice Chair McCoy announced that the Committee will hear one action item:

- Authorize the General Manager to Sign the Equity in Infrastructure Program Pledge and Participate in the Program to Support Opportunities for Historically Underserved and Underutilized Businesses.

as well as three committee items:

- Update on Status of Recommendations from Independent Review of Workplace Concerns.
- Labor Negotiations Update.
- Quarterly Cybersecurity Oral Update.

Lastly, the Committee will hear two management reports:

- Human Resources Group Manager.
- Information Technology Group Manager.

- I. Subject: Report from Real Property and Asset Management Committee

Presented by: Committee Vice Chair Peterson

Committee Vice Chair Peterson announced that the Committee will hear the following two consent items:

- Authorize an agreement with Kennedy Jenks Consultants in an amount not to exceed \$1.5 million for design of on-site utility systems to serve the Diamond Valley Lake East Marina.
- Review and consider the County of Riverside's certified Final Environmental Impact Report and Addendum No. 1 and take related CEQA actions, and authorize the General Manager to grant a permanent easement to the County of Riverside for public road purposes traversing Metropolitan fee-owned property in the County of Riverside and identified as Riverside County Assessor Parcel Number 472-180-002.

as well as two oral reports:

- Desert Housing and Recreation Update.
- Encroachment Management Update.

Lastly, the Real Property manager will present her monthly report.

- m. Subject: Report from Water Planning and Stewardship Committee

Presented by: Committee Chair Atwater

Committee Chair Atwater announced that the Committee will hear the following consent items:

- Authorize agreement with Western Municipal Water District, Rubidoux Community Services District, West Valley Water District, and San Bernardino Valley Municipal Water District to provide Rubidoux Community Services District assistance on water deliveries.

In addition, the Committee will hear the following information item:

- Review of the Remaining Planning Process and Funding Needs for Sites Reservoir Project.

as well as four committee items:

- Oral update on Water Surplus and Drought Management.
- Update on Chino Basin Program Development and Pending Terms of Agreement with IEUA.
- Bay-Delta Policies Workshop #1.

- Update on Salmon Conservation Measures.

Lastly, the Committee will hear three management reports:

- Colorado River Matters.
- Bay-Delta Manager's Report.
- Water Resource Management Manager's Report.

The following Directors provided comments or asked questions:

Directors	
1.	Blois
2.	Fong-Sakai
3.	Record
4.	Cordero

Staff responded to the Directors' questions and comments.

CONSENT CALENDAR ITEMS – ACTION

3. CONSENT CALENDAR OTHER ITEMS – ACTION

- A. Approval of the Minutes of the meeting of the Executive Committee held January 25, 2022. No comments were made?
- B. Approve draft committee and board meeting agendas, and schedule for March 2022.

Chairwoman Gray asked Directors if there were any comments, additions, or corrections to the draft committee and board meeting agendas, and schedule for March 2022. None were made.

Chairwoman Gray announced she will not participate in the discussion of agenda Item 3C because she maybe a potential witness in the matter and turned the meeting over to Vice Chair De Jesus to Chair the Committee for Item 3C.

- C. Create an ad hoc subcommittee of the Executive Committee and select three members to serve on the subcommittee to investigate allegations pursuant to Administrative Code section 2416(f)(5); the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA.

Vice Chair Director De Jesus introduced Item 3C and provided background about the investigation process.

Vice Chair Director De Jesus proposed the selection of three members to serve on the subcommittee then opened the matter for discussion.

Vice Chair Director De Jesus proposed Director Abdo, Ramos, and Cordero to serve on the ad hoc subcommittee.

Vice Chair Director De Jesus proposed the alternate ad hoc subcommittee member be Director Kurtz.

The following Directors provided comments or asked questions:

	Directors
1.	Dick
2.	Goldberg
3.	Repenning
4.	Camacho
5.	Ramos
6.	Smith
7.	Peterson
8.	Abdo
9.	Record
10.	Cordero
11.	Atwater
12.	Kurtz
13.	Luna
14.	Ortega

Staff and outside counsel, Lance Olson, Olson Remcho LLP responded to the Director's questions and comments. Ethics Officer Salinas and Assistant Ethics Officer Shope also made comments and provided responses.

Director Record made a motion, seconded by Director Atwater to approve the consent calendar Item 3C.

Vice Chair Director De Jesus called for the vote:

The vote was:

Ayes: Directors Abdo, Atwater, Cordero, De Jesus, Dick, Kurtz, Luna, Ramos, and Record

Noes: None

Abstentions: Directors Camacho, Repenning, and Smith

Absent: None

Not Voting: Chairwoman Gray

The motion for item 3C passed by a vote of 9 ayes; 0 noes; 3 abstentions; 0 absent; and 1 not voting.

Vice Chair De Jesus returned the meeting to Chairwoman Gray.

Chairwoman Gray called for the vote on 3A and 3B.

Director Kurtz made a motion, seconded by Director Dick to approve the consent calendar consisting of Items 3A and 3B.

Chairwoman Gray called for the vote:

The vote was:

Ayes: Directors Abdo, Atwater, Camacho, Cordero, De Jesus, Dick, Gray, Kurtz, Luna, Ramos, Record, Repenning, and Smith

Noes: None

Abstentions: None

Absent: None

The motion for Item 3A and 3B passed by a vote of 13 ayes, 0 noes, 0 abstention, and 0 absent.

*Note: During the vote Director Ackerman was inadvertently listed as member. And, called for the vote. Director Ackerman is no longer a member of this committee.

4. CONSENT CALENDAR ITEMS - ACTION

None

END OF CONSENT CALENDAR ITEMS

5. OTHER BOARD ITEMS – ACTION

None

6. BOARD INFORMATION ITEMS

None

7. COMMITTEE ITEMS

- a. Report on options for continued remote-teleconference meetings and meetings in person.

The following Director provided comments or asked questions:

Director

- | |
|-----------|
| 1. Record |
|-----------|

Staff responded to the Director's questions and comments.

General Manager Hagekhalil reported March 8 and 9, 2022 Committee and Board meetings will move forward as hybrid meetings and introduced Board Administrator Rosa Castro to give presentation on the matter.

The following Director provided comments or asked questions:

Directors

- | |
|-------------|
| 1. Peterson |
|-------------|

Staff responded to the Director's questions and comments.

b. Draft General Manager's Strategic Priorities

General Manager Hagekhalil addressed the Board; and introduced Water Resources Group Manager Brad Coffey to give the presentation.

The following Directors provided comments or asked questions:

Directors

- | |
|-----------|
| 1. Smith |
| 2. Ortega |

General Manager Hagekhalil responded to the Director's questions and comments.

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

None

The following Director provided comments or asked questions:

Directors

1. Record

Staff responded to the Director's questions and comments.

The meeting was adjourned at 12:41 p.m.

Gloria D. Gray
Chairwoman of the Board