

# **THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

## **MINUTES**

### **AUDIT AND ETHICS COMMITTEE**

**February 23, 2021**

Chair Ramos called the teleconference meeting to order at 1:01 p.m.

Members present: Chair Ramos, Directors Ackerman, Ballin, Butkiewicz, Hawkins, Hogan, Jung, Kurtz, Quiñonez, Record and Smith.

Members absent: Vice Chair McCoy and Director Blois.

Other Board Members present: Chairwoman Gray, Directors Abdo, Atwater, Goldberg, Morris, Peterson, Pressman and Tamaribuchi.

Staff present: Beatty, Kightlinger, Salinas, Scully, Shope, Riss, Rodriguez and Von Haam.

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

Alan Shanahan, President of AFSCME Local 1902, raised a few concerns. Mr. Shanahan requested that the Climate Assessment Survey deadline be extended. Secondly, he also requested a public statement from the organization that employees who had non-disclosure agreements are still allowed to participate in the Climate Assessment Survey. Lastly, Mr. Shanahan stated that the General Manager recruitment is done in closed session which is not mandatory. He suggested that we should also know what direction was given to the Hawkins Group since an action was taken, in order to provide full transparency.

<b>CONSENT CALENDAR ITEMS — ACTION</b>
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Chair Ramos announced that the approval of the minutes will be heard after the presentations in the Consent Calendar

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

- 7-5      Recommend that the Board approve proposed ethics-related amendments to the Administrative Code; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Presented by:      Abel Salinas, Ethics Officer, Peter Von Haam, Assistant Ethics Officer, Kelli Shope, Assistant Ethics Officer and Lance Olson, Partner at Olson Remcho.

Substitute Motion: Substitute motion to table item 7-5 until May 2021

The presentation highlighted the various ethics-related amendments proposed to be made to the Administrative Code. Mr. Olson included his recommendations and answered questions.

After completion of the presentation, Director Smith made a Substitute motion to table item 7-5 until May 2021, seconded by Director Ballin:

The vote was:

Ayes: Directors Ackerman, Ballin, Butkiewicz, Hogan, Jung, Quiñonez, Record and Smith

Noes: Directors Kurtz and Ramos

Abstentions: None

Absent: Directors Blois, Hawkins and McCoy

The motion passed by a vote of 8 ayes, 2 noes, 0 abstain, and 3 absent

The following Directors provided comments or asked questions:

1. Ramos
2. Hogan
3. Quiñonez
4. Butkiewicz
5. Smith
6. Kurtz
7. Jung
8. Ballin
9. Peterson

Staff responded to the Directors questions and comments.

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

A. Approval of the minutes of the audit and ethics committee meeting held on October 27, 2020

Director Ballin made a motion, seconded by Director Atwater to approve the consent calendar consisting of item 2A:

The vote was:

Ayes: Directors Ackerman, Ballin, Butkiewicz, Hogan, Jung, Kurtz, Quiñonez, Ramos, Record and Smith

Noes: None

Abstentions: None

Absent: Directors Blois, Hawkins and McCoy

The motion passed by a vote of 10 ayes, 0 noes, 0 abstain, and 3 absent

<b>END OF CONSENT CALENDAR ITEMS</b>
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**4. OTHER BOARD ITEMS – ACTION**

None

**5. BOARD INFORMATION ITEMS**

None

**6. COMMITTEE ITEMS**

None

**7. MANAGEMENT REPORTS**

- a. Subject: Ethics Officer's report

Presented by: Ethics Officer Abel Salinas

Mr. Salinas noted he had nothing to add to his monthly report.

- b. Subject: General Auditor's report

Presented by: General Auditor Gerald Riss

Mr. Riss began a discussion of the External Audit contract with KPMG which is set to expire with the 2020/21 Annual Audit. A proposal to extend this contract was discussed and the committee directed the General Auditor to proceed with such an action.

Assistant General Auditor John Tonsick then discussed the Check with Order Audit report and recommendations. Assistant General Manager/CFO Katano Kasaine then presented action plans to address the audit.

The following Director asked questions or provided comments:

1. Ballin

Staff responded to the Directors questions and comments.

#### **8. FOLLOW-UP ITEMS**

None

#### **9. FUTURE AGENDA ITEMS**

None

#### **10. ADJOURNMENT**

Next meeting will be held on June 22, 2021.

Meeting adjourned at 2:50 p.m.

Marsha Ramos  
Chair