

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

EXECUTIVE COMMITTEE

April 25, 2023

Chair Ortega called the hybrid teleconference and in-person meeting to order at 11:35 a.m.

Chair Ortega called on Rickita Hudson, Interim Board Administrator, to announce that the addresses 2223 Fitzgerald Avenue, Los Angeles, California 90040, and 8700 Beverly Boulevard, Ste M313, Los Angeles, California 90048, listed on the agenda did not have anyone present, and the addresses were not open to the public. Directors Chacon and Pressman were attending the meeting at the Metropolitan Headquarters in person.

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

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

Members absent: Director Cordero.

Other Board members present: Directors Ackerman, Alvarez, Armstrong, Atwater, Chacon, Dennstedt, Faessel, Fellow, Garza, Miller, Morris, and Seckel.

Committee staff present: Beatty, Chapman, Hagekhalil, Hudson, Kasaine, Salinas, Scully, Suzuki, Upadhyay, and Zinke.

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

No members responded.

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

Chair Ortega called on the President and Vice President of the Armenian American Employee Resources Group, Anna Serobyan, Senior Benefits Analyst, and Gary Tilkian, Senior Resources Specialist, 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:

- On May 9, 2023, at 4:00 p.m., the Dedication of the San Fernando Room and Liquid Art Hall by photographer Tom Bonner will occur.
- Update on the revisions to the Boardroom seating chart

Director Repenning entered the meeting

Director(s)

1. Repenning
2. Pressman

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

Presented by: General Manager Adel Hagekhalil

General Manager Hagekhalil reported on the following:

- Reported on one hundred percent allocation and the Climate Adaption Master Plan
- Updated on the Colorado River
- Updated on the State Audit
- Reported on the loss of Delta Conveyance employee accident the late Praba Pirabarooban
- Reported on Earth Day events, including Sustainability Expo
- Reported on Desert Housing visits

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

Director(s)

1. Ortega
2. Pressman
3. Morris

Chair Ortega and staff responded to the Directors' comments or questions.

Director Gray entered the meeting.

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

Presented by: General Counsel Marcia L. Scully

General Counsel Scully reported on the following:

Nothing to add to her report.

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

Presented by: General Auditor Scott Suzuki

General Auditor Suzuki reported on the following:

The new report initiative is complete, future audit reports will be issued using the new format, and the upcoming audit risk assessment workshop in May.

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

Presented by: Ethics Officer Abel Salinas

Nothing to add to his report.

Chair Ortega announced that the Equity, Inclusion, and Affordability Committee will not meet in May.

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

Presented by: Committee Chair Erdman

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

- Award a \$637,520 contract to Acro Constructors to upgrade the video production room at Metropolitan's Headquarters Building.
- Authorize an agreement with Arcadis U.S. Inc. for a not-to-exceed amount of \$550,000 to design, develop, and deploy Metropolitan's Capital Investment Plan Budget System Improvements.
- Authorize an increase of \$1.5 million to an existing agreement with Stantec Consulting Services, Inc., for a new not-to-exceed total amount of \$1.69 million for the preliminary design of a mechanical dewatering facility at the Joseph Jensen Water Treatment Plant; and an amendment to an agreement with Los Angeles Department of Water and Power to extend Metropolitan's use of two solids lagoons at the Aqueduct Filtration Plant.
- Amend the Capital Investment Plan for fiscal years 2022/2023 and 2023/2024 to include the Diemer Helicopter Hydrant Facility project.

- Award a \$1,466,665 procurement contract to B&K Valves & Equipment, Inc., for 72 combination air release/vacuum valves to be installed on San Diego Pipeline Nos. 3 and 5.

And two action items:

- Award a \$2,601,437 procurement contract to Sojitz Machinery Corporation of America for two large-diameter butterfly valves to be installed at the Foothill Pump Station Intertie as part of water supply reliability improvements in the Rialto Pipeline service area.
- Award a \$5,266,000 contract to Leed Electric, Inc., to install 12 flow monitoring stations along the Colorado River Aqueduct conveyance system.

The Committee will consider the following two committee items:

- Eastern Municipal Water District's Lake Skinner Water Transmission System and EM-11 Connection Project
- Update on Constituents of Emerging Concern

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

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

Presented by: Committee Chair Ramos

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

- Contractors Code of Conduct
- Workshop on framework for Ethical Decision Making

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 one Subcommittee report:

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

The Committee will hear one action item:

- Adopt resolution to continue Metropolitan's Water Standby Charge for fiscal year 2023/24

The Committee will hear one information item:

- Renewal Status of Metropolitan's Property and Casualty Insurance Program' subject has been updated

The Committee will hear one committee item:

- Quarterly Financial Report

Lastly, the Committee will hear the management reports:

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

j. Subject: Report from Legal and Claims Committee

Presented by: Committee Vice Chair Garza

Committee Vice Chair Garza announced the Committee will hear a report on the General Counsel's monthly activities; and the Committee will hear reports on the following items and consider authorizing increases in the maximum accounts payable under contract with:

- Thompson, Coburn LLP by \$200,000 to an amount not to exceed \$300,000 for legal services related to state and federal energy regulatory and contractual matters; and
- Sheppard, Mullin, Richter & Hampton LLP by \$150,000 to an amount not to exceed \$250,000 for legal services in the lawsuit, *Joshua Rivers v. Metropolitan*

The Committee will also consider approving changes to the Administrative Code to clarify provisions relating to Board committees and the role of the Vice Chairs of the Board, to delete references to certain Ad Hoc Committees, and to correct the pay grade for Board Executive Secretary due to elimination of the job title of Board Administrator.

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

Presented by: Dee Zinke, Assistant General Manager, External Affairs

Assistant General Manager Zinke announced that the Committee will consider two board reports:

- Update on legislative bond proposals to provide funding to address impacts of climate change, including AB 1567 (Garcia) and SB 867 (Allen) (changed from a consent item to an oral report)
- Update on water conservation advertising and outreach

The Committee will hear the three standard Committee items, including:

- Reports on activities from Washington D.C.
- Report on activities from Sacramento
- 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 a report from the Subcommittee on Bay-Delta.

The Committee will consider one consent item and three action items:

- Review and consider the Antelope Valley-East Kern Water Agency's approved amended Mitigated Negative Declaration and authorize up to \$79 million for additional project costs and authorize the General Manager to amend and extend the term of the High Desert Water Bank Program agreement with the Antelope Valley-East Kern Water Agency
- Adopt a resolution to support an approximately \$19,740,000 grant application to the Sacramento-San Joaquin Delta Conservancy to develop a multi-benefit landscape opportunity on Webb Tract, and authorize the General Manager to accept the grant if awarded
- Authorize the General Manager to enter into an agreement with Western Municipal Water District, Rubidoux Community Services District, West Valley Water District, and San Bernardino Valley
- Municipal Water District to deliver water to Western's service area through facilities not owned by Metropolitan or Western
- Review the General Manager's determination to initiate the Cyclic Cost-Offset Program effective April 15, 2023, and determine whether to suspend the Cyclic Cost-Offset Program initiated by the General Manager

The Committee will consider the following four Committee items:

- Review of Draft Supplemental Environmental Impact Statement for Colorado River Interim Guidelines

- Science update: Salmon update
- Annual Climate Action Plan and Update on Climate Vulnerability and Risk
- 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 March 28, 2023.

Chair Ortega asked Directors if there were any comments or discussion on the minutes of March 28, 2023, Executive Committee Meeting. None were made.

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

Chair Ortega announced that an action item would be added to the May agendas. The Board will consider passing a resolution supporting Cathy Green as the Association of California Water Agencies (ACWA) President. Ms. Green is currently the Vice President of ACWA.

Chair Ortega asked Directors if there were any comments, additions, or corrections to the May 2023 draft packet.

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

Director(s)

1. Luna
2. Ramos
3. Repenning

Staff responded to the Directors' comments or questions.

- C. Create an ad hoc subcommittee of three members and two alternates that will serve for a period of one year to address substantiated findings of violations determined as a result of Equal Employment Opportunity investigations against a director or Department Head, 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

The Committee will create an Ad Hoc Committee of three members and two alternates that will serve for a period of one year to address substantiated findings of violations determined as a result of equal employment opportunity investigations against a Director or Department Head, pursuant to the Administrative Code Section 2416(f)(5).

The members of the Ad Hoc Committee will be Nancy Sutley, Marsha Ramos, and Gail Goldberg. The alternative members will be Juan Garza and Tana McCoy.

5. CONSENT CALENDAR ITEMS – ACTION

None

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

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

The vote was:

Ayes: Directors Abdo, Camacho, Erdman, Fong-Sakai, Goldberg, Gray, Luna, McCoy, Ortega, Pressman, Quinn, Ramos, Repenning, Smith, and Sutley.

Noes: None

Abstentions:

Absent: Cordero and Jung

The motion for Items 4A, 4B, and 4C passed by a vote of 15 ayes; 0 noes; 0 abstention; and 2 absent.

END OF CONSENT CALENDAR ITEMS

6. OTHER COMMITTEE ITEMS – ACTION

None

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

Director(s)

1. Smith

Chair Ortega responded to the Directors' comments or questions.

Board staff announced that the vote displayed showed Director Cordero as a voting member and would be removed.

7. COMMITTEE INFORMATION ITEMS

a. Labor Negotiations Update

[Conference with labor negotiators; to be heard in closed session pursuant to Gov. Code Section 54957.6. Metropolitan representatives: Debra S. Gill, Human Resources Group Manager, Gifty J. Beets, Human Resources Section Manager of Labor Relations. Employee organization: The Metropolitan Water District of Southern California Supervisors Association].

Chair Ortega called the meeting into closed session to hear Agenda Item 7a, Labor Negotiations Update.

The meeting returned to open session at 12:20 p.m. Chair Ortega stated that no action was taken in closed session.

b. Discussion of Committee and Board meeting schedule

Chair Ortega made opening remarks and opened the floor for discussion.

Director(s)

1. Smith

Staff responded to the Directors' comments or questions.

Jung entered the meeting after roll call (using AB2449).

c. Parliamentary Procedures Training

Chair Ortega called upon Board Secretary Fong-Sakai to discuss parliamentary procedures.

Director(s)

1. Fong-Sakai

Chair Ortega introduced Sally F. Lamacchia, Esquire and Owner of Prime Parliamentary Services to discuss and train the Committee on parliamentary procedures.

The following Director(s) participated in the training.

Director(s)

1. Erdman
2. Ramos
3. Quinn
4. Smith

5. Repenning
6. McCoy
7. Ortega
8. Fong-Sakai
9. Faessel
10. Ackerman
11. Garza
12. Morris
13. Miller
14. Pressman
15. Armstrong
16. Luna

Ms. Lamacchia responded to the Directors' comments or questions.

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

None

10. ADJOURNMENT

The meeting was adjourned at 1:33 p.m.

Adán Ortega, Jr.
Chair of the Board