

The Metropolitan Water District of Southern California

Agenda

The mission of the Metropolitan Water District of Southern California is to provide its service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.

Board of Directors

November 8, 2022

12:00 PM

Tuesday, November 8, 2022
Meeting Schedule

08:30 a.m. L&C
09:30 a.m. OP&T
10:30 a.m. A&E
12:00 p.m. Board

Agendas, live streaming, meeting schedules, and other board materials are available here: <https://mwdh2o.legistar.com/Calendar.aspx>. If you have technical difficulties with the live streaming page, a listen-only phone line is available at 1-877-853-5257; enter meeting ID: 891 1613 4145. Members of the public may present their comments to the Board on matters within their jurisdiction as listed on the agenda via in-person or teleconference. To participate via teleconference 1-833-548-0276 and enter meeting ID: 815 2066 4276 or click <https://us06web.zoom.us/j/81520664276pwd=a1RTQWh6V3h3ckFhNmduUWpKR1c2Zz09>

MWD Headquarters Building • 700 N. Alameda Street • Los Angeles, CA 90012

1. Call to Order

- a. Invocation: Jaime C. Paz, Associate Environmental Specialist Water System Operations Group
- b. Pledge of Allegiance: Director John T. Morris, City of San Marino

2. Roll Call

3. Determination of a Quorum

4a. Opportunity for members of the public to address the Board on matters within the Board's jurisdiction. (As required by Gov. Code § 54954.3(a))

- 4b. Member Agency Overview: Craig J. Parker, P.E., BCEE, Acting Assistant General Manager, Water Services Anaheim Public Utilities

[21-1643](#)

Attachments: [11082022 BOD 4a Presentation](#)

5. OTHER MATTERS AND REPORTS

- A. Report on Directors' Events Attended at Metropolitan's Expense [21-1620](#)
Attachments: [11072022 BOD 5A Report](#)
- B. Chairwoman's Monthly Activity Report [21-1679](#)
Attachments: [11082022 BOD 5B Report](#)
- C. General Manager's summary of activities [21-1621](#)
Attachments: [11082022 BOD 5C Report](#)
- D. General Counsel's summary of activities [21-1622](#)
Attachments: [11082022 BOD 5D Report - Revised](#)
- E. Interim General Auditor's summary of activities [21-1623](#)
Attachments: [11072022 BOD 5E Report](#)
- F. Ethics Officer's summary of activities [21-1624](#)
Attachments: [11072022 BOD 5F Report](#)
- G. Report from Executive Committee on nominations for Board Secretary [21-1627](#)

**** CONSENT CALENDAR ITEMS -- ACTION ****

6. CONSENT CALENDAR OTHER ITEMS - ACTION

- A. Approval of the Minutes of the Board of the Directors Meeting for October 11, 2022 (Copies have been submitted to each Director, Any additions, corrections, or omissions) [21-1628](#)
Attachments: [11082022 BOD 6A Minutes](#)
- B. Nomination and Election for Board Secretary for two-year term effective January 1, 2023 [21-1626](#)
- C. Approve Committee Assignments [21-1680](#)

7. CONSENT CALENDAR ITEMS - ACTION

- 7-1** Approve proposed amendments to the Administrative Code sections 2416 and 2131 relating to Equal Employment Opportunity policies and investigative procedures involving the Board of Directors and its Direct Reports; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (AE) **[21-1616](#)**
- Attachments:** [11082022 AE 7-1 B-L](#)
[11082022 AE 7-1 Presentation](#)
- 7-2** Ratify an emergency contract with PCL Construction, Inc., in the amount of \$855,623.78, for replacement of the expansion joint on the Upper Feeder pipeline at the Santa Ana River bridge crossing; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA [Requires four-fifths vote of the Board] (EO) **[21-1629](#)**
- Attachments:** [11082022 EO 7-2 B-L](#)
[11072022 EO 7-2 Presentation](#)
- 7-3** Award a \$1,228,607.10 contract to Howard Ridley Company, Inc. for the rehabilitation of the concrete liner at ten locations within the Rainbow Tunnel segment of San Diego Pipeline No. 1; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EO) **[21-1630](#)**
- Attachments:** [11082022 EO 7-3 B-L](#)
[11072022 EO 7-3 Presentation](#)
- 7-4** Authorize on-call agreements with GEI Consultants, Inc., HDR, Inc., and Stantec Consulting Services Inc. in amounts not to exceed \$2.5 million each, for a maximum of five years, to support Metropolitan's Dam Safety Initiatives Program; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. [WITHDRAWN 11/4/22] (EO) **[21-1632](#)**

- 7-5** Adopt CEQA determination that the environmental effects of the East County Advanced Water Purification Local Resources project that is the subject of the proposed action was previously addressed in Padre Dam Municipal Water District's Mitigated Negative Declaration and related CEQA actions and that no further CEQA review is required, and authorize the General Manager to amend the existing Local Resources Program agreement with San Diego County Water Authority and East County Advanced Water Purification Joint Powers Authority for the East County Advanced Water Purification Project (OWC) **[21-1685](#)**

Attachments: [10252022 OWC 7-5 Board Letter](#)
[10252022 OWC 7-5 Presentation](#)

- 7-6** Award an \$820,852.53 procurement contract to Whipps, Inc. for three slide gates to rehabilitate the San Jacinto Diversion Structure; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EO) **[21-1693](#)**

Attachments: [11082022 EO 7-6 B-L](#)
[11072022 EO 7-6 Presentation](#)

- 7-7** Report on litigation in San Diego County Water Authority v. Metropolitan Water District of Southern California, et al., San Francisco County Superior Court Case Nos. CPF-10-510830, CPF-12-512466, CPF-14-514004, CPF-16-515282, CPF-16-515391, CGC-17-563350, and CPF-18-516389; the appeals of the 2010 and 2012 actions, Court of Appeal for the First Appellate District Case Nos. A146901, A148266, A161144, and A162168, and California Supreme Court Case No. S243500; the petition for extraordinary writ in the 2010 and 2012 actions, Court of Appeal for the First Appellate District Case No. A155310; the petition for extraordinary writ in the second 2016 action, Court of Appeal for the First Appellate District Case No. A154325 and California Supreme Court Case No. S251025; and the Metropolitan Water District of Southern California v. San Diego County Water Authority cross-complaints in the 2014, 2016, and 2018 actions; authorize increase in maximum amount payable under contract for legal services with Horvitz & Levy, LLP in the amount of \$350,000 for a total amount not to exceed \$1,250,000; and authorize increase in maximum amount payable under contract for consulting services with Cogent Legal, LLC in the amount of \$100,000 for a total amount not to exceed \$150,000; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. [Conference with legal counsel - existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(d)(1)] (LC) **[21-1636](#)**

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

8. OTHER BOARD ITEMS - ACTION

NONE

9. BOARD INFORMATION ITEMS

- 9-1** Report on Conservation **[21-1637](#)**

Attachments: [11082022 BOD 9-1 Report](#)

- 9-2** Legislative Priorities and Principles for 2023 (CL) **[21-1638](#)**

Attachments: [11082022 BOD 9-2 B-L](#)
[11072022 CL 9-2 Presentation](#)

10. OTHER MATTERS

10-1 Department Head Performance Evaluations [Public Employees' performance evaluations; General Manager, General Counsel, and Ethics Officer; to be heard in closed session pursuant to Gov. Code 54957.] [21-1640](#)

10-2 Report on Department Head 2022 Salary Survey [21-1641](#)

Attachments: [11082022 BOD 10-2 Presentation](#)

10-3 Discuss and Approve Compensation Recommendations for General Manager, General Counsel, and Ethics Officer [21-1642](#)

10-4 AB 1234 Ethics Biennial Training [21-1625](#)

Attachments: [11082022 BOD 10-4 Presentation](#)

11. FOLLOW-UP ITEMS

NONE

12. FUTURE AGENDA ITEMS

13. ADJOURNMENT

NOTE:

Each agenda item with a committee designation will be considered and a recommendation may be made by one or more committees prior to consideration and final action by the full Board of Directors. The committee designation appears in parenthesis at the end of the description of the agenda item e.g. (E&O, BF&I). Committee agendas may be obtained from the Executive Secretary.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.

City of Anaheim

Anaheim Public Utilities (APU)

**Metropolitan Water District
of Southern California
Board Meeting - November 8, 2022**



City of Anaheim

APU

10th

Largest
City in CA

50

SQ MI

64k
Meters

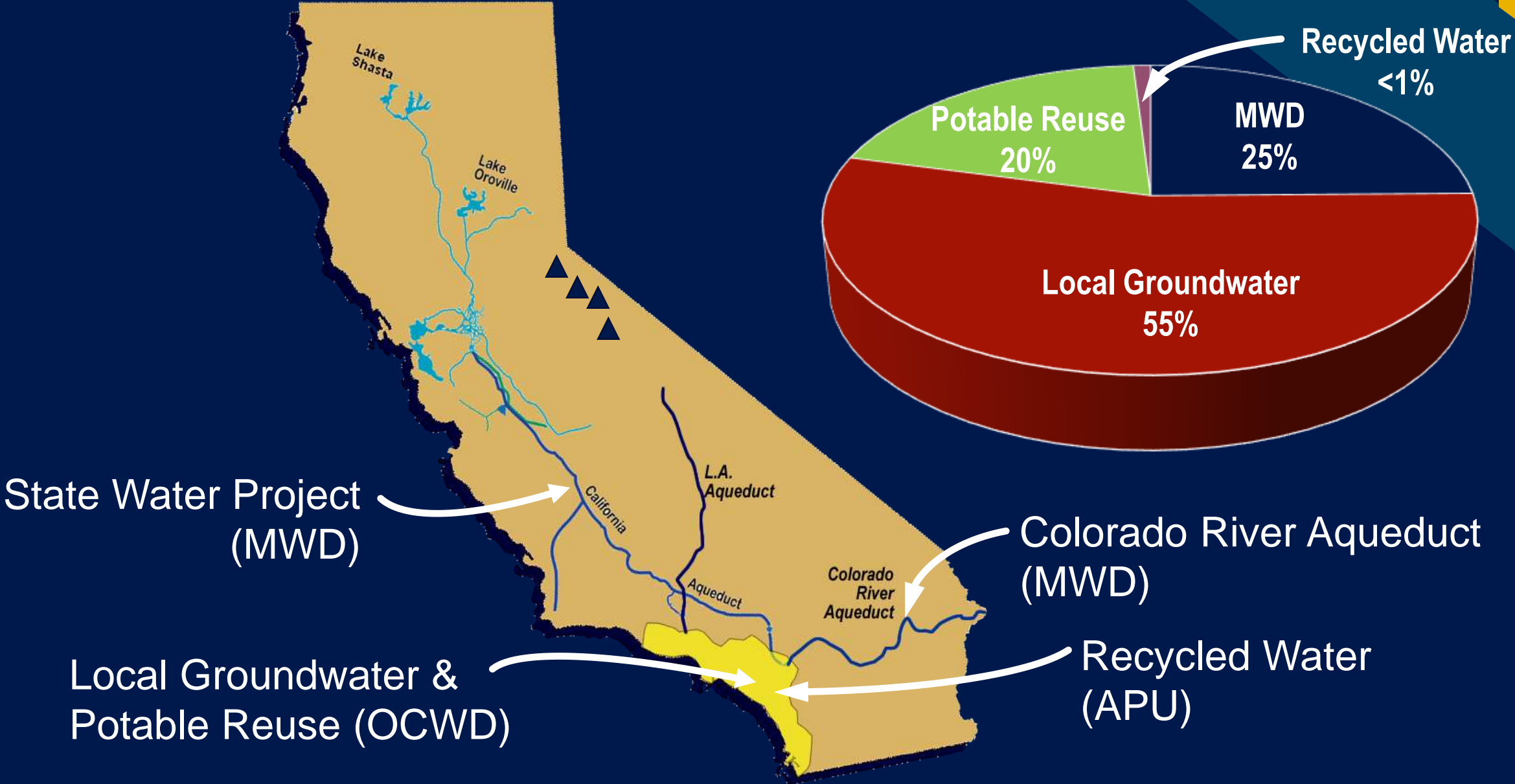
121k
Meters

360k
Residents

15k
Businesses

25M
Annual
Visitors

Anaheim's Water Supply



Anaheim's Water System

APU

💧 19 Pressure Zones

💧 9 Pump Stations

💧 18 Wells

💧 13 Tanks

💧 8 MET Turnouts

💧 750 Miles of Water Mains

💧 58k AF Annual Demand

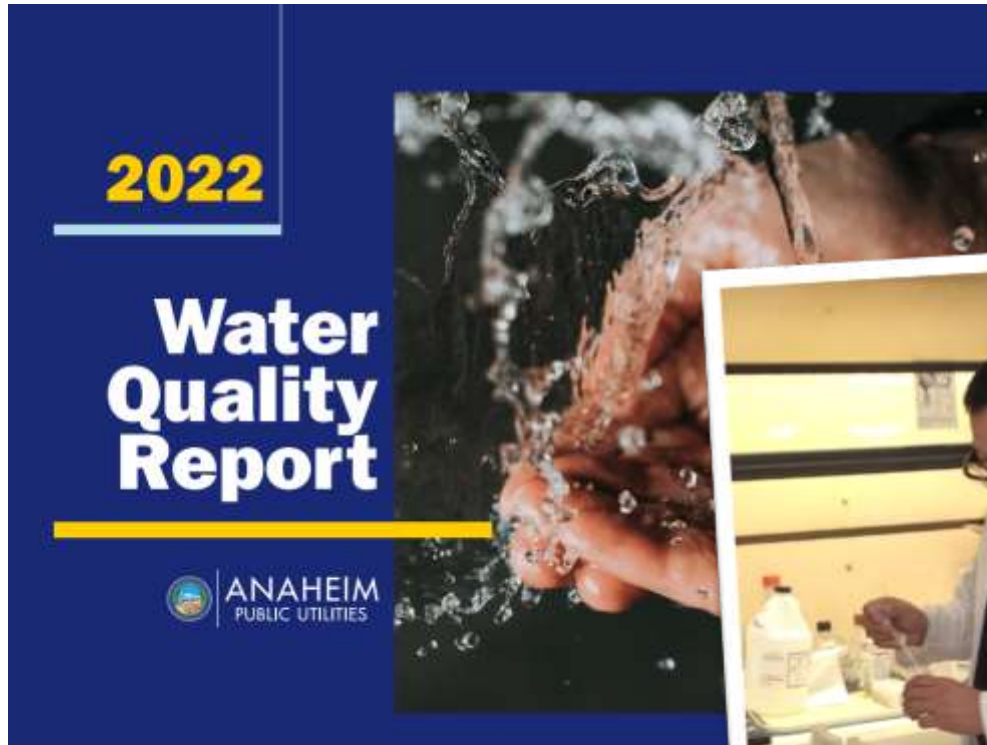
APU Goals

- Customer Service



APU Goals

- Water Quality



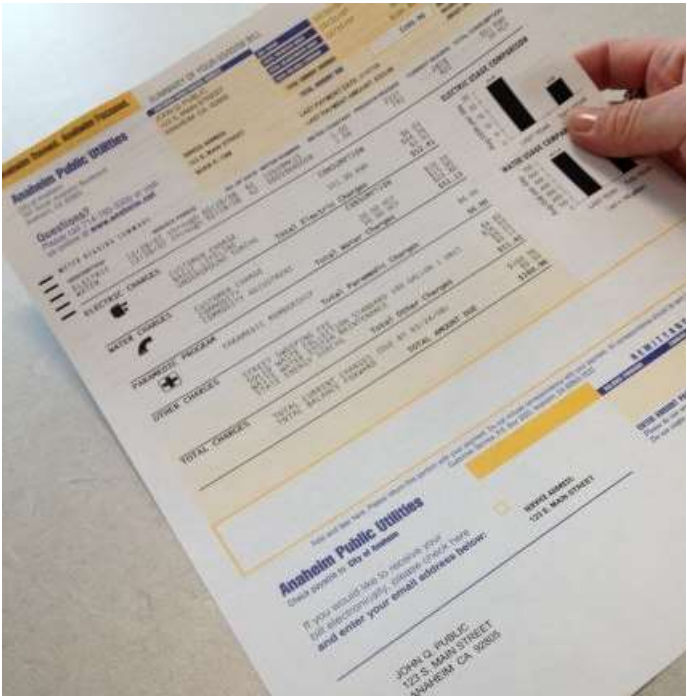
APU Goals

- Reliability



APU Goals

- Affordability



WATER REBATES & PROGRAMS

UTILITY BILL ASSISTANCE



Major Initiatives

- PFAS – GWTP Program



Major Initiatives

- Pipeline Replacement



Major Initiatives

- Conservation



LEAK REPAIR REBATE



TURF REPLACEMENT



HOME UTILITY CHECK-UP



CUSTOMER
EDUCATION

City of Anaheim

Anaheim Public Utilities (APU)

**Metropolitan Water District
of Southern California
Board Meeting - November 8, 2022**



November 8, 2022 Board Meeting

Item 5A



Metropolitan Water District of Southern California Summary of Events

Attended by Directors at Metropolitan's Expense in October 2022

Date(s)	Location	Meeting Hosted by:	Participating Director(s)
Oct. 4	Yuma, AZ	Quechan – Bard Tour	Gloria Cordero
Oct. 8-13	New Orleans, LA	WEFTEC 2022	Dennis Erdman



● Chairwoman of the Board Monthly Activity Report – October 2022

Summary

This report highlights activities of the Chairwoman of the Board during the month of October 2022 on matters relating to The Metropolitan Water District of Southern California's business.

Monthly Activities

September 28-October 2

- Attended the 2022 Congressional Black Caucus Legislative Conference, Washington, DC

October 5

- Participated via teleconference in West Basin Municipal Water District's MWD Caucus meeting

October 6

- Participated via teleconference with General Manager Hagekhalil to discuss matters of the Board
- Participated via teleconference with Interim General Auditor Tonsick to discuss matters of the Board

October 7

- Participated via teleconference in the Southern California Leadership Council's Executive Committee Meeting to review topics for the upcoming quarterly board meeting

October 10

- Participated via teleconference in Metropolitan's Finance and Insurance Committee Meeting
- Participated via teleconference in Metropolitan's Engineering and Operations Committee Meeting
- Participated via teleconference in Metropolitan's Communications and Legislation Committee Meeting
- Participated via teleconference in Metropolitan's Imported Water Committee Meeting

October 11

- Participated via teleconference in Metropolitan's Legal and Claims Committee Meeting
- Participated via teleconference in Metropolitan's Organization, Personnel and Technology Committee Meeting
- Participated via teleconference in Metropolitan's Real Property and Asset Management Committee Meeting
- Participated in Metropolitan's Board Meeting, Los Angeles

October 13-14

- Attended alongside Vice Chair Jung as guest speakers for the United States Conference of Mayors' Fall Water Council meeting. Remarks focused on Western Water drought challenges and Colorado River supplies concerns, Ontario

October 15

- Attended the 17th Annual Taste of Soul 2022 Community Event, Inglewood

October 17

- Participated via teleconference with General Counsel Scully to discuss matters of the Board

October 18

- Participated via teleconference with Ethics Officer Salinas to discuss matters of the Board
- Participated via teleconference with Human Resources Group Manager Pitman to discuss upcoming board agenda items
- Participated via teleconference with General Manager Hagekhalil to discuss matters of the Board

October 20

- Attended and presented on the top things to know about water as a Guest Speaker for former San Diego Mayor Kevin Faulconer's Local Government Graduate Class at Pepperdine University, Malibu

October 21

- Participated via teleconference with Human Resources Group Manager Diane Pitman for an update on the General Auditor recruitment

October 25

- Participated via teleconference in Metropolitan's Special Board Meeting
- Participated via teleconference in Metropolitan's Audit and Ethics Committee Meeting
- Participated via teleconference in Metropolitan's Diversity, Equity, and Inclusion Committee Meeting
- Participated via teleconference in Metropolitan's Underserved Communities Committee Meeting
- Participated in Metropolitan's Executive Committee Meeting, Los Angeles
- Participated via teleconference in Metropolitan's One Water Committee Meeting

October 26

- Participated via teleconference in BizFed's monthly water committee

October 29-November 3

- Traveled internationally with Water Resources Group Manager Brad Coffey to participate in WaterReuse Association's Environmental Mission to Israel. The purpose of the mission was to meet with various US

delegations of water providers and Israeli water ministries to learn about Israel's efforts to further water sustainability, security, and resiliency and better understand their policies, practices and technologies, Tel Aviv, Israel



General Manager's Monthly Report



Activities for the Month of October 2022



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Message from the General Manager

I recently met with the Delta Stewardship Council (DSC) and was inspired and encouraged by the reception and feedback that I received.

The DSC was created to advance the state's coequal goals for the Delta. That mission -- to provide a more reliable statewide water supply while protecting, restoring and enhancing the Delta ecosystem -- means that the Council is constantly working to balance goals from diverse interests.

As General Manager it has been a paramount priority of mine to find common ground with other agencies, organizations, leaders and communities, and perhaps nowhere is this more important than in the Delta.

Metropolitan's own Delta policies – updated and approved by the Board in October—affirm our support for actions to further the coequal goals established in the Delta Reform Act. Metropolitan's One Water approach also recognizes the need to find balance among water interests; water resource planning must account for community and ecosystem needs, while managing finite resources for water resilience and reliability.

I spoke to the DSC about the investments Metropolitan is making in conservation and local resources and how these efforts are critical components that can help the state achieve its policy to reduce reliance on the Delta. This discussion is central to our work to address climate change, plan for the future and consider a proposal to modernize Delta conveyance. That's exactly why it was timely to talk with the DSC and why I have invited them to visit our operations, and see first-hand the tremendous work Metropolitan and our member agencies are doing to advance water use efficiency and invest in local supply projects.

As Metropolitan leads the way toward greater statewide water resiliency, we must collaborate in pursuit of multiple and concurrent objectives to expand ecosystem restoration, improve flood control, shore up water supplies, benefit communities in the Delta, make all water use as efficient as possible, sustainably manage our groundwater, and more.

One speaking engagement can't solve all our challenges, but I'm confident it represents one more step to build trust and understanding in order to work together toward the common good.

We are one,

Adel



**“It takes both sides to
build a bridge.”**

- Fredrik Nael, Author



Strategic Priorities Update

The General Manager's Strategic Priorities guide actions in key areas of focus, investment, and transformation for Metropolitan.

Empower the workforce and promote diversity, equity, and inclusion

Build a safe, inclusive, and accountable workplace where all employees feel valued, respected, and able to meaningfully contribute to decisions about their work.

The EEO investigative unit is fully established with all investigative positions filled, an important benchmark in the formation of our new EEO Office. EEO policies have been developed or updated and approved, and all documents addressing the California State Auditor's EEO recommendations were submitted by the October 20, 2022, deadline. Our new case database system is now live, which will improve case management, information retention and reporting.

Our management development program is implementing sessions on the ADA "Interactive Process" to improve awareness and responsiveness to accessibility needs.

Prepare and support the workforce by expanding training and skill development and updating strategies to recruit and retain diverse talent at a time when Metropolitan's needs are evolving and employee expectations about the workplace are changing.

Human Resources implemented a new Recruitment and Selection Operating Policy and Procedures document in compliance with the State Audit recommendation.

Staff is meeting and fact-finding to identify improvements to Metropolitan's Apprenticeship Program and this month visited the Department of Water Resources' Apprenticeship Program training facility in Bakersfield and the HireLAX pre-apprenticeship program.

Adapt to changing climate and water resources

Provide each member agency access to an equivalent level of water supply reliability through necessary adaptive implementation of the IRP findings.

Overall State Water Project use remains under the volumetric limits set in collaboration with the SWP-dependent areas.

As part of work to identify and analyze drought action portfolios, Metropolitan met with IEUA and Burbank Water and Power to review results of feasibility and hydraulic analysis of potential projects.

An RFP for Wadsworth Pumping Plant Bypass was advertised with contract award slated for December 2022. Progress was made to advance two Inland Feeder projects, the Inland Feeder/Rialto Pipeline Intertie and the Inland Feeder Badlands Tunnel Surge Protection.

In support of stabilizing Lake Mead and Colorado River supplies, Metropolitan, along with its agricultural partners and the state of California, sent a letter to the leadership in the Department of the Interior affirming a commitment to conserve up to 400,000 acre-feet of Colorado River water annually from 2023 through 2026. This conservation would be in addition to California's commitment to add up to 350,000 acre-feet annual contributions under the 2019 Drought Contingency Plan. Metropolitan is also working with its member agencies to get additional signatories on the Colorado Basin Urban Water Efficiency MOU. At the time of writing, Western, Eastern, and Foothill have signed on, and several others are in the approval process.

Metropolitan issued an RFP for a consultant to consider the potential of expanding opportunities in Southern California for brackish water and seawater desalination. This assessment will support the analysis of water resource opportunities, identify innovative technologies, and prioritize environmental protection and climate resilience in the analysis.

The Board adopted a resolution encouraging action to reduce or eliminate irrigation of non-functional turf with potable water and providing member agencies and municipalities with a model ordinance that can be adapted for their use.

Advance the long-term reliability and resilience of the region's water sources through a One Water approach that recognizes the interconnected nature of imported and local supplies, meets both community and ecosystem needs, and adapts to a changing climate.

Metropolitan made a lot of progress on regional water resilience and the Climate Action Plan this month.

The Climate Registry awarded Metropolitan its highest honor, the All-Star Award, recognizing Metropolitan's commitment to curbing the impacts of climate change. Metropolitan was recognized for reporting all relevant greenhouse gas (GHG) emission sources and activities, and for establishing a public GHG reduction goal with the Climate Action Plan.

The Pure Water Southern California project received an \$80M lump sum earmark grant from the state. The team has prepared a December 2022 board letter to request authorization to spend the grant. The letter will include updates on the status of program activities, cost analysis, and early delivery projects. The RFP for the Program Manager is in procurement, with proposals due November 9. The schedule for the conveyance pipeline in Carson and surrounding cities will be advertised in December 2022. The NOP for the program was published on September 30 with a 45-day comment period. Four scoping meetings are being held at various times and dates. Metropolitan is meeting with other area agencies (LADWP, LASAN, WBMWD, WRD, et al.) to explore opportunities to coordinate water reuse systems and schedules.

Staff has initiated briefings of Metropolitan Board and member agencies regarding the Draft Environmental Impact Report for the proposed Delta Conveyance Project. Staff has also supported the state Department of Water Resources' public review meetings completed in September and other engagement efforts.

To advance watershed science and a holistic approach to the Delta, we completed and published two scientific peer review articles regarding Bay Delta fisheries that will help inform management actions and scientific literature/record. Through the Collaborative Science and Adaptive Management Program, we're advancing a structured decision-making process on salmon recovery and Delta smelt, which has been undertaken jointly by water users, resource agencies, and NGOs.

The South Pasadena Direct Use Stormwater Pilot project was approved by the City Council of South Pasadena on October 19.

The Office of Sustainability, Resiliency and Innovation met with group managers to launch the process for developing a district-wide SRI Strategy. The team will next brief and engage section managers throughout the agency. Staff is also setting up a Natural Gas Audit process for all Metropolitan facilities. The SRI Office and Fleet Services also kicked off Metropolitan's ZEV Executive Task Force Meeting to develop the roadmap for the transition to zero-emission vehicles as envisioned in the Climate Action Plan.

Protect public health, the regional economy, and Metropolitan's assets

Proactively identify, assess, and reduce potential vulnerabilities to Metropolitan's system, operations, and infrastructure.

As part of the "Great California Shakeout," staff conducted a district-wide earthquake exercise. Metropolitan's Emergency Operations Center and two field Incident Command Posts participated in the exercise, along with five member agencies. This hybrid (in-person and remote) EOC activation tested various communication tools and technologies that will further enhance Metropolitan's readiness for emergencies.

Security staff partnered with Southern California Edison (SCE) to exchange information and lessons learned associated with current and future security matters. New, cutting-edge technologies were discussed that would help enhance Metropolitan's security posture.

Metropolitan will be participating in an Asset Management Partnership project facilitated by Isle Utilities. This multi-phase effort will include a baseline assessment of our asset condition and needs, workshops with other utilities to discuss strategies, and identification of advanced technologies that best meet utility needs for future development.

Construction and renovation of the Cybersecurity Operations Center began in late October. A vendor has been brought on to improve security measures for software, hardware, and data systems. In addition, IT staff successfully migrated the Oracle E-Business Suite as part of the Data Center Modernization Project, working closely with stakeholders to ensure minimal impacts to business processes.

Apply innovation, technology, and sustainable practices across project lifecycles (design, construction, operations, maintenance, and replacement).

ESG, WRM, WSO, and SRI attended the Singapore PUB meeting at Pure Water with the General Manager to exchange information and expertise. SRI and others participated in the Western Water Technical Advisory Group for peer-to-peer conversations and evaluating emerging technologies related to monitoring and water quality.

SRI and Procurement developed a first draft of a Green Procurement Policy.

Partner with interested parties and the communities we serve

Grow and deepen collaboration and relationships among member agencies, interested parties, and leaders on the issues most important to them and toward mutual and/or regional benefits.

Staff is surveying best practices of other organizations to advance communication and outreach through improved website management, sponsorships and outreach, and better engagement of communities and organizations in board and policy processes. We expect initial findings in the next 30 to 60 days.

The Board approved the Project Labor Agreement in October. The PLA was immediately added as a condition to bidding on the following solicitations: 1) SLF Reach 3b Relining; 2) Wadsworth Bypass Pipeline; and 3) Perris Valley Tunnel.

Reach underserved communities and non-traditional interested parties to better understand their needs and ensure their inclusion in decision making.

Staff conducted initial analysis of tribal interests in Metropolitan's territory and areas of interest and is coordinating between DE&I and External Affairs. October's initial meeting of the Underserved Communities Committee starts a new forum for board engagement in the area, and staff has identified characteristics of underserved communities to assess the population within Metropolitan's service area to inform the work of the committee.

Executive Summary

This executive summary is added to this report to provide a high-level snapshot of a key accomplishment from each area of the organization. Detailed information is reported in the pages following this summary.

Bay-Delta Initiatives

In October, staff co-authored two scientific publications reporting on results of studies funded by Metropolitan and other funding partners. The publications reported on results of a study evaluating the effects of pesticide contaminants on juvenile Chinook salmon and on the results of longfin smelt surveys conducted in estuaries north of the San Francisco Estuary.

Chief Financial Officer

The business continuity unit spearheaded Metropolitan's ShakeOut earthquake drill on October 20. This involved an employee-wide drop, cover, and hold drill at 10:20 am in all locations as well as a test of the MetAlert Emergency Notification System.

Colorado River

Metropolitan, along with other agencies in California, sent a letter to the leadership of the Department of the Interior of their intent to conserve up to 400,000 acre-feet of water to be added to Lake Mead each year from 2023 through 2026.

Diversity, Equity & Inclusion

The DE&I Office, while still being built, was busy during the month of October driving DE&I engagement across many areas of Metropolitan. The Business Outreach Team helped better support small businesses by participating in the OneLA procurement event and at a Regional Hispanic Chamber of Commerce matchmaking event, connecting small businesses with greater procurement opportunities. We partnered with the SRI office to ensure the success of US Water Alliance's "Imagine A Day Without Water" commemoration at Metropolitan in addition to supporting a HireLAX pre-apprenticeship program graduation, a model for what is possible at Met with the passage of the Project Labor Agreement (PLA). Last, but certainly not least, we advanced tribal outreach and engagement, building trust in our tribal communities by participation in the Colorado River Indian Tribes' NatiVisions annual film festival and meeting with the CRIT Career Development Office to initiate conversation around building a tribal workforce development plan to build awareness and a pathway for students seeking employment opportunities at Metropolitan.

Engineering Services

Metropolitan's Board approved a landmark project labor agreement (PLA) in October. Engineering took immediate action to ensure that the three projects currently in the advertisement for bids phase (Second Lower Feeder PCCP Rehabilitation—Reach 3B, Perris Valley Pipeline Interstate 215 Crossing, and the Wadsworth Pumping Plant Inland Feeder Intertie) will be covered by the PLA. In coordination with the DE&I office, Engineering is developing plans to reach out to small businesses and the local community for these projects.

Equal Employment Opportunity Office

The EEO Office has submitted all documents relevant to the California State Audit recommendations, gone live with its new case management system and hired its final member to complete the investigative team. The EEO Office has also met federal compliance by posting the Equal Employment Opportunity Commission's new "Know Your Rights" posters throughout Metropolitan facilities.

External Affairs

Metropolitan sponsored an exhibit booth at the Taste of Soul event to share conservation, rebate, and other information with tens of thousands of attendees. Chairwoman Gray and Directors Luna and Williams attended the festival. (October 15)

Human Resources

Human Resources completed the creation of a Recruitment and Selection procedures document in compliance with the State Audit recommendations. Staff completed revisions to Operating Policy H-04 Abusive Conduct & Workplace Violence Prevention and Operating Policy H-10 Recruitment and Selection in response to State Audit recommendations.

Information Technology

In support of the successful and highly public Upper Feeder shutdown, IT GIS staff created an application that allowed staff to search for a specific address and quickly determine whether it was in the affected area. In addition, the Enterprise GIS/CAD team performed spatial analysis on the population and cities affected by the shutdown in support of the planning efforts.

Real Property

The 1932 Act authorized the federal government to grant Metropolitan lands to build and operate the Colorado River Aqueduct but included a reversionary interest clause. The clause reverts properties to the federal government if they are not used for the original intended purpose. The 2019 John D. Dingell Jr. Conservation, Management and Recreation Act and the Contributed Funds Agreement authorized by the Board on October 2020 allow BLM to release the federal government's reversionary interest in these lands by quitclaim deeds. Recorded deeds bolster Metropolitan's records of clear legal title to lands granted to it by congressional action and help to prevent unlawful use of these lands by third parties.

Security Management

Metropolitan's Security Management Unit attended the in-person Fall 2022 Quarterly Los Angeles Area Unmanned Aircraft System (UAS) Working Group hosted by the University of Southern California (USC) Safe Communities Institute (SCI). Attendees included representatives from Department of Homeland Security's Cybersecurity and Infrastructure Security Agency (CISA), Port of Long Beach, FAA, LAPD, Universal Studios, LA County Fire, and Southern California Edison. All attendees successfully completed the Unmanned Aircraft System Program (UASPD) Development course, which was designed by FEMA to aid first responders and public agencies in the successful development, implementation, and sustainment of a department's small UAS (sUAS) program.

Sustainability, Resiliency and Innovation

The SRI Office launched its district-wide process to develop an SRI Strategy for Metropolitan at the monthly Group Managers Meeting and co-chaired the first ZEV Executive Task Force Meeting with Fleet Manager John Poli. SRI hosted the "Imagine a Day Without Water" Employee Open Mic, with almost 200 Metropolitan employees, in solidarity with water utilities nationwide. The Chief SRI Officer participated in the WRM CRA tour and discussed water operations, fallowing programs, conservation efforts and land management issues with staff and partners along the aqueduct. The team also played a key role with WRM in the Board's Resolution on non-functional turf model ordinance language and in conversations with member agencies on the Colorado River Urban Water Efficiency MOU.

Water Resource Management

Staff made several presentations at the WaterSmart Innovations Conference and Expo in Las Vegas, highlighting Metropolitan's water efficiency incentive programs. Metropolitan hosted the "One Water Salinity Management Innovation Summit 2022", with over 70 water resource and salinity management stakeholders participating. The SWP-dependent area continues to meet targeted use through the Emergency Water Conservation Program. To prepare for a dry start in 2023, staff requested 291 TAF of human health and safety supplies from DWR after coordinating with member agencies to assess their needs.

Water System Operations

As part of the "Great California Shakeout" on October 20, staff conducted a district-wide earthquake response exercise while assessing Metropolitan's Emergency Response Plan. Metropolitan's Emergency Operations Center and two field Incident Command Posts participated in the exercise, along with five member agencies from the San Gabriel foothill areas. This was a hybrid (both in-person and remote) EOC activation testing various communication tools and technologies that will further enhance Metropolitan's readiness for future emergencies.

Upcoming Board Items

ANTICIPATED KEY ITEMS OF FOCUS – NOT AN EXHAUSTIVE LIST
SCHEDULE SUBJECT TO CHANGE

December	<ul style="list-style-type: none">• Inaugural Update on Climate Action Plan Implementation• Report on Colorado River Evaporation Loss Projections• Authorize using State Funding for Pure Water Southern California• Adopt Legislative Priorities and Principles for 2023• Public Hearing on SB60• Desert Housing Update• Board Committee Restructuring (by Chair Elect)
January	<ul style="list-style-type: none">• Committee Slate Introductions and Approval• Discussion on Water Allocation and Emergency Drought Actions
February	<ul style="list-style-type: none">• Board Report on Portfolio of Recommended Actions for State Water Project Dependent Areas• Authorize Colorado River Protection Volume Agreements
March	<ul style="list-style-type: none">• Report on Alternatives being Considered by Reclamation in Supplemental EIS for Colorado River Basin Operations

The schedule of the following upcoming board items has not yet been determined:

- Metropolitan Storage Portfolio Workshop
- Water Supply Resiliency Plan Workshop
- Delta Conveyance Project Follow-up Workshop



CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by this deed dated July 25, 2022, from **THE UNITED STATES OF AMERICA** (Grantor) to **THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA** (Grantee), a public corporation, affecting certain rights to land previously conveyed to Grantee by Grantor under the authority of the 1932 Act, by Decisions of the United States Department of the Interior, General Land Office, shown on Exhibit A-5, Serial No. 1.A 051362, as filed with the United States Department of the Interior, General Land Office, and approved December 4, 1933, is hereby accepted by the undersigned officer on behalf of the Board of Directors of Grantee pursuant to authority conferred by Metropolitan Water District Administrative Code Section 8201 and Board of Directors action, and the Grantee consents to recordation thereof by its duly authorized officer.

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

By 
Adel Hagekhalil
General Manager

Date 9/26/2022

☒ Transaction authorized by General Manager per Administrative Code Section 8201.

☒ Transaction authorized by Board of Directors on October 13, 2020.

“This has been a true multi-decade collaborative effort by multiple groups at Metropolitan, including Legal, Geodetics, Survey, GIS, External Affairs, and Real Property.”

***Jennifer Ryan,
Sr. Real Estate Representative***

PROGRAM DESCRIPTION

As part of the Act of June 18, 1932 (1932 Act), the Federal Government granted Metropolitan certain lands totaling approximately 72,000 acres for the construction and operation of the Colorado River Aqueduct (1932 Act Lands). However, when granting the 1932 Act Lands, the Federal Government reserved for itself a reversionary interest such that if the lands ceased to be used for Metropolitan’s purposes, the ownership reverts to the Federal Government. This reversionary interest has negatively impacted Metropolitan by , at times, raising concerns as to Metropolitan’s authority to defend the land against trespass, encroachment, and development. The Metropolitan-championed 2019 John D. Dingell Jr. Conservation, Management and Recreation Act and the Contributed Funds Agreement, authorized by the Board in October 2020, allow U.S. Department of the Interior, Bureau of Land Management (BLM) to release the Federal Government’s reversionary interest in these lands by quitclaim deeds. This program works with BLM to draft and obtain the signed quitclaim deeds, have the corresponding certificates of acceptance signed by Metropolitan, and the deeds recorded in the counties.

IMPORTANCE TO METROPOLITAN

These recorded quitclaim deeds bolster Metropolitan’s records of clear legal title to lands granted to it by Congressional action and used by Metropolitan for decades for vital water supply and conveyance purposes and help to prevent unlawful use of these lands by third parties.

MEMORABLE MOMENT

In October, Metropolitan reached a project milestone in getting the first set of quitclaim deeds signed by BLM, and having the corresponding certificates of acceptance signed and recorded with San Bernardino and Riverside counties. These quitclaim deeds together cover approximately 5,700 acres of the 72,000 acre 1932 Act Lands. The top photo depicts the ceremonial signing that took place with General Manager Adel Hagekhalil and the project team. The bottom photo shows an executed certificate of acceptance.

Water Resources and Engineering

Water Resource Management



Improve Succession Planning and Staff Development

Water Resource Management (WRM) staff participated in a 3-day inspection trip of the Colorado River conservation programs. The trip enhanced staff knowledge of the long-term following program with the Palo Verde Irrigation District (PVID), the conservation programs Metropolitan paid for at Imperial Irrigation District (IID), and efforts to control salinity in the Colorado River with a visit to the Yuma Desalter. A mix of new and seasoned WRM staff engaged with the staff of other agencies, including learning from one of the tenants of Metropolitan's farms at PVID. Staff also engaged with two State Water Project (SWP) contractors—Desert Water Agency and Coachella Valley Water District—who do not have a physical connection to the SWP infrastructure but have a great partnership with Metropolitan to exchange supplies. The partnership allows Metropolitan to receive SWP supplies while Metropolitan delivers Colorado River water via the Colorado River aqueduct to them. Finally, WRM staff had the opportunity to visit Metropolitan's Whitsett pumping plant, took a boat ride at Copper Basin, and spent the night at Metropolitan's Gene Camp. This inspection trip strengthened intra-staff relationships and improved the staff's knowledge of the Colorado River situation.



WRM staff visited the Laguna Dam, 13 miles northeast of Yuma. The dam was built in the Colorado River in 1905 to divert water to the Yuma Project.

Ensure Reliable State Water Project (SWP).

Water Resource Management (WRM) staff submitted Metropolitan's 2023 initial State Water Project (SWP) water order to the California Department of Water Resources (DWR) to meet the October 1st SWP Contract deadline. The water order included a suite of schedules at various allocation scenarios, as well as a human health and safety (HH&S) schedule at 0% allocation. Based on DWR's guidelines on determining HH&S needs, Metropolitan's analysis shows approximately 291,000 acre-feet of HH&S need in 2023 under a 0% allocation scenario. These schedules provide DWR input for their modeling studies that, in part, determine the SWP allocation. DWR will announce the initial allocation for 2023 by December 1, 2022.

Ensure Access to Sufficient Water Supplies to Operate a Full Colorado River Aqueduct in Times of Drought.

Staff attended the fall Salinity Control Forum (Forum) Meeting in Lake Tahoe. Topics discussed included (1) a proposal to reduce the existing Salinity Control Program (Program) funding deficit by reducing the Program cost-share requirement from 30% to roughly 15% for salinity funding from the Natural Resources Conservation Service (NRCS); (2) a report that the ongoing six-month test of the Paradox Valley Unit (PVU) at 2/3-capacity has yielded no unusual seismic or well pressure results, suggesting that the U.S. Bureau of Reclamation (USBR) could decide to resume ongoing operation of the PVU at 2/3-capacity following the completion of the test in December; (3) progress toward the 2023 "Triennial Review," in which the Forum communicates to the U.S. Environmental Protection Agency (EPA) an assessment of the sufficiency of existing water quality criteria for salinity on the Lower Colorado River; and (4) updates from key federal agencies involved in the Program, including USBR, NRCS, the Bureau of Land Management (BLM), and the U.S. Geological Survey.

Implement Regional Conservation Program

Staff from Metropolitan's Water Efficiency Team (WET) attended the WaterSmart Innovations Conference and Expo held in Las Vegas, NV. The conference had more than 700 attendees and a full slate of presentations in the technical program. Several WET staff gave presentations on Metropolitan's water efficiency incentive programs, including the Turf Removal/Replacement programs, the Innovative Conservation Program grants, the expanded direct installation program with Southern California Gas Company, and an analysis of the efficacy of new residential leak detection devices. Archived presentations can be found on the conference website: <https://www.watersmartinnovations.com/> Several WET staff also participated in the Alliance for Water Efficiency Committee program and attended the evening reception on Tuesday before the conference.

Other conservation outreach activities include presenting at Moulton Niguel Water District's "H2O for HOA" event on the ways to identify and remove non-functional turf on homeowner association (HOA) property; serving as guest speaker at Whittier College Water Law, Policy and Politics class on the topic of municipal water use, water conservation, and water supply strategies to meet future demands; and chairing California Water Efficiency Partnership (CalWEP) program committee meeting where a range of topics was discussed including legislative framework, turf replacement, and conference topics.

WET staff hosted a virtual Program Advisory Committee (PAC) meeting via Zoom. The PAC is a forum for Metropolitan staff to receive input from member and retail agencies on the Conservation Credits Program (CCP) and to discuss potential changes to the incentive programs. Approximately 30 attendees discussed topics including pool cover incentives, cistern incentives for commercial and industrial consumers, and allowing artificial turf projects to be eligible for incentives. PAC proposals are submitted to WRM staff for consideration and may be presented to management or the Board for adoption if they are deemed acceptable or beneficial to the CCP.

Water Resources and Engineering

(continued)

Collaborate with Member Agencies, Water Agencies and Associations, and Provide Leadership for Policy Development, Advocacy, Outreach and Education

Staff continued implementing the Emergency Water Conservation Program (EWCP) to address severely limited SWP system water supplies. Since the June 1, 2022, start date, there has been a positive demand response across the SWP-Dependent Area. The affected member agencies continued to show reductions in purchases from Metropolitan compared with historical and projected levels, indicating consumer responsiveness with demand-cutting measures. Path One watering day limit compliance requirements remained at one day-per-week watering restrictions during October. Staff is continuously monitoring and reporting water use performance to the affected member agencies to ensure that SWP water usage stays on track to remain within the available supplies.

DWR continues to develop the California Water Plan (CWP) Update 2023. DWR hosted a virtual public webinar on October 18, 2022. The main goal of the webinar was to familiarize the public with the Draft Assumptions and Estimates Report (Draft A&E Report) for Update 2023. The Draft A&E Report describes key assumptions and estimates, data and data sources; improvements to analytical tools, methods, and approaches; and the supporting documents and companion State plans used to prepare the CWP Update 2023. DWR also launched the public comment period to seek public input on the information presented in the Draft A&E Report. Public comment to DWR is due no later than November 18, 2022.

The Association of California Water Agencies (ACWA) recently solicited participation in a working group to review and develop comments on the Draft A&E Report and future CWP publications. Metropolitan staff replied to ACWA with interest in participating in this working group. With DWR's recent release of the Draft A&E Report and scheduled overview presentation of the draft content of Update 2023 on October 27, staff believes that increased coordination with other stakeholders will help provide valuable and constructive input to DWR.

On October 26, Metropolitan hosted a salinity summit with the Southern California Salinity Coalition (SCSC). The "One Water Salinity Management Innovation Summit 2022" focused on how salinity affects and benefits One Water Supply development and how One Water supplies can also help manage salinity. The summit included panels on SCSC research and Regional Water Quality Control Board initiatives. The second half of the summit featured breakout sessions where participants identified current salinity challenges and potential solutions. Metropolitan staff presented at the summit and helped facilitate the breakout sessions. Over 70 water resource and salinity management stakeholders participated in the workshop.

Staff provided a recycled water legislation and regulation update to approximately 100 members at a joint Los Angeles and Orange County WaterReuse Chapter meeting at SoFI Stadium. Staff highlighted chaptered legislation and regulations that may impact the development of new recycled water programs.

Implement Future Supply Actions Funding Program.

Staff provided a support letter and in-person testimony on behalf of the South Coast Water District's (SCWD) Doheny Ocean Desalination Project (Project). On October 13th, the California Coastal Commission unanimously approved a Coastal Development Permit for the 5 MGD project. The Project also received support from several member agencies and other water agencies in South Orange County where the project is located. Several environmental and environmental justice groups opposed the project. SCWD received approval from the San Diego Regional Water Quality Control Board in March of this year. Additional approvals are needed from the State Lands Commission and

Water Resources and Engineering

(continued)

the California Department of Parks and Recreation. SCWD has applied for LRP funding for the project through the Municipal Water District of Orange County.

Promote Metropolitan's Technical Capabilities and Innovation Efforts to Advance the Understanding of Water Resources Management

Staff held an in-person knowledge transfer meeting with representatives of Singapore PUB and the Los Angeles County Sanitation District (LASCD) on October 10th at Metropolitan's Pure Water Southern California demonstration facility. The meeting covered challenges with implementing potable reuse and opportunities to collaborate on solutions. Attendees include leadership from all three utilities and culminated with a plan to expand collaboration between the three utilities. The meeting was organized through Metropolitan's Peer-2-Peer (P2P) agreement with Booky Oren Global Water Technologies.

During October, staff met with three companies with innovative technologies through Metropolitan's Technology Feedback Forum program. On October 11th, staff met with SABA, an Italian company with "smart" greenhouse technology. The off-the-grid capable greenhouse incorporates solar power and generates irrigation water with high-efficiency atmospheric water generators. On the 20th, staff met with Solar Water, a company in England that has developed a novel distributed Concentrated Solar Power (CSP) thermal system. The CSP system generates carbon-free energy that could be used to power a traditional seawater desalination system. Staff also met with Natural Ocean Wells, a California company developing a submerged seawater desalination technology that has the potential to reduce energy use and brine discharge impacts. Staff provided all three companies with connections to SoCal's innovation community.

Water Resources and Engineering

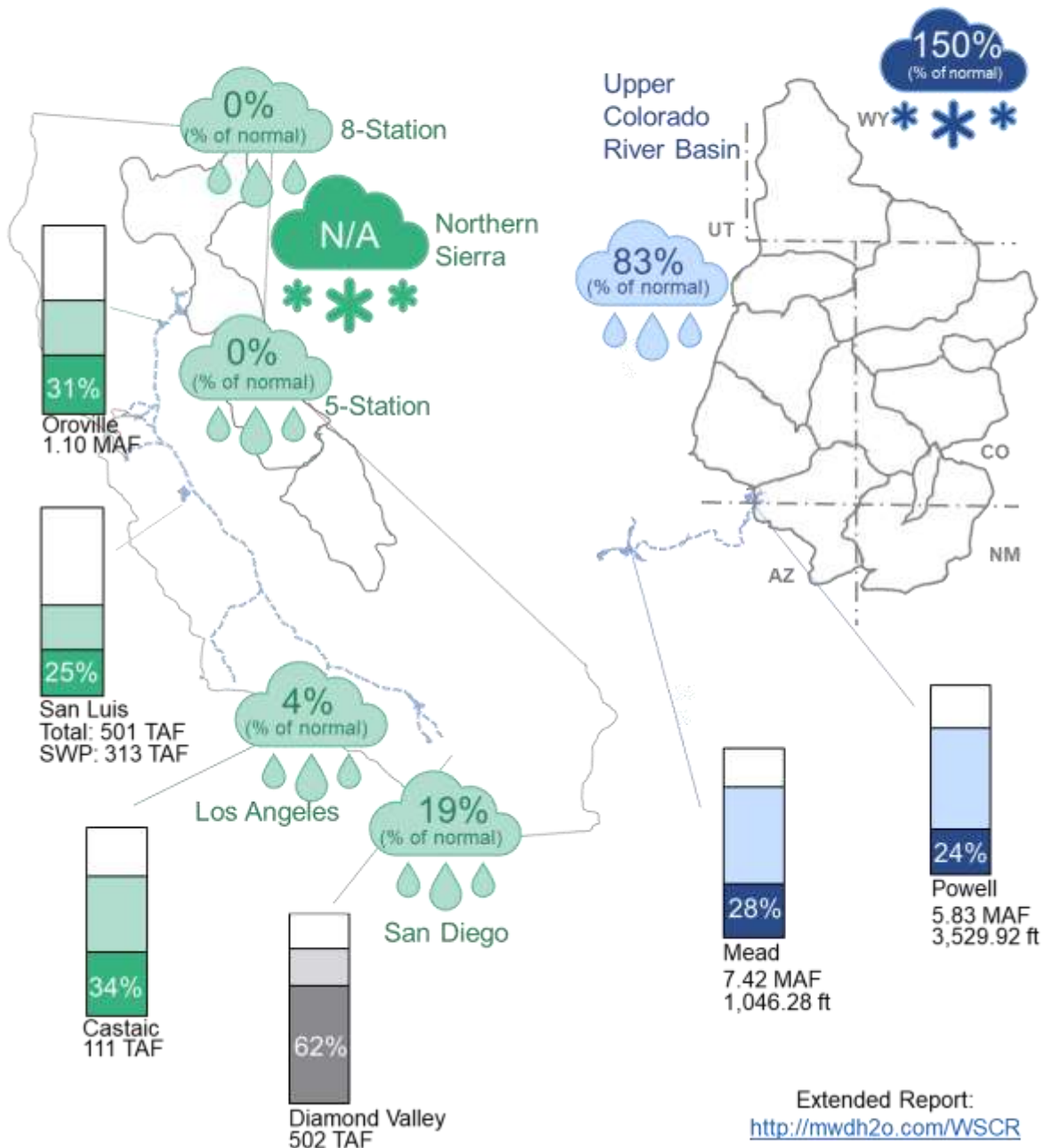
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State Water Project Resources

SWP Table A – 5% - 95,575 AF

Colorado River Resources

Projected CRA Diversions – 1,136,000 AF



As of October 31, 2022

Bay-Delta Initiatives

Project Highlights

Delta Conveyance

The Department of Water Resources (DWR) released the public Draft Environmental Impact Report (EIR) for the Delta Conveyance Project (DCP) on July 27, 2022. The Draft EIR describes project alternatives and potential environmental impacts and identifies mitigation measures to help avoid or minimize potentially significant impacts. The public comment period for the Draft EIR was extended from October 27 to December 16, 2022.

The U.S. Army Corps of Engineers, as part of its permitting review under the Clean Water Act and Rivers and Harbors Act, is preparing an Environmental Impact Statement (EIS) to comply with the National Environmental Policy Act and is planning to release the draft EIS for public review later this year.

Joint Powers Authorities

During the regularly scheduled board of directors meeting on October 20, the Delta Conveyance Design and Construction Authority (DCA) Board of Directors approved a resolution to adopt a policy to prevent discrimination, harassment, and retaliation for all employees, applicants, volunteers, and independent contractors working for and with the DCA. The DCA Board also approved a resolution extension authorizing virtual board and committee meetings pursuant to AB 361.

The Delta Conveyance Finance Authority (DCFA) received the audited financial statements for fiscal year 2021/22 at the regularly scheduled DCFA meeting on October 20, 2022.

Sites Reservoir

At their October meetings, the Sites Project Authority Board and the Sites Reservoir Committee approved a resolution commending Senator Nielsen for his dedicated service as a State Legislator and his ongoing support for the Sites Reservoir Project.

Science Activities

Senior Resource Specialist Dr. Shawn Acuña co-authored a scientific paper reporting on a study evaluating potential contaminant effects in juvenile Chinook salmon habitat in the Sacramento River watershed. The study was funded by a Proposition 1 grant with cost-share from Metropolitan. The paper is published in the journal *Environmental Pollution* and is titled “Dietary exposure to environmentally relevant pesticide mixtures impairs swimming performance and lipid homeostatic gene expression in Juvenile Chinook salmon at elevated water temperatures.” The study found that Chinook salmon exposed to contaminants found in floodplain habitats exhibited dysregulated metabolic processes and reduced swimming behavior with elevated temperature. Results suggest that floodplain habitats developed to support salmon may need to account for contaminant effects, especially at higher temperatures.

Dr. Acuña also co-authored a paper published in the *San Francisco Estuary & Watershed Science* journal titled [“Estuarine Recruitment of Longfin Smelt \(*Spirinchus thaleichthys*\) North of the San Francisco Estuary” \(escholarship.org\)](https://escholarship.org). The study was funded by the State Water Contractors and Metropolitan, and it included

conducting surveys during 2019 and 2020 in ocean tributaries north of the San Francisco Estuary in Northern California to look for longfin smelt larvae. Longfin smelt larvae were detected in four of 16 estuaries surveyed that were all large estuaries north of Cape Mendocino, and larvae were not detected in smaller estuaries closer to San Francisco Bay. The survey results confirm historic surveys detecting the presence of longfin smelt and confirming that the smaller estuaries are used actively but intermittently by longfin smelt.

Delta Island Activities

Metropolitan is working with Reclamation Districts (RD) #756—Bouldin Island, RD #2025—Holland Tract, RD #2026—Webb Tract, and RD #2028—Bacon Island to complete installation of up to 88 magnetic flow meters on the most commonly used siphons to measure and report diversions consistent with SB 88—Water Diversion Measurement Compliance. During 2022, 25 meters have been installed as part of Phase 4 of the metering installation program. In addition, telemetry, battery solar panel support, and communication devices will be installed by November 2022. It is anticipated that the meter installation will be completed within budget and ahead of the Phase 4 completion date of December 2023. Staff is working with the RD engineering firm to evaluate installation of the remaining meters (Phase 5) on smaller and less used siphons on Metropolitan’s Delta Islands.

On October 18, staff conducted a tour of Bouldin Island and Webb Tract for Delta Stewardship Council and Delta Science Program staff. The tour featured several activities including levee security, sustainable agriculture, research supporting listed species, and community engagement. Discussions at the tour highlighted opportunities for collaboration on science and the Delta Islands Adaptation Project addressing landscape-scale scenario planning.

Regulatory Activities

Staff continued to participate in the collaborative groups called for in the 2019 Biological Opinions for the State Water Project (SWP) and Central Valley Project, and in the 2020 Incidental Take Permit (ITP) for long-term operation of the SWP, to address science needs and inform management and operation of the water projects. As part of the ITP requirement to investigate alternatives for non-physical barriers at Sutter and Steamboat Sloughs on the Sacramento River, staff provided input to the resource and regulating agencies regarding the key factors that should be considered in the investigation of alternatives for non-physical barriers to keep fish out of the central Delta where they appear to suffer higher mortality.

Colorado River

Work Continues on the Colorado River Protection Volume Plan

On October 5, Metropolitan, along with its agricultural partners and the state of California, sent a letter to the leadership in the Department of Interior affirming their commitment to developing a proposal to conserve up to 400,000 acre-feet of Colorado River annually from 2023 through 2026. The letter highlighted that this conservation is voluntary and will seek compensation from the Bureau of Reclamation to help implement these actions. This conservation would be in addition to California's commitment to add up to 350,000 acre-feet annual contributions under the 2019 Drought Contingency Plan. Before the new conservation can be implemented, impacts to the Salton Sea from the additional conservation need to be addressed, and regulatory compliance obtained, as well as compliance for additional agricultural conservation. Each of the California irrigation districts (Palo Verde Irrigation District, Coachella Valley Water District, Bard Water District, Imperial Irrigation District) plans to submit conservation proposals to Reclamation for funding under the Inflation Reduction Act. These proposals are due to Reclamation in mid-November and will likely include additional fallowing and on-farm efficiency programs. Metropolitan also plans to submit a proposal for turf removal and replacement, but those longer-term proposals are not to be submitted until sometime in 2023. For our agricultural partners to conserve additional water for Lake Mead, some of our existing conservation agreements may have to be amended. Metropolitan will ultimately need to approve those conservation proposals to ensure the water ends up in Lake Mead without harming Colorado River Aqueduct supplies. It is anticipated that Metropolitan's Board will need to consider and approve the conservation plans as a package sometime in early 2023. As the process is quickly evolving, staff will provide additional updates at the November Imported Water Committee meeting.

Engineering

Core Business Function – Execute Capital Investment Plan projects

Engineering Services manages and executes projects within the Capital Investment Plan (CIP) to maintain infrastructure resiliency, ensure regulatory compliance, enhance sustainability, and provide flexibility in system operations to address uncertain water supply conditions.

Distribution System Reliability Program

This program maintains reliable water deliveries through specific repair and rehabilitation projects on Metropolitan's pipelines, reservoirs, and control structures. Recent activities include the following:

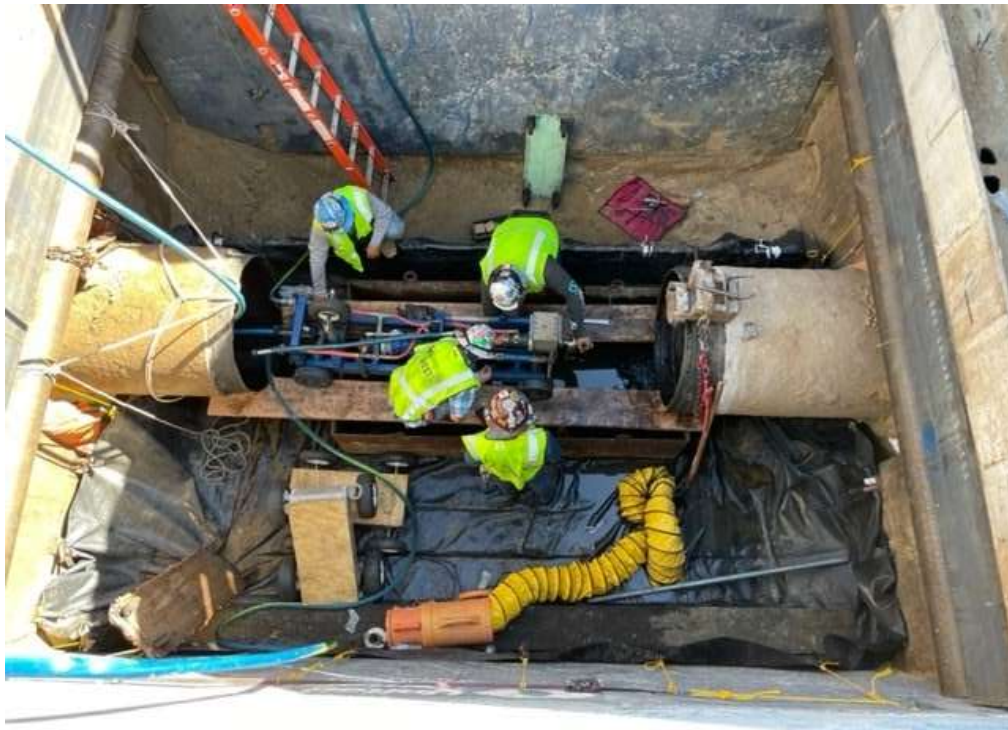
- **Casa Loma Siphon Seismic Upgrades**—This project mitigates leaks associated with long-term ground subsidence and will improve seismic resilience of the siphon as it crosses the Casa Loma Fault. This project replaces approximately 1,200 feet of the Casa Loma Siphon Barrel No. 1 at a fault crossing using earthquake-resistant ductile iron pipe (ERDIP) and welded steel pipe. The contractor has installed both ERDIP barrels, as well as the geofoam backfill in the primary fault zone. Construction is approximately 55 percent complete, with final tie-in scheduled in February 2023.
- **Orange County Feeder Lining Repairs**—This project replaces the deteriorated internal lining along an 11-mile portion of the Orange County Feeder within the cities of Santa Ana, Costa Mesa, and Newport Beach. Rehabilitation is proceeding in three stages. Construction of Stages 1 and 2 are complete. The shutdown for Stage 3 began on September 19, 2022, and the contractor has started construction on multiple sites. Current work includes excavation for access pits and removal of the existing coal tar lining. Construction is approximately 5 percent complete and is anticipated to be complete by September 2023.
- **Upper Feeder Joint Replacement**—This project replaced the damaged bellows expansion joint with a new slip-type expansion joint on the Upper Feeder pipeline where it crosses the Santa Ana River via an aboveground steel bridge. Construction was completed in September 2022. A vote on ratification of the emergency construction contract is planned for the November 2022 board meeting.
- **Lake Mathews Wastewater Replacement**—The project replaces the existing original septic tank system with a wastewater collection system at Lake Mathews. The new wastewater system connects to a nearby off-site Western Municipal Water District main wastewater line. The contractor is continuing to install the sewer line. Construction is approximately 58 percent complete and is scheduled to be complete in March 2023.



Casa Loma Siphon Seismic Upgrades—ERDIP and steel pipe transition at thrust block and wye

Water Resources and Engineering

(continued)



Orange County Feeder Lining Repairs—Cleaning machine



Lake Mathews Wastewater Replacement—Excavating sewer Line around the Lake Mathews Conference Room building

Prestressed Concrete Cylinder Pipe (PCCP) Reliability Program

This program was established to enhance the reliability of Metropolitan's water distribution system and to reduce the risk of costly emergency repairs of PCCP. The priority pipelines included in the program are the Second Lower Feeder, Sepulveda Feeder, Calabasas Feeder, Rialto Pipeline, and the Allen-McColloch Pipeline. A total of 100 miles of PCCP pipelines will eventually be relined with new steel pipe liners under this 20-year program. Recent activities include the following:

- **Second Lower Feeder PCCP Rehabilitation**—This project enhances distribution system reliability by rehabilitating PCCP segments of the Second Lower Feeder—28 miles in total. Rehabilitation of this pipeline is being staged over a period of 20 years, with multiple construction contracts. Approximately 13 miles have been rehabilitated to date and the remaining 15 miles are planned to be rehabilitated within the next 12 to 15 years. The westernmost portion of the feeder, spanning 1.1 miles through the City of Rolling Hills Estates, is in construction. The contractor is currently fabricating coiled steel liners. Construction is approximately 27 percent complete and is scheduled to be complete in August 2023. Final design of the adjacent Reach 3B, a 3.7-mile-long portion of Second Lower Feeder that traverses the cities of Lomita, Los Angeles, and Torrance is complete and is scheduled for board award in January 2023.
- **Second Lower Feeder Isolation Valve Procurement**—This fabrication contract provides 13 conical plug valves for the Second Lower Feeder PCCP rehabilitation. Three 48-inch and ten 54-inch diameter valves provide primary isolation for maintenance activities, inspections, and repairs required to maintain reliable water deliveries. Fabrication of these valves is approximately 75 percent complete. All three 48-inch conical plug valves have been delivered. Delivery of the first two 54-inch valves left the Yokohama, Japan port in October 2022, and are scheduled to arrive in November 2022. Three additional 54-inch valves are complete and are undergoing hydrostatic testing and are scheduled to be delivered in late 2022 or early 2023. The next two 54-inch valves will be delivered in the summer of 2023. Fabrication of three remaining 54-inch valves started in June 2022 and will be completed in early 2024.
- **Sepulveda Feeder PCCP Rehabilitation**—This project rehabilitates 35 miles of PCCP segments within the Sepulveda Feeder and will enhance delivery reliability to member agencies. Long-term rehabilitation of the Sepulveda Feeder will be staged over multiple years with multiple construction and procurement contracts. Final design of Reach 1 and Reach 2 are occurring simultaneously. Final design of Reach 1 is 70 percent complete and Reach 2 is 95 percent complete. Both are scheduled to be complete by February 2023. The Board authorized preliminary design for the northern 20-mile reach of Sepulveda Feeder in the August 2022 meeting. The North Reach project was re-prioritized to support the West Area Water Supply Reliability Improvements.
- **PCCP Rehabilitation Valve Storage Building**—This project constructs an 18,160 square-foot pre-engineered metal building on a reinforced concrete slab at Lake Mathews for valve and equipment storage. The contractor has completed shop-fabrication of the metal building components and continues construction of the concrete pad for the building at the Lake Mathews site. Construction is 41 percent complete and is scheduled to be completed in September 2023.

Colorado River Aqueduct (CRA) Reliability Program

This program maintains the reliability of Metropolitan's CRA conveyance system. Recent activities include the following:

- **Eagle Mountain Pumping Plant Utilities**—This project replaces the existing domestic water, wastewater, fire water, and irrigation distribution systems at the Eagle Mountain Pumping Plant. Final design is 65 percent complete and is scheduled to be complete by February 2023.
CRA Domestic Water Treatment System Replacement—This project replaces the membrane filtration system and associated water treatment equipment at the five Colorado River Aqueduct pumping plants. Procurement of water treatment equipment is underway with expected deliveries in two shipments, in mid-2022 and early 2024. The contractor is working on installing electrical conduit within the machine shop area at Intake Pumping Plant. Construction is 10 percent complete is scheduled to be complete by March 2025.
- **Copper Basin Discharge Valve Replacement**—This project will install a new 54-inch fixed cone valve and actuator at the base of the dam, refurbish the existing valve house and a slide gate and upgrade all associated electrical systems and access ladders at the Copper Basin Reservoir. This project will also include the replacement of the access ladders at the Gene Wash Dam. Final design is 75 percent complete and is scheduled to be complete in September 2023.
- **Cabazon Radial Gate**—This project replaces two radial gates and makes security, access, and safety improvements to the Cabazon Radial Gate Structure. Preliminary design is 20 percent complete and scheduled to be complete by November 2022.

System Flexibility/Supply Reliability

Projects under this program will enhance the flexibility and/or increase the capacity of Metropolitan's water supply and delivery infrastructure to meet current and projected service demands. Projects under this program address climate change affecting water supply, regional drought, and alternative water sources for areas dependent on State Project Water.

- **Wadsworth Pumping Plant Bypass Pipeline**—This project will construct a pipeline connecting the Wadsworth Pumphouse Conduit to the Inland Feeder at the Wadsworth Pumping Plant to allow continuous pumping of water from DVL's forebay while simultaneously filling the forebay from the lake. Final design is complete, and award of a construction contract is scheduled for December 2022.
- **Badlands Surge Protection Facilities**—This project will protect the Inland Feeder from excessive negative pressures that could develop from an unexpected shutting down of the pumps at Wadsworth Pumping Plant. Final design is 85 percent complete and is scheduled to be complete in December 2022.
- **Inland Feeder-Rialto Intertie**—This project will connect the Inland Feeder to the Rialto Pipeline to allow pumped water from DVL to be delivered directly to the Rialto Pipeline. Final Design is 85 percent complete and is scheduled to be complete by the end of November 2022.
- **Foothill Pump Station Intertie**—This project will connect San Bernardino Valley Municipal Water District's (SBVMWD) existing Foothill Pump Station with Metropolitan's Inland Feeder to provide the needed hydraulic lift to deliver water from DVL to the Rialto Pipeline. Final design is 60 percent complete and is scheduled to be complete by early 2023. Concurrently, the project team is assessing potential schedule impacts of discovering Stephens Kangaroo Rat (a threatened species under the Endangered Species Act) habitat in the project's footprint, which is expected to trigger more extensive environmental documentation, permitting, and mitigation processes.

Treatment Plant Reliability Program

This program was initiated to maintain reliability and improve the operating efficiency of Metropolitan's water treatment plants through specific improvement projects. Recent activities include the following:

Weymouth Plant

Weymouth Basins 5-8 and Filter Building No. 2 Rehabilitation—This project rehabilitates major mechanical and structural components including the flocculation/sedimentation equipment, sludge pumps, baffle boards and walls, launders, inlet gates, and outlet drop gates. Other improvements included in this contract are seismic upgrades of basin walls and inlet channel, abatement of hazardous materials in the basins, and replacement of filter valves and actuators in Filter Building No. 2. The contractor is currently procuring critical equipment and materials required for the upcoming half-plant shutdown in December 2022. Metropolitan is procuring remote terminal units and coordinating efforts to support the half-plant shutdown. Construction is 8 percent complete and is scheduled to be complete by May 2025.

Mills Plant

Mills Electrical Upgrades, Stage 2—This project upgrades the electrical system with dual-power feeds to key process equipment to comply with current codes and industry practices; improves plant reliability; and enhances worker safety. Stage 1 construction is complete. Stage 2 improvements will add a second incoming 12 kV service from Riverside Public Utilities (RPU), reconfigure the existing 4160-volt switchgear, and replace the standby generator switchgear and the emergency generator programmable logic controller. The contractor completed the electrical grounding system at RPU's switchyard and is preparing to expand the ORP switchgear building. Construction is 19 percent complete and is scheduled to be complete by December 2024.

System Reliability Program

The System Reliability Program consists of projects to improve or modify facilities located throughout Metropolitan's service area in order to use new processes and/or technologies and improve facility safety and overall reliability. Recent activities include the following:

- **Headquarters Physical Security Upgrades**—This project implements comprehensive security upgrades for Metropolitan's Union Station Headquarters. These upgrades are consistent with federally recommended best practices for government buildings. This work has been prioritized and staged to minimize rework and impacts on day-to-day operations within the building. Stage 1 work is complete and provides enhanced security related to perimeter windows and doors. Stage 2 improvements provide security system upgrades inside the building with a focus on the main entry rotunda area, boardroom, executive dining lounge, and security control room. The contractor completed commissioning of security equipment on Floors 2-12 and equipment installation in the rotunda. Construction of Stage 2 improvements is complete except for the additional exterior door latch-bolt monitoring on the first floor. Stage 3 improvements will provide security system upgrades around the perimeter of the building. Design for Stage 3 improvements is complete and board award of a construction contract is scheduled for December 2022.
- **Headquarters Building Fire Alarm and Smoke Control System Upgrades**—This project upgrades the Metropolitan Headquarters Building fire life safety systems, which includes replacement of the fire detection and alarm system and HVAC system improvements for smoke control. The fire alarm and smoke control systems in the Metropolitan Headquarters Building provide detection, notification, and control of building functions so that occupants and visitors can safely exit in the event of a fire. The contractor completed the

Water Resources and Engineering

(continued)

fire alarm system upgrades and is currently working on the smoke control upgrades. Construction is 62 percent complete and is scheduled to be complete by September 2023.

- **SCADA System Upgrades**—This project will upgrade Metropolitan’s entire control system in incremental stages, spanning the Colorado River Aqueduct, the five water treatment plants, and the conveyance and distribution system. The first stage of this project is to replace the control system at the Mills plant, starting with a pilot effort on one of the plant’s remote terminal units. This will demonstrate the proposed technology and the consultant’s approach for the plant and the overall project. The pilot project is anticipated to be complete by June 2023. Staff is finalizing the consultant agreement for project execution and performing field investigations for the communication system. The full system upgrade at the Mills plant is anticipated to be complete by January 2026.

Water System Operations

Core Business Objectives

Develop New Solutions to Enhance Operational and Business Processes

Jensen staff member Kenneth Lorenzo designed an innovative way to improve the water quality analyzer maintenance and sample line chlorination procedure in the influent building at the Jensen plant. This building houses analyzers that monitor the plant influent water quality. Staff fabricated custom analyzer probe holders that will improve sample line chlorination process efficiency and allow for quick probe isolation. The new probe holders use a quick release system and are easier to maintain and isolate, resulting in improved productivity and overall cost savings.



Previous (left) and modified (right) water quality probe manifold at the Jensen plant



Kenneth Lorenzo (Jensen O&M Tech IV) installing the modified analyzer probe manifold at the Jensen plant

Prepare Employees for New Opportunities

The Water System Operations Apprentice and Technical Training Programs develop and train personnel to become qualified mechanics and electricians responsible for maintaining Metropolitan's water treatment and distribution systems. This month, electrical apprentices completed Water Treatment fundamentals through a local community college as part of their academic instruction. The class taught basic operating principles and techniques of the conventional surface water treatment process and common disinfection processes. The class prepares apprentices for the water treatment operator certification examination.

Staff visited the Department of Water Resources' Apprenticeship Program training facility in Bakersfield and met with the Training Center Supervisor. DWR and Metropolitan staff shared program information, with opportunities identified for continued improvements to Metropolitan's Apprenticeship Program. Staff also evaluated and discussed DWR's training equipment, applications, and shop layout. This information will help staff plan for upcoming facility improvements at the new Apprenticeship Training Center.



Apprenticeship staff viewing training equipment at DWR's training facility

Manage Vacancies

WSO filled two vacancies in September 2022.

Provide Reliable Water Deliveries

Metropolitan member agency water deliveries were 156,802 acre-feet (AF) for October with an average of 5,058 AF per day, which was 391 AF per day higher than in September. Treated water deliveries decreased by 2,382 AF from September for a total of 65,487 AF, or 42 percent of total deliveries for the month. The Colorado River Aqueduct (CRA) continued operating at an eight-pump flow with a total of about 106,000 AF pumped for the month. State Water Project (SWP) imports averaged 1,706 AF per day, totaling about 52,878 AF for the month which accounted for approximately 34 percent of Metropolitan's deliveries. The target SWP blend remained at zero percent for the Weymouth, Diemer, and Skinner plants.

Manage Water Reserves

Water reserves continued to be managed according to Water Surplus and Drought Management (WSDM) principles, operational objectives, and the current 5 percent State Water Project (SWP) allocation. Deliveries of SWP supplies were minimized to preserve SWP Carryover and Flexible Storage. Releases from DVL through PC-1 to connections on the Lakeview Pipeline, as well as the DVL to Mills plant operation, continued in October to conserve SWP supply use in that area. Returns from the Semitropic and Kern Delta SWP Banking Programs also continued in October. Staff continued Greg Avenue pump operations to minimize SWP usage. In addition, staff continued coordination with member agencies, shifting their deliveries from SWP connections to Colorado River water connections, when possible. Staff continue to develop additional drought mitigation actions to help with the low SWP allocation in 2022 and prepare for 2023.

Support the Pure Water Southern California Program

During October, staff completed pretesting and began baseline testing for secondary membrane bioreactor (MBR) operations at the Pure Water Southern California (PWSC) demonstration plant in Carson. Staff installed new instrumentation on the aerobic bioreactor to help stabilize operations and replaced a cracked pipe on one of the MBR systems.



Staff repairing an air leak on tubing to an MBR valve actuator at the PWSC demonstration plant

On October 7, Metropolitan and Los Angeles County Sanitation Districts staff participated in a full-day workshop with visiting officials from Singapore Public Utilities Board (PUB). The workshop providing an opportunity to exchange information on innovative approaches to water reuse and water quality issues. Singapore PUB is highly recognized for their leadership and innovation in water reuse with their NEWater program. The workshop provided significant value with future technical exchanges planned between the agencies. Staff also provided a tour of the PWSC demonstration plant and an overview of Metropolitan's testing plans.



Staff providing a tour to Singapore PUB officials at the PWSC demonstration plant



Metropolitan, LACSD, Singapore PUB, and Booky Oren Global Water Technologies at the PWSC demonstration plant

Manage Power Resources and Energy Use in a Sustainable Manner

Given continuing drought conditions, the CRA is expected to maintain eight-pump flow up to the next planned CRA shutdown in February 2023. Staff continue to monitor the cost and operational impacts of reduced U.S. Bureau of Reclamation (USBR) hydropower generation and increased energy prices in the electricity and natural gas markets. Staff are also monitoring the Resource Adequacy (RA) capacity needs of the CRA and will obtain supplemental RA as required.

Because of low SWP allocations and system operating conditions, Metropolitan's hydroelectric plants generated an average of about 2.8 megawatts, or over 2,040 megawatt-hours and \$201,325 in revenue, for the month of September 2022. Metropolitan's solar facilities totaling 5.4 megawatts of capacity generated approximately 1,000 megawatt-hours in September 2022.

Ensure Water Quality Compliance, Worker Safety, and Environmental Protection

Metropolitan complied with all water quality regulations and primary drinking water standards during September 2022.

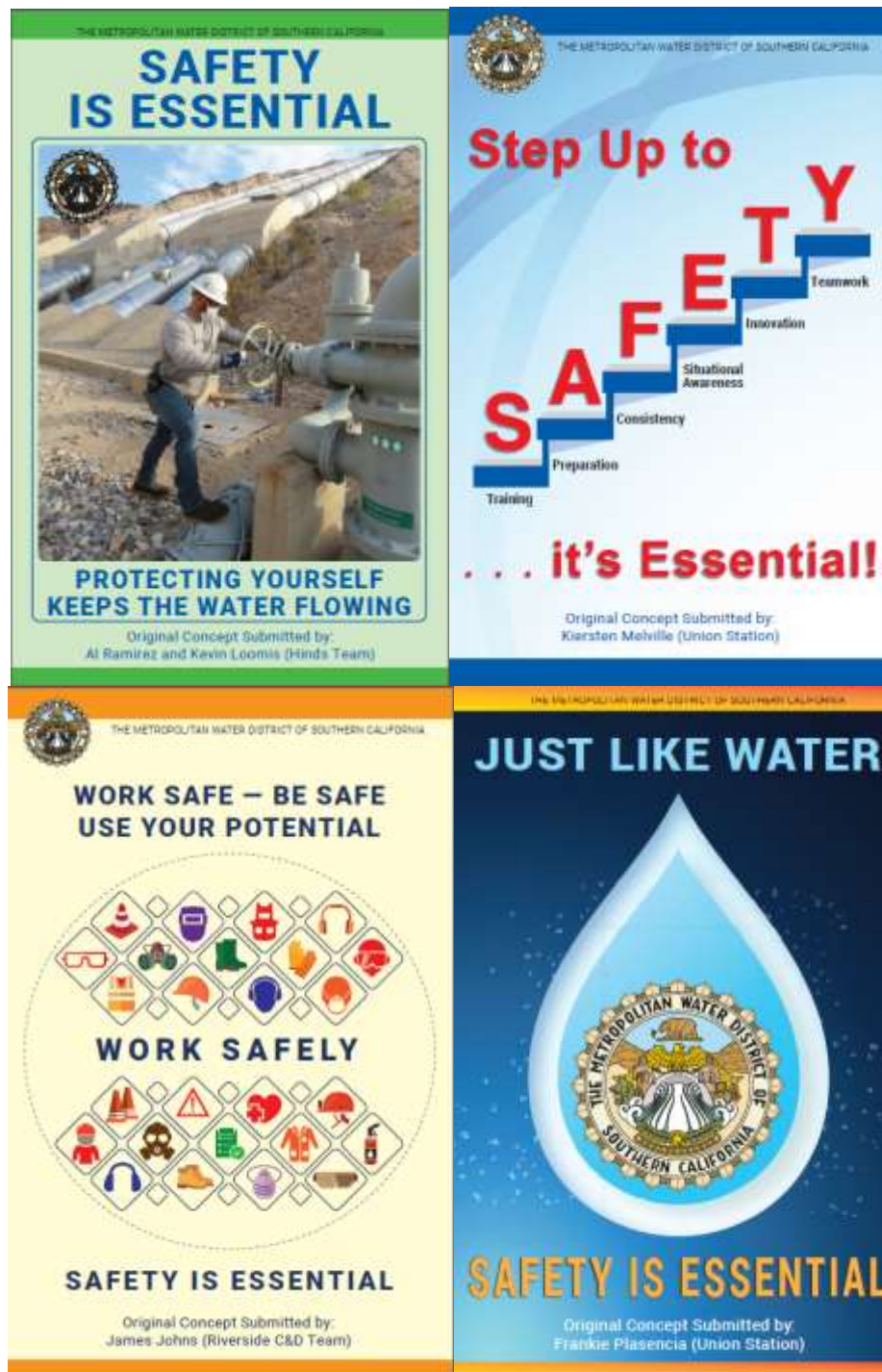
On October 18, Metropolitan hosted its regular quarterly meeting with the State Water Resources Control Board's Division of Drinking Water. Discussion topics included updates on regulations, capital projects, CRA water supply, the Jensen plant's excellent performance during the Castaic Lake elevated turbidity event, the 2022–23 shutdown season, and Lake Skinner shoreline herbicide application.

Metropolitan's Water Quality Laboratory in La Verne and the five satellite laboratories at the water treatment plants were audited by a state-approved assessor for recertification under the newly adopted state laboratory accreditation regulations. The audit spanned 11 days, beginning on October 24. The audit report and corresponding corrective action plan (if needed) will be included as part of Metropolitan's certification application. Certification is required for Metropolitan's water quality laboratories to continue monitoring and reporting results on public drinking water.



Staff discussing standards and quality assurance records with the independent assessor during the Water Quality Laboratory's audit to renew state certification

In 2021, staff participated in a T-shirt design contest for Metropolitan's safety program. The runner-up design concepts have now been made into posters that are being displayed at Metropolitan facilities to continue to promote employee safety.



New safety posters created from employee T-shirt design concepts

New safety posters tailored for the Union Station and Sacramento office locations have been developed to help alert employees of office safety hazards and identify safe practices.



Office safety poster for Union Station

Optimize Maintenance

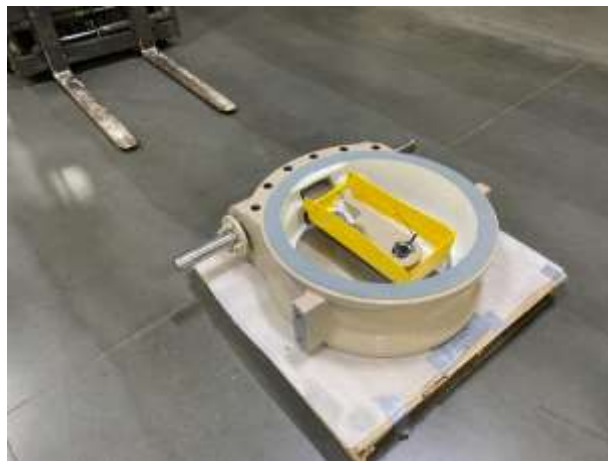
This month, the La Verne Shops refurbished a check valve for the Perris Pumpback facility. Staff found the original bushings damaged because they were made from lower-grade bronze material. Staff manufactured the replacement bushings with upgraded material. Bushings are plain bearings or bronze sleeves used to allow the disc of the valve to rotate, regulating flow as required.



Removal of compromised stainless-steel bushing from valve body (left) and machining of new shaft (right) for Perris Pumpback facility



New bronze bushings manufactured to replace the worn stainless-steel bushings for Perris Pumpback facility



Pressure testing of the refurbished valve (left) and completed valve (right) ready for transport to the Perris Pumpback facility

Oil sampling and analysis is a critical component of Metropolitan's preventative maintenance program. Staff sample the CRA 230kV transformer oil and analyze for dissolved gases on a regular basis. The dissolved gas analysis can provide indicators of potential abnormal conditions within the transformer.



Staff taking an oil sample from a transformer at Gene pumping plant

Access road repair is a reoccurring issue during the monsoonal season in the Desert. Seasonal storms can quickly make access impossible even with a four-wheel drive maintenance vehicle. This month, staff made a rapid repair to the Chuckwalla communication site access road to facilitate vehicle travel for maintenance of the communication equipment.



Staff repairing storm damage at the Chuckwalla communication site

Staff rebuilt a circulating water pump at the Eagle Mountain pumping plant. Once disassembled, the components were delivered to the coatings team for blasting and coating before the pump was reassembled and returned to service.



Before (left) and after (right) blasting and coating of circulating water pump components for Eagle Mountain pumping plant

Staff relocated an incoming overhead power line in front of the fleet maintenance shop at Diamond Valley Lake (DVL) to an underground route. The relocation of the incoming power line was necessary to provide overhead clearance for the installation of a new vehicle lift that is in progress. Staff worked closely with Southern California Edison to build the underground conduit to specifications. Once complete, a slab will be poured to complete the vehicle lift, which will optimize vehicle maintenance throughout the DVL area.



Staff trenching dirt to relocate an incoming overhead power line to an underground route at the DVL fleet shop

In late September, staff began a shutdown of the Etiwanda Pipeline. The pipeline was taken out of service and fully dewatered to begin a rehabilitation project where a contractor will reline approximately 1,300 feet of the steel pipe with a new steel liner. Additionally, 13,800 feet of mortar lining will be removed and a polyurethane coating will be applied. Some portions of the pipeline, rehabilitated during earlier phases of the project, will be epoxy-coated as needed. The pipeline is anticipated to return to service by June 2023.



Staff removing a flange and entering the Etiwanda Pipeline



Off-loading (left) and palletizing valves (right) to be stored during phase 3 of the Etiwanda Pipeline relining

Staff installed an alternate power supply from the substation serving the domestic water pumps at the finished water reservoir and the new water quality instrumentation building at the Weymouth plant. The work involved installing over 3,000 ft of copper conductors, breaker and cable terminations, and associated safety devices. This power supply improves the plant's resiliency and will allow for maintenance and emergency operations of both substations without the need for portable engine generators. This reduces engine emissions, fuel costs, labor, and downtime when placing generators and connecting temporary wiring.



Staff using an electric cable puller at a deep vault at the Weymouth plant



Electricians prepping cable for installation at the Weymouth plant

Optimize Water Treatment and Distribution

The State Water Project target blend entering the Weymouth and Diemer plants and Lake Skinner was zero percent in October 2022.

Flow-weighted running annual averages for total dissolved solids from August 2021 through July 2022 for Metropolitan's treatment plants capable of receiving a blend of supplies from the State Water Project and the Colorado River Aqueduct were 597, 593, and 590 mg/L for the Weymouth, Diemer, and Skinner plants, respectively.

This month, staff continued modifications to the CenB-36 service connection along the Middle Feeder in the city of Rosemead. The work included refurbishing the discharge piping and chemical feed system to support Metropolitan's drought efforts through maximizing deliveries of Colorado River water to an area that would otherwise receive only SWP supplies.



Staff grading the site (left) and the completed tank tie-down bracket at the CenB-36 service connection

While performing a monthly test on the station generator at the Chemical Unloading Facility (CUF) in Perris, an internal component failure led to damage of the generator windings and electronic controls. The repair required a complete tear down and rebuild of the generator. A temporary generator was required to ensure that CUF remained in operation and able to run at full capacity during the repair. Station generator testing occurs monthly at the plants to ensure operational reliability in the event utility power is lost.



Staff installing the rebuilt generator at the Chemical Unloading Facility

Staff completed annual cleaning of a sedimentation basin at the Weymouth plant. As part of this work, the basin was dewatered using a submersible pump in preparation for the remaining sludge to be removed. During the inspection, several flocculator paddle boards were also replaced. Annual cleaning of the sedimentation basins is performed to inspect equipment and maintain operational reliability.



Staff dewatering a sedimentation basin at the Weymouth plant



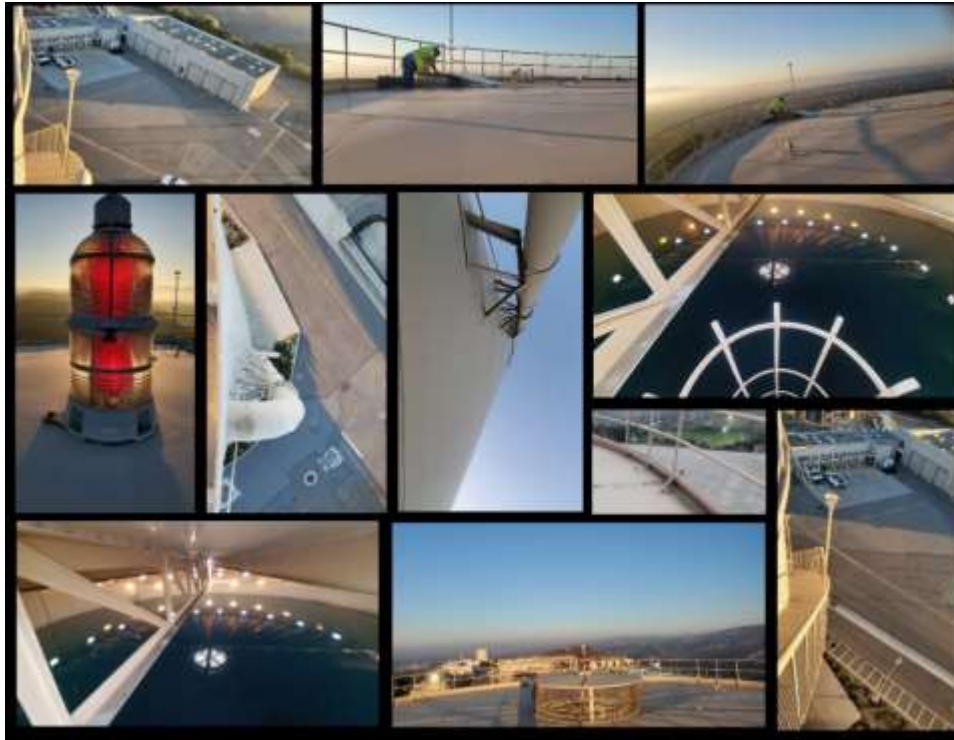
New sedimentation basin flocculator paddle boards at the Weymouth plant

Staff repaired a filter drain valve gearbox on a module at the Skinner plant. During the filtration process, each filter is operated until it reaches capacity and requires cleaning. The process of cleaning (backwashing) the filter involves operating valves to reverse flow through the filter media. The filter drain valve is an integral component in the filter operation, with the gearbox and motor actuator moving the valve position. As the gearbox internal gearing was found to be defective, staff replaced the main gear to maintain operational reliability of the filtration process.



Staff installing the repaired filter drain gearbox at the Skinner plant

Staff inspected the east washwater tank as part of the monthly Plant Safety Walk at the Diemer plant. Safety Walks are performed to identify potential safety improvements throughout the plant. The east washwater tank is used to store treated water for backwashing filters at the treatment plant and for other industrial uses. The tank is 80 feet tall and stores over one million gallons of water.



East washwater tank inspection at the Diemer plant

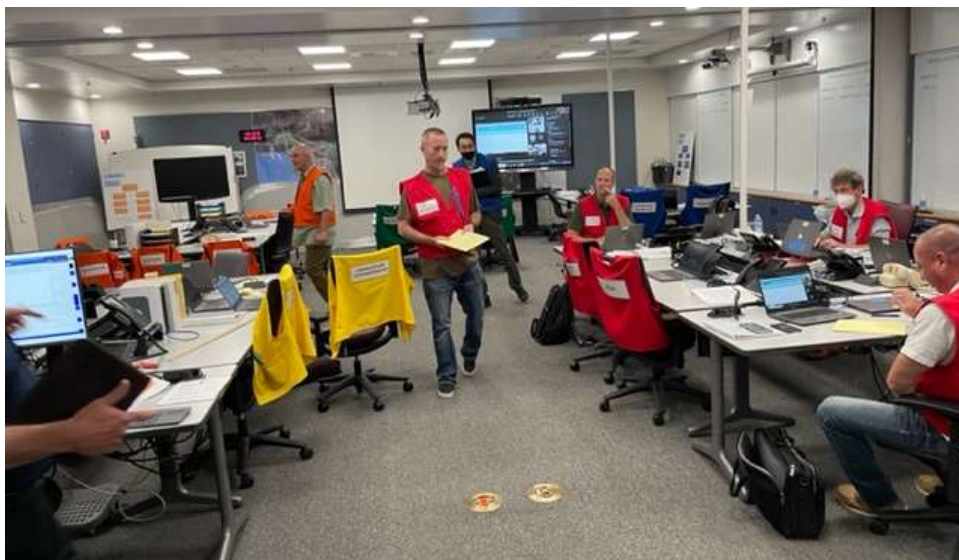
Staff installed a SCADA monitor in the new evaporator room that was added during the Chlorine Expansion capital project at the Weymouth plant. The core video distribution equipment did not have enough outputs for the new monitor. The monitor will provide staff the ability to effectively monitor the chlorine system to ensure safe and reliable operations.



Staff testing signal cable integrity (left) and checking monitor bracket mobility (right) in the chlorine evaporator room at the Weymouth plant

Improve Emergency Preparedness and Response

Staff assessed Metropolitan’s Emergency Response Plan by conducting a district-wide earthquake response exercise on October 20. As part of the “Great California ShakeOut”, Metropolitan’s Emergency Operations Center (EOC), Weymouth plant, and Western Conveyance and Distribution staff participated in the exercise. Member agency representatives also participated from the cities of Pasadena and San Marino, as well as from Foothill, Upper San Gabriel Valley, and Three Valleys Municipal Water Districts. The exercise focused on assessing a hybrid (in-person/remote) EOC activation. Staff also tested Metropolitan’s emergency mass notification system by sending a reminder message to all employees to “Duck, Cover and Hold On” during the 10:20 AM ShakeOut Exercise. Exercises such as this help to further enhance Metropolitan’s readiness for future emergencies.



Staff working in the EOC during the Great California ShakeOut earthquake exercise



Staff conducting a “Duck, Cover and Hold On” drill during the Great California ShakeOut earthquake exercise

On October 17, the Water Quality Incident Command Post (ICP) conducted a functional exercise in response to a simulated source water contamination event. The exercise provided staff with hands-on experience in using the U.S. Environmental Protection Agency Water Contaminant Information Tool, an opportunity to test the standardized emergency communication pathways, and experience conducting emergency response actions in a hybrid work environment.



Water Quality ICP conducting a hybrid functional emergency exercise

Actively Engage in Capital Project Planning and Execution

Staff supported the Rialto and Inland Feeder Intertie drought response capital project by completing nine potholes at the Department of Water Resources' (DWR) Devil Canyon Facility. Potholing helps to locate underground utilities and existing infrastructure, including DWR infrastructure, and is an essential part of the engineering design process. The potholes ranged in depth from 6.5 to 24 feet deep and required steel shoring plates due to the depth.



Potholing operations (left) and staff installing steel end plates (right) at DWR's Devil Canyon Facility

CRA facilities continue to reliably operate at maximum capacity during the current drought conditions, because of the efforts of staff to monitor and maintain equipment. Capital improvement projects can present additional challenges that must be overcome to ensure continued water deliveries. The Overhead Crane Replacement capital project removed the crane from service during construction, while also limiting access for maintenance and operations. Staff coordinated maintenance activities with the resident inspector to minimize the impact to operations and the crane project schedule.



Overhead crane replacement at Gene pumping plant

On October 14, a member of the design consulting team walked through the entire Water Quality Laboratory building in La Verne using a bi-directional camera, generating a 3D image of the laboratory interior. This 3D “map” creates the baseline building condition for the Water Quality Laboratory Improvements capital project.



Using a helmet mounted bi-directional camera to record a continuous interior image of the Water Quality Laboratory

Manage the Power System

Several factors are affecting CRA power costs this year. Extended eight-pump flow operations under current drought conditions are increasing energy consumption. Supplemental energy purchases from the California Independent System Operator (CAISO) market are needed to meet this additional pumping demand. In addition, Metropolitan's allocation of generation at Hoover and Parker Dams is down significantly because of low reservoir water levels. Hoover output is down about 40 percent, further increasing the need for supplemental energy purchases which are about three to five times more expensive than Hoover and Parker energy. This price disparity is exacerbated by the volatility in the natural gas market, which provides the main source of fuel for non-renewable electric generation, and supply concerns following the September extreme heat event. Staff, in conjunction with Metropolitan's scheduling coordinator, continue to monitor the western energy markets to identify opportunities for potential cost savings while ensuring reliable CRA operations.

Prepare for Future Legislation and Regulation

On September 16, the Governor signed AB 2108: Water policy, environmental justice, disadvantaged and tribal communities. The bill adds an environmental justice advocate to both the State and Regional Water Boards. Staff expressed concerns that the bill could grant these boards new authority when reviewing previous regulatory decisions, such as delegating water rights. Staff will continue to monitor the regulatory outcomes of AB 2108.

On September 16, the Governor signed SB 1020: Clean Energy, Jobs, and Affordability Act of 2022. Among other provisions, SB 1020 accelerates the requirement for the State Water Project to be reliant on 100 percent clean energy from 2045 to 2035. This will have a direct financial impact on Metropolitan's SWP supplies. Staff will continue to seek funding mechanisms to offset the costs imposed by the bill.

On September 28, Governor Newsom signed the Metropolitan-sponsored bill SB 230: State Water Resources Control Board, Constituents of Emerging Concern in Drinking Water Program. SB 230 establishes a new program within the SWRCB to evaluate constituents of emerging concern in drinking water. Staff will track the development and outcomes of this program.

On October 14, the California Division of Occupational Safety and Health proposed updates to the COVID-19 Non-Emergency Regulation (COVID-19 Standard). For the purposes of isolating and quarantining persons infected with or exposed to COVID-19, the new rule redefines "close contact" separately for indoor spaces measuring either less than or greater than 400,000 cubic feet per floor. Other updates include clarification of ventilation requirements, improvements to reporting and recordkeeping requirements, and updated definitions. Staff are reviewing the latest draft standard. If formally adopted in December 2022, the new COVID-19 Standard will be effective from January 2023 through January 2025.

On October 17, staff submitted comments on the California Air Resources Board's (CARB) proposed Advanced Clean Fleets (ACF) Regulation. Starting January 1, 2024, the regulation mandates that 50% of Metropolitan's medium-to-heavy duty vehicle purchases (i.e., vehicles weighing more than 8,500 lbs.) must be zero-emission (e.g., electric or hydrogen) and 100 percent by 2027. Metropolitan requested that CARB extend the 100% purchase date for water utilities from 2027 to 2030—to allow both the zero-emission vehicle (ZEV) market and charging infrastructure to mature so as not to compromise essential water services or emergency response capabilities. Staff also commented on improving the vehicle purchasing exemption process when ZEVs are not available, or the charging infrastructure is not ready. Staff will provide verbal comments at the October 27 CARB public hearing. The ACF is set to be adopted in early 2023.

On October 19, the SWRCB's Division of Drinking Water (DDW) proposed revisions to the Detection Limits for Purposes of Reporting (DLRs) for antimony, arsenic, beryllium, cadmium, lead, mercury, nickel, and thallium; and new DLRs for iron, manganese, and zinc. DLRs are the minimum levels at which any analytical finding must be reported to DDW. The draft proposal revises the DLRs for these metals to concentrations closer to, or equal to, the corresponding public health goals. DDW will hold a public workshop on November 3 to discuss these revisions. Staff worked with DDW before the release of this proposal to ensure that Metropolitan can comply with the revised/new DLRs given current analytical capabilities.

Ensure Accurate Billing Infrastructure

Staff repaired the LA-04 service connection along the Palos Verdes Feeder in the city of Los Angeles. This service connection, serving the Los Angeles Department of Water and Power, was damaged in a fire in fall 2021. The fire damaged the Automatic Meter Reading (AMR) meter and engulfed the service connection electronics cabinets. The damaged equipment was removed and replaced with new cabinets and electronic equipment. Staff tested and calibrated the AMR meter and returned it to service.



Fire damaged AMR cabinet at the LA-04 service connection

Advance Education and Outreach Initiatives

On October 21, staff provided a Director tour of the Water Quality Laboratory that included guests from the city of Beverly Hills and the Municipal Water District of Orange County. The tour provided an overview of Water Quality's regulatory compliance monitoring program, flavor profile analysis, and invasive quagga mussels.



The first post-COVID Director tour of Metropolitan's Water Quality Laboratory

On October 13, staff provided a tour of the Jensen plant to a group of visiting officials from the city of Daegu in South Korea, accompanied by the AWWA International Council. As part of the tour, the delegation met with WSO's Assistant Group Manager to learn about Metropolitan's planning efforts, extensive delivery system, and operational flexibility in serving the drinking water needs for Southern California. While smaller in scale, the Daegu officials are developing projects to meet their future supply needs and expressed their appreciation for learning about Metropolitan's system including identifying areas of mutual interest. The delegation also visited LADWP's Los Angeles Aqueduct Filtration Plant while in California.



WSO Assistant Group Manager briefing South Korean delegation during tour of the Jensen plant



Metropolitan staff and South Korean delegation during tour of the Jensen plant

Staff provided a tour of the Diemer plant to the National Association of Women in Construction. Participants enjoyed learning about the history of Metropolitan, seeing the operating processes, and talking to the control room operator about the challenges of operating a large water treatment plant.



Diemer plant manager explaining CRA operations to plant tour participants

On October 20, staff participated in the WaterReuse Association Los Angeles and Orange County Chapters joint meeting at SoFi Stadium, which provided an opportunity to learn about the onsite sustainable water resource management system.

Monthly Update as of:

10/31/2022

<u>Reservoir</u>	<u>Current Storage</u>	<u>Percent of Capacity</u>
<i>Colorado River Basin</i>		
Lake Powell	5,832,000	24%
Lake Mead	7,417,000	29%
<i>DWR</i>		
Lake Oroville	1,102,824	31%
Shasta Lake	1,414,218	31%
San Luis Total	501,134	25%
San Luis CDWR	313,177	29%
Castaic Lake	110,990	34%
Silverwood Lake	64,975	87%
Lake Perris	93,537	71%
<i>MWD</i>		
DVL	501,939	62%
Lake Mathews	107,209	59%
Lake Skinner	37,155	84%



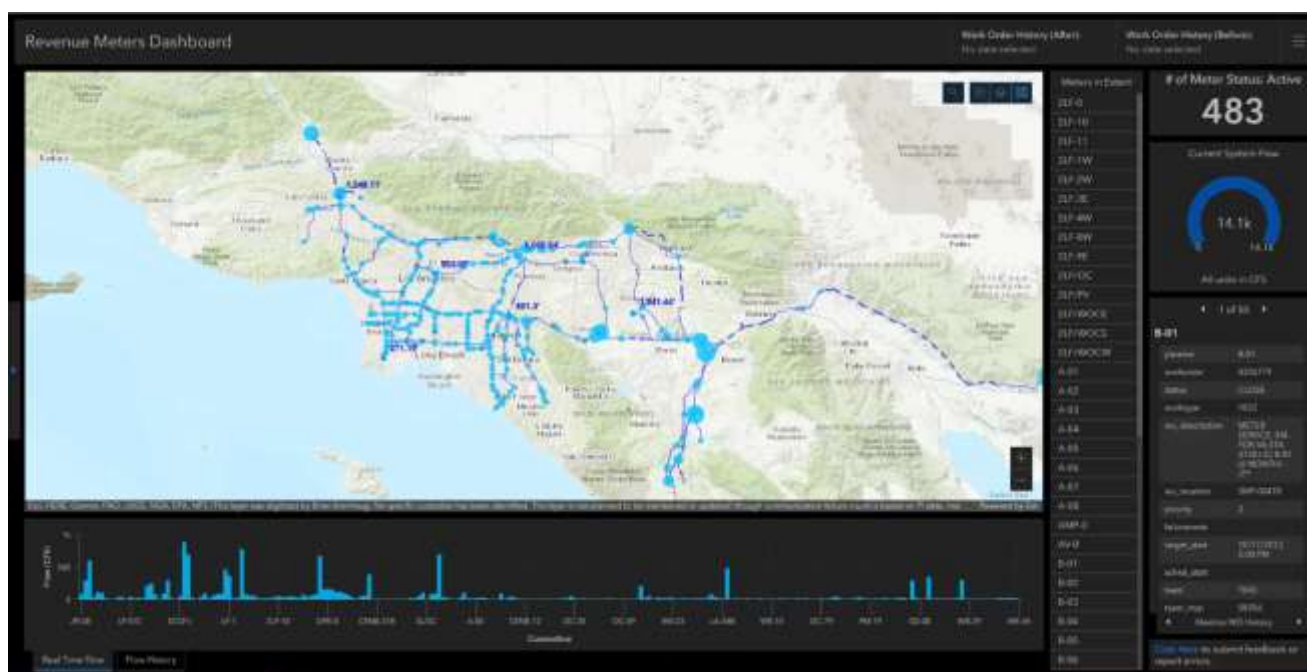
Hoover Dam

Information Technology

IT Core Business: Project Highlights

Asset Management

Asset Monitoring and Management Revenue Meter Dashboard—This dashboard is intended to provide Metropolitan staff access to the vast amount of asset data Metropolitan maintains related to service connection flow meters. Staff across Metropolitan interact with service connection flow meters as a part of their business processes. Metropolitan’s business processes related to revenue meters are supported by several data systems which contain authoritative asset data for service connection flow meters. For example, the Water Information System (WINS) is a data system used for billing member agencies for water supplied through service connections, and the Infrastructure Mapping Data Collection (IMDC) is a data system used to store geospatial location information of Metropolitan assets. This asset dashboard is currently in the pilot phase and will be released in the coming months.



Automated Data Transfer to the Department of Water Resources

Because of the recent drought, the California Department of Water Resources (DWR) requested Metropolitan to provide daily storage data for Diamond Valley Lake, Lake Mathews, and Lake Skinner. Water Resource Management (WRM) staff was providing this daily information via email to a DWR/CDEC (California Data Exchange Center) staff. This manual process was very time consuming. IT worked closely with WRM and DWR staff to develop a new solution that automates data transfer to DWR and does not require sending daily emails.

Real Property

Project Highlights

Provide right-of-way planning, valuation, and real property acquisition support services for the protection and reliability of existing infrastructure.

Two leases were acquired for the Etiwanda Pipeline North Liner Repair project in the city of Fontana for parking and access. One was from SC Fontana Development Company, LLC for 0.58 acres, and the other was from Intex Properties Inland Empire Corp for 2.15 acres. The 12-foot diameter Etiwanda Pipeline will be relined with a new polyurethane coating that has better durability and wear than the existing cement mortar coating.

Foster staff training and development.

The following training courses were completed: OneNote Overview and MS Word Advanced Features.

Real Property Acquisition, Management, and Revenue Enhancement

In conjunction with our partners in WSO and Security, manage and protect Metropolitan's real property land holdings and permanent easements while ensuring that Metropolitan's core operations are protected.

Eight quitclaim deeds were obtained from the U.S. Department of the Interior, Bureau of Land Management (BLM), covering approximately 5,700 acres of 1932 Act Lands in Riverside and San Bernardino Counties.

The 1932 Act authorized the federal government to grant Metropolitan lands to build and operate Colorado River Aqueduct but included a reversionary interest clause. The clause reverts properties to the federal government if they are not used for the original intended purpose. The 2019 John D. Dingell Jr. Conservation, Management, and Recreation Act and the Contributed Funds Agreement authorized by the Board on October 2020, allows BLM to release the federal government's reversionary interest in these lands by quitclaim deeds. Recorded deeds bolster Metropolitan's records of clear legal title to lands granted to it by Congressional action and help prevent unlawful use of these lands by third parties.



Provide valuation, land management, and real property disposition support services for the maximum return or use of Metropolitan-owned land and facilities.

The existing leases with tenants at Webb Tract, Holland Tract, Bacon Island, and a portion of Bouldin Island have been amended to extend an additional one-year term. The lease extensions will allow the continuance of existing pasture and grazing activities as well as corn, wheat, oat, milo, and alfalfa farming on the Bay Delta Islands.

The City of Perris has been granted two permanent easements for public road purposes comprising approximately 1.0 acre and 1.7 acres of fee-owned land. The easements are conditions of approval on commercial development projects requiring the installation of improvements and expansion of the Webster Avenue, Sinclair Street, Redlands Avenue, and Johnson Avenue public road rights-of-way.

Delano Colorado River Transmission, LLC (DCRT) has been granted a permanent easement for electric transmission line purposes comprising approximately 23 acres of fee-owned land in the Palo Verde area. DCRT is preparing to construct a 500-kilovolt electric transmission line, known as Ten West Link, for the distribution of power from Western Arizona to the Southern California desert region. Terms and conditions are included in the easement to address Metropolitan's paramount rights as well as certain measures to accommodate Metropolitan's tenants.

An entry permit has been issued to City of Los Angeles Department of Water and Power (LADWP) for construction laydown and staging purposes comprising approximately 1.3 acres of land within the Foothill Feeder right-of-way near Sylmar adjacent to Interstate Freeway 5. The three-month permit is needed to help facilitate LADWP's Pacific Direct Current Intertie project involving the transmission of clean and renewable energy from Oregon to California.

Efficiently maintain and operate assets not related to the treatment and distribution of water.

The Diamond Valley Lake (DVL) Marina hosted the final night fishing tournament of the season. Many anglers came out to enjoy an evening of competitive fishing. The summer evening tournaments continue to attract anglers despite the decreasing lake elevation, which has now reached a level that reduces the use of the launch ramps to the extended center ramps.



Staff continues to perform maintenance repairs at the Clayton A. Record Jr. Viewpoint at DVL. During this period, the work included the replacement of the shade canopy fabric, which exceeded its useful life. The shade canopy provides much-needed shade for visitors on sunny days. It also provides a nice place to sit and enjoy the views of the DVL.

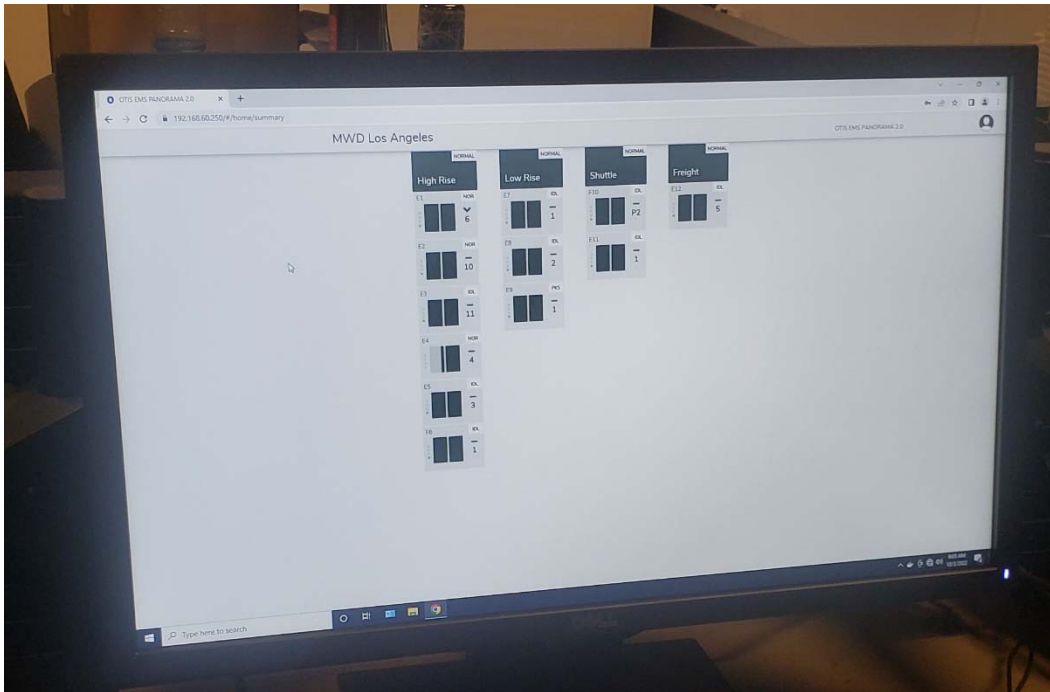


Before



After

Staff completed replacement of the Elevator Management System (EMS) at the headquarters building. The EMS system enables building staff to monitor, control, report on, and manage a full range of operation-critical functions via a web-browser.



District Housing Maintenance and Management.

Desert Property Maintenance completed 37 work orders for this reporting period. Sixteen of these work orders were Tenant Requested Work Requests that included items like replacing water heaters, restoring power to electrical outlets, installing new weather-stripping, replacing doors, repairing sprinklers, and added pest control.

The Real Property Eastern Region has completed preparation work on one house for this reporting period. This house is now ready for the pre-occupancy assessment with the new tenant. Preparation efforts for this house included fresh paint, new flooring, new appliances, countertops, and new window blinds throughout as well as a complete bathroom remodel.

Under the General Manager's authority, Real Property is developing a village cleanup plan and is in the process of implementing 20 housing and recreational projects that include items like providing backyard shade covers, shade covers for playground equipment, installation of more than 30 carports, demolition of houses, purchasing residential freezers for the tenants, installation of fencing, and providing new patio furniture at pool areas. To facilitate the completion of the 20 projects, Real Property is working closely with Water System Operations and Engineering to accomplish many of these tasks.

Security

Project Highlights

Security and Emergency Response

The University of Southern California (USC) Safe Communities Institute (SCI) hosted the Fall 2022 Quarterly Los Angeles Area Unmanned Aircraft System (UAS) Working Group in-person meeting. Attendees included representatives from:

- Metropolitan's Security Management Unit
- Department of Homeland Security's Cybersecurity and Infrastructure Security Agency (CISA)
- California's Department of Water Resources
- Port of Long Beach
- FAA
- LAPD
- Universal Studios
- LA County Fire
- Southern California Edison

All attendees successfully completed the Unmanned Aircraft System Program Development (UASPD) course, which was designed by FEMA to aid first responders and public agencies in the successful development, implementation, and sustainment of a department's small UAS (sUAS) program. The course provided information on:

- Understanding FAA UAS flight restrictions and rules under 14 CFR Part 107
- Developing standard operating procedures
- Providing knowledge and tools required for establishing sUAS program goals
- Requesting waivers and airspace authorizations
- Government agency best sUAS practices



CISA
CYBER+INFRASTRUCTURE

USC Price
Safe Communities Institute



USC SCI hosted meeting on sUAS

Security and Emergency Response

Metropolitan's Security Management Unit (SMU) has been working with Los Angeles Metro on security-related issues at the Union Station campus, where Metropolitan's headquarters building is located. As a response to comments made by employees at the Coffee with the GM last month, the SMU met with Metro security personnel to collaborate on training and exercises and to strengthen communication and collaboration between the organizations.

Los Angeles Metro has heavily invested in security measures to reduce incidents related to unsheltered and vagrancy at the greater Union Station campus and is in favor of allowing Metropolitan to maintain control of its courtyard, for the safety and security of its employees.

Employee Readiness for All Hazards and Emergencies

Metropolitan's Security Management was invited to tour the Southern California Edison (SCE) Irwindale headquarters facility and view live demonstrations of various security technologies actively protecting their bulk electrical systems. Attendees were given special access to view the Edison Security Operations Center, a 24/7 state-of-the art operations center tasked with monitoring security systems throughout SCE's territory.

This valuable experience was part of an ongoing mutual dialogue and professional liaison between critical infrastructure protection professionals to improve security interdependencies among water and power stakeholders, share lessons learned, and expand working relationships among utility security practitioners in the region. SCE infrastructure frequently overlaps, integrates, connects with, and co-resides with Metropolitan critical facilities. This visit is one of many concurrent outreaches between SCE and groups within Metropolitan.

Finance and Administration



Finance

Maintain Strong Financial Position

Provide timely and discerning financial analyses, planning, and management to ensure that forecasted revenues are sufficient to meet planned expenses and provide a prudent level of reserves consistent with board policy.

Manage risk to protect Metropolitan's assets against exposure to loss.

The Risk Management Unit completed 48 incident reports communicating instances of Metropolitan property damage, liability, workplace injuries, regulatory visits, and spills.

Risk Management completed 49 risk assessments on contracts, including professional service agreements, construction contracts, entry permits, special events, and film permits.

Business Continuity

Facilitate district-wide planning and training to prepare employees and managers to effectively carry out critical roles and recover mission essential functions, thus ensuring continuity of operations and resiliency in the event of a disaster.

Manage the Business Continuity Management Program in accordance with Operating Policy A-06.

- Continued facilitating tabletop exercises and Business Continuity plan updates, with a special focus on cyberattack planning.
- Participated in planning meetings to develop a Local Hazard Mitigation Plan per FEMA requirements that would allow Metropolitan to seek grant funding for projects.
- Participated in exercise design and execution of the October 20th emergency drill involving an earthquake scenario impacting the Jensen water treatment plant.
- Spearheaded Metropolitan's ShakeOut earthquake drill on October 20th. An employee-wide "drop, cover, and hold" exercise occurred at 10:20 am in all locations, and the MetAlert emergency notification system sent out alerts.

Financial Management

Manage Metropolitan's finances in an ethical and transparent manner and provide consistent, clear, and timely financial reporting. Update Metropolitan's capital financing plans and work with rating agencies and investors to communicate Metropolitan's financial needs, strategies, and capabilities, thus ensuring that Metropolitan has cost-effective access to capital markets and the ability to finance ongoing future needs. In addition, actively manage Metropolitan's short-term investment portfolio to meet ongoing liquidity needs and changing economic environments.

Record and report the financial activities of Metropolitan in a timely, accurate, and transparent manner to the Board, executive management, member agencies, and the financial community.

- Water Transactions for September 2022 totaled 158.1 thousand acre-feet (TAF), which was 6.7 TAF higher than the budget of 151.4 TAF and translates to \$146.7 million in revenues for September 2022, which was \$1.4 million higher than the budget of \$145.3 million.

- Year-to-date water transactions through September 2022 were 440.0 TAF, which was 21.7 TAF higher than the budget of 418.3 TAF. Year-to-date water revenues through September 2022 were \$411.7 million, which was \$0.3 million higher than the budget of \$411.4 million.
- In September 2022, Accounts Payable processed approximately 3,300 vendor invoices for payment and took advantage of about \$3,400 in discounts.

Manage investor relations to ensure clear communications, accuracy of information, and integrity.

Debt Management staff updated the Municipal Advisor IRMA letter and reposted it on the Metropolitan website and the Investor Relations website. Debt Management staff also initiated the debt service data analytics module on the Investor Relations website. Staff is currently undergoing a verification and reconciliation process of the debt service payment calculations.

Update capital financing plans and work with rating agencies and investors to communicate financial needs and capabilities, ensure cost-effective access to capital markets, and maintain long-term bond ratings of AA or better.

Debt Management staff coordinated the review and sign-off of various agency representatives regarding the Bond Compliance Report for FY22.

Prudently manage the investment of Metropolitan's funds in accordance with policy guidelines and liquidity considerations.

As of September 30, 2022, Metropolitan's investment portfolio balance was \$1.2 billion; in September 2022, Metropolitan's portfolio managers executed 12 trades.

In September 2022, Treasury staff processed 1,015 disbursements by check, 24 disbursements by Automated Clearing House (ACH), and 136 disbursements by wire transfer. Treasury staff also processed 65 receipts by check, 32 receipts by ACH, and 46 receipts by incoming wires and bank transfers.

In addition, there were 7,325 P-Card transactions processed in September 2022, totaling \$1.1M.

Human Resources

HR Priorities

Partner with Metropolitan leadership to support learning, development, and adaptive workforce planning initiatives.

In October, 1,089 Metropolitan employees attended virtually-facilitated classes, including Conflict Resolution, Communication Within Teams, Managing To-Do Lists, Personal Security Awareness, Safety Related Retaliation, and Advanced Word Features.

LinkedIn Learning, Metropolitan's online e-learning content platform, was accessed for such topics as Managing Innovation, Tips for Better Business Writing, and Writing & Delivering Speeches.

The Organizational Development & Training Unit facilitated training for the Sustainability, Resiliency, and Innovation group to strengthen communication and connection between team members.

Seek diverse, high-quality talent, and establish partnerships to discover additional outreach opportunities that aid in staffing positions.

Recruitment successfully filled 26 positions for October. Recruitment received 41 new staffing requisitions resulting in 210 positions currently in recruitment.

The HR Group Manager continued to work with the board search committee in the recruitment process for the General Auditor position. Interviews have been set for November and December.

HR Core Business: Provide Excellent Human Resources Services

Objective #1: Administer all HR services with efficiency and a focus on customer service excellence, consistency, and flexibility.

Constructive negotiations continue with the Supervisors' Association on a successor MOU. Staff will continue to brief the Organization, Personnel, and Technology (OP&T) Committee on the status of those talks.

The Benefits Unit launched the National Retirement Security Month (NRSM) campaign on October 3, 2022, to provide financial and retirement education and fraud prevention techniques to all active employees and retirees enrolled in our 401(k) and 457(b) deferred compensation plans. NRSM is designated by Congress and runs the entire month of October with various communications (emails, postcards, website posting, and videos). Financial Finesse and Empower Retirement hosted nine webinars.

The Benefits Unit is hosting its annual Benefits Open Enrollment period, which concluded on October 17, 2022. Benefits launched its Medical Vesting Election campaign on October 26, ending on November 17, 2022.

Human Resources completed the first phase of the I-sight case management system to track grievances and disciplinary actions.

HR Core Business: Comply with Employment Laws and Regulations

Objective #1: Effectively administer all Human Resources policies, programs, and practices in compliance with applicable federal and state laws and Metropolitan's Administrative Code, Operating Policies, and Memorandum of Understanding.

Human Resources completed the creation of a Recruitment and Selection procedures document in compliance with the State Audit recommendations.

Staff completed revisions to Operating Policy H-04 Abusive Conduct & Workplace Violence Prevention and Operating Policy H-10 Recruitment and Selection to respond to State Audit recommendations.

To ensure a fair and transparent process, staff documented the steps and procedures in the disciplinary process, including the role of management, Human Resources, and others, and distributed the document to all employees.

The Benefits Unit is currently administering 2022 COVID-19 Leaves through December 31, 2022. As of mid-October, 447 leaves of absence have been approved for COVID-related reasons.

On October 11, 2022, staff obtained board approval of a second resolution establishing Metropolitan's medical contributions for retirees under the 10/20 medical vesting schedule of GC 22893 for Plan Year 2023, ensuring compliance with CalPERS regulations and bargaining unit MOU provisions.

On October, 11 new workers' compensation claims were received, and 20 were resolved. Nine employees remain off work due to an industrial injury or illness. Metropolitan continues efforts to accommodate injured workers while enabling them to be productive and on the job.

In addition, staff is collaborating with other Metropolitan stakeholders to implement a new Incident Reporting and Case Management System designed by Ventiv Technology. Staff continues to work closely with our new Workers' Compensation Third Party Administrator, TRISTAR Risk Management.

Activities of the Workers' Compensation/Medical Screening Unit are summarized as follows for October:

- Coordinated one Medical medvan visit (DMV, Respirator Exams, and Hearing Tests) at Soto Street.
- Arranged ten medical evaluations (Pre-employment, DMV, medical surveillance, vanpool program restart).
- Addressed 30 Accommodation issues, referrals, and follow-ups with Shaw Consulting Group.

HR Metrics	June 2022	October 2022	Prior Month September 2022
Headcount			
Regular Employees	1,762	1,775	1,777
Temporary Employees	37	34	32
Interns	2	2	2
Recurrents	18	18	18
Annuitants	19	19	19

Finance and Administration

(continued)

	October 2022	September 2022
Number of Recruitments in Progress (Includes Temps and Intern positions)	210	195
Number of New Staffing Requisitions	41	42
	October 2022	September 2022
Number of Job Audit Requests in Progress	6	6
Number of Completed/Closed Job Audits	0	1
Number of New Job Audit Requests	0	1

Transactions Current Month and Fiscal YTD (includes current month)			
External Hires	FY 21/22 Totals	October 2022	FISCAL YTD
Regular Employees	82	8	32
Temporary Employees	36	0	3
Interns	4	0	0
Internal Promotions	70	6	19
Management Requested Promotions	152	14	35
Retirements/Separations (regular employees)	127	6	14
Employee-Requested Transfers	15	1	6

Departures

Last	First Name	Classification	Eff Date	Reason	Group
Arbouet Jr	Remus	Sr Engineering Technician	9/2/2022	Retirement - Service	WATER SYSTEM OPERATIONS GROUP
Case	John	O&M Tech IV	9/1/2022	Retirement - Service	WATER SYSTEM OPERATIONS GROUP
St Regis	Lisa	Unit Mgr-Budget	9/3/2022	Retirement - Service	FINANCE GROUP
Hanna	Yvette	Sr Engineer	8/13/2022	Resign-Accepted Other Employ	ENGINEERING SERVICES GROUP
Naziri	Babak	Designer III	8/13/2022	Resign-Accepted Other Employ	ENGINEERING SERVICES GROUP
Ward	Brandon	Human Resources Analyst III(C)	8/13/2022	Resign - Relocation	HUMAN RESOURCES GROUP

Diversity, Equity and Inclusion

Business Outreach & Community Engagement

Business Outreach served as a panelist for the OneLA procurement event. Additional participation included matchmaking sessions and staffing an exhibit booth. The event's highlight was networking with the 85 small business owners who graduated from the Small Business Academy. In addition, Business Outreach attended the NLBWA-IE Biz Con and participated in the Small Business Matchmaking Sessions. This event focused on "Facing and Embracing A Digital Future Together in a Rapidly Changing Environment." Lastly, Business Outreach participated in the Regional Hispanic Chamber of Commerce SoCal Business Development Conference and Matchmaking sessions where the focus was to celebrate, inspire and support businesses across the region.

DEI Cross-Functional Engagement & Partnership

Members of the DEI Office have been engaging cross-functionally across Metropolitan to drive key strategic objectives. During October, members of the DEI Office, in partnership with the SRI Office, were active participants in US Water Alliance's "Imagine A Day Without Water" commemoration at Metropolitan. In addition, staff took part in a HireLAX pre-apprenticeship program graduation as a potential model for what Metropolitan can do going forward with the passage of the project labor agreements. Lastly, members of the DEI Team were at the Asian American Architects/Engineers 44th Annual Awards Banquet at the Millennium Biltmore Hotel, where the General Manager was honored as the winner of the Visionary Award.



Tribal Engagement

DEI staff participated in the Colorado River Indian Tribes (CRIT) NatiVisions annual film festival. The two-day event showcased film work from Native American actors, filmmakers, writers & directors. DEI staff also attended the CRIT's Native American Days Expo. Among the many activities, the event celebrated this year's Grand Marshal, 100-year-old Barbara Claw, who is believed to be the oldest living member of the Colorado River Indian Tribes. And recently, Metropolitan's Power Management Team, DEI staff, and representatives of the Chemehuevi tribe met to discuss plans to develop a solar farm for the reservation residents. Additionally, CRIT Career Development Office met with DEI staff to initiate steps in developing a tribal workforce development plan to build awareness and pathways for students seeking a career at Metropolitan.



External Affairs

Highlights

- Director Cordero, GM Hagekhalil, and Metropolitan staff met with members of Bard Water District and the Quechan Tribe to discuss seasonal fallowing partnerships and efficiency investments. (October 6)
- GM Hagekhalil was honored with the Visionary Award by the Asian American Architects and Engineers Association at an event sponsored by Metropolitan and attended by EO/AGM Upadhyay, AGM/CEAO Zinke, and staff. (October 6)
- Director Faessel and Tamaribuchi, AGM Zinke, and GM Hagekhalil attended the Metropolitan-sponsored Orange County Coastkeeper Toast of the Coast event. (October 7)
- GM Hagekhalil, EO/AGM Upadhyay, and Metropolitan staff hosted leaders from the Singapore Public Utilities Board at the Pure Water Southern California advanced treatment facilities to discuss recycled water projects and future supply strategies. (October 7)



From left: Director Cordero, GM Hagekhalil and Metropolitan staff met with representatives of Bard Water District and the Quechan Tribe; GM Hagekhalil received the AAeSC Visionary Award for outstanding contributions at Metropolitan; Tour of Pure Water Southern California facility with Singapore Public Utilities Board.

- Directors Ortega and Quinn, GM Hagekhalil, General Counsel Scully, AGM/CEAO Zinke, and staff attended, and Metropolitan sponsored, Tree People's Under the Harvest Moon dinner. (October 8)
- Chairwoman Gray and Director Jung participated in the Fall Water Council hosted by the U.S. Conference of Mayors. (October 13)
- Metropolitan sponsored an exhibit booth at the Taste of Soul event to share conservation, rebate, and other information with tens of thousands of attendees. Chairwoman Gray and Directors Luna and Williams attended the festival. (October 15)
- Metropolitan sponsored the premier showing of a new documentary, California Watershed Healing, followed by a panel discussion featuring GM Hagekhalil and general managers of other local water agencies (October 15)



Metropolitan provided conservation and rebate information to thousands at the Taste of Soul family festival.

- The Council for Watershed Health honored Director Luna and Felicia Marcus at the organization's 25th anniversary celebration. Metropolitan sponsored the event, which was attended by Directors Ortega, Goldberg, and Sutley, GM Hagekhalil, AGM/CEAO Zinke, Bay Delta Initiatives Manager and Council for Watershed Health board member Arakawa, and staff. (October 18)



Metropolitan sponsored the Council for Watershed Health 25th Anniversary Event which honored Director Luna and Felicia Marcus

- Chairwoman Gray was a guest lecturer at a Pepperdine University graduate course on local government where she spoke about Metropolitan, challenges facing the region's water industry, climate change, and her path to leadership. (October 20)
- GM Hagekhalil was a featured panelist at the ASCE conference, Water Conservation to Improve Resiliency. (October 24)
- GM Hagekhalil participated in a panel presentation to the Delta Stewardship Council, which addressed the issues of Reducing Reliance on the Delta Through Improved Regional Water Self Reliance. (October 27)
- Directors Fellow, Lefevre and Tamaribuchi, GM Hagekhalil, AGM/CEAO Zinke, and Metropolitan staff attended the Southern California Water Coalition annual dinner. (October 27)

Legislative Services

Federal

The Bureau of Reclamation released a request for proposals for the first round of the Inflation Reduction Act funding for drought mitigation projects in the lower Colorado River basin. Reclamation is seeking proposals for projects that will immediately add water to Lake Mead. Metropolitan staff continues to track and monitor this and other federal funding programs.

State

The 2021–22 legislative year concluded, and Metropolitan's two sponsored bills were signed into law. SB 230 (Portantino, D-La Cañada-Flintridge) will help expand knowledge of CECs in drinking water and AB 1845 (Calderon, D-Whittier) authorizes alternative public contracting methods. Additionally, the Governor signed budget trailer bills that provide \$80 million for Pure Water Southern California and \$50 million for drought emergency mitigation projects.

Several of Metropolitan's priority bills were also signed into law including policies to address water quality, urban conservation, Brown Act modifications, and public contracting law.

Local

Metropolitan staff attended the Inland Action 60th Anniversary event where Assembly Majority Leader Gomez Reyes (D-Colton), Senator Roth (D-Riverside), and Assemblymember Ramos (D-Highland) thanked Inland Action for advocating and securing funding to benefit the Inland Empire. Staff also attended a meeting the following week at which DCA Executive Director Graham Bradner presented on the Delta Conveyance Project. (October 12 and 18)

Metropolitan staff presented, monitored or participated in 76 webinars, virtual meetings, and events on water-specific topics.

The Member Agency Legislative Coordinators Annual Planning meeting featured Pablo Garza, Chief Consultant, Assembly Water Parks and Wildlife Committee, staff presentations recapping the year's state and federal legislative sessions, and a review of Metropolitan's proposed legislative priorities for 2023. (October 20)

Media and Communications

Developed and distributed Colorado River talking points to the Board and Member Agencies.

The following interviews were arranged:

- CalMatters with Water Resource Management Team Manager Polyzos on planning for a fourth drought year
- Associated Press and LA Times with Colorado River Resources Manager Hasencamp on Colorado River negotiations
- KNX-AM 1070 with EO/AGM Upadhyay regarding Pure Water Southern California



Chief Engineer Bednarski was interviewed about the Casa Loma Seismic Resiliency Project

- Al Hurra with Metropolitan WRM staff and turf replacement recipients for upcoming Road to Zero documentary
- Civil Engineering Magazine with Chief Engineer Bednarski on Casa Loma Siphon Project to improve seismic resiliency
- Telemundo with a local homeowner and landscape instructor regarding turf replacement classes
- Fox Weather with Water Resource Management Team Manager Polyzos about potential additional water restrictions to conserve Colorado River supplies
- Ten Across Podcast with GM Hagekhalil to discuss drought, innovation, and Colorado River and California water issues
- Los Angeles Business Journal story on Metropolitan's Project Labor Agreements
- Associated Press and GM Hagekhalil on federal drought mitigation funding for Colorado River projects
- Coordinated KABC-TV Channel 7 site visit to Lake Mathews for story on Colorado River

Press Releases

- State funding of \$130 million for Pure Water Southern California and emergency drought mitigation projects
- Board approval of Project Labor Agreement
- Election of Adan Ortega as new Metropolitan board chairman
- Board resolution calling on cities and water agencies to ban non-functional turf

Website

- Launched redesigned Pure Water webpage and garnered more than 62,000 views.
- Logged 187,000 views on bewaterwise.com, with the This is How We Save Water campaign page and turf replacement pages receiving the most visitors.

Creative Design



**ATIBA
PHOTO**

- Produced the first of four new social media posts by influencer Atiba Jefferson that garnered more than 78,000 views of his bewaterwise message within the first days of posting.
- Produced videos of Upper Feeder shutdown and repair for GM and the Engineering and Operations Committee tour.



New Pure Water Southern California webpage

Social Media

- Posted about Metropolitan's "All-Star Status" award from the Climate Registry for meeting its greenhouse gas reduction goal of lowering emissions to 1990 levels.
- Generated more than 15 million impressions on social media platforms for the "This is How We Save Water" conservation advertising campaign.
- Debuted the "Wasting Water Is Unbelievable" conservation video and reposted Water Zombies videos.
- Participated in Water Professionals Appreciation Week by highlighting six employees who are working on projects and initiatives that are responding to drought and climate change.
- Featured now-retired Senior Designer Castellanos's invocation and a quote from Hispanic Employees Association President Duarte for Hispanic Heritage Month.
- Highlighted actions of five employees who are doing their part to reduce their carbon footprint as part of Clean Air Day celebrations.
- Posted stories and videos from two employees to support Imagine A Day Without Water events.



Public Outreach and Member Services

Conducted 10 director inspection trips for water infrastructure, Pure Water Southern California, State Water Project/Delta, and Hoover Dam/Colorado River Aqueduct.

Distributed notices to residents and businesses for Sepulveda Feeder shutdown. (October 19)

Met with member agency managers to provide updates on current issues including Colorado River and State Water Project allocations and proposed 2023 legislative priorities and principles. (October 28)

Pure Water Southern California

Presented to the Covina Woman's Club (October 10), met with Strength-Based Community Change to discuss involvement in outreach (October 26), and provided a tour for Communities for a Better Environment organization. (October 27)



Staffed tables at community outreach events including Azusa Golden Days (October 7), Upper San Gabriel Valley MWD WaterFest (October 15), West Basin MWD Water Harvest (October 22), and in Santa Fe Springs. (October 29)

Conducted virtual scoping meetings with live translation in Spanish and ASL. (October 12, 18, 27, 29)

Education and Community Relations

Metropolitan staff virtually interacted with 6,000 teachers, students and parents through online tours and customized ZOOM class presentations.

Hosted exhibit booths and provided conservation and career information at the Orange County Book Fair with Municipal Water District of Orange County. (October 2)

Community Partnering and Sponsorship Program

Metropolitan sponsored and staff attended the Women in Non-Traditional Employment Roles (WINTER) dinner to support the organization's apprenticeship readiness programs for women in construction careers. (October 27)

The Community Partnering Program supported the following events:

- Lakeside's River Park Conservancy, San Diego River: Watershed Health
- Rivers & Lands Conservancy, California Native Planting Event
- Rancho Santa Ana Botanic Garden, Waterwise Community Festival
- City of Pomona, Water Conservation School Program: Project SPLASH!
- West Basin Harvest Festival

Sustainability, Resiliency and Innovation



Sustainability, Resiliency, Innovation, and Environmental Planning

SRI Core Activities

The SRI Office launched its district-wide process to develop an SRI Strategy for Metropolitan at the monthly Group Managers Meeting. The Chief SRI Officer participated in the WRM CRA tour and discussed water operations, fallowing programs, conservation efforts and land management issues with staff and partners along the aqueduct. The team also played a key role in the Board's Resolution on non-functional turf model ordinance language and in conversations with member agencies on the Colorado River Urban Water Efficiency MOU.

Executive Zero Emission Vehicle (ZEV) Task Force

The first meeting of the Executive Zero Emission Vehicle (ZEV) Task Force was held on October 13, 2022. The Task Force is charged with developing a district-wide strategy to transition Metropolitan's fleet to zero-emission vehicles. The Task Force will continue to meet bi-monthly to address next steps and identify the roles and responsibilities that are necessary to meet our climate goals and comply with state regulatory requirements.

Sustainable Procurement Policy

The SRI Office, Administrative Services Group, and our Risk Manager began the revision of Metropolitan's G-05, Operating Policy for Procurement of Goods and Services, and the Metropolitan Contracting Procedures Manual, to include sustainable procurement practices. Empower Procurement is sponsored by the California Energy Commission and is assisting Metropolitan with this task. Empower offers its services free of charge until December 31, 2022.

Electric Program Investment Charge (EPIC) Symposium

SRI attended the symposium sponsored by the California Energy Commission (CEC), Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E). The symposium provided ideas on the status of advancing electric technologies for buildings, businesses, and transportation, and expanding the use of renewable energy.

Imagine A Day Without Water Event

SRI hosted the Imagine a Day Without Water—Employee Open Mic at Metropolitan Water District Headquarters and online via Zoom on October 20, 2022. Employees from every Metropolitan facility are invited to share their own water equity stories and perspectives on this national day of action to advance greater and more equitable investment in water. Employees are encouraged to share through dance, spoken word, music, art, or other form of expression. Water conservation messages and advocacy about the value of water were shared. Two hundred employees registered.

Sustainability, Resiliency and Innovation



Metropolitan Sustainability, Resiliency, and Innovation office, staff performers, and GM Adel Hagekhalil at the Imagine a Day Without Water—Employee Open Mic.

Innovation

World Water Tech North America Summit

The SRI team participated in Keynote presentations, panel discussions, round table discussions, and one-on-one matchmaking sessions at World Water Tech North America. The summit brought together 265 senior-level water leaders from 17 countries over two days of critical debates and networking to tackle drought and water scarcity across North America.



World Water Tech Summit Day 2 Keynote Presentation began with the California Spotlight Session where five water experts, including Metropolitan's GM Adel Hagekhalil, led a critical discussion on tackling drought and water scarcity in the region including [@LADWP](#), [@mwdh2o](#), [@OCWDWaterNews](#), [@usepagov](#), and [@SanDistricts](#).

Sustainability, Resiliency and Innovation



Metropolitan’s Michael Thomas presented “Game Changing Tech Adoption” on the Champions of Innovation Reverse Pitch Panel for the SRI Innovation Team at the World Water Tech Summit.

Western Water Technology Approval Group (TAG) 32

Metropolitan’s SRI Innovation, Engineering, Operations, Water Quality, WRM, and IT teams joined 48 Western Water TAG Members on October 5 for peer-to-peer discussions; partnering, piloting, and funding opportunities; and to evaluate five new technologies. The evaluated technologies at TAG 32 included low-cost spectrometer-on-a-chip for online water quality analysis and condition-based monitoring; smart condition monitoring for AC-induction motors and rotating equipment; underground asset monitoring and leak detection service using existing fiber optic cables; autonomous, in-line pre-screening inspection devices for identification of pipeline risks and performance issues; and ultrafiltration ceramic membrane process, capable of zero-liquid discharge (ZLD). Isle’s Technology Approval Group (TAG) is a global innovation forum of the world’s leading water utilities. Over 70 innovative and forward-thinking US water and wastewater utilities are members of the US TAG forums.

14th Annual WaterSmart Innovations (WSI) 2022 Conference and Expo

Metropolitan’s SRI Innovation team joined Metropolitan’s WRM team at WaterSmart Innovations Conference and Expo 2022 on October 4–6. SRI’s Innovation team has been participating in the conference for over 10 years. The conference brought together over 700 water conservation and sustainability leaders from 28 countries. The conference focused on how water utilities and systems are increasingly challenged by climate change, emerging contaminants, evolving regulations, aging infrastructure, conservation needs, and much more. Solutions presented included how new technologies are being invented, new strategies and programs are being developed, new ways to engage customers are arising, and new models for managing and governing systems for drinking water and wastewater are being explored.

Sustainability, Resiliency and Innovation



[WSI Conference@WSIConfExpo](#)—Droughts, floods & other impacts of [#ClimateChange](#) are shaping the [#FutureOfWater](#). At WaterSmart Innovations, discover [#WaterInnovations](#) to help [#WaterUtilities](#) achieve [#sustainability](#).



Presentation at WaterSmart Innovations Conference by Metropolitan Innovative Conservation Program (ICP) Grant Award Winner Responsive Drip Irrigation. [Responsive Drip Irrigation](#)—RDI compared the water consumption of their “nature-driven” GrowStream™ irrigation system with a standard drip irrigation system using a smart controller.

Environmental Planning Section

Core Business: Environmental Planning and Regulatory Compliance Support

Engineering Services Group

Etiwanda Pipeline Relining Project

Participated in construction meeting and facilitated Worker Environmental Awareness Protection training in compliance with the Mitigation Monitoring and Reporting Program before construction.

Pure Water Southern California

- Released for public review the Notice of Preparation of a Draft Environmental Impact Report (EIR) and schedule of public scoping meetings.
- Attended two community outreach events to inform the public about the Pure Water Southern California program and environmental scoping phase (see photos).
- Facilitated two virtual scoping meetings to inform the public about the project and accept comments and input regarding the content of the Draft EIR.
- Completed field surveys and site visits for technical studies.

Sustainability, Resiliency and Innovation



Metropolitan Environmental Planning Section staff conducting outreach during the scoping phase of the Pure Water Southern California Program at Azusa Golden Days



Metropolitan Environmental Planning Section and External Affairs Group staff conducting outreach for the Pure Water Southern California Program at Upper San Gabriel Valley Municipal Water District's WaterFest

Weymouth Water Treatment Plant and La Verne Site Improvements Program EIR

Met with the City of La Verne to discuss seven proposed projects and the schedule for the EIR.

Construction Monitoring

- Conducted construction monitoring for Western San Bernardino County Right of Way and Infrastructure Protection Program, La Verne Shops Building Completion Stage 4, Prestressed Concrete Cylinder Pipeline (PCCP) Rehabilitation Valve Storage Building, Orange County Feeder Relining Reach 3, Weymouth Basins 5-8 Rehabilitation, La Verne Shops Upgrades, Weymouth Battery Energy Storage Systems, and Live Oak Reservoir Cathodic System Replacement.
- Completed restoration monitoring of the Allen McColloch Pipeline PCCP Urgent Relining Project.
- Finalized and submitted Post-Installation Monitoring Report and As-Built Report for the Allen McColloch Pipeline PCCP Urgent Relining Project to U.S. Fish and Wildlife Service, California Department of Fish and Game, and Orange County Natural Communities Coalition.

Sustainability, Resiliency and Innovation

External Affairs Group

- Participated in preparation of informational outreach materials and videos in support of the Pure Water Southern California Program.
- Participated in monthly California Council for Environmental and Economic Balance (CCEEB) Natural Resources Task Force meeting.

Sustainability, Resiliency, and Innovation Office

Climate Action Plan (CAP) Monitoring and Reporting

- Continued development of the CAPDash webpage, which will be available on Metropolitan's public website, for tracking and reporting of emissions and emissions reductions
- Conducted data gathering from Metropolitan staff regarding natural gas equipment used throughout Metropolitan, in accordance with CAP Scoping Measures DC-1 and DC-2 to inventory, survey, and replace natural gas-consuming equipment at Metropolitan.
- Continued preparation of document templates and guidelines for subsequent CEQA review for projects covered under the CAP and for greenhouse gas (GHG) CEQA analysis for other Metropolitan projects relying on the CAP.

Water System Operations Group

- Monitored dewatering and construction during the San Diego Pipeline Nos. 3 and 5 shutdowns.
- Finished environmental construction monitoring and completed post-construction monitoring reporting for the Upper Feeder Emergency Leak Repairs project (see photo).
- Conducted site visit to Colorado River Aqueduct/Desert borrow sites with staff from California State Mining and Geology Board (SMGB) and the California Department of Conservation in support of preparation of the draft Reclamation Plan under the Surface Mining and Reclamation Act (SMARA); received final comments on the draft Reclamation Plan from SMGB; and prepared to release the draft Reclamation Plan and Mitigated Negative Declaration for public review.



Environmental Planning Section staff conducting environmental monitoring during the Upper Feeder Emergency Repairs Project

Sustainability, Resiliency and Innovation

Reserve Management

Lake Mathews Multiple Species Reserve

- Conducted vegetation surveys to establish baseline conditions in potential restoration areas.
- Repaired portions of vandalized Reserve boundary fencing and conducted security patrols.
- Installed signs donated to the Riverside County Habitat Conservation Agency from Southern California Edison to alert drivers in the Reserve to be mindful of Stephens' kangaroo rat (see photo).



Signage installed in the Lake Mathews Multiple Species Reserve for protection of the federally listed Stephen's kangaroo rat

Southwestern Riverside County Multi-Species Reserve

- Implemented long-term tree pest monitoring and established photo points for tree test plots to document changes.
- Conducted roadside weed abatement and security patrols.
- California Conservation Crew forces removed and performed stump cut treatment on approximately two acres of invasive tamarisk in Tucalota Creek.

Equal Employment Opportunity



Equal Employment Opportunity

Expanding EEO Office Resources

The EEO Office has hired its final member to complete the investigative team. The new Principal EEO Analyst will start on October 31, 2022.

“Know Your Rights”

On October 19, 2022, the U.S Equal Employment Opportunity Commission (EEOC), just released its updated “Know Your Rights” poster, which replaces the “EEO is the Law” poster. Covered employers, which includes Metropolitan, are required by federal law to prominently display the poster at their work site. Metropolitan has already printed and posted the posters throughout headquarters and disseminated them to the facilities for posting.

State Audit Recommendations

The EEO Office has submitted all applicable documents relevant to the CSA EEO recommendations. The EEO Complaint and Investigative Procedures and the EEO Concurrence Process were submitted by the October 20, 2022, deadline. In addition, the iSight case database system went live on the same day. EEO will start the process of uploading the more recent EEO cases into the system over the next several months.

Professional Development



ASSOCIATION OF
WORKPLACE INVESTIGATORS

Promoting and enhancing the quality of impartial workplace investigations.™

Metropolitan’s Chief EEO Officer and Deputy Chief EEO Officer attended the 2022 AWI Annual Conference held October 12–14, 2022. AWI is a professional membership association for those who conduct, manage, or have professional interest in workplace investigations. The conference offered sessions such as “Grab a Front Row Seat for C-suite Investigation,” “To Investigate or Not to Investigate,” and “Navigating the Workplace Sexual Assault Investigation from an Internal and External Perspective.” As AWI members and Certificate Holders, both the Chief EEO Officer and Deputy Chief EEO Officer will continue to hold Metropolitan’s EEO Office to high standards and implement best practices for EEO investigations.



Metropolitan's Mission is to provide its service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.

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General Information (213) 217-6000
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Metropolitan Cases

Orange County Water District v. Northrop Corp., et al.; Northrop Grumman Systems Corp. v. Metropolitan, et al. (Orange County Superior Court)

On October 27, 2022, the court dismissed this case without prejudice as to Northrop Grumman Systems Corporation and Northrop Corporation (collectively, Northrop), the only remaining defendants in the case. This brings 18 years of litigation to an end.

Orange County Water District (OCWD) originally filed this case in 2004 against multiple industrial defendants for contributing to contamination of the local groundwater basin. The industrial defendants filed cross-claims against Metropolitan alleging its deliveries of Colorado River water contained perchlorate, which contributed to the contamination. The defendants prevailed, and OCWD appealed. The appellate court affirmed that none of the industrial defendants, except Northrop, were liable to OCWD. In 2017, the case was remanded to the trial court. The case was stayed for much of the time since March 2018 to allow for settlement discussions.

After many extensions and a few short periods of discovery, trial was set for August 15, 2022. On August 10, OCWD and Northrop informed the court that they had reached a settlement resolving the matter. On October 12, OCWD asked the court to dismiss the case as to Northrop without prejudice, meaning OCWD could file a new lawsuit in the future if any claims arise. Subsequently, the court dismissed the case without prejudice on October 27. No details of the settlement were shared in the court files or in OCWD's board records.

OCWD is separately participating a related federal Superfund or CERCLA cleanup of the local groundwater basin, an administrative process led by the U.S. Environmental Protection Agency. The Legal Department will continue to monitor this administrative proceeding.

2018 Delta Stewardship Council Case

North Coast Rivers Alliance, et al. v. Delta Stewardship Council (lead case), Central Delta Water Agency, et al. v. Delta Stewardship Council, Friends of the River, et al. v. Delta Stewardship Council and California Water Impact Network, et al. v. Delta Stewardship Council (Sacramento County Superior Court)

On November 4, 2022, the trial court denied all of Petitioners' claims in the four consolidated cases challenging the 2018 Delta Plan Amendments and the associated Programmatic Environmental Impact Report (Programmatic EIR). The State Water Contractors and federal contractors Westlands Water District and San Luis and Delta-Mendota Water Authority intervened in the action. Metropolitan's Legal Department assisted in State Water Contractors' merits briefing.

Petitioners challenged the legality of two amendments in 2018 to the Delta Plan as inconsistent with the Delta Reform Act (Act). First, they challenged the Conveyance and Storage Amendment (CSO Amendment) and its recommendation that the state pursue a dual conveyance option for new Delta water conveyance infrastructure that would include one or more new intakes in the north Delta connected to existing State Water Project infrastructure in the south. Second, Petitioners challenged the Delta Plan's performance measures amendment, including the numeric target and achievement date for a long-term average reduction in Delta diversions. The court rejected their arguments that the Act requires substantial reductions in water exports, and ruled that the recommended dual conveyance approach is consistent with the coequal goal for the Delta of reliable water supplies and the statutory reduced reliance policy. Following a previous court of appeal holding in the *Delta Stewardship Council Cases*, the court also rejected Petitioners' argument that performance measures had to be adopted as enforceable regulations. In addition, the court rejected Petitioners' argument that the challenged CSO Amendments and performance measures violated the public trust doctrine.



Similarly, the court rejected Petitioners' numerous CEQA challenges to the Program EIR, including allegations that the Program EIR was required to study an alternative with drastic cuts in water exports and that the existing conditions environmental baseline should have excluded existing State Water Project and Central Valley Project operations.

In denying Petitioners' claims, the court expressly found that it made no ruling on the scope of the Council's authority over water exports, which was not before the court.

Appeals are anticipated once final judgments have been entered.

DCP Validation Case

Sierra Club v. Cal. Dept. of Water Resources (consolidated with Department of Water Resources v. All Persons Interested, etc.) (Sacramento County Superior Court)

On November 7, 2022, the court denied the Sierra Club's motion for a new trial and for summary judgment on one of its CEQA theories. At a hearing on November 18, the court denied Sierra Club's motion for reconsideration and summary judgment on a second CEQA theory and denied the Howard Jarvis Taxpayers Association's motion for summary adjudication regarding the scope of any future judgment in the Department of Water Resources' (DWR's) favor.

All three rulings are significant wins for DWR and help narrow the merits briefing. In addition, after several hours of oral argument, on November 18, the court took under submission DWR's motion for summary adjudication of various Delta Reform Act and public trust doctrine affirmative defenses and North Coast Rivers Alliance's cross-motion for summary judgment.

These two cases concern the DWR's adoption of bond resolutions authorizing issuance of revenue bonds to finance environmental review, planning, design, and, if a project is approved, construction of a new Delta conveyance facility. DWR filed a case seeking a judgment declaring the bonds to be valid known as the validation action, and Sierra Club and others filed a case alleging various violations of CEQA. The cases were consolidated for all purposes.

As reported, in January 2022, the trial court granted DWR's motion for summary judgment in the Sierra Club case and its motion for summary adjudication of the CEQA affirmative defenses in the validation action. Shortly after, the judge was elevated to the Court of Appeal, and a new judge was assigned last spring.

In August, Sierra Club moved for a new trial on the prior judge's ruling in DWR's favor on one of Sierra Club's CEQA claims, seeking summary judgment in its favor based on its argument that a provision in CEQA required DWR to certify a final Environmental Impact Report (EIR) for the Delta Conveyance Project (DCP) before it could lawfully adopt the bond resolutions. Sierra Club also moved for reconsideration of the prior judge's ruling in DWR's favor based on new facts disclosed in DWR's Draft EIR published on July 27, 2022, arguing that the bond resolutions unlawfully narrowed the range of alternatives to be studied in the EIR. Concurrently, DWR moved for summary adjudication to eliminate various Delta Reform Act and public trust doctrine affirmative defenses, North Coast Rivers Alliance (NCRA) cross-moved for summary judgment on those defenses, and the Howard Jarvis Taxpayers Association moved for summary adjudication seeking a ruling that the issue whether future taxes used to repay any bonds issued per the bond resolutions are subject to Prop 13 is outside the scope of DWR's validation complaint and could not be included in any judgment affirming the validity of the bonds.

Metropolitan and other supporting water contractors joined DWR's motion and its opposition briefs. Although Metropolitan has retained special counsel to assist, the Legal Department has performed the majority of the work representing Metropolitan to date.

Reese v. Metropolitan (Riverside County Superior Court)

On October 31, 2022, employee Darren Reese filed an employment lawsuit against Metropolitan in Riverside County Superior Court. The complaint was served on Metropolitan on November 14. The complaint alleges six causes of action under the California Fair Employment and Housing Act: race discrimination; race harassment; gender discrimination; gender harassment; retaliation; and failure to prevent harassment, discrimination, and retaliation. Plaintiff alleges that he was harassed and discriminated against based on his race and



gender, he was retaliated against because of his complaints, and Metropolitan failed to take reasonable steps to prevent these occurrences. Metropolitan's answer or other responsive pleading is due on December 14, 2022. The law firm Seyfarth Shaw LLP is representing Metropolitan in the lawsuit, in conjunction with the Legal Department.

Rick Faith v. Metropolitan, All Persons Interested, etc. (Los Angeles Superior Court)

On October 14, 2022, an individual property owner from Orange County, Rick Faith, filed a reverse validation action alleging Metropolitan's ad valorem property taxes for fiscal year 2022/23 are invalid pursuant to the constitutional provisions added by Propositions 13, 26, and 218. Plaintiff alleges

Metropolitan does not have authority to collect the taxes to pay the State Water Project expenses.

A validation or reverse validation action requires a validation summons be issued and published, as approved by the court. On November 17, plaintiff sought approval of its proposed validation summons for publication via an *ex parte* application in Department 15. Metropolitan filed an opposition and made a special appearance to oppose the application, because it had not yet been served with the complaint. The judge was unavailable in Department 15 and the matter was sent to another court which considered and denied Plaintiff's application without hearing any oral argument.

Plaintiff served a copy of the complaint on Metropolitan on November 21, 2022.

Matters Received

<u>Category</u>	<u>Received</u>	<u>Description</u>				
Action in which MWD is a party	2	Complaint in Validation in which Plaintiffs seek to invalidate MWD's action on August 16, 2022 adopting Resolution 9317 levying ad valorem property taxes for the fiscal year July 1, 2022 to June 30, 2023. filed in Los Angeles County Superior Court, in the case <i>Rick Faith v. MWD</i> , Case No. 22STCV33585 (See detailed summary above) Complaint for Damages (1) Race Discrimination, (2) Race Harassment, (3) Gender Discrimination, (4) Gender Harassment, (5) Retaliation in Violation of FEHA, and (6) Failure to Prevent Harassment, Discrimination and Retaliation, filed in Riverside County Superior Court, in the case <i>Darren A. Reese v. MWD</i> , Case No. CVPS2204312 (See detailed summary above)				
Government Code Claims	2	Claims relating to: (1) a trip and fall from a utility vault cover in the City of Los Angeles; and (2) an accident involving an MWD vehicle and several passengers in the other vehicle				
Subpoenas	1	Civil Subpoena for Personal Appearance and Production of Documents, Electronically Stored Information, and Things at Trial or Hearing seeking an employee's payroll records in a matter unrelated to MWD				
Requests Pursuant to the Public Records Act	10	<table><tr><th><u>Requestor</u></th><th><u>Documents Requested</u></th></tr><tr><td>Agri-Pulse Communications</td><td>Emails sent or received between September 1, 2022 to present by Bill Hasencamp relating to water shortages in the Colorado Basin, water use reduction plan for 2023, and 2023 operations for Lake Mead and Lake Powell</td></tr></table>	<u>Requestor</u>	<u>Documents Requested</u>	Agri-Pulse Communications	Emails sent or received between September 1, 2022 to present by Bill Hasencamp relating to water shortages in the Colorado Basin, water use reduction plan for 2023, and 2023 operations for Lake Mead and Lake Powell
<u>Requestor</u>	<u>Documents Requested</u>					
Agri-Pulse Communications	Emails sent or received between September 1, 2022 to present by Bill Hasencamp relating to water shortages in the Colorado Basin, water use reduction plan for 2023, and 2023 operations for Lake Mead and Lake Powell					

Date of Report: December 6, 2022



<u>Requestor</u>	<u>Documents Requested</u>
Center for Contract Compliance	Contract documents for landscape maintenance and tree trimming services at La Verne
Inter-Con Security Systems	Winning proposal for security services for MWD's facilities
LOR Geotechnical Group	Environmental assessment reports relating to the Inland Feeder Project at the Moreno Valley drill site
Midland Park Water Trust	Documents relating to MWD's grant to the city of Compton involving the property at Midland Park Water Trust Tract No. 4828
Moss & Associates	Appraisals and leases for telecom tower sites at MWD facilities at Lake Mathews and Yorba Linda
Pomona Public Works Department, Engineering Division	Facilities location maps/as-builts for MWD facilities within the city of Pomona's Capital Improvement Project for ADA Curb Ramps and Path of Travel
Private Citizen	Correspondence and public comments from the Board of Directors, MWD managers, and other agencies regarding MWD's turf replacement program
San Diego County Office of Audits and Advisory Services	MWD audited financial statements for year ended June 30, 2022
SmartProcure	Purchase order data including purchase order number, purchase order date, line item details, line item quantity, line item price, vendor information from August 22, 2022 to current



PLEASE NOTE

- ADDITIONS ONLY IN THE FOLLOWING TWO TABLES WILL BE SHOWN IN RED.
- ANY CHANGE TO THE *OUTSIDE COUNSEL AGREEMENTS* TABLE WILL BE SHOWN IN REDLINE FORM (I.E., ADDITIONS, REVISIONS, DELETIONS).



Bay-Delta and SWP Litigation

Consolidated DCP Revenue Bond Validation Action and CEQA Case

Sierra Club, et al. v. California Department of Water Resources (CEQA, designated as lead case)

DWR v. All Persons Interested (Validation)

Sacramento County Superior Ct.
(Judge Kenneth C. Mennemeier)

• Validation Action

- Metropolitan, Mojave Water Agency, Coachella Valley Water District, and Santa Clarita Valley Water Agency have filed answers in support
- Kern County Water Agency, Tulare Lake Basin Water Storage District, Oak Flat Water District, County of Kings, Kern Member Units & Dudley Ridge Water District, and City of Yuba City filed answers in opposition
- North Coast Rivers Alliance et al., Howard Jarvis Taxpayers Association, Sierra Club et al., County of Sacramento & Sacramento County Water Agency, CWIN et al., Clarksburg Fire Protection District, Delta Legacy Communities, Inc, and South Delta Water Agency & Central Delta Water Agency have filed answers in opposition
- Case ordered consolidated with the DCP Revenue Bond CEQA Case for pre-trial and trial purposes and assigned to Judge Earl for all purposes
- DWR's motions for summary judgment re CEQA affirmative defenses granted; cross-motions by opponents denied
- August 25, 2022 North Coast Rivers Alliance filed motion for summary judgment on Delta Reform Act and public trust doctrine affirmative defenses; DWR filed motion for summary adjudication of all Delta Reform Act and public trust doctrine affirmative defenses; Metropolitan and other supporting water contractors joined DWR's motion; Howard Jarvis Taxpayers Assn. filed motion for summary adjudication on scope of DWR's complaint re Prop 13 applicability to future taxes that may be adopted to repay bonds
- Nov. 18, 2022 Hearing on dispositive motions
- [Howard Jarvis Taxpayers Assn.'s motion for summary adjudication denied](#)
- [Ruling on NCRA's and DWR's cross-motions re Delta Reform Act and public trust doctrine affirmative defenses pending](#)
- Dec. 9, 2022 Case Management Conference



	<ul style="list-style-type: none"> • CEQA Case • Sierra Club, Center for Biological Diversity, Planning and Conservation League, Restore the Delta, and Friends of Stone Lakes National Wildlife Refuge filed a standalone CEQA lawsuit challenging DWR's adoption of the bond resolutions • Alleges DWR violated CEQA by adopting bond resolutions before certifying a Final EIR for the Delta Conveyance Project • Cases ordered consolidated for all purposes • DWR's motion for summary judgment granted; Sierra Club's motion denied • Aug. 23, 2022 Sierra Club filed motion for new trial or reconsideration on prior dismissal of its CEQA case and seeking entry of summary judgment in its favor • Nov. 4, 2022 hearing on motion for new trial re CEQA • Nov. 7, 2022 motion for new trial denied • Nov. 18, 2022 hearing on motion for reconsideration re CEQA and ruling denying motion for reconsideration • Dec. 9, 2022 case management conference
Subject	Status
<p>SWP-CVP 2019 BiOp Cases</p> <p><i>Pacific Coast Fed'n of Fishermen's Ass'ns, et al. v. Raimondo, et al. (PCFFA)</i></p> <p><i>Calif. Natural Resources Agency, et al. v. Raimondo, et al. (CNRA)</i></p> <p>Federal District Court, Eastern Dist. of California, Fresno Division (Judge Thurston)</p>	<ul style="list-style-type: none"> • SWC intervened in both <i>PCFFA</i> and <i>CNRA</i> cases • Briefing on federal defendants' motion to dismiss CNRA's California ESA claim is complete; no hearing date set and may be decided on the papers • Federal defendants circulated administrative records for each of the BiOps • December 18, 2020 PCFFA and CNRA filed motions to complete the administrative records or to consider extra-record evidence in the alternative • Federal defendants reinitiated consultation on Oct 1, 2021 • On Nov. 8, 2021, Federal Defendants and PCFFA plaintiffs stipulated to inclusion of certain records in the Administrative Records and to defer further briefing on the matter until July 1, 2022



- On Nov. 12, 2021, SWC filed a motion to amend its pleading to assert cross-claims against the federal defendants for violations of the ESA, NEPA and WIIN Act; Court has yet to set a hearing date
- November 23, 2021, Federal Defendants filed a motion for voluntary remand of the 2019 Biological Opinions and NEPA Record of Decision and requesting that the Court issue an order approving an Interim Operations Plan through September 30, 2022; that the cases be stayed for the same time period; and that the Court retain jurisdiction during the pendency of the remand. State Plaintiffs filed a motion for injunctive relief seeking judicial approval of the Interim Operations Plan.
- December 16, 2021 – NGO Plaintiffs filed a motion for preliminary injunction related to interim operations
- Motions fully briefed as of Jan. 24, 2022
- Hearing on motions held Feb. 11, 2022
- District court (1) approved the State and Federal Government's Interim Operations Plan (IOP) through September 30, 2022; (2) approved the federal defendants' request for a stay of the litigation through September 30, 2022; (3) remanded the BiOps without invalidating them for reinitiated consultation with the 2019 BiOps in place; (4) denied PCFFA's alternative request for injunctive relief; and (5) by ruling on other grounds, denied the state plaintiffs' motion for injunctive relief and the federal defendants' request for equitable relief
- September 30, 2022, Federal Defendants and State Plaintiffs filed a joint status report: 1) describing the status of the reinitiated CVP and SWP consultation; 2) recommending a plan for interim CVP and SWP operations to govern for the 2023 water year or some other interval of time, if consultation remains ongoing; and 3) requesting a continued stay or other path forward in the litigation
- [PCFFA et al. proposed an alternative 2023 interim operations plan](#)



	<ul style="list-style-type: none"> <u>December 22, 2022 conclusion of briefing re 2023 interim operations plan and potential stay</u>
<p>CESA Incidental Take Permit Cases</p> <p>Coordinated Case Name <i>CDWR Water Operations Cases, JCCP 5117</i> (Coordination Trial Judge Gevercer)</p> <p><i>Metropolitan & Mojave Water Agency v. Calif. Dept. of Fish & Wildlife, et al.</i> (CESA/CEQA/Breach of Contract)</p> <p><i>State Water Contractors & Kern County Water Agency v. Calif. Dept. of Fish & Wildlife, et al.</i> (CESA/CEQA)</p> <p><i>Tehama-Colusa Canal Auth., et al. v. Calif. Dept. of Water Resources</i> (CEQA)</p> <p><i>San Bernardino Valley Municipal Water Dist. v. Calif. Dept. of Water Resources, et al.</i> (CEQA/CESA/ Breach of Contract/Takings)</p> <p><i>Sierra Club, et al. v. Calif. Dept. of Water Resources</i> (CEQA/Delta Reform Act/Public Trust)</p> <p><i>North Coast Rivers Alliance, et al. v. Calif. Dept. of Water Resources</i> (CEQA/Delta Reform Act/Public Trust)</p> <p><i>Central Delta Water Agency, et. al. v. Calif. Dept. of Water Resources</i> (CEQA/Delta Reform Act/Public Trust/ Delta Protection Acts/Area of Origin)</p> <p><i>San Francisco Baykeeper, et al. v. Calif. Dept. of Water Resources, et al.</i> (CEQA/CESA)</p>	<ul style="list-style-type: none"> All 8 cases ordered coordinated in Sacramento County Superior Court Stay on discovery issued until coordination trial judge orders otherwise All four Fresno cases transferred to Sacramento to be heard with the four other coordinated cases SWC and Metropolitan have submitted Public Records Act requests seeking administrative record materials and other relevant information Answers filed in the three cases filed by State Water Contractors, including Metropolitan's Draft administrative records produced on Sept. 16, 2021 Certified administrative records lodged March 4, 2022 State Water Contractors et al. granted leave to intervene in Sierra Club, North Coast Rivers Alliance, Central Delta Water Agency, and San Francisco Baykeeper cases by stipulation Sept. 9, 2022 fifth Case Management Conference Sept. 9, 2022 Court ordered DWR and CDFW to produce privilege logs to the State Water Contractors et al. by Sept. 30, 2022 showing the basis for withholding hundreds of records from the administrative records on the deliberative process and official information privileges, then meet and confer; State Water Contractors et al. may renew their motion to augment if disputes remain Sept. 29, 2022 State Water Contractors, et al.'s motion to intervene as petitioners in the <i>Tehama-Colusa Canal Auth., et al. v. Calif. Dept. of Water Resources</i> CEQA case denied without prejudice to re-filing a motion to intervene as respondents



<p>CDWR Environmental Impact Cases Sacramento Superior Ct. Case No. JCCP 4942, 3d DCA Case No. C091771 (20 Coordinated Cases)</p> <p>Validation Action <i>DWR v. All Persons Interested</i></p> <p>CEQA 17 cases</p> <p>CESA/Incidental Take Permit 2 cases</p> <p>(Judge TBD)</p>	<ul style="list-style-type: none"> • Cases dismissed after DWR rescinded project approval, bond resolutions, decertified the EIR, and CDFW rescinded the CESA incidental take permit • January 10, 2020 – Nine motions for attorneys’ fees and costs denied in their entirety • Parties have appealed attorneys’ fees and costs rulings • May 11, 2022, court of appeal reversed the trial court’s denial of attorney fees and costs in an unpublished opinion • Opinion ordered published • Coordinated cases remitted to trial court for re-hearing of fee motions consistent with the court of appeal’s opinion
<p>COA Addendum/ No-Harm Agreement</p> <p><i>North Coast Rivers Alliance v. DWR</i> Sacramento County Superior Ct. (Judge Gevercer)</p>	<ul style="list-style-type: none"> • Plaintiffs allege violations of CEQA, Delta Reform Act & public trust doctrine • USBR Statement of Non-Waiver of Sovereign Immunity filed September 2019 • Westlands Water District and North Delta Water Agency granted leave to intervene • Metropolitan & SWC monitoring • Deadline to prepare administrative record extended to Nov. 18, 2022
<p>Delta Plan Amendments and Program EIR 4 Consolidated Cases Sacramento County Superior Ct. (Judge Gevercer)</p> <p><i>North Coast Rivers Alliance, et al. v. Delta Stewardship Council</i> (lead case)</p> <p><i>Central Delta Water Agency, et al. v. Delta Stewardship Council</i></p> <p><i>Friends of the River, et al. v. Delta Stewardship Council</i></p> <p><i>California Water Impact Network, et al. v. Delta Stewardship Council</i></p>	<ul style="list-style-type: none"> • Cases challenge, among other things, the Delta Plan Updates recommending dual conveyance as the best means to update the SWP Delta conveyance infrastructure to further the coequal goals • Allegations relating to “Delta pool” water rights theory and public trust doctrine raise concerns for SWP and CVP water supplies • Cases consolidated for pre-trial and trial under <i>North Coast Rivers Alliance v. Delta Stewardship Council</i> • SWC granted leave to intervene • Metropolitan supports SWC <p>2018 Cases</p> <ul style="list-style-type: none"> • <u>Nov. 7, 2022 court ruled in favor of Delta Stewardship Council on all claims; final judgments pending</u>



<p>SWP Contract Extension Validation Action Court of Appeal for the Third App. Dist. Case No. C096316 <i>DWR v. All Persons Interested in the Matter, etc.</i></p>	<ul style="list-style-type: none">• DWR seeks a judgment that the Contract Extension amendments to the State Water Contracts are lawful• Metropolitan and 7 other SWCs filed answers in support of validity to become parties• Jan. 5-7, 2022 Hearing on the merits held with CEQA cases, below• Final statement of decision in DWR's favor filed March 9, 2022• Final judgment entered and served• C-WIN et al., County of San Joaquin et al. and North Coast Rivers Alliance et al. filed notices of appeal• <u>Parties have filed stipulation to consolidate the three appeals and set a briefing schedule</u>
<p>SWP Contract Extension CEQA Cases Court of Appeal for the Third App. Dist. Case Nos. C096384 & C096304 <i>North Coast Rivers Alliance, et al. v. DWR</i> <i>Planning & Conservation League, et al. v. DWR</i></p>	<ul style="list-style-type: none">• Petitions for writ of mandate alleging CEQA and Delta Reform Act violations filed on January 8 & 10, 2019• Deemed related to DWR's Contract Extension Validation Action and assigned to Judge Culhane• Administrative Record completed• DWR filed its answers on September 28, 2020• Metropolitan, Kern County Water Agency and Coachella Valley Water District have intervened and filed answers in the two CEQA cases• Final statement of decision in DWR's favor denying the writs of mandate filed March 9, 2022• Final judgments entered and served• North Coast Rivers Alliance et al. and PCL et al. filed notices of appeal• <u>Parties have filed stipulation to consolidate the three appeals and set a briefing schedule</u>



<p>Delta Conveyance Project Soil Exploration Cases</p> <p><i>Central Delta Water Agency, et al. v. DWR</i> Sacramento County Superior Ct. (Judge Chang)</p> <p><i>Central Delta Water Agency, et al. v.. DWR (II)</i>, Sacramento County Super. Ct. (Judge Acquisto)</p>	<ul style="list-style-type: none"> • Original case filed August 10, 2020; new case challenging the second addendum to the CEQA document filed Aug. 1, 2022 • Plaintiffs Central Delta Water Agency, South Delta Water Agency and Local Agencies of the North Delta • One cause of action alleging that DWR's adoption of an Initial Study/Mitigated Negative Declaration (IS/MND) for soil explorations needed for the Delta Conveyance Project violates CEQA • March 24, 2021 Second Amended Petition filed to add allegation that DWR's addendum re changes in locations and depths of certain borings violates CEQA • DWR's petition to add the 2020 CEQA case to the <i>Department of Water Resources Cases</i>, JCCP 4594, San Joaquin County Superior Court denied • Hearing on the merits held Oct.13, 2022 • <u>Dec. 2, 2022 ruling on the merits granting the petition with respect to two mitigation measures and denying on all other grounds</u>
<p>Water Management Tools Contract Amendment</p> <p><i>California Water Impact Network et al. v. DWR</i> Sacramento County Superior Ct. (Judge Aquisto)</p> <p><i>North Coast Rivers Alliance, et al. v. DWR</i> Sacramento County Super. Ct. (Judge Aquisto)</p>	<ul style="list-style-type: none"> • Filed September 28, 2020 • CWIN and Aqualliance allege one cause of action for violation of CEQA • NCRA et al. allege four causes of action for violations of CEQA, the Delta Reform Act, Public Trust Doctrine and seeking declaratory relief • Parties have stipulated to production of a draft administrative record by April 1, 2022 and to a timeline to attempt to resolve any disputes over the contents • SWC motion to intervene in both cases granted



San Diego County Water Authority v. Metropolitan, et al.

Cases	Date	Status
2010, 2012	Aug. 13-14, 2020	Final judgment and writ issued. Transmitted to the Board on August 17.
	Sept. 11	Metropolitan filed notice of appeal of judgment and writ.
	Jan. 13, 2021	Court issued order finding SDCWA is the prevailing party on the Exchange Agreement, entitled to attorneys' fees and costs under the contract.
	Feb. 10	Court issued order awarding SDCWA statutory costs, granting SDCWA's and denying Metropolitan's related motions.
	Feb. 16	Per SDCWA's request, Metropolitan paid contract damages in 2010-2012 cases judgment and interest. Metropolitan made same payment in Feb. 2019, which SDCWA rejected.
	Feb. 25	Metropolitan filed notice of appeal of Jan. 13 (prevailing party on Exchange Agreement) and Feb. 10 (statutory costs) orders.
	Sept. 21	Court of Appeal issued opinion on Metropolitan's appeal regarding final judgment and writ, holding: (1) the court's 2017 decision invalidating allocation of Water Stewardship Rate costs to transportation in the Exchange Agreement price and wheeling rate applied not only to 2011-2014, but also 2015 forward; (2) no relief is required to cure the judgment's omission of the court's 2017 decision that allocation of State Water Project costs to transportation is lawful; and (3) the writ is proper and applies to 2015 forward.
	Mar. 17, 2022	Court of Appeal unpublished decision affirming orders determining SDCWA is the prevailing party in the Exchange Agreement and statutory costs.
	Mar. 21	Metropolitan paid SDCWA \$14,296,864.99 for attorneys' fees and \$352,247.79 for costs, including interest.
	July 27	Metropolitan paid SDCWA \$411,888.36 for attorneys' fees on appeals of post-remand orders.
2014, 2016	Aug. 28, 2020	SDCWA served first amended (2014) and second amended (2016) petitions/complaints.
	Sept. 28	Metropolitan filed demurrers and motions to strike portions of the amended petitions/complaints.



Cases	Date	Status
2014, 2016 (cont.)	Sept. 28-29	Member agencies City of Torrance, Eastern Municipal Water District, Foothill Municipal Water District, Las Virgenes Municipal Water District, Three Valleys Municipal Water District, Municipal Water District of Orange County, West Basin Municipal Water District, and Western Municipal Water District filed joinders to the demurrers and motions to strike.
	Feb. 16, 2021	Court issued order denying Metropolitan's demurrers and motions to strike, allowing SDCWA to retain contested allegations in amended petitions/complaints.
	March 22	Metropolitan filed answers to the amended petitions/complaints and cross-complaints against SDCWA for declaratory relief and reformation, in the 2014, 2016 cases.
	March 22-23	Member agencies City of Torrance, Eastern Municipal Water District, Foothill Municipal Water District, Las Virgenes Municipal Water District, Three Valleys Municipal Water District, Municipal Water District of Orange County, West Basin Municipal Water District, and Western Municipal Water District filed answers to the amended petitions/complaints in the 2014, 2016 cases.
	April 23	SDCWA filed answers to Metropolitan's cross-complaints.
	Sept. 30	Based on the Court of Appeal's Sept. 21 opinion (described above), and the Board's Sept. 28 authorization, Metropolitan paid \$35,871,153.70 to SDCWA for 2015-2017 Water Stewardship Rate charges under the Exchange Agreement and statutory interest.
2017	July 23, 2020	Dismissal without prejudice entered.
2018	July 28, 2020	Parties filed a stipulation and application to designate the case complex and related to the 2010-2017 cases, and to assign the case to Judge Massullo's court.
	Nov. 13	Court ordered case complex and assigned to Judge Massullo's court.
	April 21, 2021	SDCWA filed second amended petition/complaint.
	May 25	Metropolitan filed motion to strike portions of the second amended petition/complaint.
	May 25-26	Member agencies City of Torrance, Eastern Municipal Water District, Foothill Municipal Water District, Las Virgenes Municipal Water District, Three Valleys Municipal Water District, Municipal Water District of Orange County, West Basin Municipal Water District, and Western Municipal Water District filed joinders to the motion to strike.



Cases	Date	Status
2018 (cont.)	July 19	Court issued order denying Metropolitan's motion to strike portions of the second amended petition/complaint.
	July 29	Metropolitan filed answer to the second amended petition/complaint and cross-complaint against SDCWA for declaratory relief and reformation.
	July 29	Member agencies City of Torrance, Eastern Municipal Water District, Foothill Municipal Water District, Las Virgenes Municipal Water District, Three Valleys Municipal Water District, Municipal Water District of Orange County, West Basin Municipal Water District, and Western Municipal Water District filed answers to the second amended petition/complaint.
	Aug. 31	SDCWA filed answer to Metropolitan's cross-complaint.
	April 11, 2022	Court entered order of voluntary dismissal of parties' WaterFix claims and cross-claims.
2014, 2016, 2018	June 11, 2021	Deposition of non-party witness.
	Aug. 25	Hearing on Metropolitan's motion for further protective order regarding deposition of non-party witness.
	Aug. 25	Court issued order consolidating the 2014, 2016, and 2018 cases for all purposes, including trial.
	Aug. 30	Court issued order granting Metropolitan's motion for a further protective order regarding deposition of non-party witness.
	Aug. 31	SDCWA filed consolidated answer to Metropolitan's cross-complaints in the 2014, 2016, and 2018 cases.
	Oct. 27	Parties submitted to the court a joint stipulation and proposed order staying discovery through Dec. 8 and resetting pre-trial deadlines.
	Oct. 29	Court issued order staying discovery through Dec. 8 and resetting pre-trial deadlines, while the parties discuss the prospect of settling some or all remaining claims and crossclaims.
	Jan. 12, 2022	Case Management Conference. Court ordered a 35-day case stay to allow the parties to focus on settlement negotiations, with weekly written check-ins with the court; and directed the parties to meet and confer regarding discovery and deadlines.
	Feb. 22	Court issued order resetting pre-trial deadlines as proposed by the parties.
	Feb. 22	Metropolitan and SDCWA each filed motions for summary adjudication.



Cases	Date	Status
2014, 2016, 2018 (cont.)	April 13	Hearing on Metropolitan's and SDCWA's motions for summary adjudication.
	April 18	Parties filed supplemental briefs regarding their respective motions for summary adjudication, as directed by the court.
	April 18	Court issued order resetting pre-trial deadlines as proposed by the parties.
	April 29	Parties filed pre-trial briefs.
	April 29	Metropolitan filed motions in limine.
	May 4	Court issued order granting Metropolitan's motion for summary adjudication on cross-claim for declaratory relief that the conveyance facility owner, Metropolitan, determines fair compensation, including any offsetting benefits; and denying its motion on certain other cross-claims and an affirmative defense.
	May 11	Court issued order granting SDCWA's motion for summary adjudication on cross-claim for declaratory relief in the 2018 case regarding lawfulness of the Water Stewardship Rate's inclusion in the wheeling rate and transportation rates in 2019-2020; certain cross-claims and affirmative defenses on the ground that Metropolitan has a duty to charge no more than fair compensation, which includes reasonable credit for any offsetting benefits, with the court also stating that whether that duty arose and whether Metropolitan breached that duty are issues to be resolved at trial; affirmative defenses that SDCWA's claims are untimely and SDCWA has not satisfied claims presentation requirements; affirmative defense in the 2018 case that SDCWA has not satisfied contract dispute resolution requirements; claim, cross-claims, and affirmative defenses regarding applicability of Proposition 26, finding that Proposition 26 applies to Metropolitan's rates and charges, with the court also stating that whether Metropolitan violated Proposition 26 is a separate issue; and cross-claims and affirmative defenses regarding applicability of Government Code section 54999.7, finding that section 54999.7 applies to Metropolitan's rates. Court denied SDCWA's motion on certain other cross-claims and affirmative defenses.
	May 13	Pre-trial conference; court denied Metropolitan's motions in limine.
	May 16	Court issued order setting post-trial brief deadline and closing arguments.
	May 16-27	Trial occurred but did not conclude.
	May 23, June 21	SDCWA filed motions in limine.



Cases	Date	Status
2014, 2016, 2018 (cont.)	May 26, June 24	Court denied SDCWA's motions in limine.
	June 3, June 24, July 1	Trial continued, concluding on July 1.
	June 24	SDCWA filed motion for partial judgment.
	July 15	Metropolitan filed opposition to motion for partial judgment.
	Aug. 19	Post-trial briefs filed.
	Sept. 14	Court issued order granting in part and denying in part SDCWA's motion for partial judgment (granting motion as to Metropolitan's dispute resolution, waiver, and consent defenses; denying motion as to Metropolitan's reformation cross-claims and mistake of fact and law defenses; and deferring ruling on Metropolitan's cost causation cross-claim).
	Sept. 21	Metropolitan filed response to order granting in part and denying in part SDCWA's motion for partial judgment (requesting deletion of Background section portion relying on pleading allegations).
	Sept. 22	SDCWA filed objection to Metropolitan's response to order granting in part and denying in part SDCWA's motion for partial judgment.
	Sept. 27	Post-trial closing arguments.
	Oct. 20	Court issued order that it will rule on SDCWA's motion for partial judgment as to Metropolitan's cost causation cross-claim simultaneously with the trial statement of decision.
	Dec. 16	Parties' proposed trial statements of decision due.
All Cases	April 15, 2021	Case Management Conference on 2010-2018 cases. Court set trial in 2014, 2016, and 2018 cases on May 16-27, 2022.
	April 27	SDCWA served notice of deposition of non-party witness.
	May 13-14	Metropolitan filed motions to quash and for protective order regarding deposition of non-party witness.
	June 4	Ruling on motions to quash and for protective order.



Outside Counsel Agreements				
Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Andrade Gonzalez LLP	MWD v. DWR, CDFW and CDNR Incidental Take Permit (ITP) CESA/CEQA/Contract Litigation	185894	07/20	\$250,000
Aleshire & Wynder	Oil, Mineral and Gas Leasing	174613	08/18	\$50,000
Atkinson Andelson Loya Ruud & Romo	Employee Relations	59302	04/04	\$1,214,517
	MWD v. Collins	185892	06/20	\$100,000
	Delta Conveyance Project Bond Validation-CEQA Litigation	185899	09/21	\$100,000
	MWD Drone and Airspace Issues	193452	08/20	\$50,000
	Equal Employee Opportunity Commission Charge	200462	03/21	\$20,000
	Public Employment Relations Board Charge No. LA-CE-1441-M	200467	03/21	\$30,000
	Representation re the Shaw Law Group's Investigations	200485	05/20/21	\$50,000
	DFEH Charge- (DFEH Number 202102-12621316)	201882	07/01/21	\$25,000
	AFSCME Local 1902 in Grievance No. 1906G020 (CSU Meal Period)	201883	07/12/21	\$30,000
	AFSCME Local 1902 v. MWD, PERB Case No. LA-CE-1438-M	201889	09/15/21	\$20,000
	MWD MOU Negotiations**	201893	10/05/21	\$100,000
	DFEH Charge- (DFEH Number 202106-13819209)	203439	12/14/21	\$15,000
	DFEH Charge- (DFEH Number 202109-14694608)	203460	02/22	\$15,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Best, Best & Krieger	Navajo Nation v. U.S. Department of the Interior, et al.	54332	05/03	\$185,000
	Bay-Delta Conservation Plan/Delta Conveyance Project (with SWCs)	170697	08/17	\$500,000
	Environmental Compliance Issues	185888	05/20	\$100,000
	Public Records Act Requests	203462	04/22	\$30,000
Blooston, Mordkofsky, Dickens, Duffy & Prendergast, LLP	FCC and Communications Matters	110227	11/10	\$100,000
Brown White & Osborn LLP	HR Matter	203450	03/22	\$50,000
Buchalter, a Professional Corp.	Union Pacific Industry Track Agreement	193464	12/07/20	\$50,000
Burke, Williams & Sorensen, LLP	Real Property - General	180192	01/19	\$100,000
	Labor and Employment Matters	180207	04/19	\$50,000
	General Real Estate Matters	180209	08/19	\$100,000
Law Office of Alexis S.M. Chiu*	Bond Counsel	200468	07/21	N/A
Cislo & Thomas LLP	Intellectual Property	170703	08/17	\$75,000
Cummins & White, LLP	Board Advice	207941	05/22	\$10,000
Curls Bartling P.C.*	Bond Counsel	174596	07/18	N/A
	Bond Counsel	200470	07/21	N/A
Duane Morris LLP	SWRCB Curtailment Process	138005	09/14	\$615,422
Duncan, Weinberg, Genzer & Pembroke PC	Power Issues	6255	09/95	\$3,175,000
Ellison, Schneider, Harris & Donlan	Colorado River Issues	69374	09/05	\$175,000
	Issues re SWRCB	84457	06/07	\$200,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Greines, Martin, Stein & Richland LLP	SDCWA v. MWD	207958	10/22	\$100,000
	<u>Colorado River Matters</u>	<u>207965</u>	<u>11/22</u>	<u>\$100,000</u>
Haden Law Office	Real Property Matters re Agricultural Land	180194	01/19	\$50,000
Hanson Bridgett LLP	SDCWA v. MWD	124103	03/12	\$1,100,000
	Finance Advice	158024	12/16	\$100,000
	Deferred Compensation/HR	170706	10/17	\$ 400,000
	Tax Issues	180200	04/19	\$50,000
	<u>Alternative Project Delivery (ADP)</u>	<u>207961</u>	<u>10/22</u>	<u>\$100,000</u>
	<u>Faith v. MWD</u>	<u>207963</u>	<u>10/22</u>	<u>\$100,000</u>
Hausman & Sosa, LLP	MOU Hearing Officer Appeal	201892	09/21	\$95,000
	MOU Hearing Officer Appeal	207943	05/22	\$25,000
	MOU Hearing Officer Appeal	207949	07/22	\$25,000
Hawkins Delafield & Wood LLP*	Bond Counsel	193469	07/21	N/A
Horvitz & Levy	SDCWA v. MWD	124100	02/12	\$900,000 <u>\$1,250,000</u>
	General Appellate Advice	146616	12/15	\$100,000
	Colorado River	203464	04/22	\$100,000
Internet Law Center	Cybersecurity and Privacy Advice and Representation	200478	04/13/21	\$100,000
	Systems Integrated, LLC v. MWD	201875	05/17/21	\$65,000
Amira Jackmon, Attorney at Law*	Bond Counsel	200464	07/21	N/A
Jackson Lewis P.C.	Employment: Department of Labor Office of Contract Compliance (OFCCP)	137992	02/14	\$45,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Jones Hall, A Professional Law Corporation*	Bond Counsel	200465	07/21	N/A
Kegel, Tobin & Truce	Workers' Compensation	180206	06/19	\$250,000
Lesnick Prince & Pappas LLP	Topock/PG&E's Bankruptcy	185859	10/19	\$30,000
Liebert Cassidy Whitmore	Labor and Employment	158032	02/17	\$201,444
	FLSA Audit	180199	02/19	\$50,000
Manatt, Phelps & Phillips	SDCWA v. MWD rate litigation	146627	06/16	\$4,400,000
	Raftelis - Subcontractor of Manatt, Phelps & Phillips Agreement No. 146627: Pursuant to 05/02/22 Engagement Letter between Manatt, Phelps & Phillips and Raftelis Financial Consultants, Inc., Metropolitan Water District paid Raftelis Financial Consultants, Inc.	Invoice No. 23949		\$56,376.64 for expert services and reimbursable expenses in SDCWA v. MWD
Meyers Nave Riback Silver & Wilson	OCWD v. Northrop Corporation	118445	07/11	\$2,300,000
	<u>Pure Water Southern California</u>	<u>207967</u>	<u>11/22</u>	<u>\$100,000</u>
Miller Barondess, LLP	SDCWA v. MWD	138006	12/14	\$600,000
Morgan, Lewis & Bockius	SDCWA v. MWD	110226	07/10	\$8,750,000
	Project Labor Agreements	200476	04/21	\$100,000
Musick, Peeler & Garrett LLP	Colorado River Aqueduct Electric Cables Repair/Contractor Claims	193461	11/20	\$900,000
	Arvin-Edison v. Dow Chemical	203452	01/22	\$90,000
	Semitropic TCP Litigation	207954	09/22	\$75,000
Nixon Peabody LLP*	Bond Counsel	193473	07/21	N/A
Norton Rose Fulbright US LLP*	Bond Counsel	200466	07/21	N/A
Olson Remcho LLP	Government Law	131968	07/14	\$200,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
	Executive Committee/Ad Hoc Committees Advice	207947	08/22	\$60,000
	Public Records Act	207950	08/22	\$20,000
Renne Public Law Group, LLP	ACE v. MWD (PERB Case No. LA-CE-1574-M)	203466	05/22	\$50,000
	MOU Hearing Officer Appeal	203948	07/22	\$25,000
	<u>ACE v. MWD (PERB Case No. LA-CE-1611-M)</u>	<u>207962</u>	<u>10/22</u>	<u>\$50,000</u>
Ryan & Associates	Leasing Issues	43714	06/01	\$200,000
Seyfarth Shaw LLP	HR Litigation	185863	12/19	\$250,000
	Claim (Contract #201897)	201897	11/04/21	\$200,000
	Claim (Contract #203436)	203436	11/15/21	\$350,000
	Claim (Contract #203454)	203454	01/22	\$160,000
	Claim (Contract #203455)	203455	10/21	\$175,000
Sheppard Mullin Richter & Hampton LLP	Rivers v. MWD	207946	07/22	\$100,000
Stradling Yocca Carlson & Rauth*	Bond Counsel	200471	07/21	N/A
Theodora Oringer PC	Construction Contracts - General Conditions Update	185896	07/20	\$100,000
Thomas Law Group	MWD v. DWR, CDFW, CDNR – Incidental Take Permit (ITP) CESA/CEQA/Contract Litigation	185894	05/20	\$250,000
	Iron Mountain SMARA (Surface Mining and Reclamation Act)	203435	12/03/21	\$100,000
Thompson Coburn LLP	FERC Representation re Colorado River Aqueduct Electrical Transmission System	122465	12/11	\$100,000
	NERC Energy Reliability Standards	193451	08/20	\$100,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Van Ness Feldman, LLP	General Litigation	170704	07/18	\$50,000
	Colorado River MSHCP	180191	01/19	\$50,000
	Bay-Delta and State Water Project Environmental Compliance	193457	10/15/20	\$50,000
Western Water and Energy	California Independent System Operator Related Matters	193463	11/20/20	\$100,000

*Expenditures paid by Bond Proceeds/Finance

**Expenditures paid by another group



Internal Audit Report for September 2022

Summary

This report highlights the significant activities of the Internal Audit Department during March 2022.

RFP for External Auditors

The RFP for engaging new external auditors for the fiscal years ending June 30, 2023, June 30, 2024, June 30, 2025, and June 30, 2026, was issued with proposals due by November 30, 2022.

Review of Quarterly Board Reports for the period ending June 30, 2022

We reviewed the reports for consulting and routine services contracts for the period ending June 30, 2022, issued by the Chief Financial Officer. This review included the Annual Report of Professional Services Agreements (Professional Services Report) for the Fiscal Year 2021/22 and the Report of Contracts for Equipment, Materials, Supplies, and Routine Services of \$250,000 or Above (Contracts Report) for the Fourth Quarter of Fiscal Year 2021/22. The purpose of this review is to gain reasonable assurance that the information included in these reports is accurate, complete, timely, and in compliance with the Metropolitan Water District Administrative Code.

PROFESSIONAL SERVICES AGREEMENTS REPORT

Background

Administrative Code Section 2720(e)(2) requires that the General Manager report to the Organization, Personnel and Technology Committee on the employment of any professional and technical consultant, the extension of any professional and technical consulting agreement, and on the Exercise of Authority under Sections 8121(c) and 8122(h) during the preceding calendar quarter. The Administrative Code also requires the Professional Services Report to indicate when a consultant is a former Metropolitan employee. Administrative Code Sections 2721-2723 require the General Counsel, General Auditor, and Ethics Officer to report quarterly to their respective committee concerning any expert or professional service agreements executed pursuant to their authority under the Administrative Code.

The Professional Services Report is prepared quarterly and annually to comply with these Administrative Code requirements and identify those contracts administered by the General Manager, General Counsel, General Auditor, and Ethics Officer.

During the fiscal year ending June 2022, the Professional Services Report disclosed that \$56.08 million was paid for consulting and professional services. We compared the amounts expended on professional services during this fiscal year against the prior fiscal year and noted a decrease of \$455,595.

Totals reported under the General Counsel's authority exclude payments related to the San Diego County Water Authority litigation, which is accounted for under the Self-Insurance Retention Fund.

For the fiscal year 2021/22, 51 of 512 agreements, totaling \$4,406,786, were sole-sourced. This represents 8% of total fiscal year-to-date expenditures for 2021/22. In the fiscal year 2020/21, 56 agreements totaling \$4,467,038 were sole-sourced.

Of 512 agreements, 149, totaling \$2,126,466, were small purchases of less than \$74,999. In 2020/21, there were 141 of 473 such agreements, totaling \$1,589,807. See the tables below for details:

Fiscal Year 2021/22

Fiscal Year-to-Date	General Manager	General Counsel	General Auditor	Ethics Officer
Contract Expenditures	\$55,363,429	\$2,290,337	\$460,423	\$254,020
Active Agreements	366	*191	1	-
Terminated Agreements	144	23	-	1

* Agreements with transactions during the current fiscal year.

Govt. Agencies	RFP	RFQ	Small Purchases	Sole Source
\$715,078	\$27,546,887	\$21,282,654	\$2,126,466	\$4,406,786
15	54	243	149	51
1%	49%	38%	4%	8%

Note: The categories do not include General Counsel Expenditures

Fiscal Year 2020/21

Fiscal Year-to-Date	General Manager	General Counsel	General Auditor	Ethics Officer
Contract Expenditures	\$ 55,766,648	\$1,719,105	\$ 449,100	\$ 317,719

Active Agreements	353	*155	1	1
Terminated Agreements	117	21	-	1

* Agreements with transactions during the current fiscal year.

Govt. Agencies	RFP	RFQ	Small Purchases	Sole Source
\$ 1,049,766	\$ 28,701,537	\$ 20,725,320	\$ 1,589,807	\$ 4,467,038
15	52	209	141	56
2%	50%	37%	3%	8%

Note: The categories do not include General Counsel Expenditures

Testing Procedures Performed

Our procedures included a cursory review of the reasonableness of the professional service expenditures and an analysis of consultants with multiple active agreements to determine whether an agreement was split into smaller contract amounts to circumvent established approval limits. We also evaluated whether statistics in the Professional Services Report were adequately supported and assessed the timeliness of board reporting.

Testing results

Our review did not reveal any agreements that appeared to be unreasonable or split to override established approval limits. In addition, our review did not reveal any material differences between the reported amounts and supporting documentation. Finally, we noted the Professional Services Report for the year ending June 2022 was issued to the Board on September 13, 2022.

CONTRACTS FOR EQUIPMENT, MATERIALS, SUPPLIES, AND ROUTINE SERVICES OF \$250,000 OR ABOVE REPORT

Background

Administrative Code Section 2720(e)(2) requires that the General Manager report quarterly to the Organization, Personnel and Technology Committee on the execution of any contract authorized under Section 8122(g) – Contracts for Equipment, Materials, Supplies, and Routine Services. Section 8122(g) states: “the General Manager may execute contracts for the purchase of materials, supplies, and other consumable items such as fuels, water treatment chemicals, materials for construction projects and other bulk items, and for routine services such as waste disposal and maintenance services, which are generally identified in the budget, regardless of dollar value, provided that sufficient funds are available within the adopted budget for such materials, supplies, and routine services.”

During the quarter ending June 30, 2022, the Contracts Report disclosed seventeen contracts that fit these criteria. We noted the total maximum amount payable for these contracts was \$20.78 million. Eleven contracts were awarded through competitive bidding under Administrative Code Section 8140 – Competitive Procurement; one was a cooperative agreement, and five were sole-sourced.

Testing Procedures Performed

Our procedures included a cursory review of the reasonableness of expenditures. We also verified that all contracts of \$250,000 or more for specified items were included in the Contracts Report and adequately supported. Further, we reviewed sole-source agreements for justification and approval. Finally, we assessed the timeliness of board reporting.

Testing results

Our review did not reveal any discrepancies between the contracts and amounts shown in the Contracts Report and supporting documentation. We also noted that the policies and procedures for competitive bidding, cooperative agreements, and sole source agreements are in place. Finally, the Contracts Report for the quarter ending June 30, 2022, was issued to the board on September 13, 2022.



Ethics Office Monthly Report

October 2022

SPECIAL PROJECTS

Coordinated with the General Manager's Equal Employment Opportunity (EEO) Office on a presentation given at the October A&E Committee meeting regarding revising the process for EEO investigations involving directors and department heads.

EDUCATION

Completed a series of six live webinars on safety-related retaliation in the workplace, in coordination with Metropolitan's Water System Operations group training staff. Over 1400 employees have completed training.

COMPLIANCE

Obtained full compliance for the 2021 Form 700 annual filing season which began January 1, 2022 and ended April 1, 2022. As of October, all 677 officials required to file a 2021 annual Form 700 have done so.

Assisted employees with Assuming Office and Leaving Office Form 700 filings. Assistance included troubleshooting the electronic filing system and notifications of deadlines.

Monitored the status of past due Assuming Office and Leaving Office Form 700 filings; sent notices to two current employees and five former employees and obtained compliance from three current employees and one former employee; referred one current employee and one former employee to the state Fair Political Practices Commission for non-filing of Assuming Office and Leaving Office 700, respectively.

ADVICE

Addressed 14 advice matters involving: conflicts of interest, financial disclosure, political activities, misuse of government position, outside employment, and other ethics-related topics.

INVESTIGATIONS

Received complaints alleging that: 1) A Metropolitan official acted on matters in which they had a financial conflict of interest; 2) A supervisor misused their authority to benefit a job candidate related to a former employee; 3) A Metropolitan official acted on matters in which they had a financial conflict of interest; 4) A supervisor retaliated against an employee for reporting an ethics concern; 5) Metropolitan officials retaliated against a manager for participating in an EEO investigation; 6) Metropolitan officials acted on matters in which they had a personal conflict of interest; 7) A supervisor retaliated against an employee for reporting safety and bullying concerns; 8) A supervisor misused their authority by giving favorable treatment to one employee; 9) A manager misused their authority by recommending that another manager take actions that would violate policy; and 10) A manager misused their authority by providing favorable assignments to some employees.

ADVICE AND INVESTIGATIVE DATA

Advice Matters	14
Compliance Assistance	25
Complaints Received	10
Investigations Opened	1
Pending Investigations	2

MINUTES
REGULAR MEETING OF THE
BOARD OF DIRECTORS
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
October 11, 2022

52988 The Board of Directors of The Metropolitan Water District of Southern California met in regular session on Tuesday, October 11, 2022.

Chairwoman Gray called the hybrid teleconference and in-person meeting to order at 12:00 p.m.

52989 The Meeting was opened with an invocation by Thomas D. Miller, Director of Information Technology Services.

52990 The Pledge of Allegiance was given by Director C. Martin “Marty” Miller, San Diego County Water Authority.

Chairwoman acknowledged the upcoming day of action, “Imagine A Day Without Water,” including the other October Celebrations, Disability Awareness Month, Metropolitan’s new Employee Resource Group VOICE representing employees with disabilities, National Coming Out Day, Hispanic Heritage Month, Polish Filipino, Italian American Heritage Months, and Indigenous Peoples Day. Additionally, she addressed the concerns of racism and bigotry in the media regarding elected officials and urged the board to continue to deliver water to the 19 million residents of Southern California with respect and civility.

52991 Board Secretary Abdo administered the roll call. Those responding present were: Directors Abdo, Ackerman, Apodaca, Atwater, Blois, Camacho, Cordero, De Jesus, Dennstedt, Dick, Erdman, Faessel, Fellow, Fong-Sakai, Gray, Jung, Kurtz, Lefevre, Luna, McCoy, Miller, Morris, Ortega, Petersen, Peterson, Phan, Pressman, Quinn, Record, Repenning, Smith, Sutley, Tamaribuchi, and Williams.

Those not responding were: Directors Hawkins.

Directors entered the meeting after the roll call Goldberg, Kassakhian, and Ramos.

Board Secretary Abdo declared a quorum present.

52992 Chairwoman Gray invited members of the public to address the Board on matters within the Board’s jurisdiction (in-person and teleconference).

	Name	Affiliation	Item
1.	Brittney Levis	City of Brea resident	Agenda Item 7-2
2.	Emily Gartenberg	Los Angeles resident	Agenda Item 7-2
3.	Patricia Donaldson	Not Provided	Agenda Item 6D
4.	Lucia Sanchez	San Diego ratepayer	Agenda Item 7-2
5.	Margarita Valencia	Los Angeles resident	Agenda Item 7-2
6.	Roxanna Hein	Los Angeles Alliance	Agenda Item 7-2
7.	Andrea (No Last Name Provided)	Community Member of Los Angeles County and rate payer	Agenda Item 7-2
8.	Caty Wagner	Sierra Club of California	Agenda Items 6D and 7-9
9.	Alan Shanahan	President, AFSCME Local 1902	Agenda Item 6D and 6E
10.	Al Nederhood	Member of the Public	Agenda Item 7-11
11.	Ernesto Madrano	Orange County Representative, the Los Angeles and Orange County Building Construction Council	Agenda Item 7-2
12.	Alicia (No Last Name Provided)	Los Angeles resident	Agenda Item 7-2
13.	Doug Obegi	Senior Attorney, Natural Resources Defense Council	Agenda Item 7-9
14.	Jan Warre	Resident Walnut Northern California	Agenda Item 6D
15.	Paul Moreno	President, Iron Workers Local #433	Agenda Item 7-2
16.	Nancy Blastos	Resident Redland	Agenda Item 6D
17.	Neil Desai	Senior Director, National Parks Conservation Association	Agenda Item 7-9
18.	Louise (No Last Name Provided)	California Labor Federation	Agenda Item 7-2
19.	Charming Evelyn	Sierra Club Angeles Chapter in Los Angeles and Orange County	Agenda Item 6D
20.	Maura Monagan	Los Angeles Waterkeeper	Agenda Item 7-2

21.	No Name Provided		Agenda Item 6D
22.	Sylvia Ballin	City of San Fernando City Council	Agenda Item 6D/6E
23.	Cindy Montanez	City of San Fernando City Council	Agenda Item 6D/6E
24.	Kevin James	International Union of Operating Engineers	Agenda Item 7-2
25.	Tommy Faavae	IBEW Local Union 11	Agenda Item 7-2
26.	Mario Barragan	IBEW Local Union 11	Agenda Item 7-2
27.	Lauren Ahkaim	LAANE	Agenda Item 7-2
28.	Chris Hannan	Los Angeles/Orange County Building & Construction Trades Council	Agenda Item 7-2
29.	Darcy Burke	Elsinore Valley Municipal Water District	Agenda Item 7-11
30.	Darrell Good	NAACP	Agenda Item 6D
31.	Angela Bye	Los Angeles resident	Agenda Item 7-2
32.	John No Last Name Provided	City of Pomona resident	Agenda Items 6D and 7-2

Chairwoman Gray addressed the following: Other Matters and Reports.
Chairwoman acknowledged former Chairman Pace.

52993 Chairwoman Gray asked if there were any changes to the report of events attended by Directors at Metropolitan's expense during the month of September as previously posted and distributed to the Board. Chairwoman Gray asked Directors if there were any corrections on the item. No amendments were made.

Directors Golderberg and Kassakhian entered the meeting.

Chairwoman Gray acknowledged former CAO Gibert Ivey and Metropolitan Board members emeritus Charles M. Treviño and Brett R. Barbre.

52994 Chairwoman Gray referred to her monthly report, which was previously posted and distributed to the Board. Chairwoman Gray asked Directors if there were any questions on the item. No comments were made.

52995 Regarding matters relating to Metropolitan's operations and activities, General Manager Hagekhalil, reported on the following:

1. Acknowledged Water Professionals Week and Disability Awareness Month
2. Reported Governor Newsom signed two budget bills that will provide Metropolitan with \$130 million;
3. Updated on the upcoming Watershed Health event;
4. Updated on the Colorado River conservation efforts;
5. Updated on Metropolitan's meeting with Quechan tribe and Bard Water District in Yuma, California;
6. Updated on the desalination request for proposal; and
7. Commented on Audit and Ethics committee discussion.

52996 General Counsel Scully stated she had nothing to add to her written report.

52997 Deputy General Interim Auditor Tonsick reported that the Auditor report includes observations and recommendations intended to address the priorities outlined in the annual audit plan that concerns risk assessment, prioritized strategic plan, the budget process, board governance, and improving accountability. Additionally, Interim Auditor Tonsick announced his retirement on November 2, 2022, and announced his successor Kathryn Andrus, Deputy General Auditor.

52998 Ethics Officer Salinas reported that the in-person AB 1234 Ethics Biennial Training is scheduled at the November 8, 2022, Board meeting.

52999 Presentation of 5-year Service Pin to Director Barry D. Pressman, representing the city of Beverly Hills. Chairwoman and Director Pressman made remarks.

Chairwoman Gray announced that Vice Chair Kurtz will be chairing the meeting from this point forward.

53000 Report from Executive Committee on nominations for Board Chair. Executive Committee Approved Nominee Director Ortega.

Vice Chair Kurtz addressed the Consent Calendar Items for October 2022.

53001 Vice Chair Kurtz asked Directors if there were any comments or discussions on Approval of the Minutes of the Board of Directors Workshop for August 23, 2022 and Regular Meeting for September 13, 2022 (Copies have been submitted to each Director) (Any additions, corrections, or omissions) (Agenda Item 6A). No comments were made.

Interim Board Administrator Rickita Hudson stated that the Board Workshop minutes for August 23, 2022, reflected the wrong year and will be corrected and reposted.

The Board did not adopt resolution to continue remote teleconference meetings pursuant to the Brown Act Section 54953(e) for meetings of Metropolitan's legislative bodies for a

period of 30 days (Agenda Item 6B). Vice Chair Kurtz called on Betty Kuo Brinton, Senior Deputy General Counsel to discuss the Board options for teleconferences.

The following Directors asked questions or made comments:

	Director(s)
1.	Record
2.	Pressman
3.	Kurtz
4.	Peterson
5.	Smith

Staff responded to the Directors' comments or questions.

53002 Approval of Committee Assignments (Agenda Item 6C). There were no committee assignments at this time.

Vice Chair Kurtz announced Agenda Items 6D and 6E will be heard and voted on separately.

Vice Chair Kurtz addressed the Consent Calendar Items for October 2022.

The following Directors asked questions or made comments:

	Director(s)
1.	Fong-Sakai

Staff responded to the Directors comments or questions.

Director Pressman requested Agenda Items 7-2 and 7-11 be pulled from the Consent Calendar.

Director Smith recused himself on Item 7-3, due to the fact that he owns Black & Veatch stock.

Vice Chair Kurtz called on the Committee Chairs to give a report on Consent Calendar Action Items as discussed at their Committees.

53003 Adopt the resolution authorizing the reimbursement of capital expenditures from bond proceeds for FY 2022/23 and FY 2023/24 as contained in Attachment 1, as set forth in Agenda Item 7-1 board letter.

53004 Authorize the General Manager to sign a Project Labor Agreement with the trade councils of Los Angeles, Orange, Riverside, San Bernardino, San Diego Counties and the Tri-Counties and the signatory unions, and approve its use as a bid condition for

select construction contracts within the Capital Investment Plan for a term of five years; authorize an agreement with Parsons Constructors, Inc. in an amount not to exceed \$5,750,000 to administer the Project Labor Agreement, as set forth in Agenda Item 7-2 board letter. (pulled for separate discussion and voting, see below)

53005 Authorize an agreement with MWA Architects, in an amount not to exceed \$990,000, for preliminary design of La Verne warehouse facilities, as set forth in Agenda Item 7-3 board letter.

53006 Authorize on-call agreements with Brown and Caldwell, CDM Smith, Inc., Carollo Engineers, Inc., Jacobs Engineering Group, Inc., and Parsons Transportation Group, in amounts not to exceed \$10 million each, for a maximum period of five years for engineering services, as set forth in Agenda Item 7-4 board letter.

53007 Authorize on-call agreements with: (1) MARRS Services, Inc. in an amount not to exceed \$6.7 million; (2) Butier Engineering, Inc. in an amount not to exceed \$4.4 million; and (3) Berg & Associates, Inc. in an amount not to exceed \$3.5 million for construction management and inspection services, each with a duration of three years, as set forth in Agenda Item 7-5 board letter.

53008 Approve the salary schedules attached to the board letter, as set forth in Agenda Item 7-6 board letter.

53009 Adopt a resolution designating Metropolitan's maximum contribution for medical benefits for retirees to comply with the current authorized Memoranda of Understandings and align to active employees and retirees under Government Code 22892(a), as set forth in Agenda Item 7-13.

53010 Declare that the 41 parcels are surplus land and not necessary for Metropolitan's use based on the written grounds set forth in the staff board letter and authorize their disposal according to Metropolitan's surplus land disposal policies and procedures, as set forth in Agenda Item 7-7.

General Counsel confirmed Agenda Item 7-7 was for 41 parcels.

53011 Authorize to extend the term of the Operational Shift Cost Offset Program to provide credits in CY 2023, consistent with the terms in Attachment 1, as set forth in Agenda Item 7-8.

53012 Adopt the amended revision and restatement of Bay-Delta Policies, as set forth in Agenda Item 7-9.

Director Smith requested that the additional language be added to Agenda Item 7-9 "potential examples found." No objections were made.

53013 Authorize a \$300,000 settlement of Metropolitan claims against the federal government for the recovery of costs resulting from damages to Metropolitan infrastructure due to the crash of a military helicopter, as set forth in Agenda Item 7-10.

53014 Approve recommended amendments to the Administrative Code, as set forth in Agenda Item 7-12.

53015 Adopt resolution encouraging action to reduce or eliminate irrigation of non-functional turf with potable water, as set forth in Agenda Item 7-11. (pulled for separate discussion and voting, see below)

The following Directors asked questions or made comments:

Director(s)
1. Tamarbuchi
2. Blois

Vice Chair Kurtz called for a vote to approve the Consent Calendar Items 6A, 7-1, 7-3 through 7-10, and 7-12 through 7-13 (**M.I. 53001, 53003, 53005 through 53014**).

Director Peterson moved, seconded by Director Blois that the Board approve the Consent Calendar Items 6A, 7-1, 7-3 through 7-10, and 7-12 through 7-13 as follows:

The following is a record of the vote:

Record of Vote on Consent Item(s):		6A, 7-1, 7-3 through 7-10 and 7-12 through 7-13							
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	5627	Faessel	x	x	5627				
Beverly Hills	4267	Pressman	x	x	4267				
Burbank	2893	Ramos							
Calleguas Municipal Water District	12368	Blois	x	x	12368				
Central Basin Municipal Water District	18216	Apodaca	x	x	18216				
		Hawkins							
			Subtotal:		18216				
Compton	599	McCoy	x	x	599				
Eastern Municipal Water District	10502	Record	x	x	10502				
Foothill Municipal Water District	2290	Atwater	x	x	2290				
Fullerton	2390	Jung	x	x	2390				
Glendale	3814	Kassakhian	x	x	3814				
Inland Empire Utilities Agency	14663	Camacho	x	x	14663				
Las Virgenes	2927	Peterson	x	x	2927				
Long Beach	6151	Cordero	x	x	6151				
Los Angeles	75699	Sutley	x	x	15140				
		Petersen	x	x	15140				
		Quinn	x	x	15140				
		Luna	x	x	15140				
		Repenning	x	x	15140				
			Subtotal:		75699				
Municipal Water Dist. of Orange County	60913	Ackerman	x	x	15228				
		Tamaribuchi	x	x	15228				
		Dick	x	x	15228				
		Erdman	x	x	15228				
			Subtotal:		60913				
Pasadena	3716	Kurtz	x	x	3716				
San Diego County Water Authority	63232	Fong-Sakai	x	x	15808				
		Goldberg	x	x	15808				
		Miller	x	x	15808				
		Smith	x	x	15808				
			Subtotal:		63232				
San Fernando	238	Ortega	x	x	238				
San Marino	770	Morris	x	x	770				
Santa Ana	3228	Phan	x	x	3228				
Santa Monica	4619	Abdo	x	x	4619				
Three Valleys Municipal Water District	8254	De Jesus	x	x	8254				
Torrance	3416	Lefevre	x	x	3416				
Upper San Gabriel Valley Mun. Wat. Dist.	12688	Fellow	x	x	12688				
West Basin Municipal Water District	25453	Williams	x	x	12727				
		Gray	x	x	12727				
			Subtotal:		25453				
Western Municipal Water District	13541	Dennstedt	x	x	13541				
Total	362474				359581				
Present and not voting									
Absent	2893								

The motion to approve the Consent Calendar Items 6A, 7-1, 7-3 through 7-10, and 7-12 through 7-13 (**M.I. 53001, 53003, 53005 through 53014**)*, passed by a vote of 359,581 ayes; 0 noes; 0 abstain; 0 not voting; and 2,893 absent.

***Note: Individual vote tally for Item 6A**

Directors Fong-Sakai and Sutley abstained on Item 6A on September 13, 2022 minutes as they were not present. The motion to approve the Consent Calendar Items 6A passed by a vote of 328,633 ayes; 0 noes; 30,948 abstain; 0 not voting; and 2,893 absent.

***Note: Individual vote tally for Item 7-3**

Director Smith 7-3 recused himself on Item 7-3, due to the fact that he owns Black & Veatch stock. The motion to approve the Consent Calendar Item 7-3 passed by a vote of 359,581 ayes; 0 noes; 0 abstain; 0 not voting; and 2,893 absent.

The following Directors asked questions or made comments:

Director(s)
1. Camacho

Staff responded to the Directors comments or questions.

53004 The Board discussed Agenda Item 7-2:

Authorize the General Manager to sign a Project Labor Agreement with the trade councils of Los Angeles, Orange, Riverside, San Bernardino, San Diego Counties and the Tri-Counties and the signatory unions, and approve its use as a bid condition for select construction contracts within the Capital Investment Plan for a term of five years; authorize an agreement with Parsons Constructors, Inc. in an amount not to exceed \$5,750,000 to administer the Project Labor Agreement, as set forth in Agenda Item 7-2 board letter.

The following Directors asked questions or made comments:

Director(s)
1. Pressman
2. Blois
3. Dennstedt
4. Gray
5. Peterson
6. Jung
7. Codero
8. Repenning
9. Phan
10. Dick
11. Ackerman

Staff responded to the Directors' comments or questions.

Director Ramos entered the meeting.

Vice Chair Kurtz called for a vote to approve Item 7-2 **(M.I. 53004)**.

Director Repenning moved, seconded by Director Cordero that the Board approve the Consent Calendar Item 7-2 as follows:

The following is a record of the vote:

Record of Vote on Consent Item(s): 7-2									
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	5627	Faessel	x	x	5627				
Beverly Hills	4267	Pressman	x			x	4267		
Burbank	2893	Ramos	x	x	2893				
Calleguas Municipal Water District	12368	Blois	x			x	12368		
Central Basin Municipal Water District	18216	Apodaca	x						
		Hawkins							
			Subtotal:						
Compton	599	McCoy	x	x	599				
Eastern Municipal Water District	10502	Record	x			x	10502		
Foothill Municipal Water District	2290	Atwater	x	x	2290				
Fullerton	2390	Jung	x	x	2390				
Glendale	3814	Kassakhian	x	x	3814				
Inland Empire Utilities Agency	14663	Camacho	x	x	14663				
Las Virgenes	2927	Peterson	x	x	2927				
Long Beach	6151	Cordero	x	x	6151				
Los Angeles	75699	Sutley	x	x	18925				
		Petersen	x	x	18925				
		Quinn	x						
		Luna	x	x	18925				
		Repenning	x	x	18925				
			Subtotal:		75699				
Municipal Water Dist. of Orange County	60913	Ackerman	x	x	15228				
		Tamaribuch	x	x	15228				
		Dick	x	x	15228				
		Erdman	x	x	15228				
			Subtotal:		60913				
Pasadena	3716	Kurtz	x	x	3716				
San Diego County Water Authority	63232	Fong-Sakai	x	x	15808				
		Goldberg	x	x	15808				
		Miller	x	x	15808				
		Smith	x	x	15808				
			Subtotal:		63232				
San Fernando	238	Ortega	x	x	238				
San Marino	770	Morris	x	x	770				
Santa Ana	3228	Phan	x	x	3228				
Santa Monica	4619	Abdo	x	x	4619				
Three Valleys Municipal Water District	8254	De Jesus	x	x	8254				
Torrance	3416	Lefevre	x	x	3416				
Upper San Gabriel Valley Mun. Wat. Dist.	12688	Fellow	x	x	12688				
West Basin Municipal Water District	25453	Williams	x	x	12727				
		Gray	x	x	12727				
			Subtotal:		25453				
Western Municipal Water District	13541	Dennstedt	x			x	13541		
Total	362474				303580		40678		
Present and not voting	18216								
Absent	0								

The motion to approve Item 7-2 **(M.I. 53004)**, The motion to approve Item 7-2 passed by a vote of 303,580 ayes; 40,678 noes; 0 abstain; 18,216 not voting; and 0 absent.

53015 The Board discussed Agenda Item 7-11:

Adopt resolution encouraging action to reduce or eliminate irrigation of non-functional turf with potable water, as set forth in Agenda Item 7-11.

The following Directors asked questions or made comments:

	Director(s)
1.	Pressman
2.	Tamaribuchi
3.	Ramos
4.	Abdo
5.	Repenning
6.	Fong-Sakai
7.	Dick
8.	Ortega

Staff responded to the Directors' comments or questions.

Vice Chair Kurtz called for a vote to approve Item 7-11 **(M.I. 53015)**.

Director Smith moved, seconded by Director Sutley that the Board approve Item 7-11 as follows:

The following is a record of the vote:

Record of Vote on Consent Item(s): 7-11									
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	5627	Faessel	x	x	5627				
Beverly Hills	4267	Pressman	x					x	4267
Burbank	2893	Ramos	x	x	2893				
Calleguas Municipal Water District	12368	Blois	x	x	12368				
Central Basin Municipal Water District	18216	Apodaca	x	x	18216				
		Hawkins							
		Subtotal:			18216				
Compton	599	McCoy	x	x	599				
Eastern Municipal Water District	10502	Record	x	x	10502				
Foothill Municipal Water District	2290	Atwater	x						
Fullerton	2390	Jung	x	x	2390				
Glendale	3814	Kassakhian	x	x	3814				
Inland Empire Utilities Agency	14663	Camacho	x	x	14663				
Las Virgenes	2927	Peterson	x	x	2927				
Long Beach	6151	Cordero	x	x	6151				
Los Angeles	75699	Sutley	x	x	18925				
		Petersen	x	x	18925				
		Quinn	x						
		Luna	x	x	18925				
		Repenning	x	x	18925				
		Subtotal:			75699				
Municipal Water Dist. of Orange County	60913	Ackerman	x	x	15228.25				
		Tamaribuch	x			x	15228.25		
		Dick	x			x	15228.25		
		Erdman	x	x	15228.25				
		Subtotal:			30456.50		30456.50		
Pasadena	3716	Kurtz	x	x	3716				
San Diego County Water Authority	63232	Fong-Sakai	x	x	15808				
		Goldberg	x	x	15808				
		Miller	x	x	15808				
		Smith	x	x	15808				
		Subtotal:			63232				
San Fernando	238	Ortega	x	x	238				
San Marino	770	Morris	x	x	770				
Santa Ana	3228	Phan	x	x	3228				
Santa Monica	4619	Abdo	x	x	4619				
Three Valleys Municipal Water District	8254	De Jesus	x	x	8254				
Torrance	3416	Lefevre	x	x	3416				
Upper San Gabriel Valley Mun. Wat. Dist	12688	Fellow	x	x	12688				
West Basin Municipal Water District	25453	Williams	x	x	12727				
		Gray	x	x	12727				
		Subtotal:			25453				
Western Municipal Water District	13541	Dennstedt	x	x	13541				
Total	362474				325460.50		30456.50		4267
Present and not voting	2290								
Absent	0								

The motion to approve the Consent Calendar Items 7-11 **(M.I. 53015)**, The motion to approve Item 7-11 passed by a vote of 325,460.50 ayes; 30,456.50 noes; 4,267 abstain; 2,290 not voting; and 0 absent.

53016 Authorize waiver of Metropolitan Administrative Code Section 2201 regarding term limits for Board Chairwoman Gray (Agenda Item 6D).

The following Directors asked questions or made comments:

Director(s)
1. Gray
2. Goldberg
3. Luna

Vice Chair Kurtz called for a vote to approve Item 6D (**M.I. 53016**).

Director Peterson moved, seconded by Director Morris that the Board approve Item 6D as follows:

The following is a record of the vote:

Record of Vote on Item: 6D									
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	5627	Faessel	x	x	5627				
Beverly Hills	4267	Pressman	x	x	4267				
Burbank	2893	Ramos	x			x	2893		
Calleguas Municipal Water District	12368	Blois	x	x	12368				
Central Basin Municipal Water District	18216	Apodaca	x			x	18216		
		Hawkins							
			Subtotal:				18216		
Compton	599	McCoy	x	x	599				
Eastern Municipal Water District	10502	Record	x	x	10502				
Foothill Municipal Water District	2290	Atwater	x	x	2290				
Fullerton	2390	Jung	x	x	2390				
Glendale	3814	Kassakhian	x			x	3814		
Inland Empire Utilities Agency	14663	Camacho	x			x	14663		
Las Virgenes	2927	Peterson	x	x	2927				
Long Beach	6151	Cordero	x			x	6151		
Los Angeles	75699	Sutley	x			x	15140		
		Petersen	x			x	15140		
		Quinn	x			x	15140		
		Luna	x			x	15140		
		Repenning	x			x	15140		
			Subtotal:				75699		
Municipal Water Dist. of Orange County	60913	Ackerman	x	x	15228				
		Tamaribuch	x	x	15228				
		Dick	x	x	15228				
		Erdman	x	x	15228				
			Subtotal:		60913				
Pasadena	3716	Kurtz	x	x	3716				
San Diego County Water Authority	63232	Fong-Sakai	x			x	15808		
		Goldberg	x			x	15808		
		Miller	x			x	15808		
		Smith	x			x	15808		
			Subtotal:				63232		
San Fernando	238	Ortega	x			x	238		
San Marino	770	Morris	x	x	770				
Santa Ana	3228	Phan	x	x	3228				
Santa Monica	4619	Abdo	x			x	4619		
Three Valleys Municipal Water District	8254	De Jesus	x	x	8254				
Torrance	3416	Lefevre	x	x	3416				
Upper San Gabriel Valley Mun. Wat. Dist.	12688	Fellow	x	x	12688				
West Basin Municipal Water District	25453	Williams	x	x	12727				
		Gray	x	x	12727				
			Subtotal:		25453				
Western Municipal Water District	13541	Dennstedt	x	x	13541				
Total	362474				172949		189525		
Present and not voting									
Absent	0								

The motion to approve Item 6D (**M.I. 53016**), failed by a vote of 172,949 ayes; 189,525 noes; 0 abstain; 0 not voting; and 0 absent.

53017 Nomination and Election for Board Chair for two-year term effective January 1, 2023 (Agenda Item 6E).

The following Directors asked questions or made comments:

	Director(s)
1.	Ortega
2.	Record
3.	Peterson
4.	Jung
5.	Dennstedt
6.	Pressman
7.	Fong-Sakai
8.	Repenning
9.	Cordero
10.	Phan
11.	De Jesus
12.	Sutley
13.	Blois
14.	Quinn
15.	Gray
16.	Ackerman

Staff and Director Ortega responded to the Directors' comments or questions.

Vice Chair Kurtz called for a vote to approve Item 6E (**M.I. 53017**).

Director Repenning moved, seconded by Director Cordero that the Board approve Item 6E as follows:

The following is a record of the vote:

Record of Vote on Item:	6E								
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	5627	Faessel	x	x	5627				
Beverly Hills	4267	Pressman	x	x	4267				
Burbank	2893	Ramos	x	x	2893				
Calleguas Municipal Water District	12368	Blois	x					x	12368
Central Basin Municipal Water District	18216	Apodaca	x	x	18216				
		Hawkins							
			Subtotal:		18216				
Compton	599	McCoy	x					x	599
Eastern Municipal Water District	10502	Record	x					x	10502
Foothill Municipal Water District	2290	Atwater							
Fullerton	2390	Jung	x	x	2390				
Glendale	3814	Kassakhian	x	x	3814				
Inland Empire Utilities Agency	14663	Camacho	x	x	14663				
Las Virgenes	2927	Peterson	x					x	2927
Long Beach	6151	Cordero	x	x	6151				
Los Angeles	75699	Sutley	x	x	18925				
		Petersen	x	x	18925				
		Quinn	x	x	18925				
		Luna							
		Repenning	x	x	18925				
			Subtotal:		75699				
Municipal Water Dist. of Orange County	60913	Ackerman	x	x	15228				
		Tamaribuchi	x	x	15228				
		Dick	x	x	15228				
		Erdman	x	x	15228				
			Subtotal:		60913				
Pasadena	3716	Kurtz	x	x	3716				
San Diego County Water Authority	63232	Fong-Sakai	x	x	15808				
		Goldberg	x	x	15808				
		Miller	x	x	15808				
		Smith	x	x	15808				
			Subtotal:		63232				
San Fernando	238	Ortega	x	x	238				
San Marino	770	Morris							
Santa Ana	3228	Phan	x	x	3228				
Santa Monica	4619	Abdo	x	x	4619				
Three Valleys Municipal Water District	8254	De Jesus	x	x	8254				
Torrance	3416	Lefevre	x	x	3416				
Upper San Gabriel Valley Mun. Wat. Dist.	12688	Fellow	x	x	12688				
West Basin Municipal Water District	25453	Williams	x					x	12726.50
		Gray	x					x	12726.50
			Subtotal:						25453
Western Municipal Water District	13541	Dennstedt	x					x	13541
Total	362474				294024				65390
Present and not voting									
Absent	3060								

The motion to approve Item 6E (**M.I. 53017**), The motion to approve Item 6E passed by a vote of 294,024 ayes; 0 noes; 65,390 abstain; 0 not voting; and 3,060 absent.

Vice Chair Kurtz announced that Chairwoman Gray will be chairing the meeting from this point forward.

53018 Chairwoman Gray announced there were no Other Board Items for action

53019 Chairwoman Gray asked if there were questions or need for discussion for Board Information Items 9-1 and 9-2. No requests were made.

53020 Chairwoman Gray asked if there were any Other Matters.

Staff informed the Board that the public will continue to provide public comment in a hybrid process in person and via teleconference.


Director Dennstedt asked that the Board acknowledge that October is Breast Cancer Awareness Month.

53021 Chairwoman Gray asked if there were any Follow-up Items. There were none.

52986 Chairwoman Gray asked if there were any Future Agenda Items. There were none.

52987 There being no objection, at 4:11 p.m. Chairwoman Gray adjourned the meeting.


GLORIA D. GRAY
CHAIRWOMAN


JUDY ABDO
SECRETARY



● **Board of Directors**
Audit and Ethics Committee

11/8/2022 Board Meeting

7-1

Subject

Approve proposed amendments to the Administrative Code Sections 2416 and 2131 relating to Equal Employment Opportunity policies and investigative procedures involving the Board of Directors and its Direct Reports; General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

In November 2021, a new process went into effect for Equal Employment Opportunity-related complaints involving the Board and its direct reports (General Manager, General Counsel, General Auditor and Ethics Officer). Circumstances and challenges arose that caused reconsideration of that process. This proposed action would initiate a new Equal Employment Opportunity (EEO) investigation process that would improve efficiency and consistency. This proposed action also would update the Administrative Code's EEO policy for the Board and its direct reports to comport with current laws and best practices.

Board Direction

The Board desires to amend the current ad hoc committee process to ensure a prompt, confidential and consistent process with adequate administrative support for the Board. In order to ensure there is no potential for or appearance of a conflict of interest by either any member of the Board or a direct report, if adopted, the new procedures will take effect on January 1, 2023, and will not be applicable to any pending matter.

Description

Earlier in 2022, several directors suggested the consideration of a new ad hoc subcommittee process. At the Audit and Ethics Committee meeting held on August 16, 2022, the Ethics Officer presented a conceptual framework proposal that resulted from discussions with these Directors and the Chief EEO Officer. The basic elements of the concept were:

1. Moving forward, discontinue use of the recent ad hoc subcommittee process.
2. Centralize the ad hoc subcommittee process under direction of the EEO Officer. The EEO Officer would be responsible for ensuring investigations are fair, impartial, timely, and promptly initiated and completed by qualified personnel. Directors assigned to an ad hoc subcommittee will only be involved if an allegation is substantiated.
3. Instead of forming a new ad hoc subcommittee for each complaint, create one ad hoc subcommittee of three directors that serves for a set time. The single subcommittee would become involved only after a completed investigation substantiated an allegation.
4. Rather than oversee an EEO investigation, the ad hoc subcommittee's role would focus on how to address or respond to substantiated EEO violations. The ad hoc subcommittee would forward its recommendations to the Board of Directors for action.

At the September 27, 2022 meeting of the Audit and Ethics Committee, the Ethics Officer reported that there would be a more detailed proposal on a new ad hoc subcommittee process in October.

At the October 25, 2022 meeting of the Audit & Ethics Committee, the Ethics Office presented for discussion the elements of the proposed EEO ad hoc committee process and EEO investigative procedures for complaints received against the Board and its direct reports. Based on the discussion, the new EEO ad hoc committee process was developed, as described below. The EEO investigation procedures for the Board and its direct reports are described in **Attachment 3**.

Elements of Proposed New Process

The proposed changes are summarized below. The complete amendments are in the attachments.

1. ***Procedural amendments*** (see **Attachment 1** and **Attachment 2**, Section 2416)
 - a. Direct complaints and allegations to the EEO Officer rather than to the Board Chair or Audit and Ethics Committee Chair or Vice-Chair.
 - b. Change the ad hoc subcommittee's function from investigating allegations to responding to substantiated EEO violations.
 - c. The ad hoc subcommittee would only address cases where there is a substantiated finding of an EEO violation after a completed investigation.
 - d. Rather than creating a different ad hoc subcommittee for each case, the Executive Committee would create a single ad hoc subcommittee of three members and two alternates who would serve for a period of one year. Alternates would serve when conflicts precluded a member from participating in a case. The Executive Committee will also select an external law firm to serve as counsel to the ad hoc subcommittee to provide guidance, as needed, for post-investigation actions.
 - e. The ad hoc subcommittee would not be involved in decisions about when and how to conduct an investigation of allegations. Instead, the Executive Committee would delegate to the EEO Officer responsibility to designate an external investigator/law firm to conduct a fact-finding EEO investigation, when appropriate, and under the oversight of the EEO Officer.
 - f. The EEO Officer would refer substantiated findings of EEO violations via an attorney-client privileged communication to the ad hoc subcommittee to recommend appropriate action. At its discretion, the ad hoc subcommittee could consult with its ad hoc subcommittee counsel, EEO Officer, Ethics Officer, or General Counsel on appropriate action regarding a director or direct reports to the Board.
 - g. The ad hoc subcommittee will share the findings and recommended action with the respondent of the EEO investigation for an opportunity to respond.
 - h. The ad hoc subcommittee would report a substantiated finding of an EEO violation by a director or department head to the Board of Directors and recommend appropriate action for the Board's consideration. Appropriate action for directors could include counseling, training, a private warning letter, public censure, temporary or permanent removal from committee assignments, or referral to the director's appointing authority. Appropriate action for direct reports to the Board could include counseling, training, performance review, or imposition of discipline.
 - i. If the General Manager were the subject of a complaint, or if, in the judgment of the EEO Officer, the matter should be handled differently to avoid real or perceived conflicts of interest, bias, or threats to impartiality, the EEO Officer would delegate to the Ethics Officer or General Counsel the responsibility to retain an external investigator to conduct a fact-finding investigation. Substantiated findings would be reported directly to the ad hoc subcommittee for consideration of recommendations to the Board of Directors.
 - j. Any deviation from these investigation protocols by the EEO Officer could occur in some instances after written justification and approval of the ad hoc subcommittee.

2. ***Proposed EEO Policy Amendments for Administrative Code*** (see **Attachment 1** and **Attachment 2**, Section 2131.)

As part of this process, the EEO Officer proposes to amend the EEO policies within the Administrative Code to align with best practices set forth by the Civil Rights Division State of California, provide clarity through definitions, and update protected characteristics per federal, state and local laws.

The amendments include the following elements:

- a. Updates to the descriptions of protected characteristics to conform to current legal standards. For example, the addition of citizenship status, gender identity, and gender expression as classes protected under the policy.
- b. Definition of *covered individuals* to clarify who is protected by this policy.
- c. Definition of *discrimination* to conform to current legal standards and best practices.
- d. Definition of *harassment* to conform to current legal standards and best practices.
- e. Inclusion of examples of potential forms of harassment.
- f. Definition of *retaliation* to conform to current legal standards and best practices.

3. ***Proposed EEO Investigative Procedures for the Board and its Direct Reports*** (see **Attachment 3**)

For consistency, fairness, and transparency, and based on best practices in accordance with the Civil Rights Division, Association of Workplace Investigation Guidelines, and the California State Audit, the EEO Officer proposes EEO investigative procedures to be followed when a complaint is reported against the Board and its direct reports. Details of this procedure are in **Attachment 3**.

Policy

Metropolitan Water District Administrative Code Section 2131: [Discrimination, Harassment, and Retaliation by Directors], and 2416 [Duties of Executive Committee]

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA (Public Resources Code Section 21065, State CEQA Guidelines Section 15378) because it involves continuing administrative or maintenance activities that will not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment (Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed action is not defined as a project under CEQA because it involves organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment (Section 15378(b)(5) of the state CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options

Option #1

Approve recommended amendments to Administrative Code Sections 2131 and 2416, as set forth in **Attachment 1** and **Attachment 2**, and approve Equal Employment Opportunity Investigative Procedures for the Board and its direct reports.

Fiscal Impact: Unknown

Business Analysis: Enhancement and improvement of EEO-related policies and procedures

Option #2

Do not approve recommended amendments to Administrative Code Sections 2131 and 2416, as set forth in **Attachment 1** and **Attachment 2**, or the Equal Employment Opportunity Investigative Procedures for the Board and its direct reports.

Fiscal Impact: Unknown

Business Analysis: Delays to enhancement and improvement of EEO-related policies and procedures

Option #3

Approve recommended amendments to Administrative Code Sections 2131 and 2416, as set forth in **Attachment 1** and **Attachment 2**, and further develop Equal Employment Opportunity Investigative Procedures for the Board and its direct reports based on committee discussion.

Fiscal Impact: Unknown

Business Analysis: Enhancement and improvement of EEO-related policies and procedures

Option #4

Approve recommended amendments to Administrative Code Section 2131, as set forth in **Attachment 1** and **Attachment 2**, and further develop Administrative Code Section 2416 and the Equal Employment Opportunity Investigative Procedures for the Board and its direct reports based on committee discussion.

Fiscal Impact: Unknown

Business Analysis: Enhancement and improvement of EEO-related policies and procedures

Staff Recommendation

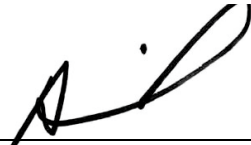
Option # 1



Jonaura Wisdom
Chief Equal Employment Opportunity Officer

11/2/2022

Date



Adel Hagekhalil
General Manager

11/3/2022

Date

Attachment 1 – Redline Version of Administrative Code Sections 2131 and 2416

Attachment 2 – Clean Version of Administrative Code Sections 2131 and 2416

Attachment 3 – EEO Investigative Procedures for the Board and its Direct Reports

Ref# eeo12687944

Division II

PROCEDURES PERTAINING TO BOARD, COMMITTEES AND DIRECTORS

Chapter 1

Article 3

BOARD CONDUCT RULES

Sec.

2131. Prohibition of Discrimination, Harassment, and Retaliation by Directors

§ 2131. Prohibition of Discrimination, Harassment, and Retaliation by Directors.

(a) Directors shall not, in the performance of their official functions, discriminate against or harass any ~~person~~ Covered Individual on the basis of age, race, color, sex, religion or religious creed, color, creed, age, marital status, national origin, ancestry, citizenship status, sex (including pregnancy, childbirth, breastfeeding, or related medical conditions), gender or pregnancy), gender (including gender identity and gender expression), sexual orientation, marital status, medical condition, genetic information/characteristics, disability (physical or mental), protected military or veteran status, or any other characteristics protected by applicable federal, state, or local law.

(b) Directors ~~and they~~ shall cooperate in achieving the equal opportunity ~~and affirmative action~~ goals and objectives of Metropolitan. Metropolitan directors, officers, employees, and guests have the right to participate in official Metropolitan functions in an environment free from all forms of discrimination, harassment, and retaliation. ~~and conduct which can be considered harassing, coercive, or disruptive.~~ Discrimination or harassment based on any characteristic protected by law, as provided above, will not be sanctioned nor tolerated.

(c) Directors also shall not retaliate against any ~~person~~ Covered Individual for reporting discrimination or harassment prohibited by this section, or for cooperating in investigations or proceedings arising out of an alleged violation of this section. Reports of discrimination or harassment based a characteristic protected by law, or related retaliation, are taken seriously, and appropriate action will be taken against individuals found to have engaged in such conduct. The prohibition against discrimination, harassment, and retaliation applies to all transactions of Metropolitan's business, whether at a Metropolitan-operated facility or an external site.

(d) Allegations regarding director conduct in violation of this section shall be reported to the ~~Board Chair~~ EEO Officer., except allegations regarding conduct by the Board Chair in violation of this section shall be reported to the Chair and Vice Chair of the Audit and Ethics Committee. An employee also has the option of submitting allegations regarding director conduct in violation of this section to Metropolitan's Equal Employment Opportunity Investigations staff for that staff's transmission to the Board Chair, or to the Chair and Vice Chair of the Audit and Ethics Committee, as applicable.

(e) Definitions applicable to Section 2131:

(i) “Covered Individual” – Covered Individual includes all Metropolitan applicants, employees, interns, volunteers, and contractors and members of the public.

(ii) “Discrimination” – As used in this section, discrimination is defined as the unequal treatment of Covered Individuals in any aspect of employment, including discrimination based on the Covered Individual’s actual or perceived Protected Characteristic(s). Discrimination also includes unequal treatment because of a Covered Individual’s association with an individual with a Protected Characteristic.

(iii) “Harassment” – Harassment is defined as disrespectful or unprofessional conduct, based on any of the Protected Characteristics listed above. Harassment prohibited by this Administrative Code also includes sexual harassment. Harassment may take many forms, but most commonly includes the following:

Verbal harassment such as epithets, derogatory statements, slurs, jokes, ridicule, unwelcome remarks about an individual’s body, dress, clothing, hair style, color, physical appearance, or talents, questions about a Covered Individual’s sexual practices, and/or patronizing terms or remarks;

Physical harassment such as assault, unwanted touching or physical contact, impeding or blocking normal movement, physical interference with normal work, and/or threatening, intimidating, or hostile acts that relate to a Protected Characteristic(s);

Visual harassment such as displaying offensive pictures, cartoons, drawings, posters, screensavers, virtual backgrounds, or electronic or media-based visuals (such as emails, text messages, memes, emojis, gifs, and video games), or displaying offensive objects, gestures, letters, or notes, or any other graphic material that denigrates or shows hostility or aversion towards a Covered Individual because of their Protected Characteristic(s); and

Use of social media to conduct discriminatory harassment (e.g., making targeted, offensive Facebook posts about a Covered Individual of a particular race; sending homophobic tweets to a gay covered individual on Twitter; posting demeaning, gender-based images to a Covered Individual on LinkedIn).

(iv) “Retaliation” – Retaliation occurs when a Covered Individual is subjected to an adverse employment action because they engaged in a protected activity, such as reporting suspected EEO violations and/or cooperating in investigations or proceedings arising out of an alleged EEO violation.

Article 2

EXECUTIVE COMMITTEE

Sec.

- 2410. Membership
- 2411. Selection of Nonofficer Members
- 2412. Term of Office for Nonofficer Members
- 2413. Limitation of Service
- 2414. Officers
- 2415. Day of Regular Meeting
- 2416. Duties and Functions
- 2417. Action by Board Officers

§ 2416. Duties and Functions. [Executive Committee]

~~(a)(f)~~ The Executive Committee shall also:

(5) ~~Investigate~~ Address substantiated allegations of discrimination, harassment, and retaliation against directors, the General Manager, General Counsel, General Auditor, and Ethics Officer:

(i) The Executive Committee shall 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 (EEO) investigations conducted for alleged violations of Section 2131 made against a director and for alleged violations to investigate any allegations of discrimination, harassment, or retaliation in violation of Section 2131 made against a director or allegations in violation of Section 6305 made against the General Manager, General Counsel, General Auditor, or Ethics Officer. If any director serving on the three-member subcommittee is an involved party to an EEO investigation, or has a conflict of interest with any involved party, the conflicted director shall recuse themselves from the matter. The Chief EEO Officer (EEO Officer) will select an alternate director to fulfill all subcommittee duties related to the particular matter. If the EEO Officer has a conflict of interest in the same matter, the Ethics Officer and/or General Counsel will select an alternate director. No director who is the subject of an allegation of discrimination, harassment, or retaliation shall be appointed to the subcommittee. Directors serving as alternates will not participate in ad hoc subcommittee matters unless or until called to serve.

(ii) ~~The Executive Committee will also select an external law firm to serve as counsel to the ad hoc subcommittee to provide guidance, as needed, for post investigation actions.~~

~~(iii)(ii)~~ The ad hoc subcommittee shall delegate to the EEO Officer the responsibility to designate an external investigator/law firm to conduct a fact-finding EEO investigation pursuant to this section. All EEO investigations will be fair, impartial, timely, and promptly initiated and completed by qualified personnel. Detailed EEO investigative procedures, pursuant to this section, can be found in *EEO Investigative Procedures for the Board and its Direct Reports*. The EEO Officer shall refer substantiated findings of EEO investigations, via an attorney client privileged communication, to the ad hoc subcommittee to determine recommended appropriate action. At its discretion, the ad hoc subcommittee may consult with its ad hoc subcommittee counsel, the EEO Officer, Ethics Officer, and/or General Counsel on appropriate action regarding a director or department head. The ad hoc subcommittee will share the findings and recommended action with the respondent of the investigation for an opportunity to respond. ~~ad hoc subcommittee may consult with the General Counsel, Ethics Officer, and/or Equal Employment Opportunity Officer in the course of an investigation into allegations of discrimination, harassment, or retaliation involving a director.~~ Appropriate action for directors may include, but is not limited to, counseling, training, a private warning letter, public censure, temporary or permanent removal from committee assignments, or referral to the Director's appointing authority requesting appropriate action. Appropriate action for department heads may include, but is not limited to, counseling, training, performance review, or the imposition of discipline, as deemed appropriate under the circumstances.

~~(iv)(iii)~~ When the General Manager is a party to the complaint or when in the judgment of the EEO Officer the matter should be handled differently to avoid real or perceived conflicts of interest, or to avoid potential bias or threats to impartiality, the EEO Officer shall delegate to the Ethics Officer or General Counsel the responsibility to retain an external investigator to conduct a fact-finding EEO investigation pursuant to this section. Substantiated EEO findings under this subsection shall be referred directly to the ad hoc subcommittee to determine recommended appropriate action for the Board's consideration.

~~(iii)~~—The ad hoc subcommittee shall report its findings for appropriate action as follows:

~~a. To the Executive Committee for allegations involving a director or the General Manager.~~

~~b. To the Legal and Claims Committee for allegations involving the General Counsel.~~

~~c. To the Audit and Ethics Committee for allegations involving the General Auditor or Ethics Officer.~~

(iv) A deviation of this investigation protocol by the EEO Officer may occur, in certain circumstances, with a written justification and approval of the ad hoc subcommittee responsible for EEO investigations of directors and department head.

Article 3

BOARD CONDUCT RULES

Sec.

2131. Prohibition of Discrimination, Harassment, and Retaliation by Directors

§ 2131. Prohibition of Discrimination, Harassment, and Retaliation by Directors.

(a) Directors shall not, in the performance of their official functions, discriminate against or harass any Covered Individual on the basis of age, race, color, religion or religious creed, national origin, ancestry, citizenship status, sex (including pregnancy, childbirth, breastfeeding, or related medical conditions), gender (including gender identity and gender expression), sexual orientation, marital status, medical condition, genetic information/characteristics, disability (physical or mental), military or veteran status, or any other characteristic protected by applicable federal, state, or local law.

(b) Directors shall cooperate in achieving the equal opportunity goals and objectives of Metropolitan. Metropolitan directors, officers, employees, and guests have the right to participate in official Metropolitan functions in an environment free from all forms of discrimination, harassment, and retaliation. Discrimination or harassment based on any characteristic protected by law, as provided above, will not be sanctioned nor tolerated.

(c) Directors also shall not retaliate against any Covered Individual for reporting discrimination or harassment prohibited by this section, or for cooperating in investigations or proceedings arising out of an alleged violation of this section. Reports of discrimination or harassment based a characteristic protected by law, or related retaliation, are taken seriously, and appropriate action will be taken against individuals found to have engaged in such conduct. The prohibition against discrimination, harassment, and retaliation applies to all transactions of Metropolitan business, whether at a Metropolitan-operated facility or an external site.

(d) Allegations regarding director conduct in violation of this section shall be reported to the EEO Officer.

(e) Definitions applicable to Section 2131:

(i) “Covered Individual” – Covered Individual includes all Metropolitan applicants, employees, interns, volunteers, and contractors and members of the public.

(ii) “Discrimination” – As used in this section, discrimination is defined as the unequal treatment of Covered Individuals in any aspect of employment, including discrimination based on the Covered Individual’s actual or perceived Protected Characteristic(s). Discrimination also includes unequal treatment because of a Covered Individual’s association with an individual with a Protected Characteristic.

(iii) “Harassment” – Harassment is defined as disrespectful or unprofessional conduct, based on any of the Protected Characteristics listed above. Harassment prohibited by this Administrative Code also includes sexual harassment. Harassment may take many forms, but most commonly includes the following:

Verbal harassment such as epithets, derogatory statements, slurs, jokes, ridicule, unwelcome remarks about an individual’s body, dress, clothing, hair style, color, physical appearance, or talents, questions about a Covered Individual’s sexual practices, and/or patronizing terms or remarks;

Physical harassment such as assault, unwanted touching or physical contact, impeding or blocking normal movement, physical interference with normal work, and/or threatening, intimidating, or hostile acts that relate to a Protected Characteristic(s);

Visual harassment such as displaying offensive pictures, cartoons, drawings, posters, screensavers, virtual backgrounds, or electronic or media-based visuals (such as emails, text messages, memes, emojis, gifs, and video games), or displaying offensive objects, gestures, letters, or notes, or any other graphic material that denigrates or shows hostility or aversion towards a Covered Individual because of their Protected Characteristic(s); and

Use of social media to conduct discriminatory harassment (*e.g.*, making targeted, offensive Facebook posts about a Covered Individual of a particular race; sending homophobic tweets to a gay covered individual on Twitter; posting demeaning, gender-based images to a Covered Individual on LinkedIn).

(iv) “Retaliation” – Retaliation occurs when a Covered Individual is subjected to an adverse employment action because they engaged in a protected activity, such as reporting suspected EEO violations and/or cooperating in investigations or proceedings arising out of an alleged EEO violation.

Article 2

EXECUTIVE COMMITTEE

Sec.

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§ 2416. Duties and Functions. [Executive Committee]

(f) The Executive Committee shall also:

(5) Address substantiated allegations of discrimination, harassment, and retaliation against directors, the General Manager, General Counsel, General Auditor, and Ethics Officer:

(i) The Executive Committee shall 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 (EEO) investigations conducted for alleged violations of Section 2131 made against a director and for alleged violations of Section 6305 made against the General Manager, General Counsel, General Auditor, or Ethics Officer. If any director serving on the three-member subcommittee is an involved party to an EEO investigation, or has a conflict of interest with any involved party, the conflicted director shall recuse themselves from the matter. The Chief EEO Officer (EEO Officer) will appoint an alternate director to fulfill all subcommittee duties related to the particular matter. If the EEO Officer has a conflict of interest in the same matter, the Ethics Officer and/or General Counsel will appoint an alternate director. Directors serving as alternates will not participate in ad hoc subcommittee matters unless or until called to serve.

(ii) The ad hoc subcommittee shall delegate to the EEO Officer the responsibility to designate an external investigator to conduct a fact-finding EEO investigation pursuant to this section. All EEO investigations will be fair, impartial, timely, and promptly initiated and completed by qualified personnel. Detailed EEO investigative procedures, pursuant to this section, can be found in *EEO Investigative Procedures for the Board and its Direct Reports*. The EEO Officer shall refer substantiated findings of EEO investigations to the ad hoc subcommittee to determine recommended appropriate action. At its discretion, the ad hoc subcommittee may consult with the EEO Officer, Ethics Officer, and/or General Counsel on appropriate action regarding a director or department head. The ad hoc subcommittee shall report

a substantiated finding of an EEO violation by a director or department head and recommend appropriate action for the Board's consideration. Appropriate action for directors may include, but is not limited to, counseling, training, a private warning letter, public censure, temporary or permanent removal from committee assignments, or referral to the Director's appointing authority requesting appropriate action. Appropriate action for department heads may include, but is not limited to, counseling, training, performance review, or the imposition of discipline, as deemed appropriate under the circumstances.

(iii) When the General Manager is a party to the complaint or when in the judgment of the EEO Officer the matter should be handled differently to avoid real or perceived conflicts of interest, or to avoid potential bias or threats to impartiality, the EEO Officer shall delegate to the Ethics Officer or General Counsel the responsibility to retain an external investigator to conduct a fact-finding EEO investigation pursuant to this section. Substantiated EEO findings under this subsection shall be referred directly to the ad hoc subcommittee to determine recommended appropriate action for the Board's consideration.

(iv) A deviation of this investigation protocol by the EEO Officer may occur, in certain circumstances, with a written justification and approval of the ad hoc subcommittee responsible for EEO investigations of directors and department heads.



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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

EQUAL EMPLOYMENT OPPORTUNITY OFFICE

Investigative Procedures for the Board and its Direct Reports

PURPOSE

The Metropolitan Water District of Southern California ("Metropolitan") is committed to the fair, impartial, prompt, and thorough review and resolution of any complaint of discrimination, harassment (including sexual harassment), or retaliation, as defined in Metropolitan's Administrative Codes sections 2131 and 6305 (referred to jointly as EEO AC policies).

This document sets forth a general overview of Metropolitan EEO Office's complaint and investigation process to promptly receive and/or investigate and resolve a complaint of a violation of the EEO AC policies; and to provide a mechanism for identifying, responding to, preventing, and eliminating discrimination, harassment and/or retaliation in the workplace.

AUTHORITY

Metropolitan's Executive Committee (the "Committee") of the Board of Directors (the "Board") has delegated to the Chief Equal Employment Opportunity Officer ("EEO Officer") the authority to administer and enforce Metropolitan's EEO AC policies. The Committee shall create an EEO Ad Hoc Subcommittee (the "Subcommittee") of three Board members ("Board Member") and two alternate Board Members. The Subcommittee will operate for a period of one year. The Subcommittee will receive substantiated findings of EEO AC policies against any Board Member, or the General Manager, General Auditor, General Counsel, and/or Ethics Officer ("Direct Reports") and recommend responsive action to the Committee or Board, as appropriate.

SCOPE

This document is intended to be a general overview of the EEO complaint and investigative process for complaints against any director who sits on the Board ("Board Member"), or any direct report to the board, which includes the General Manager, General Auditor, General Counsel, and Ethics Officer ("Direct Reports"). A complaint may be made by any Metropolitan employee (including a former employee), applicant, intern, trainee, volunteer, and contractor of Metropolitan and members of the public (collectively, a "Covered Individual"). Anonymous complaints will also be considered.

COMPLAINT PROCEDURES

Any report of an alleged EEO violation submitted to any Metropolitan group (e.g., Human Resources, Water System Operations), department (e.g., Audit, Ethics, Legal), or Board Member must be immediately forwarded in writing to the EEO Officer, unless there is an exception to the EEO Office's jurisdiction as stated in the EEO AC policies. A referring group, department, or Board Member should notify the complainant, in writing, of the referral to the EEO Officer.



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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

The EEO Office will confirm receipt of a complaint with the referring group, department or Board Director, and the complainant). The EEO Office will document any complaint or referral in its confidential EEO case database system¹.

COMPLAINT INTAKE PROCEDURES

A. The EEO Office's Confirmation of Complaint

After the EEO Office is notified of an EEO complaint, the EEO Office will promptly (not to exceed three (3) business days) confirm receipt of the complaint in writing and will contact the complainant within five (5) business days to schedule an intake assessment for the purposes of obtaining additional information as necessary.

B. The EEO Office's Intake Assessment

The EEO Office will conduct an intake assessment within ten (10) business days of receipt of a complaint to better understand the facts and circumstances surrounding the complaint. Any instances in which this timeline is exceeded will be due to extenuating circumstances of the parties involved (i.e. participants' leave of absence, their coordination with union representatives, participants' delays due to work schedule). In the case of an anonymous complaint, the intake assessment may be more limited in scope.

During the intake assessment, the complainant should be prepared to provide the following information:

- 1) The basis for the charge of discrimination, harassment, and/or retaliation;
- 2) A description of the specific action(s) about which they are complaining, including the date(s) and time(s) the alleged action(s) occurred; and
- 3) The names of all the individuals involved, including the subject of the complaint (respondent), and any witnesses who saw, heard or otherwise has knowledge of the alleged discrimination, harassment or retaliation.

C. EEO Jurisdiction

After completing an intake assessment, and upon the collection and review of relevant documentation and information, the EEO Office will determine whether the EEO Office is responsible for handling the complaint. Only complaints that arise within three (3) years of the alleged conduct may be investigated.² If the allegation, in part or in whole, falls

¹ The EEO case database system is only accessible to necessary EEO Office staff.

² If a charge is filed, alleging that at least one act constituting EEO-related hostile work environment is within the three (3) year complaint period, then the whole time period of hostile work environment can be considered for investigation, even if it exceeds beyond three (3) years.



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within the EEO Office's jurisdiction (a potential EEO AC policy violation), the EEO Office will determine whether the complaint is appropriate for informal resolution (see Informal Resolution section below), or investigation by an external investigator. The complainant will be notified of this determination within ten (10) business days of the date in which the complainant provides the EEO Office with all requested information necessary to establish EEO jurisdiction. There may be instances when the EEO Office will need to preliminarily gather information to determine jurisdiction, which may extend the ten (10) business day timeframe.

If the EEO Office determines that a complaint falls outside its jurisdiction, the EEO Office will promptly inform the complainant in writing and refer the matter in writing to the appropriate office (e.g., Human Resources, Ethics). The referral will be documented in the EEO Office's case database system.

D. Interim Measures (applicable to Direct Reports)

Once the EEO Office receives a complaint of a potential EEO AC policy violation, it will immediately begin assessing the situation to determine if interim measures should be implemented to restrict and/or eliminate contact between a complainant or respondent. If, at the discretion of the EEO Officer, an interim measure is required impacting a direct report, the EEO Officer will immediately inform the ad hoc committee, via an attorney client privileged communication, of the recommendation for an interim measure, the basis for the recommendation, and what specific measure is recommended. Such recommendations may include separating the employees by temporarily reassigning one or both employees, placing an employee on administrative leave, and/or modifying work activities or locations until the investigation is complete and appropriate action is taken. If the ad hoc committee agrees that either the recommended interim measure or another action is necessary and appropriate, the ad hoc committee will confidentially request that the Chair of the Board convene a special meeting to consider imposition of an interim measure.

When interim measures are implemented, it is best practice for the respondent to be subject to the interim measure pending the outcome of the investigation, unless the complainant voluntarily requests a temporary interim measure during the investigation.

Some examples of when interim measures may be taken include, but are not limited to:

- When there is a direct reporting relationship between the complainant and the respondent, and the complaint includes egregious allegations of discrimination, harassment and/or retaliation, including sexual harassment;
- To prevent the disruption or alteration of possible evidence;
- To prevent repetition of alleged conduct complained of;



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- When there is a reasonable belief that an employee's continued presence in the workplace raises concerns about safety in the workplace.

Once an interim measure has been imposed impacting a direct report, the EEO Office will continue to assess the situation to determine if the interim measure continues to be required and will keep the ad hoc subcommittee updated, accordingly.

The EEO Office encourages a complainant to communicate to the EEO Officer and an impacted direct report to communicate with the ad hoc committee if any challenges or ongoing issues arise because of the imposition of an interim measure. The EEO Office and the ad hoc committee, as applicable, will review the situation accordingly.

E. Informal Resolution

After the intake assessment is complete and relevant information is reviewed, the EEO Office (with input from the complaining party) may elect to address and resolve a complaint in an informal manner, instead of by investigation.

The informal resolution process may be effective when an allegation, as presented by the complainant, is not egregious enough to constitute a violation of Metropolitan's EEO policies, and/or the EEO Officer determines an informal resolution is the most effective approach to resolving the complaint. Some examples of when the EEO Officer may elect to informally resolve a complaint includes:

- Behavior that is not egregious or sufficiently severe in nature;
- When the general facts of an allegation aren't disputed by the parties involved and the respondent admits to the alleged conduct;
- When an incident arises from a misunderstanding or minor personality conflict;

At the end of the informal resolution process, the EEO Office will generate a summary report. The summary report will include any substantiated finding(s). The EEO Officer, in consultation with the EEO Office's outside legal advisor, will review the summary report and findings to ensure the investigative scope, process, evidence and analysis summarized in the report support the findings. If the EEO Officer concludes the summary report is in order, the report will be finalized and the EEO Officer will notify the Subcommittee of substantiated findings in the case. Upon receipt of the substantiated findings, the Subcommittee will recommend action to the Committee or Board, as appropriate.

F. Investigation

Once the EEO Office determines that a potential EEO Policy violation



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should be investigated, the investigation will immediately proceed in a prompt, thorough and fair manner by an external investigator/law firm. The investigation may include individual interviews with the parties involved and, where necessary, with witnesses who may have observed the alleged conduct or may have other relevant knowledge.

F1. Notification of Investigation

Once the EEO Office determines that a potential EEO Policy violation should be investigated, the EEO Office will notify the complainant and respondent of the investigation in writing. As the investigation progresses, other witnesses will receive advance notice of their interview and will be notified of their responsibility to cooperate during the investigation. Notification includes the following:

- The **complainant** will be notified of the EEO Office's decision to investigate a complaint, in writing, within five (5) business days. The notice will contain the basis upon which the matter is being investigated and the assigned investigator's name.
- The **respondent** will be notified that an EEO AC complaint has been made against them, the basis upon which the matter is being investigated applicable to the respondent, and the assigned case investigator's name.
- **Witnesses** will be notified that they have been identified as a witness concerning an EEO investigation for the purposes of scheduling a witness interview. Witnesses will also be notified of their duty to cooperate during the investigation, which will include participating in a witness interview and providing appropriate records as requested during the investigation.

All notices to the complainant, respondent, witnesses will remind the parties that the matter is confidential and that retaliation for participating in an investigation is strictly prohibited.

F2. Investigation Timelines

The investigation will proceed and conclude promptly, and the investigator will take the time necessary to ensure the investigation is fair to all parties and is thorough. Case investigations will take ninety (90) business days to complete. However, cases may extend this timeline due to the complexity of the investigation, including the number of protected characteristics listed, the number of allegations under investigation, the amount of parties or witnesses to be interviewed, the expansion of investigative scope, and/or scheduling challenges with involved investigative parties, and/or their representation. The EEO Office will inform involved parties, about the status of their investigation, through ongoing communication.



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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

F3. Confidentiality During the Investigation Process

When conducting EEO investigations, transparency must be balanced with the importance of confidentiality, protection of personnel information, and individual privacy rights. Like most organizations, Metropolitan conducts EEO investigations confidentially. In addition to protecting individual privacy rights, this allows all persons who participate in an EEO investigation to trust in the integrity of the process and be protected from potential retaliation. Metropolitan will take reasonable steps to keep information provided in the complaint and during investigative process confidential. EEO AC investigations will be conducted in an attorney-client privileged manner. Similarly, the Informal Resolution process will be conducted in an attorney-client privileged manner.

Metropolitan will endeavor to keep the reporting of the Covered Individual's concern, complaint and/or investigation confidential; however, complete confidentiality cannot be guaranteed when it interferes with Metropolitan's ability to fulfill its obligations under EEO AC policies and applicable laws or to address the complaint, complete the investigation, and take appropriate action. All participants in an investigation are also asked to refrain from publicly disclosing their participation in an investigation or the substance of their participation.

F4. False Allegations and Statements

If the EEO Office becomes aware of information indicating an individual participating in an investigation has potentially acted in bad faith by making a false allegation of discrimination, harassment or retaliation, or has provided false information to the EEO Office during the course of an investigation, that information will be promptly and thoroughly assessed accordingly. Appropriate responsive action may follow if an individual participating in an investigation is found to have made a false allegation of discrimination, harassment or retaliation, or has provided false information to the EEO Office during the course of an investigation.

F5. Investigation Conclusion

At the completion of an investigation, the investigator will generate a written report with factual findings based on the preponderance of evidence standard.

Each factual allegation will be resolved by one of the following findings:

- **Substantiated.** Where the investigation results show that it is more likely than not that a factual allegation occurred.
- **Unsubstantiated.** Where the investigation results failed to show that it is more likely than not that a factual allegation occurred.

The investigator will also be called upon to make a finding on whether a



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violation of Metropolitan policy or the Administrative Code, as applicable, has occurred.

G. Post-Investigation Action (Unsubstantiated Findings)

Once a report is complete, the investigation report and all relevant or supporting documentation will be reviewed by the Chief EEO Officer in consultation with the EEO Office's outside legal advisor.

In cases where there are **unsubstantiated findings**, the investigation will be closed, and a notification letter will be sent to the complainant and respondent. The complete report and all relevant supporting documentation will be maintained confidentially and in an attorney-client privileged manner by the EEO Office and not otherwise distributed unless required by law.

H. Post-Investigation Action (Substantiated Findings)

In cases where there are **substantiated findings**, the EEO Officer shall refer substantiated findings of EEO AC violations, via an attorney-client privileged communication, to the Subcommittee to determine recommended appropriate action.

I. Exception

A deviation of this investigation protocol by the EEO Officer may occur, in certain circumstances, with written justification and approval of the Subcommittee responsible for addressing substantiated EEO AC violations against the Board and its Direct Reports.

REFERENCES

- Metropolitan Water District of Southern California's [Administrative Code, Sections 2131 and 2416](#)
- Equal Employment Operating Policy ([H-07](#)) and Sexual Harassment Prohibition Policy ([H-13](#)) Applicable executive orders, federal, state, and local laws, statutes, and regulations, including:
 - Title VII of the Civil Rights Act of 1964
 - California Fair Employment and Housing Act (Government Code 12900 *et seq.*)
 - Gov. Code § 12940 *et seq.*
 - Gov. Code § 12960 *et seq.*
 - Cal. Code of Regulations, Title 2, Divisions 4 and 4.1
 - Pregnancy Discrimination Act
 - Equal Pay Act of 1963
 - Title I of the Americans with Disabilities Act of 1990



MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

- Sections 501 and 505 of the Rehabilitation Act of 1973
- Age Discrimination in Employment Act of 1967
- EEOC Enforcement Guidance EEOC-CVG-1999-2
- Title II of The Genetic Information Nondiscrimination Act of 2008
- Applicable Metropolitan Board directives and policies

Audit & Ethics Committee



Proposed Amendments to Administrative Code Sections 2131 & 2416, and EEO Investigative Procedures for the Board and its Direct Reports

Item 7-1

November 8, 2022

Administrative Code Section 2131

Proposed Changes to Prohibition of Discrimination, Harassment and Retaliation by Directors

- Standard update to current legal standards and best practices
- Updated protected characteristics
- Added definitions
- Included examples of harassment

Proposed Changes to Duties and Functions. [Executive Committee]

Administrative Code Section 2416 (f, 5)

- Create 1 year standing EEO ad hoc subcommittee
- 3 board members, 2 alternates
- Select external law firm for subcommittee to provide guidance on post investigation action, as needed

Proposed Changes to Duties and Functions. [Executive Committee] (continued)

Administrative Code Section 2416 (f, 5)

- Chief EEO Officer oversight of EEO investigation with an external investigator
- Substantiated findings shared with EEO ad hoc subcommittee, via attorney-client privileged communication
- Subcommittee determines appropriate action for Board consideration

Proposed Changes to Duties and Functions. [Executive Committee] (continued)

Administrative Code Section 2416 (f, 5)

- Subcommittee will share findings and recommended action to respondent
- **Conflict of Interest provision**
 - With Subcommittee Board member
 - EEO Officer selects alternate
 - With Chief EEO Officer
 - EEO complaint referred to Legal or Ethics

Proposed Changes to Duties and Functions. [Executive Committee] (continued)

Administrative Code Section 2416 (f, 5)

- Exception
 - Deviation of 2416 (f, 5) protocol by EEO Officer, in certain circumstances, with written justification and approval of subcommittee

EEO Investigative Procedures

EEO Investigative Procedures for Board and its Direct Reports

- EEO Office receives complaint and confirms receipt with complainant within 3 business days
- EEO Office contacts complainant within 5 business days to schedule intake assessment
- EEO Office conducts intake assessment within 10 business days

EEO Investigative Procedures

EEO Investigative Procedures for Board and its Direct Reports (continued)

- EEO Office determines jurisdiction of complaint within 10 business days of receiving relevant information
- EEO Office will recommend interim measures for respondents who are direct reports, as applicable, for ad hoc committee consideration
- EEO Office will consider informal resolution with input from complainant

EEO Investigative Procedures

EEO Investigative Procedures for Board and its Direct Reports (continued)

- EEO Office will hire an external investigator to conduct fact finding investigation with policy violation determination, review process is included
- Investigation will take 90 business days, with exceptions for certain circumstances
- Investigation based on preponderance of evidence standard

EEO Investigative Procedures

EEO Investigative Procedures for Board and its Direct Reports (continued)

- Findings are substantiated or unsubstantiated
- EEO Office sends closing letters to complainant and respondent.
- EEO Officer will refer substantiated findings, via attorney client privileged communication, to the subcommittee for recommended action.

Questions

- Administrative Code 2131
- Administrative Code 2416
- EEO Investigative Procedures

Board Options

Option #1

- Approve recommended amendments to Administrative Code sections 2131 and 2416, and approve EEO Investigative Procedures for the Board and its Direct Reports

Board Options

Option #2

- Do not approve recommended amendments to Administrative Code 2131 and 2416, or the EEO Investigative Procedures for the Board and its Direct Reports.

Board Options

Option #3

- Approve recommended amendments to Administrative Code sections 2131 and 2416, and further develop the EEO Investigative Procedures for the Board and its Direct Reports

Board Options

Option #4

- Approve recommended amendments to Administrative Code section 2131, and further develop Administrative Code section 2416 and the EEO Investigative Procedures for the Board and its Direct Reports





● **Board of Directors**
Engineering and Operations Committee

11/8/2022 Board Meeting

7-2

Subject

Ratify an emergency contract with PCL Construction, Inc., in the amount of \$855,623.78, for replacement of the expansion joint on the Upper Feeder pipeline at the Santa Ana River bridge crossing; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA [Requires four-fifths vote of the Board]

Executive Summary

This action ratifies an emergency contract with PCL Construction, Inc., which was executed by the General Manager to replace the damaged expansion joint on the Upper Feeder, in the amount of \$855,623.78. A shutdown of the Upper Feeder was completed in September 2022, and the bellows expansion joint was replaced with a new slip-type expansion joint at the Upper Feeder's Santa Ana River crossing. This ratification should be the final board action with respect to this emergency work.

Details

Background

The Upper Feeder was constructed in 1936 as part of Metropolitan's original water delivery system. The 116-inch-diameter welded-steel pipeline extends approximately 60 miles from Lake Mathews to the Eagle Rock Control Facility in Los Angeles. The feeder conveys up to 750 cubic feet per second (cfs) of untreated Colorado River water from Lake Mathews to the F. E. Weymouth Water Treatment Plant, and then delivers treated water to the Central Pool portion of the distribution system.

The Upper Feeder crosses the Santa Ana River with a 1,010-foot-long steel truss bridge in the cities of Jurupa Valley and Riverside. Before the recent shutdown, the feeder had a bellows-type expansion joint at the bridge's mid-span that allowed for the pipeline's thermal expansion and contraction.

On April 13, 2022, a leak was discovered at the bellows expansion joint. A steel bracket was installed as a temporary measure to stop the leak, and flow in the pipeline was reduced to approximately 525 cfs to decrease the pipeline's internal pressure. Staff monitored the crack length and effectiveness of the short-term repair.

Due to the critical nature of the feeder, the risk of an unplanned outage, the location of the expansion joint above environmentally sensitive areas, and the historically low State Water Project (SWP) allocation, the General Manager executed an emergency contract with PCL Construction in June 2022 for installation of a new joint consistent with Section 8122(b) of Metropolitan's Administrative Code. This section of the Administrative Code, which mirrors Sections 21567 and 22050 of the California Public Contract Code, allows for the General Manager to waive competitive bidding requirements and execute contracts over the amount of \$250,000 in response to an emergency condition.

An emergency is defined as a sudden, unexpected occurrence that requires immediate action to prevent or mitigate the loss or substantial impairment of life, health, property, or essential public services. Executing an emergency contract was necessary to allow adequate time for the contractor to plan, staff, and mobilize for construction so that the installation of the new expansion joint could take place during the September shutdown on the Upper Feeder.

PCL Construction successfully replaced the bellows joint with a Metropolitan-fabricated slip-type joint during the September shutdown. Prior to the shutdown, the Upper Feeder was operating at a reduced flow to reduce the risk of pipe failure. Now that the joint has been replaced, the flow on the feeder has been increased in support of operational actions being implemented due to the current drought.

In July 2022, Metropolitan's Board amended the Capital Investment Plan for fiscal years 2022/2023 and 2023/2024 to include replacement of an expansion joint on the Upper Feeder at the Santa Ana River Bridge and authorized continuation of the emergency action to execute a no-bid contract for the expansion joint replacement. In accordance with the Administrative Code, Metropolitan's Board also voted to continue the emergency contract actions July, August, and September 2022. A four-fifths vote of the Board is required to ratify the emergency construction contract.

Upper Feeder Expansion Joint Replacement - Construction

The emergency construction contract with PCL Construction included: removal of bridge structural members to access the pipe and joint; removal of the existing bellows expansion joint; installation of the new slip-type expansion joint; removal and reinstallation of the steel cage that provides lateral restraint at the joint; and minor adjustments to the bridge truss isolators. PCL Construction performed this construction work under a time-and-materials emergency contract. The contractor has completed all contractual obligations, including replacement of the Upper Feeder expansion joint, during the September shutdown.

Additional construction activities completed by Metropolitan forces included: fabrication of the new slip-type expansion joint; installation of a new 36-inch accessway; installation of a new 6-inch drain valve for improved dewatering of this pipe segment; installation of a new 4-inch tap near the expansion joint for use during construction; grading, clearing, and grubbing an area adjacent to the bridge for the contractor's crane pad and other construction activities; and shutdown, dewatering, quagga filtration, and startup activities. Metropolitan staff also provided design support for construction activities, construction inspection services, contract administration, environmental monitoring, and regular survey monitoring of the bridge and expansion joint.

A total of \$2,500,000 is allocated for this work. In addition to the amount of the contract described below, other funds allocated include \$677,000 for Metropolitan force activities as described above; \$292,000 for materials, supplies, and incidental expenses; \$274,000 for construction inspection; \$127,000 for submittals review, technical support during construction, responding to requests for information, and preparation of record drawings; \$196,000 for contract administration, environmental monitoring, field survey support, and project management; and \$78,376.22 for remaining budget.

Attachment 1 provides the allocation of funds. The total amount expended for the Upper Feeder expansion joint replacement is approximately \$3.40 million.

Ratification of Emergency Construction Contract (PCL Construction, Inc.)

Specifications No. 2045 for the replacement of the expansion joint on the Upper Feeder at the Santa Ana River crossing was executed by the General Manager as a time and materials contract. The contract includes markups of 25 percent for labor and 15 percent for equipment and other expenses. The markups included the contractor's compensation for overhead costs (including home office support, superintendence, bond and insurance premiums, and taxes) and profit. Due to the relatively short timeframe to negotiate this emergency contract, no Small Business Enterprise requirement was established. At the completion of the emergency contract work, PCL Construction's cost approved by Metropolitan for the time and material work is \$855,623.78.

As described above, Metropolitan staff completed various construction activities and construction support activities as part of this project. The total cost of construction for this project is \$2,334,623.78 which includes \$855,623.78 for the contract; \$292,000 for materials and supplies; and \$1,187,000 for Metropolitan force activities described above. (The construction amount includes \$510,000 which was allocated in July 2022 for fabrication of the slip-type expansion joint). Engineering Services' performance metric target range for inspection of projects with construction less than \$3 million is 9 to 15 percent. For this project, the performance metric goal for inspection is 11.7 percent of the total construction cost.

Alternatives Considered

Metropolitan's staff initially considered using an expedited schedule for board award of a construction contract rather than utilizing the emergency contracting provisions in the Administrative Code. However, even with an accelerated advertisement and award approach, construction work would not have begun until late this year. Staff determined that this was not an acceptable schedule considering the flow restrictions that had been placed on the feeder and the risk of an unplanned outage. The emergency contract with PCL Construction allowed for the timely repair of a major pipeline that delivers Colorado River water into the central portion of Metropolitan's distribution system and is a critical facility helping to reduce the impacts of the extreme drought conditions on the SWP. The selected option reduced the risk of an unplanned shutdown to perform costly emergency repairs and restored reliable deliveries to Metropolitan's member agencies.

Summary

This action ratifies an emergency contract with PCL Construction, Inc., in the amount of \$855,623.78, executed by the General Manager to replace the damaged expansion joint. See **Attachment 1** for the Allocation of Funds, **Attachment 2** for the listing of Subcontractors, and **Attachment 3** for the Location Map.

Project Milestone

Construction was completed in September 2022.

Policy

Metropolitan Water District Administrative Code Section 8122: Emergency Contracts

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

By Minute Item 52778, dated April 12th, 2022, the Board appropriated a total of \$600 million for projects identified in the Capital Investment Plan for Fiscal Years 2022/23 and 2023/24.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is statutorily exempt under the provisions of CEQA and the State CEQA Guidelines because it involves the immediate emergency repair of an existing pipeline with the same purpose and capacity to maintain service essential to the public health, safety, or welfare. (Section 15269(b) of the State CEQA Guidelines). In addition, the proposed action is statutorily exempt under the provisions of CEQA and the State CEQA Guidelines because it involves the installation of a new pipeline or maintenance, repair, restoration, removal, or demolition of an existing pipeline that does not exceed one mile in length. (Section 15262(k) of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options

Option #1

Ratify an emergency contract with PCL Construction, Inc. in the amount of \$855,623.78 for replacement of the expansion joint on the Upper Feeder pipeline at the Santa Ana River bridge crossing. **[Requires four-fifths vote of the Board.]**

Fiscal Impact: Expenditure of \$2,500,000 in capital funds. All funds were incurred in the current biennium and have been previously authorized. It is not anticipated that the expenditures on this project will increase CIP expenditures in the current biennium beyond those which have been previously approved by the Board.

Business Analysis: This project enhances delivery reliability to member agencies and reduces the risk of unplanned shutdowns of the Upper Feeder.

Option #2

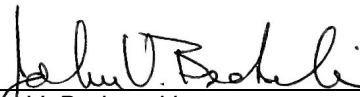
Do not ratify the emergency contract.

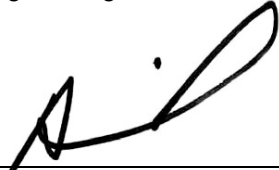
Fiscal Impact: Unknown

Business Analysis: The construction work has already been completed. This option could expose Metropolitan to claims for work performed by the contractor under the emergency contract.

Staff Recommendation

Option #1


 _____ 10/20/2022
John V. Bednarski Date
 Chief Engineer/Manager
 Engineering Services


 _____ 10/20/2022
Adel Hagekhalil Date
 General Manager

Attachment 1 – Allocation of Funds

Attachment 2 – Listing of Subcontractors

Attachment 3 – Location Map

Ref# es12688250

Allocation of Funds for the Upper Feeder Expansion Joint Replacement

	Current Board Action (Nov. 2022)
Labor	
Studies & Investigations	\$ -
Final Design	-
Owner Costs (Program mgmt., envir. monitoring)	196,000
Submittals Review, Eng Support, & Record Drwgs.	127,000
Construction Inspection & Support	274,000
Metropolitan Force Construction	677,000
Materials & Supplies	183,000
Incidental Expenses	109,000
Professional/Technical Services	-
Right-of-Way	-
Equipment Use	-
Contracts	
PCL Construction, Inc.	855,623.78
Remaining Budget	78,376.22
Total	\$ 2,500,000

The total estimated cost to complete the project, including the amount appropriated to date and funds allocated for the work described in this action, is \$3.4 million.

The Metropolitan Water District of Southern California**Subcontractors for PCL Construction, Inc.****Specifications No. 2045****Upper Feeder Expansion Joint Replacement**

Subcontractor and Location
Mr. Crane Orange, CA
Dean's Certified Welding Temecula, CA





Engineering & Operations Committee

Upper Feeder Expansion Joint Replacement

Item 7-2

November 7, 2022

Upper Feeder Expansion Joint Replacement

Current Action

- Ratify an emergency contract with PCL Construction, Inc., in the amount of \$855,623.78, for replacement of the expansion joint on the Upper Feeder pipeline at the Santa Ana River bridge crossing
[Requires four-fifths vote of the Board]

The map illustrates the proposed California Water Project route through Southern California. Key features include:

- Geographic Labels:** VENTURA, LOS ANGELES, SAN BERNARDINO, ORANGE, SAN DIEGO, RIVERSIDE, IMPERIAL, LA PAZ.
- Water Bodies:** Castaic Lake, Silverwood Lake, Lake Perris, Lake Mathews, Diamond Valley Lake.
- Project Components:** Jensen Plant, Weymouth Plant, Diemer Plant, Upper Feeder at Santa Ana River, Mills Plant, CRA, Skinner Plant, Lake Mathews.
- Infrastructure:** A network of blue lines representing waterways and a red line with arrows indicating the proposed project route.
- Navigation:** A north arrow is located in the top left corner.

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Upper Feeder – Santa Ana River Crossing

- Multi-span bridge with steel trusses & concrete piers
- 9'-8" ID steel pipe
- Pipeline design flow: 750 cfs
- Pipeline internal pressure: 200 psi
- Bellows expansion joint was located at bridge mid-span



Upper Feeder Expansion Joint Replacement

Bellows Joint

- Crack discovered and leak temporarily repaired April 2022
 - Flow limited to 525 cfs
- Risk of unplanned shutdown on Upper Feeder; supports drought actions & operational shifts to save SPW
- Initial findings from forensic analysis of bellows showed multiple locations where additional leaks could have formed



Initial Leak



Temporary Repair

Upper Feeder Expansion Joint Replacement



Emergency Contract

- PCL Construction performed work under a time & materials contract
 - Board authorized continuation of the emergency action to execute a no-bid contract for the expansion joint replacement in July, August, & September 2022
- Executed per Admin Code section 8122(b)
 - Board to ratify construction contract [requires four-fifths vote]

Contractor Completed Activities

- ✓ Removed bridge structural members & restraining cage for pipe access
- ✓ Removed bellows joint
- ✓ Installed new slip-type joint
- ✓ Reinstalled bridge structural members & restraining cage



Upper Feeder Expansion Joint Replacement

Metropolitan Completed Activities

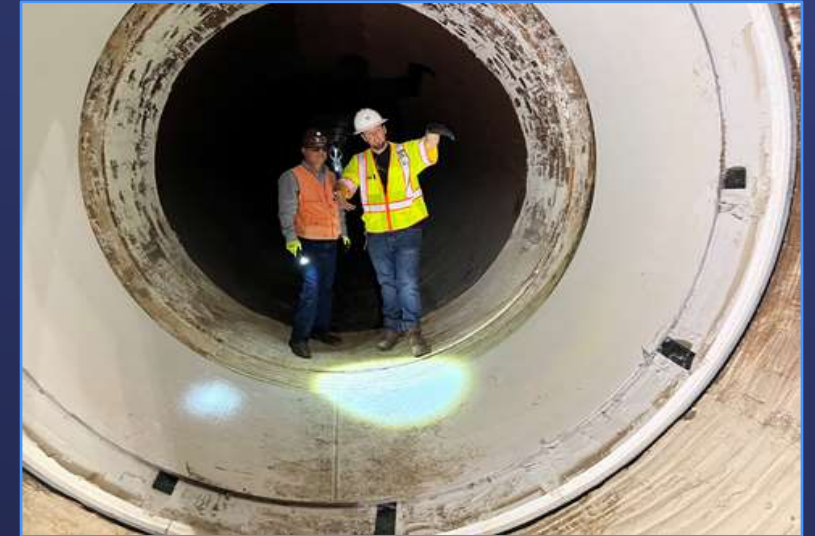
- ✓ Completed slip joint fabrication & installation design packages
- ✓ Installed 4-inch tap near expansion joint to facilitate construction
- ✓ Procured slip joint flanges, hardware & accessories
- ✓ Installed 6-inch dewatering valve
- ✓ Graded and cleared for crane pad
- ✓ Fabrication, coating, & assembly of new slip-type expansion joint
- ✓ Installed new 36-inch accessway
- ✓ Provided shutdown support & inspection



Upper Feeder Expansion Joint Replacement

Upper Feeder Shutdown

- ✓ Completed ahead of schedule
- ✓ Member Agencies reduced demands during shutdown
- ✓ Saved 12 TAF compared with original SPW usage forecast
- ✓ Successful collaboration between organizations within & outside Metropolitan



Allocation of Funds

Upper Feeder Expansion Joint Replacement

Construction Contract – PCL Construction	\$ 855,623.78
Metropolitan Labor	
Program mgmt. environmental support, & contract admin.	196,000
Construction inspection and support	274,000
Submittal review, engineering support, & record drawings	127,000
Force construction & fabrication	677,000
Materials	183,000
Incidentals	109,000
Remaining Budget	78,376.22
<hr/>	
Total	\$2,500,000

*Including \$900,000 allocated in July 2022, total project cost is \$3.4M

Board Options

- Option #1

Ratify an emergency contract with PCL Construction, Inc. in the amount of \$855,623.78 for replacement of the expansion joint on the Upper Feeder pipeline at the Santa Ana River bridge crossing.
[Requires four-fifths vote of the Board.]

- Option #2

Do not ratify the emergency contract.

Staff Recommendation

- Option #1





● **Board of Directors**
Engineering and Operations Committee

11/8/2022 Board Meeting

7-3

Subject

Award a \$1,228,607.10 contract to Howard Ridley Company, Inc. for the rehabilitation of the concrete liner at ten locations within the Rainbow Tunnel segment of San Diego Pipeline No. 1; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

The Rainbow Tunnel is a horseshoe-shaped tunnel segment of San Diego Pipeline No. 1 that conveys treated water from the Robert A. Skinner Water Treatment plant (Skinner plant) south to member agencies in Riverside and San Diego Counties. Staff has identified ten locations along the tunnel where the concrete liner is showing signs of degradation and needs replacement. This action awards a contract to replace the degraded concrete at ten locations within the Rainbow Tunnel.

Details

The San Diego Pipelines Nos. 1 and 2 carry treated water from the Skinner plant to member agencies in Riverside and San Diego Counties. The parallel pipelines were constructed in 1945, range in diameter from 48-inches to 72-inches, and are comprised of multiple materials, including steel, precast concrete, and tunnel segments. The pipelines merge twice, once in a horseshoe-shaped tunnel segment known as Rainbow Tunnel. This tunnel segment is approximately 4,700 feet long with a height of six feet.

Recent inspections of the Rainbow Tunnel have identified areas of cracking and spalling of the existing concrete liner, which leads to the potential for water intrusion. A structural integrity investigation of the tunnel using ground penetrating radar was performed to further study areas of concern. The test revealed that the tunnel was in good condition from a structural standpoint; however, voids in the soil behind the seven-inch-thick liner were observed in ten locations. The method of repair for these locations includes the injection of grout behind the tunnel liner to stabilize the soil and prevent water intrusion, followed by the removal and replacement of the distressed concrete liner. Rehabilitation of the tunnel segment at these ten locations within the Rainbow Tunnel will rehabilitate the degraded concrete liner and reduce the risk of water quality impacts or an unplanned shutdown in the future.

Final design for the concrete liner rehabilitation at the ten locations within Rainbow Tunnel has been completed, and staff recommends proceeding with awarding a contract for this work.

In accordance with the April 2022 action on the biennial budget for fiscal years 2022/23 and 2023/24, the General Manager will authorize staff to proceed with the actions described below. Based on the current Capital Investment Plan (CIP) expenditure forecast, funds for the work to be performed pursuant to this action during the current biennium are available within the Capital Investment Plan Appropriation for Fiscal Years 2022/23 and 2023/24. This project has been reviewed in accordance with Metropolitan's CIP prioritization criteria and was approved by Metropolitan's CIP evaluation team to be included in the Distribution System Reliability Program.

Rainbow Tunnel Concrete Liner Rehabilitation – Construction

The scope of the construction contract consists of rehabilitating the concrete tunnel liner at ten locations within the San Diego Pipeline No. 1 Rainbow Tunnel. The planned work will include grout wall injection, surface preparation, temporary ventilation, and concrete removal and replacement. Metropolitan forces will dewater the

tunnel, establish clearances, and return the system to service. This work will be conducted during two upcoming ten-day shutdowns of San Diego Pipeline Nos. 1 and 2 that are scheduled for January/February 2023 and February/March 2023.

A total of \$2,300,000 is allocated for this work. In addition to the contract amount, allocated funds for work by Metropolitan staff include: \$202,000 for construction management and inspection; \$335,000 for Metropolitan force shutdown activities; \$155,000 for submittals review, responding to requests for information, and preparation of record drawings; \$125,000 for contract administration, environmental monitoring support, and project management; and \$254,392.90 for remaining budget. **Attachment 1** provides the allocation of the required funds. The total estimated cost to complete the work, including the amount appropriated to date and funds allocated for the work described in this action, is \$2.9 million.

Award of Construction Contract (Howard Ridley Company, Inc.)

Specifications No. 2038 for the construction of the Rainbow Tunnel Concrete Liner Rehabilitation was advertised on August 31, 2022. As shown in **Attachment 2**, two bids were received and opened on October 4, 2022. The bid from Harrison Western was deemed to be non-responsive as they did not have a California contractor's license. The bid from Howard Ridley Company, Inc. in the amount of \$1,228,607.10 complies with the requirements of the specifications. The engineer's estimate for this project was \$1,340,000. For this contract, Metropolitan established a Small Business Enterprise (SBE) participation level of at least 25 percent of the bid amount. Howard Ridley Company, Inc. is an SBE firm, and thus achieves 100 percent participation. The subcontractors for this contract are listed in **Attachment 3**.

As described above, Metropolitan staff will perform construction management and inspection. The total cost of construction for this project is \$1,563,607.10 which includes the amount of the contract and Metropolitan force activities. Engineering Services' performance metric goal for inspection of projects with construction less than \$3 million is 12.9 percent. For this project, the performance metric for inspection is 15 percent of the total construction cost.

Alternatives Considered

Staff considered several alternatives for the rehabilitation of the Rainbow Tunnel, including a complete relining of the tunnel using a steel liner system and concrete liner. However, this alternative would require a four-to-six-month shutdown and range in cost from \$10 million to \$15 million. The selected alternative will complete the rehabilitation of the tunnel within two ten-day shutdowns and extends the service life of the current concrete liner in the tunnel. Due to member agency service connection demands downstream of the Rainbow Tunnel, staff limits the duration of the tunnel shutdown to ten days.

Summary

This action awards a \$1,228,607.10 contract to Howard Ridley Company, Inc. to rehabilitate the concrete liner of the Rainbow Tunnel at ten locations. See **Attachment 1** for the Allocation of Funds, **Attachment 2** for the Abstract of Bids, **Attachment 3** for the Listing of Subcontractors for the Low Bidder, and **Attachment 4** for the Location Map.

Project Milestone

March 2023 – Completion of construction

Policy

Metropolitan Water District Administrative Code Section 8121: General Authority of the General Manager to Enter Contracts

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

By Minute Item 52778, dated April 12, 2022, the Board appropriated a total of \$600 million for projects identified in the Capital Investment Plan for Fiscal Years 2022/2023 and 2023/2024.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action involves operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use and no possibility of significantly impacting the physical environment. In addition, the proposed action includes the replacement and reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have the same purpose and capacity as the structure replaced. Accordingly, the proposed action qualifies under Class 1 and Class 2 Categorical Exemptions (Sections 15301 and 15302 of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options

Option #1

Award a \$1,228,607.10 contract to Howard Ridley Company, Inc. to rehabilitate the concrete liner of the Rainbow Tunnel at ten locations.

Fiscal Impact: Expenditure of \$2.3 million in capital funds. All funds will be incurred in the current biennium and have been previously authorized.

Business Analysis: This option will complete the needed rehabilitation of the damaged lining of the Rainbow Tunnel, which will protect Metropolitan's assets and reduce the risk of costly emergency repairs.

Option #2

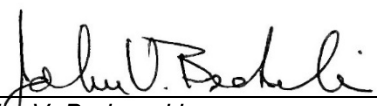

Do not proceed with the project at this time.

Fiscal Impact: None

Business Analysis: This option would forgo an opportunity to enhance reliability and extend the service life of the Rainbow Tunnel, and could lead to higher costs, more extensive repairs, and unplanned shutdowns.

Staff Recommendation

Option #1

 _____ John V. Bednarski Chief Engineer/Manager Engineering Services	10/17/2022 Date
 _____ Adel Hagekhalil General Manager	10/19/2022 Date

Attachment 1 – Allocation of Funds

Attachment 2 – Abstract of Bids

Attachment 3 – Subcontractors for Low Bidder

Attachment 4 – Location Map

Allocation of Funds for Rainbow Tunnel Concrete Liner Rehabilitation

	Current Board Action (Nov. 2022)
Labor	
Studies & Investigations	\$ -
Final Design	-
Owner Costs (Program mgmt., envir. monitoring)	125,000
Submittals Review & Record Drwgs.	155,000
Construction Inspection & Support	202,000
Metropolitan Force Construction	320,000
Materials & Supplies	-
Incidental Expenses	15,000
Professional/Technical Services	-
Right-of-Way	-
Equipment Use	-
Contracts	-
Howard Ridley Company, Inc.	1,228,607.10
Remaining Budget	254,392.90
Total	\$ 2,300,000

The total amount expended to date for rehabilitation of the Rainbow Tunnel concrete liner is approximately \$615,000. The total estimated cost to complete the work, including the amount appropriated to date, and funds allocated for the work described in this action is \$2.9 million.

The Metropolitan Water District of Southern California

Abstract of Bids Received on October 4, 2022, at 2:00 P.M.

**Specifications No. 2038
Rainbow Tunnel Concrete Liner Rehabilitation**

The work consists of localized concrete tunnel liner rehabilitation at ten locations within the San Diego Pipeline No. 1 Rainbow Tunnel including grout injection behind the tunnel liner, surface preparation, temporary ventilation, and concrete removal and replacement.

Engineer's estimate: \$1,340,000

Bidder and Location	Total	SBE \$	SBE %	Met SBE¹
Harrison Western Lakewood, CO	\$799,490 ²	-	-	-
Howard Ridley Company, Inc. Chino, CA	\$1,228,607.10	\$1,228,607.10	100%	Yes

1 Small Business Enterprise (SBE) participation level established at 25% for this contract.

2 Non-responsive bid

The Metropolitan Water District of Southern California**Subcontractors for Low Bidder****Specifications No. 2038****Rainbow Tunnel Concrete Liner Rehabilitation**

Low bidder: Howard Ridley Company, Inc.

Subcontractor and Location
Slater Waterproofing Montclair, CA





Engineering & Operations Committee

Rainbow Tunnel Concrete Liner Rehabilitation

Item 7-3

November 7, 2022

Rainbow Tunnel Concrete Liner Rehabilitation

Current Action

- Award a \$1,228,607.10 contract to Howard Ridley Company, Inc. for the rehabilitation of the concrete liner at ten locations within the Rainbow Tunnel segment of San Diego Pipeline No. 1

Distribution System



Rainbow Tunnel Concrete Liner Rehabilitation

Background

- Rainbow Tunnel
 - Tunnel section of San Diego Pipeline #1
 - Concrete-lined horseshoe tunnel
 - 77 years old
 - 4,700 feet long
 - 6-foot inside height



Rainbow Tunnel Survey Imagery

Rainbow Tunnel Concrete Liner Rehabilitation

Background

- Inspections in 2020 & 2021 identified locations of concrete degradation in the tunnel liner
 - Structural analysis of tunnel showed tunnel structurally sound
 - Several locations identified as potential leak locations
 - Sealed from the surface of the tunnel liner – Met Forces
 - 10 locations of significant concrete degradation identified
 - Require complete localized liner replacement



Rainbow Tunnel Concrete Liner Rehabilitation

Alternatives Considered

- Complete tunnel relining
 - Require 4 to 6-month shutdown
 - Current limit – 10 days
- Selected Alternative
 - Completed localized concrete liner rehabilitation
 - Utilizes two upcoming 10-day shutdowns
 - Jan/Feb 2023 & Feb/March 2023
 - Extends service life of current liner

Rainbow Tunnel Concrete Liner Rehabilitation

Scope of Work

- Contractor
 - Complete replacement of concrete liner at ten locations
 - Grout curtain injection
 - Temporary ventilation
 - Surface preparation at tunnel access
- Metropolitan
 - Shutdown support & continuing inspections
 - Grading & preparation of staging area
 - Submittal review, construction inspection, & project management

Bid Results

Specifications No. 2038

Bids Received	October 4, 2022
No. of Bidders	2
Lowest Responsible Bidder	Howard Ridley Company, Inc.
Low Bid	\$1,228,607.10
Other Bid	\$799,490*
Engineer's Estimate	\$1,340,000
SBE Participation**	100%

*Bid deemed non-responsive

**SBE (Small Business Enterprise) participation level set at 25%

Allocation of Funds

Rainbow Tunnel Concrete Liner Rehabilitation

Metropolitan Labor

Owners Costs (Proj. Mgmt., Contract Admin., Envir. Support)	\$ 125,000
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Construction Inspection & Support	202,000
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Force Construction	320,000
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Submittals Review, Tech. Support, Record Dwgs.	155,000
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Materials & Incidentals	15,000
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Contracts

Howard Ridley Company, Inc.	1,228,607.10
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Remaining Budget	254,392.90
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Total	\$ 2,300,000
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Project Schedule



Board Options

- Option #1
 - Award a \$1,228,607.10 contract to Howard Ridley Company, Inc. to rehabilitate the concrete liner of the Rainbow Tunnel at ten locations.
- Option #2
 - Do not proceed with the project at this time.

Staff Recommendation

- Option #1





● **Board of Directors**

One Water (Conservation and Local Resources) Committee

11/8/2022 Board Meeting

7-5

Subject

Adopt CEQA determination that the environmental effects of the East County Advanced Water Purification Local Resources project that is the subject of the proposed action was previously addressed in Padre Dam Municipal Water District's Mitigated Negative Declaration and related CEQA actions and that no further CEQA review is required, and authorize the General Manager to amend the existing Local Resources Program agreement with San Diego County Water Authority and East County Advanced Water Purification Joint Powers Authority for the East County Advanced Water Purification Project

Executive Summary

The Local Resources Program (LRP) provides financial incentives to encourage the development of local water supplies for Southern California. Each LRP agreement includes milestones for timely construction, operation, and production. In June 2021, the Board extended the start-of-operation milestones for four LRP projects pursuant to a framework and evaluation criteria proposed by staff and adopted those guidelines for all future extension requests. In October 2021, the Board approved a framework for amending program agreements to provide additional flexibility to agencies to return projects to operation after a disruption. Under the approved framework for extension requests, member agencies may request an extension to the start of operation of their LRP project by up to three additional fiscal years if the member agency conforms to certain criteria. This letter requests authorization for Metropolitan to approve the San Diego County Water Authority's (SDCWA) request to extend the start of operation from June 30, 2025, to June 30, 2028, for the East County Advanced Water Purification Project (Project), consistent with the adopted framework.

Details

Background

In 1982, Metropolitan created the LRP to provide financial incentives to help local agencies develop water recycling and groundwater recovery projects and therefore assist Metropolitan in reaching its regional water reliability goals. Since the LRP's inception, Metropolitan has provided about \$721 million in incentives for the development of more than 3.08 million acre-feet (AF) of recycled water and 1.1 million AF of recovered groundwater. There are 103 projects currently in operation. LRP projects increase water supply reliability, reduce imported water demands, decrease the burden on Metropolitan's infrastructure, reduce system costs, and free up conveyance capacity. In addition, the LRP helps Metropolitan meet its legislative mandates under Senate Bill 60 to expand water conservation, recycling, and groundwater storage and replenishment measures. Overall, the LRP benefits all member agencies regardless of the project location.

2021 Framework and Criteria for Evaluating the Request to Extend the Start-of-Operation

In June 2021, the Board approved extensions for four LRP projects pursuant to a framework and evaluation criteria proposed by staff and adopted the same to apply to all member agency requests for extensions due to delays in the start-of-operation milestone for LRP projects. To qualify, the project must have an active agreement and currently be under construction. The member agency must also meet the following four criteria: (1) formally request an extension and describe the reasons for the delay; (2) affirm that all parties to the agreement are still pursuing the project; (3) provide a revised schedule; and (4) affirm that the project will start operation within the requested extension (not to exceed three fiscal years).

SDCWA's Request to Extend the Start-of-Operation Deadline

On June 3, 2022, SDCWA, on behalf of the East County Advanced Water Purification Program Joint Powers Authority (JPA), which is composed of the County of San Diego, Padre Dam Municipal Water District, and the City of El Cajon, submitted a formal request for an extension to the Project's start of operation by three fiscal years due to various construction-related issues, as described in their letter (**Attachment 1**). The Project has an active LRP agreement and is under construction. Metropolitan staff determined their request satisfied the established criteria to seek an extension; the letter affirmed that all parties to the agreement continue to pursue the project, provided a revised schedule, and affirmed that the project would start operation within the requested extension of three years.

Prolonged delays for a wide number of construction materials impacted the project. The JPA and its Design Builders could not secure firm pricing and scheduling commitments for critical materials and equipment. Vendors delayed final pricing and executing contracts due to supply chain uncertainties. For example, inflation caused a 200 percent increase in the price of hot rolled steel and a 30 percent increase in the cost of all construction materials. Suppliers and vendors were unable to commit to pricing and delivery schedules due to the uncertainty of future pricing. Additionally, supply chain constraints resulted in vendors and suppliers taking twice as long to provide finished materials and equipment. Supply chain constraints caused schedule delays in the startup, testing, and regulatory approval. By May 2022, the market stabilized, allowing the JPA to secure commitments in pricing and scheduling for construction materials and equipment. Another contributing factor to the delay is that after working with the State Division of Drinking Water (DDW) and the San Diego Regional Water Quality Control Board, it is now understood that startup and commissioning activities will occur over a longer period than originally anticipated in order to meet regulatory requirements.

If the Board grants SDCWA's extension request, the LRP project agreement will terminate 25 years following the new start-of-operation due date (the "25-year operation term"). **Attachment 2** summarizes the Project's current LRP contract terms and the revised terms if the Board approves the request. Metropolitan would not incur any new overall financial obligations from such an extension. This project is included in the budget, and the current forecast includes payments to the project starting in 2025. Once granted, staff would shift the timing of the payments by three years. If the extension request is not granted and the agreement terminates, the estimated payments to the project will be removed from the forecasted expenditures of the LRP.

Policy

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

By Minute Item 49923, dated October 14, 2014, the Board approved refinements to the Local Resources Program to encourage additional local resource production.

By Minute Item 51356, dated October 9, 2018, the Board approved an interim Local Resources Program target yield of 170,000 AFY of new water production.

By Minute Item 52056, dated July 14, 2020, the Board approved authorizing the General Manager to enter into a Local Resources Program Agreement with the SDCWA and the East County Advanced Water Purification Program Joint Powers Authority for the East County Advanced Water Purification project.

By Minute Item 52415, dated June 8, 2021, the Board approved changes to the start-of-operation timing for four Local Resources Program Projects and formally adopted the policy described in the board letter for evaluation of future LRP extension requests.

By Minute Item 52548, dated October 12, 2021, the Board approved, reviewed and considered the City of Beverly Hills' approved Final Mitigated Negative Declarations and Addendum and took related CEQA actions; authorized the General Manager to reinstate and amend the existing Groundwater Recovery Program Joint Participation Agreement for Recovery and Utilization of Degraded Groundwater for the Beverly Hills Desalter Project with the City of Beverly Hills for up to 2,600 AFY of advanced treated brackish groundwater under the terms included in the board letter; and approved the proposed framework and one-time pause and extension of agreement terms.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

Pursuant to the provisions of CEQA and the State CEQA Guidelines, the Padre Dam Municipal Water District, acting as the Lead Agency, prepared a Mitigated Negative Declaration (MND) for the East County Advanced Water Purification Project (ECAWP). The MND was adopted, and the Lead Agency approved the project on December 6, 2018. Metropolitan, as a Responsible Agency under CEQA, certified on July 14, 2020, that it reviewed and considered the information in the MND, adopted the Lead Agency's Findings and the Mitigation, Monitoring, and Reporting Program, and authorized the General Manager to enter into a LRP Agreement with the SDCWA and the ECAWP Joint Powers Authority. The proposed board action is based on amending the existing agreement with SDCWA and the ECAWP Joint Powers Authority for the ECAWP Project and not on any changes to the approved project itself. Hence, the previously adopted environmental documentation in conjunction with the current action fully complies with CEQA and the State CEQA Guidelines. Accordingly, no further environmental documentation is necessary for the Board to act on with respect to the proposed action.

CEQA determination for Option #2:

None required

Board Options

Option #1

Adopt CEQA determination that the environmental effects of the East County Advanced Water Purification Local Resources project that is the subject of the proposed action was previously addressed in Padre Dam Municipal Water District's Mitigated Negative Declaration and related CEQA actions and that no further CEQA review is required, and authorize the General Manager to amend the existing Local Resources Program agreement with SDCWA and East County Advanced Water Purification Joint Powers Authority for the East County Advanced Water Purification Project.

Fiscal Impact: No new financial obligations will result from the proposed amendment. Payments to the project are included in the budget and are currently projected to begin in 2025. Payments to the project will be shifted by three years to begin in 2028. The maximum financial obligations were provided when the Board approved the ECAWP LRP agreement on July 14, 2020, and remain at up to \$91.8 million for a project yield of 322,000 AF over 25 years.

Business Analysis: The project would help Metropolitan support local supply development and meet legislative mandates while reducing the district's system costs.

Option #2

Do not authorize an amendment to the original agreement for the Project.

Fiscal Impact: Metropolitan's financial commitment for up to \$91.8 million over 25 years would be removed from the budget forecast.

Business Analysis: Metropolitan would no longer provide financial incentives for the project, and it may take longer to meet the LRP's target goals.

Staff Recommendation


Option #1



Brad Coffey
Manager, Water Resource Management

10/22/2022

Date



Adel Hagekhalil
General Manager

10/22/2022

Date

Attachment 1 – SDCWA Letter Requesting Start-of-Operation Extension**Attachment 2 – Local Resources Program (LRP) Project Requesting
Start-of-Operation Extensions**

Ref# wrm12687027



June 3, 2022

Sandy Kerl, General Manager
San Diego County Water Authority
4677 Overland Avenue
San Diego, California 92123

RE: MWD's Local Resources Program Agreement No. 191285

Dear Sandy,

This letter is required for San Diego County Water Authority (SDCWA) to initiate a request to Metropolitan Water District of Southern California (MWD) to extend for three fiscal years the contractual date for commencement of operations under the above referenced Local Resources Program (LRP) Agreement. On May 19, 2022 the East County Advanced Water Purification (AWP) Joint Powers Authority (JPA) Board approved three Design Build contracts for the construction of the East County AWP Project. Construction will commence in June 2022 which is a requirement under the LRP for an extension to be approved by the MWD Board of Directors.

As you know, in November 2020 the East County AWP JPA, MWD, and SDCWA executed the above referenced LRP Agreement. The JPA is requesting a delay of the start-of-operations date from June 30, 2025 to June 30, 2028 due to COVID-19 related impacts. This request is consistent with the requirements outlined in the June 8, 2021 Item 7-7 approved by the Water Planning and Stewardship Committee and MWD's Board of Directors.

Background

The East County AWP Project (Project) is a multi-agency interjurisdictional project that uses state of the art water treatment technology to produce an anticipated 12,882 acre feet annually of advanced treated recycled water for potable reuse via surface water augmentation. The Project is governed by the East County AWP JPA which is made up of Padre Dam Municipal Water District (Padre Dam), the County of San Diego (County), and the City of El Cajon (El Cajon). Helix Water District (Helix) is also a Project partner with an Ex-Officio member on the JPA Board of Directors and, along with Padre Dam, will beneficially reuse the advanced purified water produced by the Project. Padre Dam is the JPA Administrator and is leading the design and construction effort for the 16 MGD water recycling facility, the 11.5 MGD advanced water treatment plant, and associated conveyance facilities. Padre Dam will also be the contracted operator of the Project facilities.

The Project consists of four individual construction packages and is being executed through the Progressive Design Build (PDB) delivery method. On May 19, 2022 the JPA Board of Directors approved amendments to the Design Build Agreements to authorize the concurrent commencement of final design and construction on the three packages necessary to produce and reuse advanced treated recycled water.



A Notice To Proceed (NTP) was issued by the JPA Administrator on June 1, 2022. No further Board action is required. This date fulfills the JPA's requirement under the LRP Agreement to commence construction within two fiscal years of Agreement execution (FY 2023).

Reason For Requested Extension

As you are aware we are in the midst of unprecedented and worldwide COVID-19 related macroeconomic pressures that are having an outsized impact on the cost of construction commodities and the delivery of critical materials and equipment. As a combined treatment and conveyance project, the East County AWP is being impacted by continuing significant price increases and long delay times for a wide number of construction materials. Because of this very uncertain construction environment, the JPA and its Design Builders were unable to obtain pricing commitments for critical materials and equipment until very recently. This resulted in months' long delays in finalizing prices and executing contracts. While the JPA was able to enter into lump sum fixed price contracts with its Design Builders, the continuing impacts of supply chain constraints has significantly affected delivery time for key materials and equipment, especially related to treatment plant construction. These macroeconomic conditions caused by the worldwide COVID-19 pandemic necessitates a delay in start of operations.

One prime example of delays caused by material price volatility is steel. Because of the use of steel in the construction of over 10 miles of large diameter pipelines and the extensive presence of steel rebar in concrete structures used in the treatment facilities and pump stations we have been subject to significant cost increases over the last year. In the twelve months ending October 2021 the price of Hot Rolled Steel has increased 200 percent¹ while we had experienced an overall 31 percent increase in all construction materials over the same period.² Cost increases in other commodities such as copper and plastic used in the many instrumentation and control processes had further impacted the cost of the Project and created future price uncertainty leading to an unwillingness of suppliers and vendors to commit or hold (for any extended period of time) pricing or delivery schedules. Because this is the most inflationary economy experienced in the last 40 years it was necessary for the JPA to determine whether the market had stabilized enough where it could obtain pricing commitments and achieve an acceptable level of price certainty. It took until May 2022 to reach that point.

Compounding the management of unpredictable material costs, constraints in supply chains are resulting in extensive delays in finished materials and equipment (e.g. pipe fabrication and pumps), with Project vendors and suppliers reporting delivery windows of up to twice as long as is typical under more normal circumstances. These supply chain constraints have required an extension of the construction schedule and has impacted Project startup, testing, and commissioning and the timing for regulatory approval.

All of these factors are the result of the COVID-19 pandemic and are beyond the control of the JPA and dramatically affect its ability to meet MWD's LRP requirement for start of operations and production within four fiscal years of agreement execution. The JPA believes that these extraordinary conditions meet the requirements outlined in MWD's June 8, 2021 Water Planning and Stewardship Committee Item 7-7 for extension of the start of operations. Granting the JPA an extension will allow us the flexibility to

¹ US Midwest Hot Rolled Steel Futures

² Federal Reserve Economic Data-Producer Price Index



manage the extended timing of material and equipment purchases and take advantage of the potential leveling of prices to optimize the cost of the Project in the current volatile construction cost environment.

Another contributing factor for this request to extend the start of operations date is that after working with the State Division of Drinking Water (DDW) and the San Diego Regional Water Quality Control Board, it is now understood that startup and commissioning activities will occur over a longer period than originally anticipated to meet regulatory requirements. As one of the first of two surface water augmentation projects in California (along with City of San Diego's Pure Water), regulators want to take a longer paced, more incremental approach to bringing this new source of supply online. This regulatory requirement along with much longer vendor and manufacturer delivery schedules caused by COVID-19 and the uncertain impact of the latest variant in themselves necessitate a request for extending the LRP start of operations date.

Commitment to Continuing to Pursue the AWP Project

Recognizing the severity of California's water supply challenges, the JPA and its partner agencies are committed to implementing the East County AWP in the most expeditious manner possible to provide a local water supply that will bolster the region's multifaceted water supply diversification strategy. We will meet the LRP Performance Requirement to commence construction within two fiscal years of agreement execution (FY 2023) and expect to meet all of the water production and reuse targets in the Agreement. Because of the extraordinary and unique economic circumstances brought about by the COVID-19 pandemic the JPA is requesting a delay of three fiscal years, extending the start of operations and production from FY 2025 to FY 2028 to begin start of operations. We will make every effort to bring the Project online sooner if possible. I am including a summary schedule of project implementation with a revised start of operations date as required by MWD. If you or your staff have any questions please contact me at (619) 258-4673.

Thank you for your consideration and the JPA looks forward to working with SDCWA and MWD staff on seeking approval of this request and bringing this important water supply to MWD's service area.

Sincerely,

A handwritten signature in black ink that reads "Kyle Swanson".

Kyle Swanson

CEO/General Manager for Padre Dam, the East County AWP JPA Administrator

Enclosure (1)

cc: Kelley Gage, SDCWA Director of Water Resources
Mark Niemiec, Padre Dam Director of AWP
Karen Jassoy, Padre Dam Director of Finance

**REVISED EAST COUNTY AWP IMPLEMENTATION SCHEDULE**

Date	Activity
June 1, 2022	Commence AWP Construction
March 2026	Begin Start Up and Commissioning
October 2026	Conduct UV Validation Testing for DDW
December 2026	Pass DDW Inspection
February 2027	Receive DDW Approval letter for surface water discharge to Lake Jennings Reservoir
May 2027	Complete Full System Testing
June 2027	Complete Acceptance Testing
July 2027	Begin Municipal Operations

**LOCAL RESOURCES PROGRAM (LRP) PROJECT REQUESTING
START-OF-OPERATION EXTENSIONS**

Project Information	
<i>LRP Project</i>	East County Advanced Water Purification Project
<i>Member Agency</i>	San Diego County Water Authority (SDCWA)
<i>Ultimate Yield (AF)</i>	12,882
<i>Date of Agreement Execution</i>	November 10, 2020
Extension Timeline	
<i>Start-of-Operation Milestone</i>	June 30, 2025
<i>Revised Start-of-Operation Milestone</i>	June 30, 2028
<i>Length of Extension Requested</i>	36 months
Additional Information	
<i>Project currently under construction?</i> <input checked="" type="checkbox"/>	
<i>Member Agency affirmed all parties pursuing project?</i> <input checked="" type="checkbox"/>	
<i>Member agency provided revised schedule?</i> <input checked="" type="checkbox"/>	
<i>Member agency affirmed that the project will start operation within 3 fiscal years?</i> <input checked="" type="checkbox"/>	
Reasons for Requested Extension	
<p>The delays are related to the pricing and scheduling of construction materials, and equipment, resulting from impacts due to COVID-19. Unpredictable material costs, and constraints in supply chains are resulting in extensive delays in finished materials and equipment. Project vendors and suppliers report delivery windows of up to twice as long as is typical under more normal circumstances. Vendors delayed final pricing and executing contracts, and were unable to commit to pricing and delivery schedules due to the uncertainty of future pricing. These supply chain constraints caused project delays in startup, testing, and regulatory approval.</p>	

One Water Committee



Authorize the General Manager to amend the existing Local Resources Program agreement for the East County Advanced Water Purification (ECAWP) Project

Item 7-5

October 25, 2022

Local Resources Program

Background

Provides incentives for Metropolitan's member agencies to develop new local projects to reduce demand on imported water deliveries.



Recycled
Water
(1982)



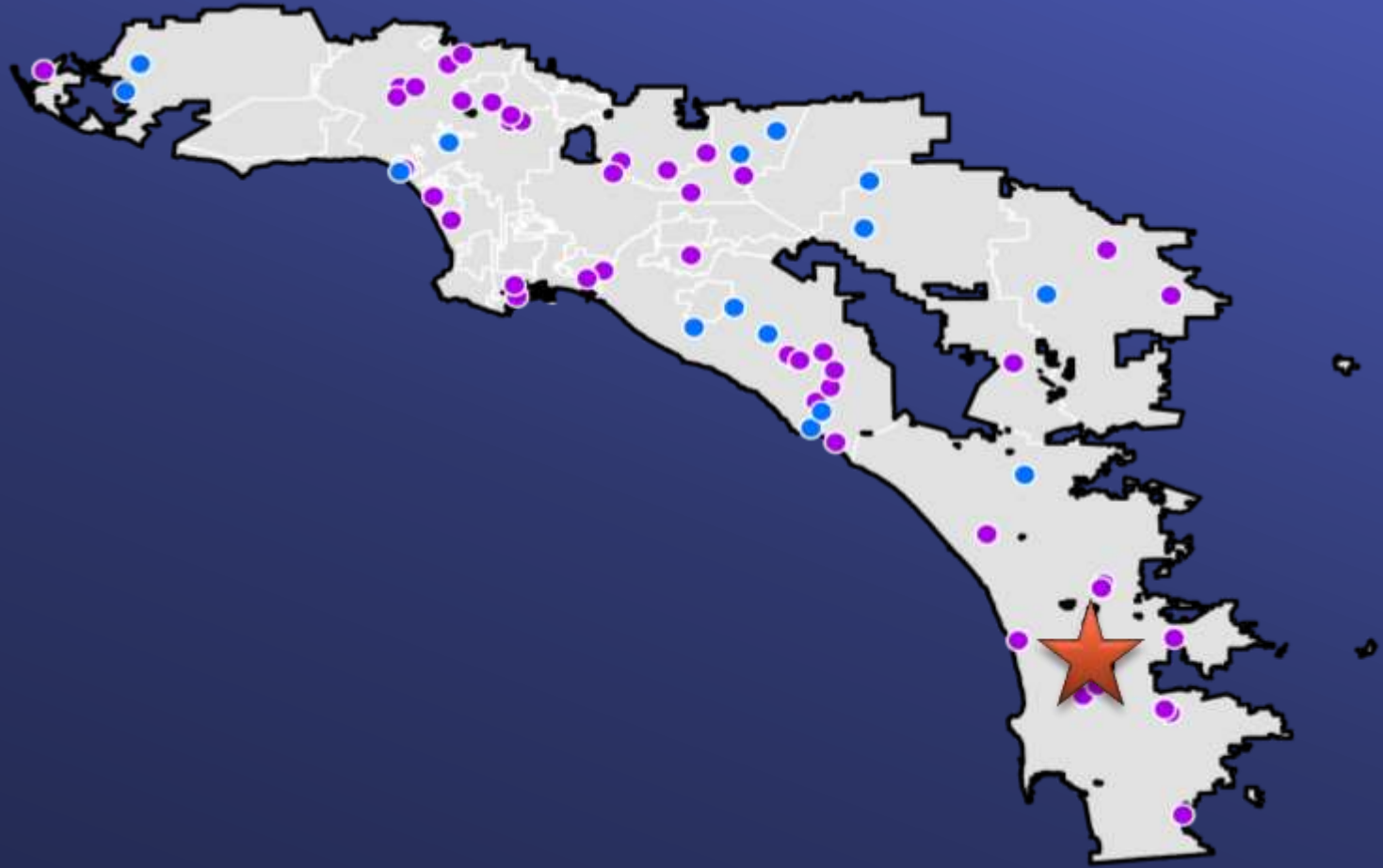
Groundwater
Recovery
(1991)



Seawater
Desalination
(2014)

Local Resources Program

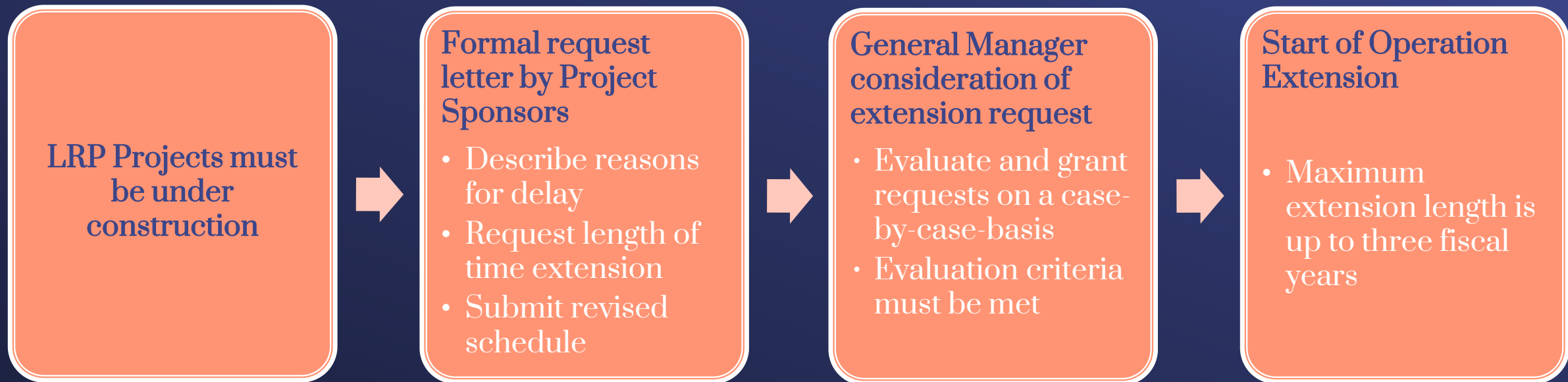
Program Status



Type	Number of Projects	Contract Yield (AFY)	Deliveries to Date (AF)	Incentives to Date (\$M)
● Recycling	88	357,310	3,072,393	533.82
● Groundwater Recovery	28	124,747	1,134,315	186.89
Total	116	482,058	4,206,707	720.7

Approved LRP Framework

- On June 8, 2021, the Board approved framework and criteria for agency requests to extend the start of operation milestone
 - Project must have an active LRP agreement
- Evaluation criteria for extensions



- Extension requests meeting evaluation criteria must be approved by the Board

Approved LRP Framework

Approved projects

Approved Extensions to the Start-of-Operation Milestone

LRP Project	Member Agency	Ultimate Yield (AFY)	Date of Agreement Execution	Original Start of Operation Due Date	Extended Start of Operation Due Date	Length of Extension Requested
Perris II Brackish Groundwater Desalter	EMWD	5,500	6/01/2017	6/30/2021	6/30/2022	12 months
Sepulveda Basin Sports Complex Water Recycling Project	LADWP	350	6/08/2017	6/30/2021	6/30/2024	36 months
Westside Area Water Recycling Project	LADWP	150	6/08/2017	6/30/2021	6/30/2024	36 months
Terminal Island Recycled Water Expansion Project	LADWP	8,000	6/08/2017	6/30/2021	6/30/2024	36 months

East County Advanced Water Purification Project

Project Details

- On July 14, 2020, the Board authorized the General Manager to enter into a LRP agreement with SDCWA and ECAWP Joint Powers Authority (JPA)
- Advanced Water Purification Facility
 - Pipelines, pump stations, inlet structure
 - Capacity: 12,882 AFY
- Advanced treated recycled water for surface water augmentation at Lake Jennings

East County Advanced Water Purification Project

Background

- Agreement executed November 10, 2020
 - 322,000 AF maximum LRP contract yield over 25 years
 - Sliding scale incentives up to \$475/AF for 15 years
 - \$91.8 million maximum lifetime contract payment
- Project started construction on June 1, 2022
- The project is owned and operated by the JPA:
 - Padre Dam MWD
 - County of San Diego
 - City of El Cajon

Request for extension to start of operation

- SDCWA, on behalf of JPA, submitted a formal request to extend start operation milestone from June 30, 2025, to June 30, 2028.
- Parties to the agreement are committed to the completion of the project
- Project will start operation on or before June 30, 2028
- Reasons for additional time needed
 - Significant cost increases of critical materials and equipment caused extensive delays
 - Supply chain constraints delayed vendors in providing construction materials and equipment
 - Project start-up, testing, and regulatory approvals delayed

Request for extension to start of operation

Summary

- Extension request meets all Board approved criteria
- All terms of the existing LRP agreement remain unchanged
 - Amendment only changes the start of operation milestone
- No further CEQA review is required
- No change to the maximum financial commitments approved by the Board
 - Shift in the timing of expenditures

Board Options

- Option #1
 - Adopt CEQA determination that the environmental effects of the East County Advanced Water Purification Local Resources project that is the subject of the proposed action was previously addressed in Padre Dam Municipal Water District's Mitigated Negative Declaration and related CEQA actions and that no further CEQA review is required.
 - Authorize the General Manager to amend the existing Local Resources Program Agreement with SDCWA and ECAWP JPA for ECAWP Project.
- Option #2

Do not authorize an amendment to the original agreement for the Project.

Staff Recommendation

- Option #1





● **Board of Directors**
Engineering and Operations Committee

11/8/2022 Board Meeting

7-6

Subject

Award an \$820,852.53 procurement contract to Whipps, Inc. for three slide gates to rehabilitate the San Jacinto Diversion Structure; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

The San Jacinto Diversion Structure controls flows from the Colorado River Aqueduct (CRA) into the Casa Loma Siphon First and Second Barrels and the San Jacinto Pipeline. The structure uses three slide gates to control these flows. Since their initial installation over 80 years ago, the gates have deteriorated and need to be replaced. This action awards a procurement contract for three new slide gate assemblies. This procurement contract award will ensure the timely fabrication and delivery of the slide gates for an upcoming installation contract.

Details

Background

The San Jacinto Diversion Structure was constructed in 1939 as part of the CRA conveyance system. The diversion structure is located at the west portal of the San Jacinto Tunnel and controls flows into the Casa Loma Siphon First and Second Barrels and the San Jacinto Pipeline. Two slide gates (V-01 and V-02) control flows into the first barrel of the Casa Loma Siphon, which ultimately supplies CRA water to Lake Mathews. A third slide gate (V-03) controls flows into the San Jacinto Pipeline. Each of these cast iron gates is approximately 6 feet wide by 8 feet high.

A recent inspection revealed failing gate shafts and motor operators, as well as significant corrosion damage on the three slide gates, including corrosion of the gate leafs and guide rails. During the March 2019 CRA shutdown, the slide gate assembly for V-03 was removed from service because it could not be reliably operated. A temporary drop gate was installed further downstream to regulate flows into the San Jacinto Pipeline.

To allow for an improved ability to control flow, the new gates will have a robust design, including upgraded materials. Staff recommends moving forward with the procurement of three new slide gates and actuator assemblies to ensure their timely delivery for a subsequent installation contract. Staff will seek board authorization to award a construction contract in mid-2023 for installation of the three gates during a planned 2024 shutdown of the CRA.

In accordance with the April 2022 action on the biennial budget for fiscal years 2022/23 and 2023/24, the General Manager will authorize staff to proceed with the procurement of three slide gates and appurtenances to rehabilitate the San Jacinto Diversion Structure, pending board award of the procurement contract described below. Based on the current Capital Investment Plan (CIP) expenditure forecast, funds for the work to be performed pursuant to the subject contracts during the current biennium are available within the Capital Investment Plan Appropriation for Fiscal Years 2022/23 and 2023/24 (Appropriation No. 15525). This project has been reviewed in accordance with Metropolitan's CIP prioritization criteria and was approved by Metropolitan's CIP evaluation team to be included in the Distribution System Reliability Program.

San Jacinto Diversion Structure Slide Gate Rehabilitation – Procurement of Three Gates

The scope of the procurement contract includes furnishing three stainless steel side gates, actuator arms, motors, associated fittings, and accessories.

A total of \$1,100,000 is required to perform this work. In addition to the amount of the contract, the allocated funds include \$79,000 for factory fabrication inspection and functional testing; \$5,000 for Metropolitan forces to receive, offload, and store the slide gates at Diamond Valley Lake; \$64,000 for submittals review, technical support, and responding to manufacturer requests for information; \$62,000 for contract administration and project management; and \$69,147.47 for remaining budget.

Attachment 1 provides the allocation of required funds. The total estimated cost to complete rehabilitation of the slide gates at the San Jacinto Diversion Structure, including the amount appropriated to date, funds allocated for the work described in this action, and all future actions, is expected to range between \$2.5 million and \$3.0 million.

Award of Procurement Contract (Whipps, Inc.)

Specifications No. 2028 for furnishing three stainless steel slide gates and fittings to rehabilitate the San Jacinto Diversion Structure was advertised for bids on August 17, 2022. As shown in **Attachment 2**, three bids were received and opened on October 6, 2022. Two of the bids were deemed to be non-responsive due to exceptions taken by the bidder. The bid from Whipps, Inc. in the amount of \$820,852.53 complies with the requirements of the specifications. This amount includes all sales and use taxes imposed by the State of California. The budgetary estimate for this material, based on a survey of vendors, ranged from \$500,000 to \$750,000. Staff attributes the higher-than-expected bid amount to increased costs for materials, labor, and transportation. Proceeding with a contract at this time will enable completion of the rehabilitation of the San Jacinto Diversion Structure with minimal operational impacts and will enable a future contractor to have the gates available for installation in the planned 2024 CRA shutdown. As a procurement contract, there are no subcontracting opportunities and no SBE participation level was established for this contract.

This action awards an \$820,852.53 procurement contract to Whipps, Inc. to furnish three stainless steel slide gates and appurtenances to rehabilitate the San Jacinto Diversion Structure.

Alternatives Considered

During the planning and design of this project, staff considered rehabilitating the existing three gates instead of replacement with new gates. This approach would replace components experiencing excessive wear, while refurbishing the gate leaf and frame. All three gates were previously refurbished in 2011, and a similar life span would be expected for a new refurbishment effort. The selected alternative to completely replace and upgrade the slide gate systems will provide significantly longer longevity for the overall control structure on the CRA when compared to the refurbishment approach. The recommended approach will provide new gates with a life span of approximately 80 years.

Summary

This action awards an \$820,852.53 procurement contract to Whipps, Inc. to furnish three slide gates and appurtenances to rehabilitate the San Jacinto Diversion Structure. See **Attachment 1** for the Allocation of Funds, **Attachment 2** for the Abstract of Bids, and **Attachment 3** for the Location Map.

Project Milestones

December 2023 – Complete fabrication of slide gate assemblies

March 2024 – Complete installation of slide gates under a separate contract

Policy

Metropolitan Water District Administrative Code Section 8121: General Authority of the General Manager to Enter Contracts

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

Metropolitan Water District Administrative Code Section 8140: Competitive Procurement

By Minute Item 52778, dated April 14, 2022, the Board appropriated a total of \$600 million for projects identified in the Capital Investment Plan for Fiscal Years 2022/23 and 2023/24.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is categorically exempt under the provisions of CEQA and the State CEQA Guidelines. The proposed action involves operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use and no possibility of significantly impacting the physical environment. In addition, the proposed action includes the replacement and reconstruction of existing structures and facilities where the new structure will be located on the same site and as the structure replaced and will have the same purpose and capacity as the structure replaced. Accordingly, the proposed action qualifies under Class 1 and Class 2 Categorical Exemptions (Sections 15301 and 15302 of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options

Option #1

Award an \$820,852.53 procurement contract to Whipps, Inc. to furnish three slide gates and appurtenances to rehabilitate the San Jacinto Diversion Structure.

Fiscal Impact: Expenditure of \$1,100,000 in capital funds. All costs will be incurred in the current biennium and have been previously authorized.

Business Analysis: This option will improve the operational reliability of the CRA delivery system.

Option #2



Do not proceed with this project at this time.

Fiscal Impact: None

Business Analysis: This option will forego an opportunity to improve the operational reliability of CRA, which may lead to costly urgent repairs.

Staff Recommendation

Option #1

 John V. Bednarski Manager/Chief Engineer Engineering Services	10/24/2022 <i>Date</i>
 Adel Hagekhalil General Manager	10/26/2022 <i>Date</i>

Attachment 1 – Allocation of Funds**Attachment 2 – Abstract of Bids****Attachment 3 – Location Map**

Ref# es12687407

Allocation of Funds for San Jacinto Diversion Structure Slide Gate Rehabilitation

	Current Board Action (Nov. 2022)
Labor	
Studies & Investigations	\$ -
Final Design	-
Owner Costs (Program mgmt.)	62,000
Support during construction & testing	-
Submittals Review & Record Drwgs.	64,000
Construction Inspection & Support	79,000
Force Construction	5,000
Materials & Supplies	-
Incidental Expenses	-
Professional/Technical Services	-
Right-of-Way	-
Equipment Use	-
Contracts	
Whipps, Inc,	820,852.53
Remaining Budget	69,147.47
Total	<u>1,100,000</u>

The total amount expended to date on the San Jacinto Diversion Structure Slide Gate Rehabilitation project is approximately \$325,000. The total estimated cost to complete this project, including the amount appropriated to date, funds allocated for the work described in this action, and all future actions, is expected to range between \$2.5 million and \$3.0 million.

The Metropolitan Water District of Southern California
Abstract of Bids Received on October 6, 2022 at 2:00 P.M.
Specifications No. 2028
San Jacinto Diversion Structure Slide Gate Rehabilitation

The work consists of providing three slide gates and appurtenances to be installed as part of rehabilitation of the San Jacinto Diversion Structure project.

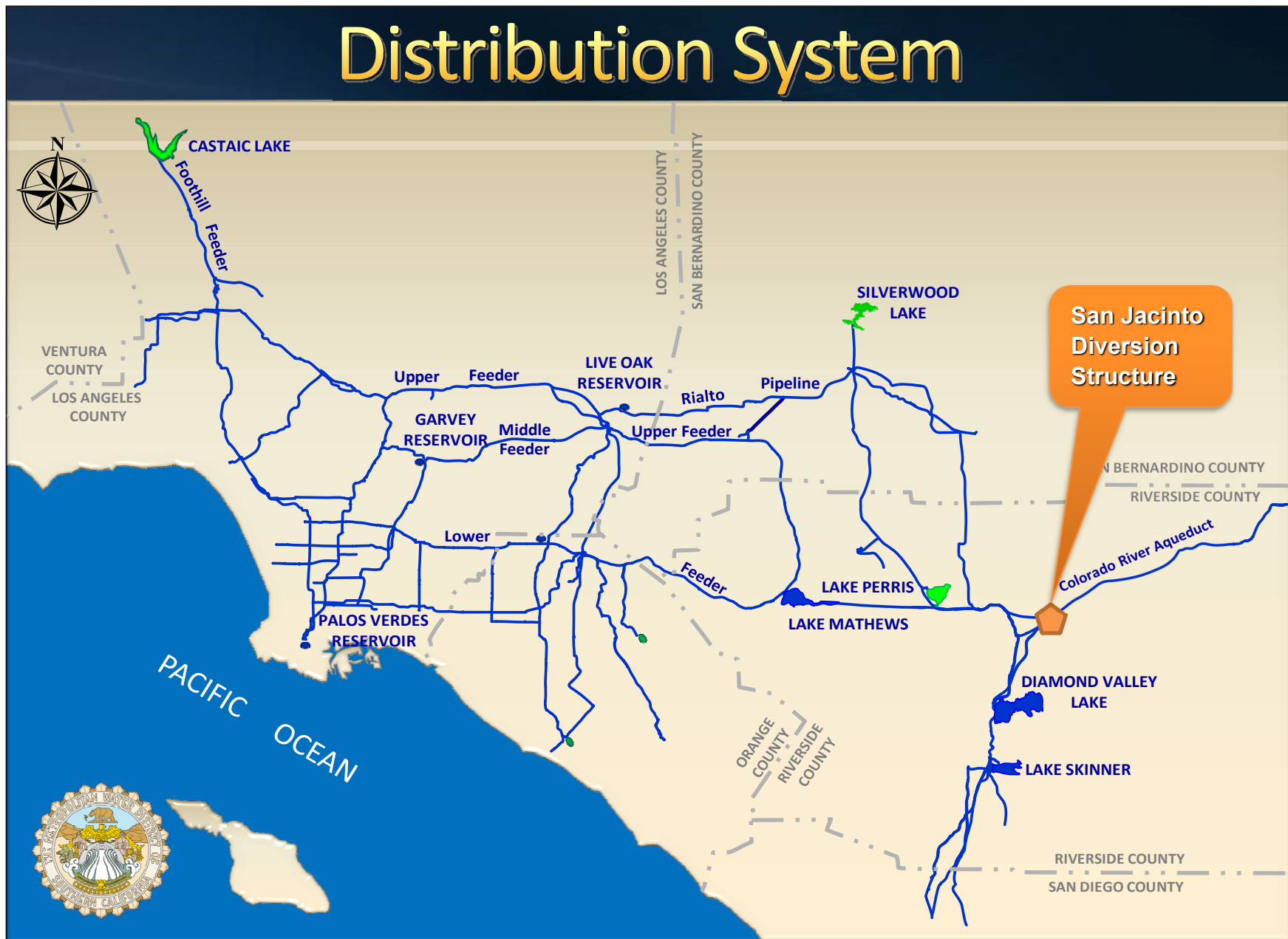
Estimated range of costs: \$500,000 – \$750,000

Bidder and Location	Base Bid Price Total ¹
Hydro Gate Denver, CO	\$525,033 ³
ISE Metal, Inc. Sherbrooke/Quebec, Canada	\$720,456 ³
Whipps, Inc. Athol, MA	\$820,852.53

¹ As a procurement contract, there are no subcontracting opportunities.

² Includes sales and use taxes of 7.75 percent imposed by the state of California

³ Non-responsive bid





Engineering & Operations Committee

San Jacinto Diversion Structure Rehabilitation Slide Gate Procurement

Item 7-6

November 7, 2022

San Jacinto Diversion Structure

Slide Gate Procurement

Current Action

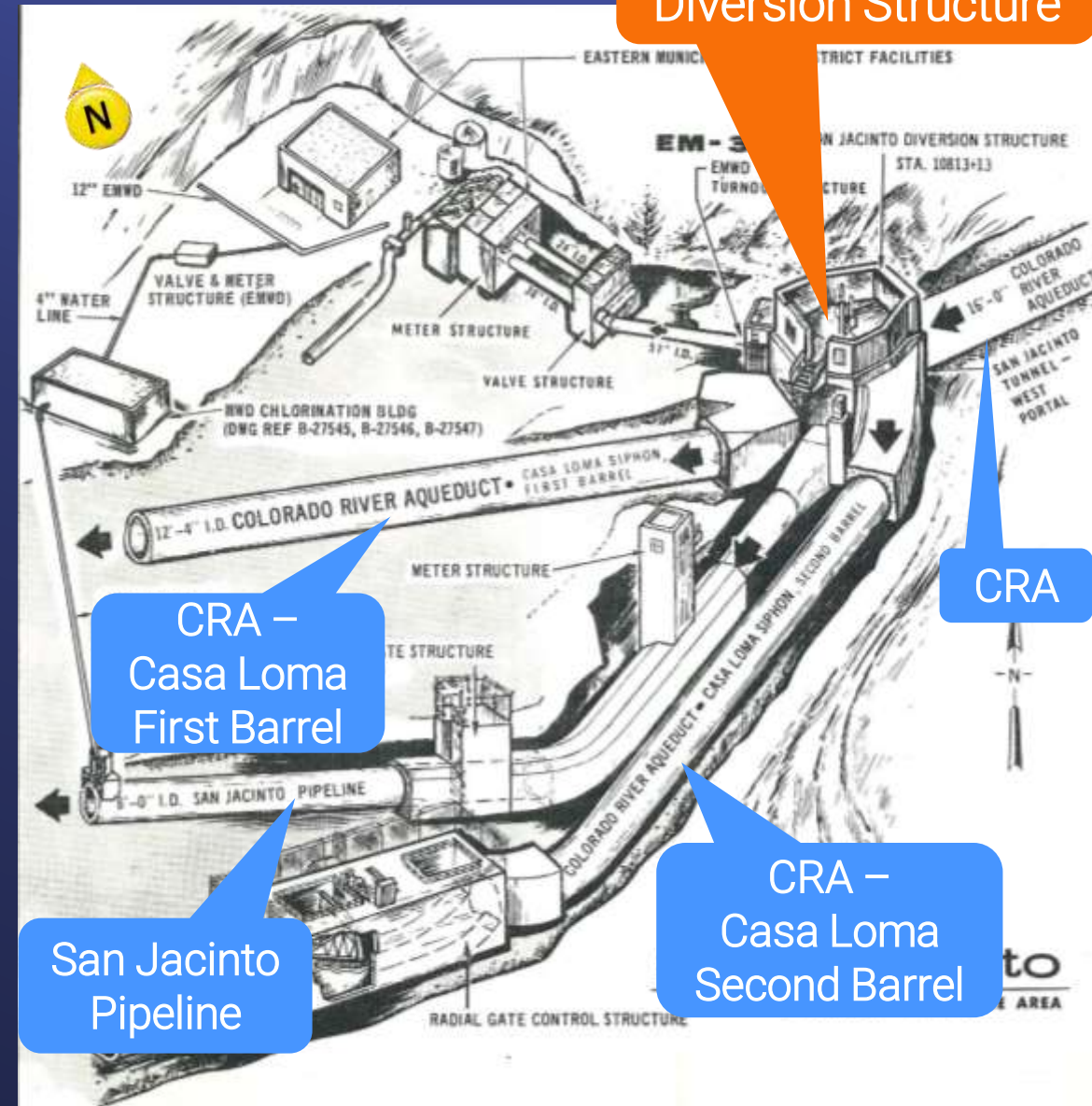
- Award a \$820,852.53 procurement contract to Whipps, Inc. for three slide gates to rehabilitate the San Jacinto Diversion Structure

Distribution System



San Jacinto Diversion Structure

- Constructed in 1939
- Slide Gates V-01 & V-02
 - Controls flows into Casa Loma Siphon First Barrel
 - Supplies CRA water to Lake Mathews
- Slide Gate V-03
 - Controls flows into the San Jacinto Pipeline



Background

- Slide Gate V-03 failed in 2019 & was removed
 - Temporary drop gate installed to provide isolation on San Jacinto Pipeline
- Significant corrosion identified on Slide Gates V-01 & V-02
 - Failure of Slide Gates V-01 or V-02 would impact operational control and flexibility

Slide Gate V-03



San Jacinto Diversion Structure

Slide Gate Procurement

Slide Gate Procurement & Installation

- Slide gate fabrication & delivery expected to take up to 12 months
- Delivery scheduled for late-2023
- Slide gates to be installed during February/March 2024 CRA shutdown
- Operational by March 2024
- Installed under separate contract



Leakage Past Closed
Slide Gates

Alternatives Considered

- Rehabilitation
 - Replace components showing excessive wear
 - 10-year life span anticipated
 - Previously rehabilitated in 2011
- Selected alternative
 - Replace all three slide gates to avoid failure resulting in unplanned shutdown & operational impacts



Interior of San Jacinto Diversion Structure

San Jacinto Diversion Structure

Slide Gate Procurement

Scope of Work

- Contractor
 - Furnish three slide gates
 - Deliver gates to Wadsworth Pumping Plant
- Metropolitan
 - Submittal review
 - Factory fabrication inspection
 - Off-load slide gates
 - Contract administration & project management

Bid Results

Specifications No. 2028

Bids Received	October 6, 2022
No. of Bidders	3
Lowest Responsible Bidder	Whipps, Inc.
Lowest Responsible Bid	\$820,852.53
Range of other Bids*	\$525,000 to \$720,000
Estimated Range of Costs	\$500,000 to \$750,000

* Two Non-Responsive Bids

Allocation of Funds

San Jacinto Slide Gates

Metropolitan Labor

Program mgmt., contract admin. & envir. support	\$ 62,000
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Fabrication Inspection	79,000
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Submittal review, technical support & record drwgs.	64,000
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Force construction	5,000
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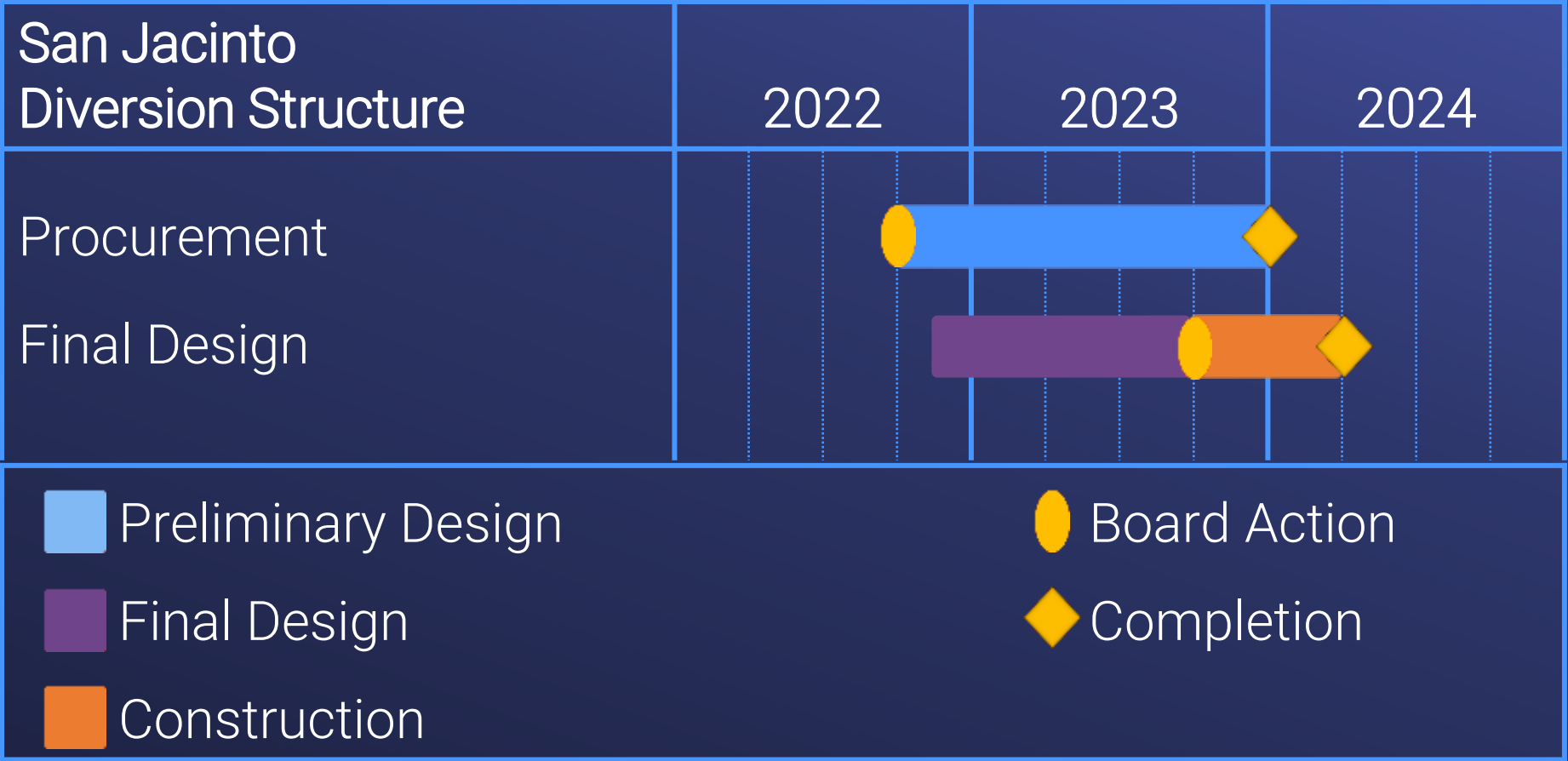
Contract

Whipps, Inc.	820,852.53
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Remaining Budget	69,147.47
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Total	\$1,100,000
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Project Schedule



Board Options

- Option #1

Award an \$820,852.53 procurement contract to Whipps, Inc. to furnish three slide gates and appurtenances to rehabilitate the San Jacinto Diversion Structure.

- Option #2

Do not proceed with this project at this time.

Staff Recommendation

- Option #1





• Conservation Board Report November 2022

Summary

This report provides a summary of conservation activity and expenditures for September 2022.

Purpose

Informational

Detailed Report

Conservation Expenditures – FY2022/23 & FY2023/24 ⁽¹⁾

	Paid ⁽²⁾	Committed ⁽³⁾
Regional Devices	\$3.1 M	\$6.6 M
Member Agency Administered	\$5.2 M	\$4.8 M
Turf Replacement	\$3.6 M	\$30.7 M
Advertising	\$3.4 M	\$7.0 M
Other	\$0.5 M	\$1.3 M
TOTAL	\$15.8 M	\$50.4 M

(1) The Conservation Program biennial expenditure authorization was \$86 million.

(2) As of 7/1/2022 - 9/30/2022. Financial reporting changed from modified accrual basis to cash basis.

(3) Committed dollars as of October 10, 2022

Summary of Expenditures in September 2022: \$3,182,543 ⁽¹⁾

Lifetime Water Savings to be achieved by all rebates in September 2022: 9,925 AF

FY2022/23-FY2023/24: 14,087 AF lifetime water savings



Turf Replacement Rebates:

September: 656,940 ft² removed

FY2022/23-FY2023/24: 1,388,215 ft² removed



Clothes Washers:

September: 2,156 units rebated

FY2022/23-FY2023/24: 3,418 units rebated



Smart Controllers:

September: 2,184 units rebated

FY2022/23-FY2023/24: 2,859 units rebated



Toilets:

September: 5,996 units rebated

FY2022/23-FY2023/24: 8,784 units rebated



Rain Barrels and Cisterns:

September: 165 units rebated

FY2022/23-FY2023/24: 165 units rebated



Sprinkler Nozzles:

September: 4,523 units rebated

FY2022/23-FY2023/24: 4,523 units rebated

(1) Expenditures may include advertising and Water Savings Incentive Program activity in addition to the incentives highlighted above.



- **Board of Directors**
Communications and Legislation Committee

11/8/2022 Board Meeting

9-2

Subject

Legislative Priorities and Principles for 2023

Executive Summary

This letter presents the 2023 legislative priorities and principles recommended by staff for the Board of Directors' consideration and discussion.

Details

This board letter presents the 2023 Legislative Priorities and Principles as recommended by staff for the Board's consideration. It lays out an integrated "One Water" collaborative approach to managing Southern California's watersheds, water resources, and water infrastructure to ensure long-term resilience and reliability for communities and ecosystems. Once adopted, staff uses this document to determine Metropolitan's positions and advocate for these priorities and principles at the state and federal level through Metropolitan-sponsored legislation, engaging on bills, or pursuing funding. Updated legislative priorities and principles are presented annually to the Board of Directors. The current 2022 version was adopted in November 2021 (**Attachment 1**). Final legislative priorities and principles are publicly available on the Metropolitan Legislative Services webpage.

For the coming year, which is year one of new two-year state and federal legislative cycles, staff aligned the document to reflect changes in Metropolitan's organizational structure and to be consistent with the GM Business Plan, the Metropolitan Climate Action Plan, and the newly adopted Bay-Delta policies. The draft 2023 Legislative Priorities and Principles was presented at the Member Agency Legislative Coordinators Annual Planning Meeting on October 20, 2022, and at the Member Agency Managers' Meeting on October 28, 2022.

Recommended updates to the language can be seen in the attached redline of the 2022 Legislative Priorities and Principles (**Attachment 2**). This board action letter presents a clean version of the 2023 priorities and principles with staff's recommended revisions, incorporating technical and policy input received. Staff understands the interest in advancing a non-functional turf bill proposal, so that item is included as a priority, although contingent on receiving the necessary Board authorization.

The 2023 Legislative Priorities and Principles below are respectfully submitted for consideration and discussion; input from the Board will be incorporated into the final draft, which will be coming back in December 2022 for adoption by the Board.

2023 Legislative Priorities

To help adapt to a changing climate, protect water resources, and partner with communities we serve, Metropolitan will work to support administrative/legislative actions and funding for the following priorities in 2023:

A. Top Legislative Priorities:

1. Continue support for imported water supply resiliency and reliability, including progress on the Delta Conveyance Project, Sites Reservoir Project, Voluntary Agreements, and protecting critical elevations in Lake Powell and Lake Mead.
2. Conserve existing water supplies and prepare for climate change by supporting demand management and water use efficiency, long-term non-functional turf conversion, and a federal tax exemption for water conservation rebates.
3. Advance Pure Water Southern California and other water recycling projects and long-term supply reliability improvements.
4. Protect drinking water quality and ensure access to safe and reliable drinking water for all Californians, including upholding the polluter pays principle and ensuring the continued cleanup of sites along the Colorado River.
5. Support adaptive management for ecosystem restoration in the Bay-Delta and Colorado River watersheds that takes into consideration evolving climate conditions, risk analyses, and best available science.
6. Implement Metropolitan's Climate Action Plan to reduce Metropolitan's greenhouse gas emissions and reach carbon neutrality by 2045.

B. Metropolitan-Sponsored State Bill (contingent upon separate Board authorization)

1. Support administrative/legislative actions and funding for the long-term conversion of non-functional turf (NFT) in residential, commercial, industrial, and institutional (CII) existing landscapes and ban the installation of NFT in new construction.

2023 Legislative Policy Principles

The 2023 Legislative Policy Principles will guide and inform Metropolitan's engagement on state and federal legislative and regulatory activities. They were developed in consultation with subject matter experts at Metropolitan. The principles described below holistically address seven strategic areas of policy that inform Metropolitan's One Water Vision: drought response; drinking water; regional water resource management; imported water supply; sustainability, resiliency, innovation; infrastructure; and system resiliency.

- I. Drought Response –Southern California's two main sources of imported water are currently in severe drought conditions. Investments in additional conservation and local supplies are necessary as drought conditions continue or worsen, and the impacts of climate change are accelerating.
 - A. Support legislative/administrative actions and funding for local and regional drought resiliency projects and to improve system flexibility.
 - B. Support legislative/administrative actions and funding to accelerate new local supply development, including but not limited to recycled water, stormwater, groundwater remediation, water loss detection and repair, long-term conversion of non-functional turf, and other water conservation measures.

- C. Support administrative/legislative actions and funding for imported source watershed protection and enhancement of water quality, supply, and demand-side management actions to help offset the effects of extended drought conditions.
 - D. Support administrative/legislative actions and pursue funding opportunities that recognize and help mitigate the significant differences in the capability and needs of communities and regions to withstand the impacts of ongoing drought.
 - E. Support administrative/legislative actions and funding for local drought contingency planning areas in the state that have increased concern about wholesale water system delivery constraints.
- II. Drinking Water – Metropolitan provides to the Southern California region high-quality, reliable drinking water in an economically responsible way that surpasses all federal and state drinking water regulations.
- A. Water Quality and Treatment
 - 1. Support administrative/legislative actions that utilize best available science, occurrence and health effects data, and appropriate cost-benefit analyses or economic feasibility to protect public health and improve water quality. Apply these principles when setting maximum contaminant levels, health advisories, or notification/response levels, in addition to assessing laboratory capacity, analytical methods, and other regulatory standards or guidance levels.
 - 2. Support administrative/legislative actions, consistent with Board direction, to identify, evaluate, and prioritize constituents of emerging concern in drinking water.
 - 3. Support application of the “polluter pays” principle such that parties responsible for introducing contaminants in or near drinking water sources are held liable for cleanup, and not drinking water and wastewater facilities that subsequently store, transport, or treat the water.
 - 4. Support administrative/legislative actions and funding for treatment and mitigation measures to comply with any new regulatory standards, develop risk communication tools, as well as provide adequate time for implementation.
 - 5. Support administrative/legislative actions and funding to protect source water quality, reduce threats from invasive species, and mitigate harmful algal blooms
 - B. Water Governance and Funding: Metropolitan supports statewide efforts to provide access to safe and affordable drinking water to all residents.
 - 1. Support administrative/legislative actions that prioritize providing safe and affordable drinking water to disadvantaged communities.
 - 2. Support administrative/legislative actions that meaningfully improve water affordability throughout the region at both the individual and the water system level without burdening existing ratepayers.
 - 3. Support funding to help water systems provide low-income ratepayer assistance programs.
 - 4. Support administrative/legislative actions that improve governance and long-term sustainability of non-compliant water systems and provide assistance for consolidations that improve their technical, managerial, or financial capacity, while ensuring that all receiving public water systems are consulted on changes of organization, including proposed consolidations or extensions of service area.
 - 5. Support administrative/legislative actions that ensure the limited resources of the Safe and Affordable Drinking Water Fund are allocated to advance projects, operation and

maintenance costs, infrastructure improvements, and/or consolidation actions that will achieve long-term sustainability for water systems and the communities that rely on those systems.

- III. Regional Water Resource Management – Metropolitan’s One Water Vision promotes collaboration with member agencies to plan for future water supply needs and the challenges ahead in a reliable, cost-effective, and environmentally responsible manner. This involves protecting imported water supplies and quality, supporting local resource development, advancing water use efficiency, and supporting ecosystem protection and restoration.
- A. Continue to support and promote integrated water resources development by advocating for clear, concise, and expedited regulations/policies that are easily understandable by the regulated community and public.
 - B. Support administrative/legislative actions and funding to expedite the development of new local resources (including recycled water and direct potable reuse, groundwater, stormwater, and desalination projects), without compromising the operational, financial, water quality, regulatory, environmental, and customer interests of Metropolitan and other water and wastewater agencies.
 - C. Support administrative/legislative actions and funding to facilitate the implementation of the Sustainable Groundwater Management Act and assist local agencies in maintaining long-term groundwater supply reliability, while upholding Metropolitan’s investments in groundwater banking partnerships.
 - D. Conservation
 - 1. Support tax exemptions and/or credits for water conservation or efficiency incentives including, but not limited to long-term conversion of NFT, local stormwater capture, and other measures to reduce consumption of water or enhance the absorption and infiltration capacity of the landscape.
 - 2. Support administrative/legislative actions and funding to encourage equitable water use efficiency and recycled water use among agricultural, industrial, and urban sectors.
 - 3. Support administrative/legislative actions and funding to advance Conservation as a California Way of Life in a manner that maintains flexibility and local control. Support efforts to ensure new statutes and regulations are based on science; recognize regional distinctions (i.e., climate, land use, population, and hydrology); and potential impacts to wastewater operations and recycled water projects.
 - 4. Support administrative/legislative actions and funding to reduce water loss. Support the development and implementation of flexible water loss standards for both retail and wholesale water systems.
 - 5. Support administrative/legislative actions and funding for the long-term conversion of NFT in residential, commercial, industrial, and institutional landscapes and ban installation of NFT in new construction.
 - E. Desalination & Groundwater Remediation
 - 1. Support administrative/legislative actions, funding and partnerships for brackish groundwater and seawater desalination projects, consistent with the Governor’s Water Resilience Portfolio and Water Supply Strategy and MWD’s Climate Action Plan.
 - 2. Support administrative/legislative actions and funding for salinity control projects including, but not limited to source control, treatment, and concentrate management.
 - 3. Support administrative/legislative actions and funding that advance Metropolitan’s groundwater storage and/or recovery programs with member agencies.

4. Support administrative/legislative actions and funding for desalination research and technology development projects, and initiatives that encourage stakeholder coordination on these investments, such as with the National Alliance for Water Innovation.

F. Recycled Water

1. Support actions to advance and secure funding for the Pure Water Southern California Program and related projects.
2. Support efforts to improve flexibility of the State's water recycling grant program.
3. Support implementation of the National Water Reuse Action Plan and California Water Reuse Action Plan while protecting local flexibility and encouraging local, state and federal coordination, research, and innovation.
4. Support administrative/legislative actions that facilitate the adoption of practical uniform water recycling criteria for direct potable reuse through raw water augmentation by December 31, 2023. These actions include but are not limited to funding: (a) for the planning, development, and implementation of local and regional potable reuse projects; and (b) initiatives to fill research gaps and advance the science to promote the further development of potable reuse.
5. Support administrative/legislative actions to promote voluntary on-site water treatment systems if they maintain compliance with Title 22 and do not negatively affect municipal water recycling systems.
6. Support administrative/legislative actions that maximize voluntary use of recycled water.

G. Stormwater Capture

1. Support administrative/legislative actions that advance stormwater as a beneficial resource and facilitate the funding and permitting of stormwater capture projects to augment local and regional water supplies and promote holistic watershed health.

H. Watershed Management

1. Support administrative/legislative actions and funding to enhance watershed management in Southern California, the Bay-Delta, and Colorado River watersheds that provide broad public benefits, including water quality and water supply reliability, reduced wildfire risks, greater scientific understanding, and other environmental improvements.
2. Support administrative/legislative actions that help advance implementation of watershed management plans, including watershed research and multi-benefit forestry management projects.
3. Support implementation of the California Water Resiliency Portfolio and the Water Supply Strategy, as consistent with Metropolitan goals and objectives, to ensure improved watershed-scale coordination, watershed management and planning, and programs and funding that provide water resilience and improve watershed functions.

IV. Imported Water Supply – Metropolitan provides imported water supplies to its member agencies from two primary sources, the Colorado River via the Colorado Aqueduct and Northern California watersheds via the Sacramento-San Joaquin Delta and the State Water Project.

- A. Bay-Delta Initiatives – Metropolitan is involved in several key regulatory and planning processes in the Sacramento-San Joaquin Delta related to the operation of the State Water Project (SWP). The goal is to advance water supply reliability and ecosystem restoration concurrently by modernizing the state's water infrastructure with the proposed Delta

Conveyance Project and improving the habitat and function of the Delta estuary for the benefit of threatened and endangered species. To advance these goals, Metropolitan supports collaborative scientific efforts to better understand how to restore and manage the Bay-Delta.

1. Support administrative/legislative actions to advance Delta Conveyance and EcoRestore in support of California's coequal goals of water supply reliability and Delta ecosystem restoration and the Governor's California Water Resilience Portfolio.
 2. Support administrative/legislative actions and funding to improve scientific understanding of listed Delta fish and wildlife species and water project operations in the Delta, including data collection, real-time monitoring, and modeling. Promote the use of best available science to protect and restore aquatic species and habitats, and enhance flexibility for water project operations while maintaining regulatory and statutory protections for species listed under the state and federal Endangered Species Act.
 3. Continue support for implementation of state policies adopted as part of the 2009 Delta Reform Act and water management package, including clarification of the monitoring, reporting, and enforcement provisions related to in-Delta diversions.
 4. Support administrative/legislative actions to consolidate review and oversight of anadromous species protection under the U.S. Department of the Interior.
 5. Support administrative/legislative actions that protect water quality for beneficial uses and that are implemented consistent with water rights priorities.
 6. Support administrative/legislative actions and funding to advance the Delta Freshwater Pathway, levee improvements, and secure flood-fighting materials and stockpiles.
 7. Support administrative/legislative actions in the Delta watershed to account for and administer the water rights system including protecting stored water releases.
 8. Support administrative/legislative actions and funding to advance Sites Reservoir and the Voluntary Agreements, consistent with the Board's action to advance these efforts.
- B. Colorado River Resources – The Colorado River is a critical resource for the entire Southwest and many diverse ecosystems. Degradation of the River's water quality can cause significant economic, environmental, and human health impacts across the West. Metropolitan and other interested parties work to ensure we can continue to supply our communities with a safe and reliable water supply.
1. Support administrative/legislative actions and funding of conservation and efficiency projects to enhance the resiliency of the Colorado River System and Metropolitan's Colorado River supplies that reduces the risk of Lake Mead and Lake Powell falling below critical elevations.
 2. Support administrative/legislative actions and funding for the cleanup of contaminated sites along the Colorado River. This includes, but is not limited to, uranium remediation in Moab, Utah; perchlorate remediation in Henderson, Nevada; hexavalent chromium remediation near Topock, Arizona; and a waste disposal site near Hoover Dam.
 3. Promote continued coordination between states for the Colorado River Basin Salinity Control Program. Support efforts to maintain and enhance the operation of the United States Bureau of Reclamation's Paradox Valley salinity control project at a safe level while working to develop a viable alternative that can provide long-term reductions in salt loads to the Colorado River.
 4. Secure funding and support administrative/legislative actions for the implementation of the Lower Colorado River Multi-Species Conservation Program to promote the recovery

of threatened and endangered species in a manner that allows the Lower Basin States to conserve Colorado River water.

5. Support administrative/legislative actions and funding that advance binational water conservation programs that benefit Colorado River supply augmentation and habitat restoration objectives.
- C. State Water Project – About 30 percent of Southern California’s water comes from the SWP in an average year. Metropolitan works with state and federal agencies as well as other SWP contractors to manage threats to the project and address environmental needs and augment water supplies through existing and potential collaborative transfers and groundwater banking agreements.
1. Support administrative/legislative actions and funding to address the impacts of subsidence on the SWP and prevent future damage caused by unsustainable groundwater pumping.
 2. Support administrative/legislative actions and funding for new or expanded water infrastructure or programs that complement the SWP.
 3. Support funding for joint state and federal facility repairs, rehabilitation, and improvements, and ensure funding is equitably distributed between partners while maintaining SWP supply reliability.
 4. Support administrative/legislative actions and funding for the cleanup of contaminated groundwater storage basins used for Metropolitan water banking programs along the California Aqueduct.
 5. Support funding for the public share of costs, including recreation, flood protection, mitigation, environmental enhancement, and rehabilitation for multi-purpose SWP facilities.
- V. Sustainability, Resiliency, and Innovation – Metropolitan supports policies and funding that encourage sustainable practices that improve water and power system resilience and adapt to a rapidly changing environmental landscape. Metropolitan strives to fulfill the needs of the current generation without compromising the needs of future generations in an environmentally and economically responsible way.
- A. Climate Action and Adaptation
1. Support administrative/legislative actions and funding to implement Metropolitan’s Climate Action Plan to reduce MWD’s greenhouse gas emissions and reach carbon neutrality by 2045.
 2. Support administrative/legislative actions and funding to assist the Department of Water Resources to reach carbon neutrality by 2045 in a cost-effective and environmentally responsible manner.
 3. Support administrative/legislative actions and funding to improve, develop and promote innovative climate adaptation solutions and support science-based strategies and tools that benefit the environment by restoring healthy soils, conserving water, and capturing and/or sequestering carbon.
 4. Support research into the potential water resource and quality effects of climate change.
 5. Support administrative/legislative actions and funding that facilitate the integration of existing and planned local water supply, distribution systems, and regional water facilities.

B. Water/Energy Nexus

1. Support administrative/legislative actions and funding for energy efficiency and storage projects, and programs to reduce greenhouse gases and develop renewable resources.
2. Support administrative/legislative actions that remove barriers and encourage energy sector investments in water conservation and energy management programs.
3. Support administrative/legislative or regulatory activities that preserve Metropolitan's ability to pursue a diverse set of supply options and oppose constraints on supply development, such as water resource loading orders based solely on energy intensity.
4. Support efforts to ensure power costs are appropriate and proportional to the benefits received and that water system operations are not adversely affected by power-related legislation/administrative actions.
5. Support administrative/legislative actions that provide state funding from the Greenhouse Gas Reduction Fund for water/energy nexus projects and maintain Cap-and-Trade allowances for Metropolitan and Department of Water Resources (i.e., State Water Contractors).
6. Support administrative/legislative actions that maintain Board authority over energy-related matters (e.g., system reserve margin or resource adequacy requirements).

C. Renewable Energy

1. Support administrative/legislative actions that define hydropower generation as renewable energy irrespective of a facility's nameplate generating capacity and includes the provision of renewable energy credits for hydroelectric generation.
2. Work to ensure that administrative/legislative actions seeking to enhance or expand hydropower at existing dams do not adversely impact those dams, either financially or operationally, or entities with rights to the power from the existing resources that directly or indirectly impact Metropolitan's service area.
3. Support administrative/legislative actions to improve federal hydropower relicensing for existing facilities, including SWP resources.
4. Support administrative/legislative actions and funding for the SWP and the CRA to incorporate renewable energy resources, such as pumped hydroelectric energy, that contribute to the state's climate goals without impacting the projects' primary purpose, provided consideration is given to transmission limitations, cost and portfolio availability, and unrelated impacts are not shifted to SWP or CRA facilities.

D. Environmental Stewardship

1. Support administrative/legislative actions for environmental compliance to improve clarity and workability of the requirements and promote consistency and reduce regulatory duplication, while protective of public health and the environment.
2. Support administrative/legislative actions and funding to facilitate non-mitigation habitat restoration projects that benefit endangered and threatened species.
3. Support administrative/legislative actions and funding for research and partnerships on water science, including snowpack and streamflow monitoring, runoff, drinking water quality, salinity control, source water protection, soil moisture monitoring, healthy soils, and watershed research.
4. Support administrative/legislative actions and funding that assists public agencies in the transition to zero-emission fleets and equipment.

- E. Workforce Development—Metropolitan is committed to ensuring the resiliency of its workforce and to advancing diversity, equity, and inclusion to promote the physical and mental safety and well-being of its workforce and the communities it serves.
 - 1. Support administrative/legislative actions, funding, and partnerships to improve educational opportunities in the water sector, including career technical education and workforce development.
 - 2. Support administrative/legislative actions and funding that improve water system staff training and certification processes.
- F. Innovation – Supporting and promoting innovation and emerging technologies continues Metropolitan’s long tradition of creatively solving difficult challenges.
 - 1. Support administrative/legislative actions and funding for the research and development of new and emerging technologies such as satellite- and computer-based technologies to monitor source water quality, ecosystem health, state- and federal-threatened and endangered fish species; measure and predict agricultural water use, urban outdoor water use and reservoir evaporation; and expand coordination with technology incubators, research institutions, and other stakeholder groups.
 - 2. Support administrative/legislative actions and funding to promote open water data platforms and sharing, including improving access to agency data, streamlining the collection and submission of water agency data, and promoting collaboration among federal, state, and local stakeholders.
- VI. Infrastructure – Metropolitan has a strategic priority to invest in key capital projects in our region to enable long-term, reliable water deliveries. Key capital projects identified in Metropolitan’s Capital Investment Plan focus on improvements to the CRA, treatment plants, and distribution systems.
 - A. Support administrative/legislative actions to initiate, expedite and secure funding to defray the costs of planning, financing, constructing, repairing, and rehabilitating water infrastructure projects, including but not limited to general obligation bonds, tax-exempt municipal bonds, grants, low-interest loans, and direct appropriations. Ensure equitable cost-sharing of water infrastructure projects.
 - B. Support administrative/legislative efforts to expand funding programs, expedite project approval and reporting processes, and prevent project backlogs in state and federal funding or financing.
 - C. Support the “beneficiaries pay” approach as a financing mechanism for statewide projects and programs and oppose public goods charges, or other charges levied on water agencies for funding broader public benefits.
 - D. Support funding for the public share of costs, including mitigation, rehabilitation, and recreation, for multi-purpose water infrastructure.
- VII. System Resiliency – Metropolitan diligently maintains and significantly invests to safeguard a region-wide water supply system that is a cornerstone of Southern California’s \$1.6 trillion economy. Resiliency ensures the water supply and delivery system is strong, can return to service quickly, and is prepared to address future challenges.
 - A. Emergency Preparedness
 - 1. Support administrative/legislative actions that assist the water industry to prepare for, respond to, and recover from extreme weather events and natural disasters, including earthquakes and wildfires, catastrophic accidents, and physical or cyber sabotage. These actions may include, but are not limited to, actions to provide funding for emergency responses and planning and post-emergency restoration of service.

2. Support administrative/legislative actions to secure and disburse funding to help public water systems defray the costs associated with COVID-19 (e.g., loss of revenue, deferred infrastructure maintenance, personal protective equipment, workplace health and safety improvements, and on-site testing) and for direct financial relief to low-income households facing substantial utility bill arrearages post COVID-19.
3. Support administrative/legislative actions that assist the water industry to address the effects of wildfires and power outages, including the impacts of public safety power shutoff events.
4. Support additional funding for the Federal Emergency Management Agency programs to assist with emergency repairs and improvements, including but not limited to dam safety, spillway improvements, and erosion control repairs.

B. Physical and Cyber Security

1. Support continued U.S. Environmental Protection Agency oversight of water system security in coordination with other federal and state agencies with expertise in security, including the Governor's Office of Emergency Services, the Cybersecurity and Infrastructure Security Agency, and the Chemical Security Analysis Center.
2. Support administrative/legislative actions that would provide funding or reimbursement for enhanced physical security and cybersecurity for water and power infrastructure.
3. Support trade associations and coalition efforts to share information and develop standard guidance and best management practices to protect water and power critical infrastructure from cyber vulnerabilities.
4. Support administrative/legislative actions that ensure Metropolitan's ability to reliably operate and maintain its facilities, infrastructure, and real estate assets, including rights of way, and to protect against encroachment.

C. Chemical Security

1. Support administrative/legislative actions to improve supply chain reliability, achieve tax-exempt status for water treatment chemicals, and ensure access to water treatment chemicals.
2. Support administrative/legislative actions to ensure the continued use of gaseous chlorine to protect public health.

Policy


Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

Fiscal Impact

No direct fiscal impact.



Susan Sims
Group Manager, External Affairs
11/3/2022
Date



Adel Hagekhalil
General Manager
11/3/2022
Date

Attachment 1 – Final 2022 Legislative Priorities and Principles

Attachment 2 – Redline 2022 Legislative Priorities and Principles

Ref# ea12691003



2022 LEGISLATIVE PRIORITIES AND PRINCIPLES

The 2022 Legislative Priorities and Principles lay out an integrated “One Water” collaborative approach to managing Southern California’s watersheds, water resources, and water infrastructure to ensure long-term resilience and reliability for communities and ecosystems. Staff use this document to advocate for these priorities and principles at the state and federal levels through advancing Metropolitan-sponsored legislation, engaging on bills or pursuing funding.

Adopted November 9, 2021



2022 Legislative Priorities

The legislative priorities for 2022 and the two Metropolitan-sponsored legislative initiatives for the 2022 state legislative session are as follows:

A. Top Legislative Priorities

1. Support administrative/legislative actions and funding for demand management activities and new local supply projects to conserve existing supplies and prepare for a dry future.
2. Support funding to defray the costs of planning, financing, constructing, and rehabilitating all types of water infrastructure projects, including but not limited to, water recycling, storage, treatment, repairs to existing water delivery structures and environmental restoration projects.
3. Support actions to initiate, expedite and secure funding for the Regional Recycled Water Program and related projects.
4. Support administrative/legislative actions to ensure the reliability of imported water supplies including, but not limited to, ensuring progress on the Delta Conveyance Project and funding for Colorado River system water conservation projects, salinity control measures, and cleanup of contaminated sites.
5. Support administrative/legislative actions and funding to facilitate and expedite EcoRestore and non-mitigation habitat restoration projects that benefit water supply and/or endangered and threatened species.
6. Support administrative/legislative actions to secure and disburse funding to help public water systems defray the costs associated with COVID-19 (e.g., loss of revenue, deferred infrastructure maintenance, personal protective equipment, workplace health and safety improvements, and on-site testing) and for direct financial relief to low-income households facing substantial utility bill arrearages post COVID-19.
7. Support administrative/legislative actions and funding for research and partnerships on water science, including snowpack and streamflow monitoring, runoff, drinking water quality, salinity control, source water protection, soil moisture monitoring, healthy soils, and watershed research.
8. Support administrative/legislative actions to secure funding to help public water systems defray the costs of monitoring and/or remediation of per- and polyfluoroalkyl substances and ensure drinking water and wastewater facilities are not held liable for the cleanup of contamination.
9. Support tax exemptions and/or credits for water conservation or efficiency incentives for measures including, but not limited to, turf removal, local stormwater capture (e.g., rain barrels, cisterns), and other measures to reduce consumption of water or enhance the absorption and infiltration capacity of the landscape.

B. Metropolitan-Sponsored State Bills

1. Support legislation, consistent with board direction, to create a statewide program to identify and evaluate constituents of emerging concern in drinking water.
2. Support for legislation, consistent with board direction, to grant Metropolitan alternative delivery methods for construction of the Regional Recycled Water Program and drought-related projects.



2022 Legislative Policy Principles

The 2022 Legislative Policy Principles guide and inform Metropolitan's engagement on state and federal legislative and regulatory activities. They were developed in consultation with subject matter experts at Metropolitan. The principles described below holistically address eight strategic areas of policy that inform Metropolitan's One Water Vision: drought response, drinking water, regional water resource management, imported water supplies, climate change and the environment, infrastructure, system resiliency, and innovation.

- I. Drought Response –Southern California's two main sources of imported water are currently in drought conditions. Thanks to sound planning, smart investments and a strong conservation ethic, the region is prepared to meet current year demands for water. However, investments in additional conservation and local supplies are necessary in the event drought conditions continue or worsen, and to prepare for the impacts of climate change on future hydrology.
 1. Support legislative/administrative actions and funding to accelerate new local supply development, including recycled water, water quality treatment, groundwater remediation and storage, water loss detection and repair, and water conservation measures.
 2. Support administrative/legislative actions and funding for imported source watershed protection and enhancement of water conservation projects to help offset the effects of extended drought conditions.
 3. Support administrative/legislative actions that recognize the significant variations in needs and opportunities among communities and regions regarding the capability of withstanding the impacts of drought and allow the State to provide additional assistance should current drought conditions worsen.
 4. Support administrative/legislative actions and funding for local drought contingency planning areas in the state that have increased concern about wholesale water system delivery constraints.
- II. Drinking Water – Metropolitan provides to the Southern California region high-quality, reliable drinking water in an economically responsible way that surpasses all federal and state drinking water regulations.
 - A. Water Quality and Treatment
 1. Support administrative/legislative actions that utilize best available science, occurrence and health effects data, and appropriate cost-benefit analyses or economic feasibility to protect public health and improve water quality. Apply these principles when setting maximum contaminant levels, health advisories, or notification/response levels, in addition to assessing laboratory capacity, analytical methods, and other regulatory standards or guidance levels.
 2. Support administrative/legislative actions, consistent with Board direction, to identify and evaluate constituents of emerging concern in drinking water.
 3. Support application of the "polluter pays" principle such that parties responsible for introducing contaminants in drinking water sources are held liable for cleanup, and not drinking water and wastewater facilities that subsequently store, transport, or treat the water.



4. Support administrative/legislative actions and funding for treatment and mitigation measures to comply with any new regulatory standards, develop risk communication tools, as well as provide adequate time for implementation.
 5. Support administrative/legislative actions and funding to protect source water quality, reduce threats from invasive species, and mitigate harmful algal blooms.
- B. Water Governance and Funding: Metropolitan supports statewide efforts to provide access to safe and affordable drinking water to all residents.
1. Support administrative/legislative actions that prioritize providing safe and affordable drinking water to disadvantaged communities.
 2. Support administrative/legislative actions that meaningfully improve water affordability throughout the region at both the individual and the water system level without burdening existing ratepayers.
 3. Support funding to help water systems provide low-income ratepayer assistance programs without operational constraints.
 4. Support administrative/legislative actions that improve governance of non-compliant water systems and provide assistance for consolidations that improve their technical, managerial, or financial capacity.
 5. Support administrative/legislative action to ensure that all affected public water systems are consulted on changes of organization, including proposed consolidations or extension of service area.
 6. Support administrative/legislative actions that ensure the limited resources of the Safe and Affordable Drinking Water Fund are allocated to advance projects, operation and maintenance costs, infrastructure improvements, and/or consolidation actions that will achieve long-term sustainability for water systems and the communities that rely on those systems.
- III. Regional Water Resource Management – Metropolitan’s One Water Vision promotes collaboration with member agencies to plan for future water supply needs and the challenges ahead in a reliable, cost-effective, and environmentally responsible manner. This involves managing imported water supplies and quality, supporting local resource development, advancing water use efficiency, and supporting ecosystem protection and restoration.
- A. Continue to support and promote integrated water resources development by advocating for clear, concise, and streamlined regulations/policies that are easily understandable by the regulated community and public.
 - B. Support administrative/legislative actions and funding to expedite the development of new local resources, including recycled water and direct potable reuse, groundwater, stormwater and desalination projects, without compromising the operational, financial, water quality, regulatory and customer interests of Metropolitan and other water and wastewater agencies.
 - C. Support administrative/legislative actions and funding to facilitate the implementation of the Sustainable Groundwater Management Act and assist local agencies in maintaining long-term groundwater supply reliability.



D. Conservation

1. Support tax exemptions and/or credits for water conservation or efficiency incentives including, but not limited to, turf removal, local stormwater capture (e.g., rain barrels, cisterns), and other measures to reduce consumption of water or enhance the absorption and infiltration capacity of the landscape.
2. Support administrative/legislative actions and funding to encourage equitable water use efficiency and recycled water use among agricultural, industrial, and urban sectors.
3. Support administrative/legislative actions and funding to advance Conservation as a California Way of Life in a manner that maintains flexibility and local control. Support efforts to ensure new statutes and regulations are based on science; recognize regional distinctions (i.e., climate, land use, population, and hydrology); and potential impacts to wastewater operations and recycled water projects.
4. Support administrative/legislative actions and funding to reduce water loss. Support the development and implementation of flexible water loss standards for both retail and wholesale water systems.
5. Support administrative/legislative actions and funding to improve water use efficiency through nonfunctional turf management.

E. Desalination & Groundwater Remediation

1. Support administrative/legislative actions and funding for seawater and groundwater desalination projects.
2. Support administrative/legislative actions and funding for salinity control projects including, but not limited to, source control, treatment and brine management.
3. Support administrative/legislative actions and funding that advance Metropolitan's groundwater storage and/or recovery programs with member agencies.
4. Support administrative/legislative actions and funding for desalination research and technology development projects, and initiatives that encourage stakeholder coordination on these investments, such as with the National Alliance for Water Innovation.

F. Recycled Water

1. Support actions to initiate, expedite and secure funding for the Regional Recycled Water Program and related projects.
2. Support implementation of the National Water Reuse Action Plan and California Water Reuse Action Plan while protecting local flexibility and encouraging local, state and federal coordination, research and innovation.
3. Support administrative/legislative actions to help achieve recycled water goals and the California Water Reuse Action Plan while limiting one-size-fits-all mandates of recycled water uses and/or specific reduction of wastewater discharges without first considering the following factors: a cost-benefit analysis, current use and demand for recycled water, projected wastewater flows and water rights, status of the state's direct potable reuse regulations, location and site constraints for reuse of



wastewater discharges, existing plans for recycled water projects and available funding.

4. Support administrative/legislative actions that facilitate the adoption of practical uniform water recycling criteria for direct potable reuse through raw water augmentation by December 31, 2023. These actions include but are not limited to funding: (a) for the planning, development and implementation of local and regional potable reuse projects; and (b) initiatives to fill research gaps and advance the science to promote the further development of potable reuse.
5. Support administrative/legislative action to promote voluntary on-site water treatment systems if they maintain compliance with Title 22 and do not negatively affect municipal water recycling systems.
6. Support administrative/legislative actions that maximize voluntary use of recycled water and limit restrictions on use of recycled water during water shortages and drought.

G. Stormwater Capture

1. Support administrative/legislative actions that promote stormwater as a beneficial resource and facilitate the funding and permitting of stormwater capture projects to augment local and regional water supplies without compromising the operational, water quality, financial, regulatory, and customer interests of local and regional water agencies.

H. Watershed Management

1. Support administrative/legislative actions and funding to enhance watershed management in Southern California, the Bay-Delta and Colorado River watersheds that provide broad public benefits, including water quality and water supply reliability, reduced wildfire risks, and other environmental improvements. Funding of watershed management programs should be based on the “beneficiaries pay” principle.
2. Support administrative/legislative actions that help advance implementation of watershed management plans, including watershed research and multi-benefit forestry management projects.
3. Support implementation of the California Water Resiliency Portfolio, as consistent with Metropolitan goals and objectives, to ensure improved watershed-scale coordination, watershed management and planning, and programs and funding that provide water resilience and improve watershed functions.

IV. Imported Water Supply – Metropolitan provides imported water supplies to its member agencies from two primary sources, the Colorado River via the Colorado Aqueduct and Northern California watersheds via the Sacramento-San Joaquin Delta and the State Water Project.

- A. Bay-Delta Initiatives – Metropolitan is involved in several key regulatory and planning processes in the Sacramento-San Joaquin Delta related to the operation of the State Water Project (SWP). The goal is to advance water supply reliability and ecosystem restoration concurrently by modernizing the state’s water infrastructure with the proposed Delta



Conveyance Project and improving the habitat and function of the Delta estuary for the benefit of threatened and endangered species. To advance these goals, Metropolitan supports collaborative scientific efforts to better understand how to restore and manage the Bay-Delta.

1. Support administrative/legislative action to advance Delta Conveyance and EcoRestore in support of California's coequal goals of water supply reliability and Delta ecosystem restoration and the Governor's California Water Resilience Portfolio.
 2. Support administrative/legislative action and funding to improve scientific understanding of listed Delta fish and wildlife species and water project operations in the Delta, including data collection, real-time monitoring, and modeling. Promote the use of best available science to enhance flexibility for water project operations while maintaining regulatory and statutory protections for species listed under the state and federal Endangered Species Act.
 3. Continue support for implementation of state policies adopted as part of the 2009 Delta Reform Act and water management package, including clarification of the monitoring, reporting, and enforcement provisions related to in-Delta diversions.
 4. Support administrative/legislative actions to consolidate review and oversight of anadromous species protection under the U.S. Department of the Interior.
 5. Support administrative/legislative actions that protect water quality for beneficial uses and that are implemented consistent with water rights priorities.
 6. Support administrative/legislative actions and funding to advance the Delta Emergency Freshwater Pathway and emergency response in the event of catastrophic levee failure that impedes delivery or degrades SWP supplies.
 7. Support administrative/legislative actions in the Delta watershed to account for and administer the water rights system including protecting stored water releases.
- B. Colorado River Resources – The Colorado River is a critical resource for the entire Southwest – supporting the economies of seven Basin States (Arizona, California, Colorado, Nevada, New Mexico, Wyoming and Utah) and many diverse ecosystems. Degradation of the River's water quality can cause significant economic, environmental and human health impacts across the West. Metropolitan, together with the other Basin States, Native American tribes and Mexico, works to ensure we can continue to supply our communities with a safe and reliable water supply.
1. Support administrative/legislative actions and funding for Colorado River System water conservation projects, including implementation of the Drought Contingency Plan and other necessary actions to reduce the risk of Lake Mead falling to critically low levels.
 2. Support administrative/legislative actions and funding for the cleanup of contaminated sites along the Colorado River. This includes, but is not limited to, uranium remediation in Moab, Utah; perchlorate remediation in Henderson, Nevada; hexavalent chromium remediation near Topock, Arizona; and a waste disposal site near Hoover Dam.



3. Promote continued coordination between states for the Colorado River Basin Salinity Control Program. Support efforts to resume operation of USBR's Paradox Valley salinity control project at a safe level while working to develop a viable alternative that can provide long-term reductions in salt loads to the Colorado River.
 4. Secure funding and support administrative/legislative actions for the implementation of the Lower Colorado River Multi-Species Conservation Program to promote the recovery of threatened and endangered species in a manner that allows the Lower Basin States to conserve Colorado River water.
 5. Support administrative/legislative action and funding that advance binational water conservation programs that benefit Colorado River supply augmentation and habitat restoration objectives.
- C. State Water Project – About 30 percent of Southern California's water comes from the SWP in an average year. Metropolitan works with state and federal agencies as well as other SWP contractors to address threats to the project and address environmental needs and augment water supplies through collaborative transfers and groundwater banking agreements.
1. Support administrative/legislative actions and funding to address the impacts of subsidence on the SWP and prevent future damage caused by unsustainable groundwater pumping.
 2. Support administrative/legislative action and funding for new or expanded water infrastructure that complements the SWP.
 3. Support funding for joint state and federal facility repairs, rehabilitation and improvements, and ensure funding is equitably distributed between partners while maintaining SWP supply reliability.
 4. Support administrative/legislative actions and funding for the cleanup of contaminated groundwater storage basins used for Metropolitan water banking programs along the California Aqueduct.
 5. Support funding for the public share of costs, including recreation, flood protection, mitigation, environmental enhancement, and rehabilitation for multi-purpose SWP facilities.
- V. Climate Change and the Environment – Metropolitan is helping California reach its climate goals while adapting to a rapidly changing environmental landscape. Metropolitan supports policies and funding that encourage sustainable practices and environmental compliance, reduce greenhouse gas emissions, and improve energy sustainability.
- A. Climate Change Adaptation
1. Support research into the potential water resource and quality effects of climate change.
 2. Support administrative/legislative actions and funding that protect SWP, Colorado River Aqueduct (CRA), and local water supplies from the impacts of climate change and enhance their long-term reliability.



3. Support administrative/legislative efforts to improve, develop and promote innovative climate adaptation solutions and support science-based strategies and tools that benefit the environment by restoring healthy soils, conserving water, and sequestering carbon.
4. Support administrative/legislative actions that promote reasonable, economically viable, and technologically feasible efforts for reducing the potential impacts of climate change to water and power resources.
5. Support administrative/legislative actions and funding that facilitate the integration of existing and planned community water supply, distribution systems, and regional water facilities.

B. Water/Energy Nexus

1. Support administrative/legislative actions and funding for energy efficiency and storage projects, and programs to reduce greenhouse gases and develop renewable resources.
2. Support administrative/legislative actions that remove barriers and encourage energy sector investments in water conservation and energy management programs.
3. Support administrative/legislative or regulatory activities that preserve Metropolitan's ability to pursue supply options and oppose constraints on supply development such as water resource loading orders based on energy intensity.
4. Support efforts to ensure power costs are appropriate and proportional to the benefits received and that water system operations are not adversely affected by power-related legislation/administrative actions.
5. Support administrative/legislative actions that provide state funding from the Greenhouse Gas Reduction Fund for water/energy nexus projects and maintain Cap-and-Trade allowances for Metropolitan and Department of Water Resources (i.e., State Water Contractors).
6. Support administrative/legislative actions that maintain Board authority over energy-related matters (e.g., system reserve margin or resource adequacy requirements).

C. Renewable Energy

1. Support administrative/legislative actions that define hydropower generation as renewable energy irrespective of a facility's nameplate generating capacity and includes the provision of renewable energy credits for hydroelectric generation.
2. Work to ensure that administrative/legislative actions seeking to enhance or expand hydropower at existing dams do not adversely impact those dams, either financially or operationally, or entities with rights to the power from the existing resources that directly or indirectly impact Metropolitan's service area.
3. Support administrative/legislative actions to improve federal hydropower relicensing for existing facilities, including SWP resources.



4. Support administrative/legislative actions and funding for the SWP and the CRA to incorporate renewable energy resources, such as pumped hydroelectric energy, that contribute to the state's climate goals without impacting the projects' primary purpose, provided consideration is given to transmission limitations, cost and portfolio availability, and unrelated impacts are not shifted to SWP or CRA facilities.

D. Environmental Stewardship

1. Support administrative/legislative actions for environmental compliance that provide regulatory compliance flexibility, improve clarity and workability of the requirements, and promote consistency and reduce regulatory duplication, while protective of public health and the environment.
2. Support administrative/legislative actions and funding to facilitate other non-mitigation habitat restoration projects that benefit endangered and threatened species.
3. Support administrative/legislative actions and funding for research and partnerships on water science, including snowpack and streamflow monitoring, runoff, drinking water quality, salinity control, source water protection, soil moisture monitoring, healthy soils and watershed research.
4. Support administrative/legislative actions and funding opportunities to help public water agencies update their portable, stationary, and mobile equipment fleets to help improve system reliability and resiliency in an environmentally responsible manner.

VI. Infrastructure – Metropolitan has a strategic priority to invest in key capital projects in our region to enable long-term, reliable water deliveries. Key capital projects identified in Metropolitan's Capital Investment Plan focus on improvements to the CRA, treatment plants, and distribution systems.

- A. Support administrative/legislative actions to initiate, expedite and secure funding to defray the costs of planning, financing, constructing, repairing, and rehabilitating water infrastructure projects, including but not limited to general obligation bonds, tax-exempt municipal bonds, grants, low-interest loans, and direct appropriations. Ensure equitable cost-sharing of water infrastructure projects.
- B. Support administrative/legislative efforts to expand funding programs, streamline project approval and reporting processes, and prevent project backlogs in state and federal funding or financing.
- C. Support "beneficiaries pay" approach as financing mechanism for statewide projects and programs and oppose public goods charge, or other charges levied on water agencies for funding broader public benefits.
- D. Support funding for the public share of costs, including mitigation, rehabilitation, and recreation, for multi-purpose water infrastructure.



VII. System Resiliency – Metropolitan diligently maintains and significantly invests to safeguard a region-wide water supply system that is a cornerstone of Southern California’s \$1.6 trillion economy. Resiliency ensures the water supply system is strong, can return to service quickly, and is prepared to address future challenges.

A. Emergency Preparedness

1. Support administrative/legislative actions that assist the water industry to prepare for, respond to, and recover from natural disasters, including earthquakes and wildfires, catastrophic accidents, and sabotage. These actions may include, but are not limited to, actions to provide funding for emergency responses and planning and post-emergency restoration of service.
2. Support administrative/legislative actions to secure and disburse funding to help public water systems defray the costs associated with COVID-19 (e.g., loss of revenue, deferred infrastructure maintenance, personal protective equipment, workplace health and safety improvements, and on-site testing) and for direct financial relief to low-income households facing substantial utility bill arrearages post COVID-19.
3. Support administrative/legislative actions that assist the water industry to address the effects of wildfires and power outages, including the impacts of public safety power shutoff events.
4. Support additional funding for the Federal Emergency Management Agency programs to assist with emergency repairs and improvements, including but not limited to, dam safety, spillway improvements, and erosion control repairs.

B. Physical and Cyber Security

1. Support continued U.S. Environmental Protection Agency oversight of water system security in coordination with other federal and state agencies with expertise in security, including the Governor’s Office of Emergency Services, the Cybersecurity and Infrastructure Security Agency, and Chemical Security Analysis Center.
2. Support administrative/legislative actions that would provide funding or reimbursement for enhanced physical security and cybersecurity for water and power infrastructure.
3. Support trade associations and coalition efforts to share information and develop standard guidance and best management practices to protect water and power critical infrastructure from cyber vulnerabilities.
4. Support administrative/legislative actions that ensure Metropolitan’s ability to reliably operate and maintain its facilities, infrastructure and real estate assets, including rights of way, and to protect against encroachment.



C. Chemical Security

1. Support administrative/legislative actions to improve supply chain reliability, achieve tax-exempt status for water treatment chemicals, and ensure access to water treatment chemicals.
2. Support administrative/legislative actions to ensure the continued use of gaseous chlorine to protect public health.

VIII. Innovation – Supporting and promoting innovation and emerging technologies continues Metropolitan’s long tradition of creatively solving difficult challenges.

- A. Support administrative/legislative actions and funding for the research and development of new and emerging technologies such as satellite- and computer-based technologies to monitor source water quality, ecosystem health, state- and federal-threatened and endangered fish species; measure and predict agricultural water use, urban outdoor water use and reservoir evaporation; and expand coordination with technology incubators, research institutions, and other stakeholder groups.
- B. Support administrative/legislative actions and funding to promote open water data platforms and sharing, including improving access to agency data, streamlining the collection and submission of water agency data, and promoting collaboration among federal, state and local stakeholders.
- C. Support administrative/legislative actions, funding and partnerships to improve educational opportunities in the water sector, including career technical education and workforce development.
- D. Support administrative/legislative actions and funding that improve water system staff training and certification processes.



~~2022~~

2023

LEGISLATIVE PRIORITIES AND PRINCIPLES

The ~~2022~~2023 Legislative Priorities and Principles lay out an integrated “One Water” collaborative approach to managing Southern California’s watersheds, water resources, and water infrastructure to ensure long-term resilience and reliability for communities and ecosystems. Staff use this document to advocate for these priorities and principles at the state and federal levels through advancing Metropolitan-sponsored



legislation, engaging on bills or pursuing funding.

~~Adopted November 9, 2021~~

2022



2023 Legislative Priorities

~~The legislative priorities for 2022~~To help adapt to a changing climate, protect water resources, and the ~~two~~partner with communities we serve, Metropolitan-sponsored legislative initiatives for the 2022 state-legislative session are as follows:-

~~A. Top Legislative Priorities~~

~~will work to~~ support administrative/legislative actions and funding for ~~demand management activities and new local~~the following priorities in 2023:

A. Top Legislative Priorities:

1. Continue support for imported water supply projects to resiliency and reliability, including progress on the Delta Conveyance Project, Sites Reservoir Project, Voluntary Agreements and protecting critical elevations in Lake Powell and Lake Mead.
- 1.2. Conserve existing water supplies and prepare for a dry future, climate change by supporting demand management and water use efficiency, long-term non-functional turf conversion, and a federal tax exemption for water conservation rebates.
- ~~1. Support funding to defray the costs of planning, financing, constructing, and rehabilitating all types of water infrastructure projects, including but not limited to, water recycling, storage, treatment, repairs to existing water delivery structures and environmental restoration projects.~~
- ~~2. Support actions to initiate, expedite and secure funding for the Regional Recycled Water Program and related projects.~~
3. Advance Pure Water Southern California and other water recycling projects and long-term supply reliability improvements.
4. Protect drinking water quality and ensure access to safe and reliable drinking water for all Californians, including upholding the polluter pays principle and ensuring continued cleanup of sites along the Colorado River.
5. Support adaptive management for ecosystem restoration in the Bay Delta and Colorado River watersheds that takes into consideration evolving climate conditions, risk analyses and best available science.
6. Implement Metropolitan's Climate Action Plan to reduce Metropolitan's greenhouse gas emissions and reach carbon neutrality by 2045.

B. Metropolitan-Sponsored State Bill (contingent upon separate Board authorization)

- ~~3. Support administrative/legislative actions to ensure the reliability of imported water supplies including, but not limited to, ensuring progress on the Delta Conveyance Project and funding for Colorado River system water conservation projects, salinity control measures, and cleanup of contaminated sites.~~
- ~~4. Support administrative/legislative actions and funding to facilitate and expedite EcoRestore and non-mitigation habitat restoration projects that benefit water supply and/or endangered and threatened species.~~
- ~~5. Support administrative/legislative actions to secure and disburse funding to help public water systems defray the costs associated with COVID-19 (e.g., loss of revenue, deferred infrastructure maintenance, personal protective equipment, workplace health and safety improvements, and on-~~



~~site testing) and funding for the long-term conversion of non-functional turf (NFT) in residential, commercial, industrial, and institutional (CII) existing landscapes and for direct financial relief to low-income households facing substantial utility bill arrearages post COVID-19.~~

- ~~1. Support administrative/legislative actions and funding for research and partnerships on water science, including snowpack and streamflow monitoring, runoff, drinking water quality, salinity control, source water protection, soil moisture monitoring, healthy soils, and watershed research.~~
- ~~6. Support administrative/legislative actions to secure funding to help public water systems defray the costs of monitoring and/or remediation of per- and polyfluoroalkyl substances and ensure drinking water and wastewater facilities are not held liable for the cleanup of contamination.~~
- ~~7. Support tax exemptions and/or credits for water conservation or efficiency incentives for measures including, but not limited to, turf removal, local stormwater capture (e.g., rain barrels, cisterns), and other measures to reduce consumption of water or enhance the absorption and infiltration capacity of the landscape.~~

~~B. Metropolitan Sponsored State Bills~~

- ~~1. Support legislation, consistent with board direction, to create a statewide program to identify and evaluate constituents of emerging concern in drinking water.~~
- ~~8.1. Support for legislation, consistent with board direction, to grant Metropolitan alternative delivery methods for ban the installation of NFT in new construction of the Regional Recycled Water Program and drought-related projects.~~

2022



2023 Legislative Policy Principles

The ~~2022~~2023 Legislative Policy Principles will guide and inform Metropolitan's engagement on state and federal legislative and regulatory activities. They were developed in consultation with subject matter experts at Metropolitan. The principles described below holistically address ~~eight~~seven strategic areas of policy that inform Metropolitan's One Water Vision: drought response_; drinking water_; regional water resource management_; imported water ~~supplies, climate change and the environment, supply; sustainability, resiliency, innovation;~~ infrastructure_; and system resiliency_; ~~and innovation.~~

I. Drought Response –Southern California's two main sources of imported water are currently in severe drought conditions. ~~Thanks to sound planning, smart investments and a strong conservation ethic, the region is prepared to meet current year demands for water. However,~~ Investments in additional conservation and local supplies are necessary in the event as drought conditions continue or worsen, and ~~to prepare for~~ the impacts of climate change on future hydrology are accelerating.

- A. Support legislative/administrative actions and funding for local and regional drought resiliency projects and to improve system flexibility.
- B. Support legislative/administrative actions and funding to accelerate new local supply development, including but not limited to recycled water, ~~water quality treatment~~stormwater, groundwater remediation ~~and storage~~, water loss detection and repair, and long-term conversion of non-functional turf, and other water conservation measures.
- C. Support administrative/legislative actions and funding for imported source watershed protection and enhancement of water ~~conservation projects~~quality, supply, and demand-side management actions to help offset the effects of extended drought conditions.
- D. Support administrative/legislative actions and pursue funding opportunities that recognize and help mitigate the significant ~~variations~~differences in the capability and needs ~~and opportunities among of~~ communities and regions ~~regarding the capability of withstanding to withstand~~ the impacts of on-going drought ~~and allow the State to provide additional assistance should current drought conditions worsen.~~
- E. Support administrative/legislative actions and funding for local drought contingency planning areas in the state that have increased concern about wholesale water system delivery constraints.

~~III-II.~~ II. ~~II.~~ Drinking Water – Metropolitan provides to the Southern California region high-quality, reliable drinking water in an economically responsible way that surpasses all federal and state drinking water regulations.

A. Water Quality and Treatment

1. Support administrative/legislative actions that utilize best available science, occurrence and health effects data, and appropriate cost-benefit analyses or economic feasibility to protect public health and improve water quality. Apply these principles when setting maximum contaminant levels, health advisories, or



notification/response levels, in addition to assessing laboratory capacity, analytical methods, and other regulatory standards or guidance levels.

2. Support administrative/legislative actions, consistent with Board direction, to identify ~~and~~, evaluate, and prioritize constituents of emerging concern in drinking water.
 3. Support application of the “polluter pays” principle such that parties responsible for introducing contaminants in or near drinking water sources are held liable for cleanup, and not drinking water and wastewater facilities that subsequently store, transport, or treat the water.
 4. Support administrative/legislative actions and funding for treatment and mitigation measures to comply with any new regulatory standards, develop risk communication tools, as well as provide adequate time for implementation.
 5. Support administrative/legislative actions and funding to protect source water quality, reduce threats from invasive species, and mitigate harmful algal blooms~~-~~.
- B. Water Governance and Funding: Metropolitan supports statewide efforts to provide access to safe and affordable drinking water to all residents.
1. Support administrative/legislative actions that prioritize providing safe and affordable drinking water to disadvantaged communities.
 2. Support administrative/legislative actions that meaningfully improve water affordability throughout the region at both the individual and the water system level without burdening existing ratepayers.
 3. Support funding to help water systems provide low-income ratepayer assistance programs ~~without operational constraints~~.
 4. ~~Support administrative/legislative actions that improve governance~~ and long-term sustainability of non-compliant water systems and provide assistance for consolidations that improve their technical, managerial, or financial capacity.
 4. ~~Support administrative/legislative action to ensure, while ensuring~~ that all ~~affected/receiving~~ public water systems are consulted on changes of organization, including proposed consolidations or ~~extension~~extensions of service area.
 5. Support administrative/legislative actions that ensure the limited resources of the Safe and Affordable Drinking Water Fund are allocated to advance projects, operation and maintenance costs, infrastructure improvements, and/or consolidation actions that will achieve long-term sustainability for water systems and the communities that rely on those systems.

~~IV.III.~~ ~~III.~~ Regional Water Resource Management – Metropolitan’s One Water Vision promotes collaboration with member agencies to plan for future water supply needs and the challenges ahead in a reliable, cost-effective, and environmentally responsible manner. This involves ~~managing~~protecting imported water supplies and quality, supporting local resource development, advancing water use efficiency, and supporting ecosystem protection and restoration.

- A. Continue to support and promote integrated water resources development by advocating for clear, concise, and ~~streamlined~~expedited regulations/policies that are easily understandable by the regulated community and public.



B. Support administrative/legislative actions and funding to expedite the development of new local resources, ~~(including recycled water and direct potable reuse, groundwater, stormwater, and desalination projects),~~ without compromising the operational, financial, water quality, regulatory, environmental and customer interests of Metropolitan and other water and wastewater agencies.

C. Support administrative/legislative actions and funding to facilitate the implementation of the Sustainable Groundwater Management Act and assist local agencies in maintaining long-term groundwater supply reliability, while upholding Metropolitan's investments in groundwater banking partnerships.

C.D. Conservation

1. Support tax exemptions and/or credits for water conservation or efficiency incentives including, but not limited to, ~~turf removal~~ long-term conversion of NFT, local stormwater capture ~~(e.g., rain barrels, cisterns),~~ and other measures to reduce consumption of water or enhance the absorption and infiltration capacity of the landscape.
2. Support administrative/legislative actions and funding to encourage equitable water use efficiency and recycled water use among agricultural, industrial, and urban sectors.
3. Support administrative/legislative actions and funding to advance Conservation as a California Way of Life in a manner that maintains flexibility and local control. Support efforts to ensure new statutes and regulations are based on science; recognize regional distinctions (i.e., climate, land use, population, and hydrology); and potential impacts to wastewater operations and recycled water projects.
4. Support administrative/legislative actions and funding to reduce water loss. Support the development and implementation of flexible water loss standards for both retail and wholesale water systems.
5. Support administrative/legislative actions and funding ~~to improve water use efficiency through nonfunctional turf management~~ for the long-term conversion of NFT in residential, commercial, industrial, and institutional landscapes and ban installation of NFT in new construction.

D.E. Desalination & Groundwater Remediation

1. Support administrative/legislative actions ~~and~~ funding and partnerships for ~~seawater and brackish~~ groundwater and seawater desalination projects, consistent with the Governor's Water Resilience Portfolio and Water Supply Strategy and MWD's Climate Action Plan.
2. Support administrative/legislative actions and funding for salinity control projects including, but not limited to, source control, treatment and ~~brine concentrate~~ management.
3. Support administrative/legislative actions and funding that advance Metropolitan's groundwater storage and/or recovery programs with member agencies.
4. Support administrative/legislative actions and funding for desalination research and technology development projects, and initiatives that encourage stakeholder



coordination on these investments, such as with the National Alliance for Water Innovation.

E.F. Recycled Water

1. Support actions to ~~initiate, expedite~~advance and secure funding for the ~~Regional-RecycledPure~~ Water Southern California Program and related projects.
2. Support efforts to improve flexibility of the State's water recycling grant program.
- ~~2.3.~~ Support implementation of the National Water Reuse Action Plan and California Water Reuse Action Plan while protecting local flexibility and encouraging local, state and federal coordination, research, and innovation.
- ~~1. Support administrative/legislative actions to help achieve recycled water goals and the California Water Reuse Action Plan while limiting one-size-fits-all mandates of recycled water uses and/or specific reduction of wastewater discharges without first considering the following factors: a cost-benefit analysis, current use and demand for recycled water, projected wastewater flows and water rights, status of the state's direct potable reuse regulations, location and site constraints for reuse of wastewater discharges, existing plans for recycled water projects and available funding.~~
- ~~3.4.~~ Support administrative/legislative actions that facilitate the adoption of practical uniform water recycling criteria for direct potable reuse through raw water augmentation by December 31, 2023. These actions include but are not limited to funding: (a) for the planning, development, and implementation of local and regional potable reuse projects; and (b) initiatives to fill research gaps and advance the science to promote the further development of potable reuse.
- ~~4.5.~~ Support administrative/legislative ~~action~~actions to promote voluntary on-site water treatment systems if they maintain compliance with Title 22 and do not negatively affect municipal water recycling systems.
- ~~5.6.~~ Support administrative/legislative actions that maximize voluntary use of recycled water ~~and limit restrictions on use of recycled water during water shortages and drought.~~

F.G. Stormwater Capture

1. Support administrative/legislative actions that ~~promote~~advance stormwater as a beneficial resource and facilitate the funding and permitting of stormwater capture projects to augment local and regional water supplies ~~without compromising the operational, water quality, financial, regulatory, and customer interests of local and regional water agencies~~ and promote holistic watershed health.

G.H. Watershed Management

1. Support administrative/legislative actions and funding to enhance watershed management in Southern California, the Bay-Delta and Colorado River watersheds that provide broad public benefits, including water quality and water supply reliability, reduced wildfire risks, greater scientific understanding, and other environmental improvements. ~~Funding of watershed management programs should be based on the "beneficiaries pay" principle.~~



2. Support administrative/legislative actions that help advance implementation of watershed management plans, including watershed research and multi-benefit forestry management projects.
3. Support implementation of the California Water Resiliency Portfolio and the Water Supply Strategy, as consistent with Metropolitan goals and objectives, to ensure improved watershed-scale coordination, watershed management and planning, and programs and funding that provide water resilience and improve watershed functions.

~~V.~~IV. ~~IV.~~ Imported Water Supply – Metropolitan provides imported water supplies to its member agencies from two primary sources, the Colorado River via the Colorado Aqueduct and Northern California watersheds via the Sacramento-San Joaquin Delta and the State Water Project.

A. Bay-Delta Initiatives – Metropolitan is involved in several key regulatory and planning processes in the Sacramento-San Joaquin Delta related to the operation of the State Water Project (SWP). The goal is to advance water supply reliability and ecosystem restoration concurrently by modernizing the state's water infrastructure with the proposed Delta Conveyance Project and improving the habitat and function of the Delta estuary for the benefit of threatened and endangered species. To advance these goals, Metropolitan supports collaborative scientific efforts to better understand how to restore and manage the Bay-Delta.

1. Support administrative/legislative ~~action~~actions to advance Delta Conveyance and EcoRestore in support of California's coequal goals of water supply reliability and Delta ecosystem restoration and the Governor's California Water Resilience Portfolio.
2. Support administrative/legislative ~~action~~actions and funding to improve scientific understanding of listed Delta fish and wildlife species and water project operations in the Delta, including data collection, real-time monitoring, and modeling. Promote the use of best available science to protect and restore aquatic species and habitats, enhance flexibility for water project operations while maintaining regulatory and statutory protections for species listed under the state and federal Endangered Species Act.
3. Continue support for implementation of state policies adopted as part of the 2009 Delta Reform Act and water management package, including clarification of the monitoring, reporting, and enforcement provisions related to in-Delta diversions.
4. Support administrative/legislative actions to consolidate review and oversight of anadromous species protection under the U.S. Department of the Interior.
5. Support administrative/legislative actions that protect water quality for beneficial uses and that are implemented consistent with water rights priorities.
6. Support administrative/legislative actions and funding to advance the Delta ~~Emergency~~Freshwater Pathway and emergency response in the event of catastrophic levee ~~failure that impedes delivery or degrades SWP supplies.~~ improvements, and secure flood fighting materials and stockpiles.



7. Support administrative/legislative actions in the Delta watershed to account for and administer the water rights system including protecting stored water releases.
 8. Support administrative/legislative actions and funding to advance Sites Reservoir and the Voluntary Agreements, consistent with the Board's action to advance these efforts.
- B. Colorado River Resources – The Colorado River is a critical resource for the entire Southwest ~~—supporting the economies of seven Basin States (Arizona, California, Colorado, Nevada, New Mexico, Wyoming and Utah) and and~~ many diverse ecosystems. Degradation of the River's water quality can cause significant economic, environmental, and human health impacts across the West. Metropolitan, ~~together with the and~~ other ~~Basin States, Native American tribes and Mexico, works~~ interested parties work to ensure we can continue to supply our communities with a safe and reliable water supply.
1. Support administrative/legislative actions and funding ~~for Colorado River System water of~~ conservation and efficiency projects, ~~including implementation to enhance resiliency~~ of the ~~Drought Contingency Plan and other necessary actions to reduce Colorado River System and Metropolitan's Colorado River supplies that reduces~~ the risk of Lake Mead and Lake Powell falling ~~to critically low levels below critical elevations.~~
 2. Support administrative/legislative actions and funding for the cleanup of contaminated sites along the Colorado River. This includes, but is not limited to, uranium remediation in Moab, Utah; perchlorate remediation in Henderson, Nevada; hexavalent chromium remediation near Topock, Arizona; and a waste disposal site near Hoover Dam.
 3. Promote continued coordination between states for the Colorado River Basin Salinity Control Program. Support efforts to ~~resume~~ maintain and enhance operation of ~~USBR's~~ United States Bureau of Reclamation's Paradox Valley salinity control project at a safe level while working to develop a viable alternative that can provide long-term reductions in salt loads to the Colorado River.
 4. Secure funding and support administrative/legislative actions for the implementation of the Lower Colorado River Multi-Species Conservation Program to promote the recovery of threatened and endangered species in a manner that allows the Lower Basin States to conserve Colorado River water.
 5. Support administrative/legislative ~~action~~ actions and funding that advance binational water conservation programs that benefit Colorado River supply augmentation and habitat restoration objectives.
- C. State Water Project – About 30 percent of Southern California's water comes from the SWP in an average year. Metropolitan works with state and federal agencies as well as other SWP contractors to ~~address~~ manage threats to the project and address environmental needs and augment water supplies through existing and potential collaborative transfers and groundwater banking agreements.



1. Support administrative/legislative actions and funding to address the impacts of subsidence on the SWP and prevent future damage caused by unsustainable groundwater pumping.
2. Support administrative/legislative ~~action~~actions and funding for new or expanded water infrastructure or programs that ~~complements~~complement the SWP.
3. Support funding for joint state and federal facility repairs, rehabilitation, and improvements, and ensure funding is equitably distributed between partners while maintaining SWP supply reliability.
4. Support administrative/legislative actions and funding for the cleanup of contaminated groundwater storage basins used for Metropolitan water banking programs along the California Aqueduct.
5. Support funding for the public share of costs, including recreation, flood protection, mitigation, environmental enhancement, and rehabilitation for multi- purpose SWP facilities.

V. ~~V. Climate Change~~Sustainability, Resiliency, and ~~the Environment~~Innovation – Metropolitan ~~is helping California reach its climate goals while adapting to a rapidly changing environmental landscape. Metropolitan~~ supports policies and funding that encourage sustainable practices and environmental compliance,that improve water and power system resilience and adapt to a rapidly changing environmental landscape. Metropolitan strives to fulfill the needs of the current generation without compromising the needs of future generations in an environmentally and economically responsible way.

A. Climate Action and Adaptation

- 6.1. Support administrative/legislative actions and funding to implement Metropolitan's Climate Action Plan to reduce ~~the District's~~ greenhouse gas emissions, and improve energy sustainability-~~reach carbon neutrality by 2045.~~

A. Climate Change Adaptation

- 7.1. ~~Support research into the potential water resource and quality effects of climate change.~~
- 8.2. Support administrative/legislative actions and funding ~~that protect SWP, Colorado River Aqueduct (CRA), and local water supplies from the impacts of climate change and enhance their long-term reliability~~to assist the Department of Water Resources to reach carbon neutrality by 2045 in a cost-effective and environmentally responsible manner.
- 9.3. Support administrative/legislative ~~efforts~~actions and funding to improve, develop and promote innovative climate adaptation solutions and support science-based strategies and tools that benefit the environment by restoring healthy soils, conserving water, and ~~capturing and/or~~ sequestering carbon.
1. ~~Support administrative/legislative actions that promote reasonable, economically viable, and technologically feasible efforts for reducing the potential impacts of climate change to water and power resources.~~



4. Support research into the potential water resource and quality effects of climate change.

10.5. Support administrative/legislative actions and funding that facilitate the integration of existing and planned ~~community~~local water supply, distribution systems, and regional water facilities.

D.B. Water/Energy Nexus

1. Support administrative/legislative actions and funding for energy efficiency and storage projects, and programs to reduce greenhouse gases and develop renewable resources.
2. Support administrative/legislative actions that remove barriers and encourage energy sector investments in water conservation and energy management programs.
3. Support administrative/legislative or regulatory activities that preserve Metropolitan's ability to pursue a diverse set of supply options and oppose constraints on supply development such as water resource loading orders based solely on energy intensity.
4. Support efforts to ensure power costs are appropriate and proportional to the benefits received and that water system operations are not adversely affected by power-related legislation/administrative actions.
5. Support administrative/legislative actions that provide state funding from the Greenhouse Gas Reduction Fund for water/energy nexus projects and maintain Cap-and-Trade allowances for Metropolitan and Department of Water Resources (i.e., State Water Contractors).
6. Support administrative/legislative actions that maintain Board authority over energy-related matters (e.g., system reserve margin or resource adequacy requirements).

E.C. Renewable Energy

1. Support administrative/legislative actions that define hydropower generation as renewable energy irrespective of a facility's nameplate generating capacity and includes the provision of renewable energy credits for hydroelectric generation.
2. Work to ensure that administrative/legislative actions seeking to enhance or expand hydropower at existing dams do not adversely impact those dams, either financially or operationally, or entities with rights to the power from the existing resources that directly or indirectly impact Metropolitan's service area.
3. Support administrative/legislative actions to improve federal hydropower relicensing for existing facilities, including SWP resources.
4. Support administrative/legislative actions and funding for the SWP and the CRA to incorporate renewable energy resources, such as pumped hydroelectric energy, that contribute to the state's climate goals without impacting the projects' primary purpose, provided consideration is given to transmission limitations, cost and



portfolio availability, and unrelated impacts are not shifted to SWP or CRA facilities.

D. Environmental Stewardship

~~F.A. Environmental Stewardship~~

1. Support administrative/legislative actions for environmental compliance ~~that provide regulatory compliance flexibility to~~ improve clarity and workability of the requirements, and promote consistency and reduce regulatory duplication, while protective of public health and the environment.
2. Support administrative/legislative actions and funding to facilitate ~~other~~ non-mitigation habitat restoration projects that benefit endangered and threatened species.
3. Support administrative/legislative actions and funding for research and partnerships on water science, including snowpack and streamflow monitoring, runoff, drinking water quality, salinity control, source water protection, soil moisture monitoring, healthy soils, and watershed research.
- ~~2. Support administrative/legislative actions and funding for research and partnerships on water science, including snowpack and streamflow monitoring, runoff, drinking water quality, salinity control, source water protection, soil moisture monitoring, healthy soils and watershed research.~~
4. Support administrative/legislative actions and funding ~~opportunities to help that~~ assists public ~~water~~ agencies ~~update their portable, stationary, and mobile in the transition to zero emission fleets and~~ equipment ~~fleets to help improve system reliability and~~.

~~G.E. Workforce Development—Metropolitan is committed to ensuring the resiliency in an environmentally responsible manner of its workforce, and to advancing diversity, equity, and inclusion to promote the physical and mental safety and wellbeing of its workforce and the communities it serves.~~

1. Support administrative/legislative actions, funding, and partnerships to improve educational opportunities in the water sector, including career technical education and workforce development.
2. Support administrative/legislative actions and funding that improve water system staff training and certification processes.

F. Innovation – Supporting and promoting innovation and emerging technologies continues Metropolitan’s long tradition of creatively solving difficult challenges.

1. ~~VI.~~—Support administrative/legislative actions and funding for the research and development of new and emerging technologies such as satellite- and computer-based technologies to monitor source water quality, ecosystem health, state- and federal- threatened and endangered fish species; measure and predict agricultural water use, urban outdoor water use and reservoir evaporation; and expand



coordination with technology incubators, research institutions, and other stakeholder groups.

2. Support administrative/legislative actions and funding to promote open water data platforms and sharing, including improving access to agency data, streamlining the collection and submission of water agency data, and promoting collaboration among federal, state, and local stakeholders.

- VI. Infrastructure – Metropolitan has a strategic priority to invest in key capital projects in our region to enable long-term, reliable water deliveries. Key capital projects identified in Metropolitan’s Capital Investment Plan focus on improvements to the CRA, treatment plants, and distribution systems.
- A. Support administrative/legislative actions to initiate, expedite and secure funding to defray the costs of planning, financing, constructing, repairing, and rehabilitating water infrastructure projects, including but not limited to general obligation bonds, tax-exempt municipal bonds, grants, low-interest loans, and direct appropriations. Ensure equitable cost-sharing of water infrastructure projects.
 - B. Support administrative/legislative efforts to expand funding programs, streamlineexpedite project approval and reporting processes, and prevent project backlogs in state and federal funding or financing.
 - C. Support “beneficiaries pay” approach as financing mechanism for statewide projects and programs and oppose public goods charge, or other charges levied on water agencies for funding broader public benefits.
 - D. Support funding for the public share of costs, including mitigation, rehabilitation, and recreation, for multi-purpose water infrastructure.



VII. ~~VII.~~ System Resiliency – Metropolitan diligently maintains and significantly invests to safeguard a region-wide water supply system that is a cornerstone of Southern California’s \$1.6 trillion economy. Resiliency ensures the water supply and delivery system is strong, can return to service quickly, and is prepared to address future challenges.

A. Emergency Preparedness

1. Support administrative/legislative actions that assist the water industry to prepare for, respond to, and recover from extreme weather events, natural disasters, including earthquakes and wildfires, catastrophic accidents, and physical or cyber sabotage. These actions may include, but are not limited to, actions to provide funding for emergency responses and planning and post-emergency restoration of service.
2. Support administrative/legislative actions to secure and disburse funding to help public water systems defray the costs associated with COVID-19 (e.g., loss of revenue, deferred infrastructure maintenance, personal protective equipment, workplace health and safety improvements, and on-site testing) and for direct financial relief to low-income households facing substantial utility bill arrearages post COVID-19.
3. Support administrative/legislative actions that assist the water industry to address the effects of wildfires and power outages, including the impacts of public safety power shutoff events.
4. Support additional funding for the Federal Emergency Management Agency programs to assist with emergency repairs and improvements, including but not limited to, dam safety, spillway improvements, and erosion control repairs.

B. Physical and Cyber Security

1. Support continued U.S. Environmental Protection Agency oversight of water system security in coordination with other federal and state agencies with expertise in security, including the Governor’s Office of Emergency Services, the Cybersecurity and Infrastructure Security Agency, and Chemical Security Analysis Center.
2. Support administrative/legislative actions that would provide funding or reimbursement for enhanced physical security and cybersecurity for water and power infrastructure.
3. Support trade associations and coalition efforts to share information and develop standard guidance and best management practices to protect water and power critical infrastructure from cyber vulnerabilities.
4. Support administrative/legislative actions that ensure Metropolitan’s ability to reliably operate and maintain its facilities, infrastructure, and real estate assets, including rights of way, and to protect against encroachment.

C. Chemical Security

1. Support administrative/legislative actions to improve supply chain reliability, achieve tax-exempt status for water treatment chemicals, and ensure access to water treatment chemicals.



2. Support administrative/legislative actions to ensure the continued use of gaseous chlorine to protect public health.

~~D.A. VIII. Innovation Supporting and promoting innovation and emerging technologies continues Metropolitan's long tradition of creatively solving difficult challenges.~~

- ~~A. Support administrative/legislative actions and funding for the research and development of new and emerging technologies such as satellite and computer based technologies to monitor source water quality, ecosystem health, state and federal threatened and endangered fish species; measure and predict agricultural water use, urban outdoor water use and reservoir evaporation; and expand coordination with technology incubators, research institutions, and other stakeholder groups.~~
- ~~B. Support administrative/legislative actions and funding to promote open water data platforms and sharing, including improving access to agency data, streamlining the collection and submission of water agency data, and promoting collaboration among federal, state and local stakeholders.~~
- ~~C. Support administrative/legislative actions, funding and partnerships to improve educational opportunities in the water sector, including career technical education and workforce development.~~
 - ~~1. Support administrative/legislative actions and funding that improve water system staff training and certification processes.~~

Communications & Legislation Committee



Preview of Legislative Priorities & Principles for 2023

Item 9-2

November 7, 2022

Purpose & Process

- Annual process
- Timely, relevant, topical
- Board guidance and direction
- Subject matter expert input
- Six MWD and regional priorities
- Seven policy areas
- One possible Metropolitan-sponsored legislative initiative

Current Actions & Next Steps

- Present to Member Agency Legislative Coordinators (Oct 20)
- Present to Member Agency General Managers (Oct 28)
- Information Item to Board (Nov 2022)
- Action Item to Board (Dec 2022)

Top Legislative Priorities

- A. Imported water supply resiliency & reliability
- B. Demand management and water use efficiency
- C. Pure Water Southern California & long-term supply reliability improvements
- D. Drinking water quality and access to safe and reliable water for all Californians; polluter pays principle
- E. Ecosystem restorations in imported sources, taking into consideration evolving climate and risk analyses
- F. Implement MWD Climate Action Plan

2023 Legislative Priorities & Principles

Possible MWD- sponsored Initiative

- Support administrative/legislative actions and funding for the long-term conversion of non-functional turf (NFT) in residential, commercial, industrial, and institutional (CII) existing landscapes and ban the installation of NFT in new construction

Note: bill sponsorship contingent on explicit Board authorization

2023 Legislative Priorities & Principles

Strategic Policy Areas

- I. Drought
- II. Drinking Water
- III. Regional Water Resource Management
- IV. Imported Water Supply
- V. Sustainability, Resiliency & Innovation
- VI. Infrastructure
- VII. System Resiliency

I. Drought

- A. Local/regional drought resiliency projects
- B. Accelerate local supply development
- C. Imported source water protection
- D. Conservation and drought contingency planning
- E. Recognition of capacity differences & support for funding to help mitigate those differences

II. Drinking Water

- A. Water Quality & Treatment
- B. Water Governance & Funding

III. Regional Water Resource Management

General Principles

- A. Clear, concise, expedited regulations
- B. Expedite local resource development
- C. SGMA implementation

Specific Policy Principles for:

- D. Conservation
- E. Desalination and Groundwater Remediation
- F. Recycled Water
- G. Stormwater Capture
- H. Watershed Management

IV. Imported Water Supply

- A. Bay Delta Initiatives
- B. Colorado River Resources
- C. State Water Project

V.
Sustainability,
Resiliency,
& Innovation

- A. Climate Action and Adaptation
- B. Water/Energy Nexus
- C. Renewable Energy
- D. Environmental Stewardship
- E. Workforce Development
- F. Innovation

VI. Infrastructure

- A. Funding and financing tools
- B. Equitable cost-sharing
- C. Expansion of funding
- D. Expedite approvals/reporting
- E. Funding for public share of costs

VII. System Resiliency

- A. Emergency Preparedness
- B. Physical and Cyber Security
- C. Chemical Security

Communications & Legislation Committee

Preview of Legislative Priorities & Principles for 2023

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Board of Directors

Report on Department Head 2022 Salary Survey

Board Meeting

Item 10-2

November 8, 2022

Overview

Department Head Salary Survey

- Review of process
- Market survey information
- Compensation options
- Board discussion and potential action

Background

Review of Process

- Determine job matches on the basis of:
 - Comparable work responsibilities and scope
 - Direct reporting relationship
 - Education and Experience requirements
 - Organization structure
- Valid comparison requires at least (3) matches

Background

Market Survey Information

- Annual Direct Report salary survey
 - General Manager
 - General Counsel
 - General Auditor
 - Ethics Officer
- Compares actual base salaries of incumbents
 - Bargaining unit comparisons measure salary range maximums
- Salaries measured against 75th percentile (+/- 10%)

Background

MWD Uses Nine Comparator Agencies

Per Administrative Code, Section 6208(h)(2) and in use since 2004:

- County of Los Angeles
- East Bay Municipal Utility District
- Los Angeles Department of Water and Power
- Los Angeles Metropolitan Transportation Authority
- Orange County Water District
- San Diego County Water Authority
- San Francisco Public Utilities Commission
- Sanitation Districts of Los Angeles County
- State Department of Water Resources

Market Data

General Manager

Rank	Agency	Classification Title	Agency Actual Annual Salary	Percentage Differential
1	County of Los Angeles	Chief Executive Officer	\$514,531	-28.63%
2	San Francisco Public Utilities Commission	General Manager	\$417,820	-4.45%
3	Los Angeles Department of Water and Power	General Manager & Chief Engineer	\$400,019	0.00%
4	Metropolitan Water District of Southern California	General Manager	\$400,005	
5	Los Angeles Metropolitan Transportation Authority	Chief Executive Officer	\$400,005	0.00%
6	Sanitation Districts of Los Angeles County	Chief Engineer & General Manager	\$398,640	0.34%
7	San Diego County Water Authority	General Manager	\$336,810	15.80%
8	East Bay Municipal Utility District	General Manager	\$324,444	18.89%
9	Orange County Water District	General Manager	\$308,022	23.00%
10	State Department of Water Resources	Director	\$224,473	43.88%

General Manager

Market Data

	Comparator Agency Actual Salary	MWD Actual Salary	Differential as Dollar Amount	Percentage Differential
25th Percentile	\$324,444	\$400,005	\$75,561	18.89%
50th Percentile/ Median	\$398,640	\$400,005	\$1,365	0.34%
75th Percentile	\$400,019	\$400,005	-\$14	0.00%
99th Percentile	\$514,531	\$400,005	-\$114,526	-28.63%

Market Data

General Counsel

Rank	Agency	Classification Title	Agency Actual Annual Salary	Percentage Differential
1	County of Los Angeles	County Counsel	\$382,594	-6.76%
2	Metropolitan Water District of Southern California	General Counsel	\$358,363	
3	Los Angeles Department of Water and Power	General Counsel	\$274,468	23.41%
4	East Bay Municipal Utility District	General Counsel	\$267,348	25.40%
5	San Diego County Water Authority	General Counsel	\$265,380	25.95%
6	State Department of Water Resources	Chief Counsel	\$213,648	40.38%
	Sanitation Districts of Los Angeles County	No Comparable Match		
	Los Angeles Metropolitan Transportation Authority	No Comparable Match		
	Orange County Water District	No Comparable Match		
	San Francisco Public Utilities Commission	No Comparable Match		

General Counsel

Market Data

	Comparator Agency Actual Salary	MWD Actual Salary	Differential as Dollar Amount	Percentage Differential
25th Percentile	\$265,380	\$358,363	\$92,983	25.95%
50th Percentile/ Median	\$267,348	\$358,363	\$91,015	25.40%
75th Percentile	\$274,468	\$358,363	\$83,895	23.41%
99th Percentile	\$382,594	\$358,363	-\$24,231	-6.76%

Market Data

Ethics Officer

Rank	Agency	Classification Title	Agency Actual Annual Salary	Percentage Differential
1	Los Angeles Metropolitan Transportation Authority	Chief Ethics Officer	\$247,811	-0.33%
2	Metropolitan Water District of Southern California	Ethics Officer	\$247,000	
	East Bay Municipal Utility District	No Comparable Match		
	San Diego County Water Authority	No Comparable Match		
	Los Angeles Department of Water and Power	No Comparable Match		
	State Department of Water Resources	No Comparable Match		
	Sanitation Districts of Los Angeles County	No Comparable Match		
	San Francisco Public Utilities Commission	No Comparable Match		
	County of Los Angeles	No Comparable Match		
	Orange County Water District	No Comparable Match		

Options

Compensation Options

- Board has the authority to provide:
 - Cost of living adjustment
 - % Merit increase based on performance
 - Lump sum based on performance
- Bargaining unit employees compensated per negotiated MOUs:
 - Cost of living adjustment
 - Merit step increase based on performance, up to salary range maximum (2.75% to 11%)

Salary History

Department Head Salary History

- Department Heads historically receive same COLA as bargaining unit employees

Classification Title	2016 Increase	2017 Increase	2018 Increase	2019 Increase	2020 Increase	2021 Increase
General Manager						Hired in 2021
General Counsel	1.5%	3%	3%	3%	0%	3%
Ethics Officer				Hired in 2019	0%	3%
Bargaining Unit Employees	1.5%	3%	3%	3%	3%	3%

- At times, Department Heads have received merit increases and/or lump sum payments in addition to cost-of-living adjustment

Discussion

Board Discussion and Potential Action





Ethics in Public Service

Presented By:

Christopher S. Frederick / November 8, 2022

Required “Ethics Laws” Under Gov’t Code § 53234

- Laws relating to personal financial gain
- Laws relating to claiming the perquisite of office
- Government transparency laws
- Laws relating to fair processes



Part 1

Laws Relating to Personal Financial Gain



Laws Relating to Personal Financial Gain

- Conflicts of interest
- Bribery
- Extra compensation
- Campaign contributions
- Conduct upon leaving office



General Duties

- Duty to avoid conflicts, even the appearance or possibility of a conflict
- Public officials and employees must perform their duties:
 - Impartially;
 - Free from bias caused by own financial interests; or
 - Free from bias caused by financial interests of supporters.

Gov't Code § 1090 - Contracts

General Rule

- A public officer or employee may not make contracts in which he or she is financially interested
- Prohibition applicable even when:
 - Contract is objectively fair and reasonable
 - Contract reflects lowest price/best value
 - Official abstains from participation in contract



Gov't Code § 1090 Test

Is there a Gov't Code § 1090 issue?

1. Is the person an officer or employee?
2. Is there a contract?
3. Did the person “make” the contract?
4. Do they have a financial interest?

What is a “Financial Interest?”

- Financial interest not defined by statute
- General inquiry:
 - Would employee or official realize a private gain?
 - Would the interest cause the employee’s or official’s loyalties to be divided?
- Can be direct or indirect financial interest, large or small

Gov't Code § 1090 Exceptions

If Gov't Code § 1090 is triggered, it is not a violation if one of the following applies:

1. The financial interest is a statutory “*non-interest*”
2. The financial interest is a statutory “*remote interest*”
3. The narrow “*rule of necessity*” exception applies

Case Study on Financial Interests

City Council Member Susan is the owner of a large parcel of property within the City. The City is looking to obtain land for a fire station. Susan thinks her property would be perfect, so she sells the parcel below the fair market value to a property developer who then sells it to the City. To be safe, Susan discloses her involvement and abstains from the final decision to purchase the property.

Were Susan's disclosure and abstention adequate to shield her from liability under Gov't Code § 1090?

Case Study on Financial Interests



Case Study on Financial Interests

Jacob is the president of City's Firefighters Association and a Trustee on the City Board. He voted to approve a proposal which allowed the City to limit funding its retirement system in exchange for City providing increased pension benefits to City employees, including himself.

Did Jacob's vote to increase pension benefits for himself and other City employees violate Gov't Code § 1090?

Case Study on Financial Interests



Case Study on Gov't Code § 1090

Maria was a member of a city council, but wanted to be City Manager. She participated in repealing an ordinance preventing councilmembers from becoming city managers for one year, and discussed her contract terms with council members prior to their vote, but abstained from the actual vote itself.

Has Maria violated Gov't Code § 1090?

Case Study on Gov't Code § 1090



Case Study

Councilmember Tony filed a lawsuit against City prior to joining the City Council for alleged wrongful conduct committed against him as a private citizen.

The City and Councilmember Tony came to an agreement and settled his suit for a reasonable amount of money.

Did the settlement violate Gov't Code §1090?

Case Study



Case Study - Rule of Necessity?

City contracts with an outside firm that performs mandated drug testing of employees. The only certified drug testers in the City are hospital staff including one doctor who serves on the City Council. A City employee has a traffic accident and must be drug tested immediately. None of the other hospital staff is available.

May the City pay the doctor to perform the drug test?

Case Study - Rule of Necessity?



Effect of Gov't Code § 1090 Conflict

- The legislative body is barred from making the contract
- Abstaining is insufficient to cure a conflict
- Does not matter if contract is fair or more advantageous
- No “good faith” defense
- If the contract is already made, it is void and unenforceable

Political Reform Act

Gov't Code § 87100

General Rule

- No public official may make, participate in making or in any way use or attempt to use his/her official position to influence a governmental decision in which he/she knows or has reason to know he/she has a financial interest



Political Reform Act Test

1. Are you a public official making, participating in making, or attempting to use your position to influence a decision?
 - Do you exercise discretion or judgment with regard to the decision?
2. If yes, do you have an economic interest in the decision?
3. If yes, is your interest directly or indirectly involved in the decision?
4. If direct, is your interest material?

Political Reform Act Test (Cont'd)

5. If material, is it reasonably foreseeable that the decision will have a material effect on your economic interest?
6. If foreseeable, is the effect distinguishable from effect on public generally?
7. If not, is your official participation nonetheless required?

Case Study – Political Reform Act

The City Council is asked to review and approve a plan by Box Superstore to build a new store. Box Superstore pays Councilmember Jacobs a monthly salary for work unrelated to City government. The Council's decision will not affect Jacobs' monthly salary.

Can Jacobs participate in the decision?

Case Study – Political Reform Act



What Do You Do When a Conflict Exists?

Decisions subject to Brown Act or the Bagley-Keene Open Meeting Act, the public official must:

1. State you have a conflict and publicly identify each type of financial interest that gives rise to disqualifying conflict of interest,
2. Make the identification orally and part of the official public record, and
3. Leave the room/refrain from participating

What Do You Do When a Conflict Exists?

For decisions **NOT** subject to Brown Act or the Bagley-Keene Open Meeting Act, the public official must:

1. State you have a conflict and publicly identify each type of financial interest that gives rise to disqualifying conflict of interest;
2. Make a written or oral identification;
3. Is not required from leaving the room, except for during closed sessions.

Bribery Penal Code §§ 7(6) and 68

- Definition of bribery:
 - Giving or promising to give anything of present/prospective value/advantage;
 - With a corrupt intent;
 - To unlawfully influence the recipient's action, vote, or opinion.
- Penalties:
 - Imprisonment, fine, and/or restitution;
 - Official forfeits office; AND
 - Permanently precluded from holding public office, employment or appointment in the state.



Conflicts of Interest and Campaign Contributions – Govt. Code § 84308

- Only applies when decision relating to licenses, permits, or entitlements for use pending before certain state and local boards and agencies
- An officer of a “public agency” may not receive/solicit direct campaign contributions:
 - More than \$250 within preceding 12 months;
 - From parties/other financially interested persons;
 - During proceeding involving a license, permit, or other entitlement for use; **AND**
 - For three (3) months after a final decision is rendered.
- **Note:** Does not cover elected officials unless also serve in capacity other than that for which they are directly elected

Conflicts of Interest When Leaving Office – Govt. Code § 87407

- Before leaving office:
 - Public official may not make, participate in making, or influence government decisions;
 - Directly relating to any persons with whom public official is negotiating or has any arrangement concerning prospective employment.

Conflicts of Interest When Leaving Office – Govt. Code § 87406.3

- For one year after leaving office:
 - An elected official/city manager/chief administrative officer, or general manager;
 - May not be compensated as an agent/attorney/representative of another person;
 - To appear before or communicate with their former agency for the purpose of influencing;
 - Regarding an administrative action or a legislative action (permits, licenses, grants, or contracts proceeding sale or purchase of goods or property, adoption of rules, etc.).

Conflict of Interest Codes – Govt. Code § 87300

- Every state and local government agency has a conflict of interest code
- Requirements may be more stringent than those from state law
- Read your agency's conflict of interest code!



Part 2

Laws Relating to Claiming the Perquisites of Office



Limitations on the Receipt of Gifts – Gov't Code §§ 89503, 89506

- A “gift” is:
 - Any payment or benefit
 - That confers a personal benefit
 - For which the official/employee/recipient does not provide goods or services of equal or greater value (including rebates/discounts unless made in the regular course of business to members of the public)



Does the Gift Limit Apply to You?

- Elected state or local officers or candidates;
- City managers, city attorneys, public officials who manage public investments (Gov't Code § 87200);
- “Designated employees” who are identified by an agency’s conflict of interest code.

Limitations on the Receipt of Gifts – Gov't Code §§ 89503, 89506

- Evaluate each gift to see if the following provisions are triggered:
 - Officials and candidates:
 - 1) Cannot accept any gift(s) from one source worth more than \$520 in a **single calendar year** if required to report receiving gifts from that source;
 - 2) Are disqualified from participating in decisions involving the source of gift(s) of more than \$520 in previous **12-month period**
 - Gifts aggregating \$50 or more in a calendar year must be reported on form 700
 - Agency's conflict of interest code may provide further information regarding disclosure of gifts

Limitations on the Receipt of Gifts 2

C.C.R. § 18943

- Gifts made to official and family member = Gift to official for full value
- Gift given directly to family member = gift to official if:
 - No established working/social relationship between the donor and family member suitable to the type of gift provided;
 - Gift by a donor who is registered to lobby the official's agency;
 - Giver is a person who has a contract with the official's agency or engages in business that regularly seeks contracts with the agency and the official may reasonably foreseeably participate in the decision; **OR**
 - Giver involved in government decision within last 12 months or in a current action the official will foreseeably participate.

Receipt of Gifts-Tickets and Passes

– 2 C.C.R. § 18944.1

- Entertainment or sporting ticket or pass does not have to be reported on form 700 if:
 - Agency has written policy stating public purpose for distribution of ticket permanently posted on website
 - The ticket's distribution is reported within 45 days
 - Ticket or pass cannot be earmarked for use by particular official
 - The agency determines, in its sole discretion, who uses the ticket or pass

Exceptions to the Gift Limitations

- Exempt from value limitation but must be disclosed on form 700:
 - Wedding gifts (Half of value attributed to each spouse)
 - Payments for transportation, lodging, and subsistence that are exempt from limits on gifts by Government Code Section 89506



Travel Payments

Travel payments =

Payments, advances, or reimbursements for travel, including actual transportation, parking, and related lodging and subsistence.

Travel Payments

- Not prohibited or subject to gift limit, but may be reportable
 - Free admission to an event (within the U.S.) At which official makes speech, is on a panel or makes presentation if for agency business (covers necessary travel, lodging, food)
 - Travel reasonably related to government or legislative purpose provided by agency, or §501(c)(3) organization

Exceptions to the Gift Limitations

- ***Exempt from both value limitation and disclosure requirement (Form 700):***
 - Informational materials;
 - Gifts returned within 30 days of receipt to the donor or delivered to § 501(c)(3) organization or government agency without claiming a deduction for tax purposes;
 - Gifts from close relatives (spouse, children, siblings, grandparents, aunts, uncles);
 - Campaign contributions that are required to be reported;

Exceptions to the Gift Limitations (Cont'd)

- ***Exempt from both value limitation and disclosure requirement (Form 700):***
 - Any devise or inheritance;
 - Personalized plaques with a value of less than \$250;
 - Hospitality in a friend's home;
 - Tickets to campaign events or fundraiser for a §501(c)(3) organization;
 - Bona fide campaign contributions;
 - Gifts exchanged with another in connection with birthdays, holidays, or similar events if gifts not disproportionate in value.



True, False or Maybe?

Clyde, a City Council member, attends the wedding of his friend and local businessman Monty. Monty passes out wedding favors valued at \$75 per person to all of his guests, including Clyde.

Does Clyde have to disclose the gift because it was substantially similar to the gifts everyone else received?

True, False or Maybe?



TRUE

The gift was substantially similar in value to everyone else's gifts.

Honoraria Ban

Gov't Code §§ 89501-89502

- “Honoraria”: payments made to an official for making speeches, publishing articles, or attendance at conference, meal, conventions, or social event
- Elected officials, candidates, or local official per Gov’t Code § 87200 may not accept Honoraria
- Prohibition does not apply if within 30 days of receipt:
 - Return to donor; **OR**
 - Deliver to official’s governmental agency for donation to agency’s general fund without claiming as deduction from income.

Exceptions to the Honoraria Ban

- Exceptions for earned income
 - “Earned income” is:
 - Payment received in return for rendering personal services customarily provided in connection with the practice of a bona fide business, trade or profession
- Limitations for earned income exception
 - Earned income of \$500 or more may be reportable as income; and
 - May result in disqualification from decisions affecting the source of the income

Exceptions to the Honoraria Ban

- Exceptions **NOT** reportable as income or gifts:
 - Payment made directly to a bona fide charitable or tax exempt non-profit organization if donation made directly to charity, speaker does not claim tax-exemption, speaker not identified and donation not a condition for the speech, article or attendance
 - Payment received from family member

Penalties for Violation of the Gift Limits and Honoraria Ban

- Giver and receiver are liable up to three times the amount of the unlawful gift/Honoraria
- Administrative sanctions, including fines of up to \$5,000 per violation



True, False or Maybe?

The District Attorney has been invited to make a presentation at the Association of Prosecutors' state-wide conference in Los Angeles. He arrives one day before the conference, delivers his talk the next day, and leaves the following day. The DA's lodging, food, and transportation costs total \$4,000 and are paid in full by the Association.

The DA has violated the gift limits because his expenses are covered for days he is not presenting?

True, False or Maybe?



FALSE

No violation if costs are reasonably related to governmental purpose, and the lodging and subsistence limited to the day before, day of, and the day after the presentation.

Misuse of Public Funds

- Public expenditures are proper only if implicitly or explicitly authorized by legislative enactment
- Gov't Code § 8314 prohibits local official/employee from using (or permitting others to use) public resources for campaign/personal/ unauthorized purposes
- Violation is a felony punishable by imprisonment and disqualification from holding any office in the state (penal code § 424)

Gifts of Public Funds Prohibited – California Const. Art. XVI, Sec. VI

- All expenditures of public funds must have a public purpose
- Test:
 - *Does the expenditure serve the public interest?*
 - Ask: Is the purpose of the expenditure to benefit the public interest or the interest of private individuals or for private purposes?
 - *Is the expenditure authorized?*
 - Public official possesses only those powers conferred by law

True, False or Maybe?

Sarah, a physician with the County Hospital, went to the Republic of Congo to treat those affected by an Ebola outbreak. The County reimbursed Sarah's travel expenses to the Republic of Congo.

This is a misuse of public funds by the County?

True, False or Maybe?



It is permissible if the governing body decides there is a public purpose.

Attorney General opinion 05-309

Mass Mailings

Gov't Code § § 89001 and 89002

- No mass mailing shall be sent at public expense
- “Mass mailing” means more than 200 substantially similar items sent in a single calendar month, but does not include:
 - A form letter or other mail sent in response to an unsolicited request, letter or other inquiry
 - A letter where the name of elected official is only in letterhead or logo and all official's names are same size, font, color and location

Prohibition on Free or Discounted Travel

California Constitution, Art. XII, SEC. 7

- Public officers may not receive free or discounted travel from transportation companies, whether for personal or business travel
- Applies to elected and non-elected officers, but does not apply to employees

Violation of the prohibition results in immediate forfeiture of office.

Part 3

Government Transparency Laws



Economic Interest Disclosure

Gov't Code § 87200

- Covered officials:
 - Planning commissioners
 - County supervisors
 - District attorneys/county counsels
 - County chief administrative officers/treasurers
 - City council members/mayors
 - City managers/attorneys/treasurers
 - Public officials who manage public investments
 - Candidates for any of these offices at any election
 - Other officials designated by local agency conflict of interest codes



Economic Interest Disclosure

Gov't Code § 87200

- Filed upon taking office/leaving office/ annual basis
- Form 700 requires disclosure of personal financial interests
- Alerts public officials to actual and potential conflicts to help avoid conflicts
- Informs public about potential conflicts

Brown Act

- Guarantees the public's right to attend and participate in meetings of legislative bodies
- Requires that public agency actions “*be taken openly and that their deliberations be conducted openly*”
 - Narrow exceptions apply



Who Is Subject to the Brown Act?

- Any Local Legislative Body of:
 - Counties and Cities
 - School & Community College Districts
 - Municipal Corporations
 - Political Subdivisions of the State
 - Local Public Agencies
 - Joint Powers Agencies
 - Housing Authorities
 - Boards of Education
 - Planning Commissions
 - Air Pollution Control Districts
 - Other Special Districts

What is a Meeting?

- Any congregation of a majority of the members of the legislative body in the same time and place to hear, discuss or deliberate any item within the subject matter jurisdiction
- Includes:
 - Informal sessions or conferences
 - Telephone conversations for the purpose of making a decision
 - E-mails

A Meeting is NOT

- Individual contacts or conversations that are not serial meetings
- Attendance of a majority of the members at conferences to discuss issues of general interest, so long as business not discussed
- Attendance of a majority of the members of the legislative body at purely social or ceremonial occasions

Beware of Serial Meetings

- A serial meeting violates the Brown Act
- “Serial meeting” occurs when there is:
 - A series of communications of any kind among a majority of the members, directly or through intermediaries;
 - To discuss, deliberate or take action on any item of business;
 - That is within the jurisdiction of the legislative body.

Closed Sessions

- Permissible where allowed by statute, including:
 - Certain personnel matters
 - Labor relations
 - Real property transactions
 - Pending litigation
- Disclosure of confidential information obtained during closed session is generally illegal

Case Study – Brown Act

Don filed a suit against City. During a closed meeting, City Council members excused themselves in small groups to speak with a non-government affiliated mediator to gather facts about the pending litigation. After each group had met with the mediator, they could not reach a consensus on settling the suit.

Has the City Council violated the Brown Act?

Case Study – Brown Act



Serial meetings between members of the Legislative Body, either personally or through intermediaries, violates the Brown Act.

Posting Requirements

- Post agenda at least 72 hours before a “regular” meeting
 - 24 hours before a “special” meeting
- Must specify time/location of meeting
- Specify where public can access non-privileged documents distributed to legislative body
- Brief general description of each item
- Include items to be discussed in closed session
- No action may be taken on any item not appearing on the posted agenda

Virtual Meetings

- Under AB 361, legislative bodies are allowed to meet virtually during a proclaimed state of emergency if any of the following apply:
 - State or local officials have imposed or recommended measures to promote social distancing
 - The purpose of the meeting is to determine whether, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees
 - The legislative body has already determined that as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees

Virtual Meetings (Cont'd)

The legislative body may meet virtually, so long as it:

- Gives public notice of the meeting and posts agendas
- Protects the statutory and constitutional rights of the parties and the public
- Provides public access to the meeting and an opportunity to address the body directly
- Provides public the opportunity to comment in real time, without a requirement to submit comments in advance
- Suspends further action on items in the meeting agenda in the event that there is a disruption in the ability of the meeting to be broadcast to members of the public or in the ability for members of the public to comment
- Avoids closing any timed public comment period until such time has lapsed

California Public Records Act (CPRA)

“...[A]ccess to information concerning the conduct of the people's business is a fundamental and necessary right of every person in this state.”



Gov't Code § 6250

What are Public Records?

- The act applies to “*Any Writings... Prepared, Owned, Used, or Retained by Any... Agency Regardless of Physical Form or Characteristics.*”
- May include:
 - Employment contracts
 - Salary information

When are Public Records Subject to Inspection?

- Public records are subject to inspection at all times during the business hours of the state or local agency
- Public records must be made available for copying upon:
 - Receipt of a request which reasonably describes an identifiable record; and
 - Upon payment of appropriate fees, if any

Responding to a Request for Records

- Agency has **10 days** upon receipt of the request to notify the person whether or not it will comply
- Notice of denial must state the names and titles or positions of each person responsible for the denial

Examples of Exempt Records:

- Preliminary drafts **NOT** regularly kept
- Pending litigation
- Communications received from legal counsel
- Complaints and investigations
- Personnel records
- Library circulation records
- Financial data
- Others as defined by Gov't Code § 6254
- Catch-all exception under Gov't Code § 6255

Enforcement

- A court may order production of records improperly withheld
- The court shall award cost and reasonable attorney's fees to prevailing plaintiff

Case Study – Public Records Act

A newspaper submits a records request for communications following anonymous allegations that Port District Board Members had a financial interest in a proposed contract. The newspaper requests voicemails, emails, or texts sent or received on personal electronic devices for the Members, and members of their executive staff. The District did not produce communications that were stored solely on personal devices or servers.

Was the District justified in its failure to produce?

Case Study – The CPRA



City of San Jose v. Superior Court (Smith) (2017) 2 Cal.5th 608

Part 4

Laws Relating to Fair Processes

Common Law Bias Prohibitions

- **Common law bias based on personal interest:** *Public officials cannot use their position for personal gain*
- **Common law bias or prejudice based on unofficial source:** *Decision at a hearing should be based on the record*
- **Common law prohibition on prejudging:** *Public official should not be committed to an outcome before the hearing. Opinions are okay, but should not approach a hearing with a closed mind*

Due Process Requirements

- Notice of intended action
- Opportunity to prepare
- Opportunity to be heard
- Fair and impartial hearing
- Requirements of due process are flexible depending upon the interests at stake



Doctrine of Incompatible Offices

Gov't Code § 1099

- Offices are incompatible when any of the following circumstances are present, unless simultaneous holding of the particular offices is compelled or expressly authorized by law:
 1. Either of the offices may audit, overrule, remove members of, dismiss employees of, or exercise supervisory powers over the other office or body
 2. Based on the powers and jurisdiction of the offices, there is a possibility of a significant clash of duties or loyalties between the offices
 3. Public policy considerations make it improper for one person to hold both offices

Doctrine of Incompatible Offices

Gov't Code § 1099

- The public officer shall be deemed to have forfeited the first office upon ascending to the second office. This provision is enforceable pursuant to code Civ. Proc. § 803
- Section 1099 does not apply to a position of employment, including a civil service position
- Section 1099 does not apply to a governmental body that has only advisory powers

Competitive Bidding Requirements for Public Contracts – Public Contract Code § 10108

- Statutes intended to:
 - Invite competition; and
 - Guard against favoritism, extravagance, fraud and corruption
- If estimated total cost of any construction project or public work project exceeds \$25,000, the agency shall solicit bids in writing and shall award the work to the lowest responsible bidder or reject all bids

Complex Statutes – Seek Advice Of Counsel

Competitive Bidding Requirements for Public Contracts – Public Contract Code § 10108

- Result of violations of competitive bidding laws:
 - Contract is void and illegal;
 - Contract cannot subsequently be ratified; **AND**
 - Contractor has no right to reimbursement for service or materials furnished, even if they were rendered in compliance with contract requirements.

Nepotism

- Policies intended to avoid the appearance of impropriety or favoritism
- Discrimination based on marital status is prohibited, but anti-nepotism policies are permissible when the marital status creates an unreasonable workplace conflict or hazard, and when the policies are narrowly tailored to respond to the conflict/hazard
- Public official should not participate in decisions directly affecting family members

Resources

- The Fair Political Practices Commission
www.fppc.ca.gov
1-866-ASK-FPPC (1-866-275-3772)
- The Attorney General
www.ag.ca.gov

Thank You!

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