

# THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

## MINUTES

### EXECUTIVE COMMITTEE

**May 24, 2022**

Chairwoman Gray called the teleconference meeting to order at 1:35 p.m.

Members present: Directors Abdo, Atwater, Camacho, Cordero, De Jesus, Gray, Kurtz, Luna, Ramos, Record, and Smith.

Member absent: Dick

Other Board members present: Directors Ackerman, Apodaca, Blois, Dennstedt, Erdman, Fellow, Goldberg, Jung, McCoy, Miller, Morris, Ortega, Peterson, Pressman, Ramos, Record, Tamaribuchi, and Williams.

Committee staff present: Beatty, Castro, Chapman, Hagekhalil, Hudson, Kasaine, Riss, Salinas, Scully, Upadhyay, 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	Senior Ecologist, Chair of the Women's Caucus, Metropolitan Employee	3D & 3E Shaw Report, Audit & Ethics Committee
2.	Alan Shanahan	Executive President, AFSCME 1902	

#### **2. OTHER MATTERS AND REPORTS**

a. Subject: Chairwoman's Report

Presented by: Chairwoman Gloria D. Gray

Chairwoman Gray reported on the following:

- Metropolitan's Board will be on a partial recess for July. Following the recess, the next Committee and Board meetings will be on August 15<sup>th</sup> and 16<sup>th</sup>.
- Diversity, Equity, and Inclusion Forum in July.
- General Auditor Gerald Riss' retirement.

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

Presented by: General Manager Adel Hagekhalil

General Manager Hagekhalil reported on the following:

- Governor Gavin Newsom visit to the Carson water-recycling. The Governor's office issued a press release regarding edits to the budget.
- The Global Water Conference.
- Metropolitan is repairing the leak in the Upper Feeder.

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

Assistant General Counsel Torres reported General Counsel Scully is at the trial for the San Diego County Water Authority litigation matter in San Francisco. He made remarks thanking General Auditor Riss for his service.

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

Presented by: General Auditor Gerry Riss

General Auditor Riss reported on the action plan for the fuel management audit.

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

Presented by: Ethics Officer Abel Salinas

Nothing to add to his report.

- f. Subject: Report from Audit and Ethics Committee

Presented by: Committee Chair Ramos

Committee Chair Ramos announced that the Committee will hear two committee items:

- An update on Ethics Officer's actions in response to the State Audit report and will also provide an update on the Ethics Office monthly activity report.
- An update on the audit department activities.

- g. Subject: Report from Communications and Legislation Committee

Presented by: Committee Vice Chair Kurtz

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

- Legislative Placeholder on SB 480 (Stern): Metropolitan Water District of Southern California: rules: inappropriate conduct

The Committee will hear three committee items in June:

- Inspection Trip Update
- Report 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 three consent items:

- Authorize three-year agreements with Power-Tech Engineers, Inc., HDR, Inc., Mangan, Inc., and Burns & McDonnell Engineering Company, Inc., each in a not-to-exceed amount of \$2,250,000, for specialized technical services to enhance arc flash protection at Metropolitan facilities.
- Adopt the CEQA determination that the proposed action was previously addressed in the certified 2022 Final Program EIR and related CEQA documents; and award \$6,176,521 contract to Siemens Industry, Inc. for construction of battery energy storage systems at the F. E. Weymouth Water Treatment Plant; and authorize increase of \$300,000 to an agreement with Stantec Inc. for construction support for a new not-to-exceed total of \$1,750,000.
- Award a \$2,257,897 contract to Leed Electric, Inc. for replacement of ozone power supply units at the Joseph Jensen Water Treatment Plant.

In addition, the Committee will hear three oral reports:

- Regional Recycled Water Program Update.

- Capital Investment Plan quarterly report for period ending April 2022.
- Emergency Response Program Update.

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 two action items:

- Approve up to approximately \$1.880 million to purchase insurance coverage for Metropolitan's Property and Casualty Insurance Program for fiscal year 2022/23.
- Approve Metropolitan's Statement of Investment Policy for fiscal year 2022/23, delegate authority to the Treasurer to invest Metropolitan's.

In addition, the Committee will hear two committee items:

- Update on Other Post Employment Benefits
- Financing Overview for Bond Issuance.

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

j. Subject: Report from Legal and Claims Committee

Presented by: Director Tamaribuchi

Director Tamaribuchi announced that the Committee will hear the following:

- The General Counsel's monthly activities.

In closed session, the Committee will hear one item:

- *The San Diego County Water Authority v. Metropolitan* litigation.

One Water (Conservation and Local Resources) Committee reported out of order.

- 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 the following two action items:

- Authorize an increase in the maximum amount payable under contract with Johnson Services Group by \$22,000 to an amount not-to-exceed \$271,000 for on-call temporary skilled labor.
- Amend Section 1106 and Section 6226 of the Metropolitan Water District Administrative Code regarding Holidays and Annual Leave to ensure benefits parity by adding Juneteenth and an across-the-board standard for payments of excess accumulated annual leave.

In addition, the Committee will hear one committee item:

- Update on implementation of recommendations from State Audit and independent review of workplace concerns.

Lastly, the Committee will also hear the Information Technology Manager's Report and there will be no Human Resources Manager's Report in June.

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

Presented by:    Committee Chair Atwater

Committee Chair Atwater announced that the Committee will hear as part of our public comment, we will have a presentation on:

- Update on Release of Delta Conveyance Project Public Draft Environmental Impact Report: Carrie Buckman, California Department of Water Resources.

There will be one consent item on:

- By a two-thirds vote, authorize the General Manager to make payment of up to \$871,680 for support of the Colorado River Board and Six Agency Committee for FY 2022/23.

There will be three committee items on:

- Review of Policy Principles regarding the Sacramento San Joaquin River Bay-Delta.
- Update on the Antelope Valley East Kern Water Agency High Desert Water Bank.
- Report on Status of Water Shortage Emergency Condition and Conservation Program.

Lastly, there will be three management reports on:

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

The following Director asked questions or made comments:

Director(s)

1. Abdo

Staff responded to the Directors' comments or questions.

m.        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 three consent items:

- Review and consider the Lead Agency's adopted Mitigated Negative Declaration and take related CEQA actions; and adopt resolution for Calleguas Municipal Water District Annexation No. 104 to Calleguas and Metropolitan
- Adopt resolution for Calleguas Annexation No. 106 to Calleguas Municipal Water District and Metropolitan
- Review and consider the U.S. Bureau of Land Management's Final Environmental Impact Statement certified to satisfy CEQA and take related CEQA actions, and authorize the General Manager to grant a permanent easement for transmission line purposes to Delaney Colorado River Transmission, LLC on Metropolitan-owned property near Blythe, California in the county of Riverside

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

- n.        Subject:                Report from One Water (Conservation and Local Resources) Committee

Presented by:    Board Administrator Castro for Committee Chair Abdo

The Committee will be meeting in June and will hear one consent calendar item including:

- Authorize entering into a Local Resources Program Agreement with Western Municipal Water District and Jurupa Community Services District for the Recycled Water Program.

There will be one committee item on:

- Conservation Update

There will be one management report on:

- Water Resource Management Manager's Report.

### **CONSENT CALENDAR ITEMS – ACTION**

### **3. CONSENT CALENDAR OTHER ITEMS – ACTION**

A. Approval of the Minutes of the Executive Committee Meeting for April 26, 2022.

Chairwoman Gray asked Directors if there were any comments or discussion on the minutes of April 26, 2022 Executive Committee Meeting. None were made.

B. Consider appropriate scheduling and placing on the agenda items requested at the May 10, 2022 Board meeting.

1. Review Administrative Code procedures, including Section 2416(f)(5), relating to the establishment of board and ad hoc committees to review complaints against directors and management.
2. Assigning these ethics complaints to the Ethics Officer for review and determination, including providing the funds necessary to retain independent legal counsel.
3. Immediate termination of the General Counsel's involvement in these or any ethics process or investigation of directors or management.
4. Consider waiver of privilege on the two 2017 investigations referenced by the State Auditor.

The following Director asked questions or made comments:

	Director(s)
1.	Gray
2.	Record
3.	Goldberg
4.	Ortega
5.	Ramos
6.	Miller

Staff responded to the Directors' comments or questions.

- C. Approve draft committee and board meeting agendas, and schedule for June 2022.

Chairwoman Gray then asked Directors if there were any comments, additions, or corrections to the June 2022 Draft Packet.

The following Director asked questions or made comments:

	Director(s)
1.	Smith
2.	Ramos
3.	Luna
4.	Ortega
5.	Goldberg

Staff and outside counsel Lance Olson, Olson Remcho LLP responded and commented to the Director questions and comments.

- D. 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.

Chairwoman Gray made remarks and proposed the selection of three members: Directors Smith, Kurtz, and De Jesus to serve on the subcommittee then opened the matter for discussion.

The following Director asked questions or made comments:

	Director(s)
1.	Smith
2.	Luna
3.	Camacho

After discussion, Chairwoman Gray proposed Camacho, Kurtz, and De Jesus.

- E. 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

Chairwoman Gray made remarks and proposed the selection of three members: Directors Abdo, Cordero, and Dick to serve on the subcommittee then opened the matter for discussion.

The following Directors asked questions or made comments:

	Director(s)
1.	Abdo
2.	Cordero
3.	Record
4.	Luna
5.	Smith

Chairwoman Gray added Director Record as an alternate on Item D. After discussion, Chairwoman added Director Atwater, Cordero, Dick, and Luna as an alternate member for Item E.

Chairwoman Gray called for the vote on the Consent Calendar Other Items.

Director Luna made a motion, seconded by Director Record to approve the consent calendar Items 3A, 3B, 3C, 3D, and 3E as discussed.

The vote was:

Ayes: Directors Abdo, Camacho, Cordero, De Jesus, Gray, Luna, Ramos, Record, and Smith

Noes: None

Abstentions: None

Absent: Atwater, Dick, and Kurtz

The motion for Item 3A, 3B, and 3C passed by a vote of 9 ayes; 0 no; 0 abstain; and 3 absent.

The motion for Item 3D and 3E passed by a vote of 8 ayes; 1 no; 0 abstain; and 3 absent.

#### **4. CONSENT CALENDAR ITEMS – ACTION**

None

#### **END OF CONSENT CALENDAR ITEMS**

#### **5. OTHER BOARD ITEMS – ACTION**

None

#### **6. BOARD INFORMATION ITEMS**

None

#### **7. FOLLOW-UP ITEMS**

None

#### **8. FUTURE AGENDA ITEMS**

None

## **9. ADJOURNMENT**

The meeting was adjourned at 2:28 p.m.

Gloria D. Gray  
Chairwoman of the Board