

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.

L&C Committee

M. Luna, Chair
J. McMillan, Vice Chair
M. Camacho
J. Crawford
D. De Jesus
L. Dick
C. Douglas
M. Katz
C. Kurtz
C. Miller
M. Ramos

Legal and Claims Committee

Meeting with Board of Directors *

April 8, 2025

10:15 a.m.

**Tuesday, April 8, 2025
Meeting Schedule**

**08:30 a.m. FAAME
10:15 a.m. LEGAL
11:30 a.m. Break
12:00 p.m. BOD
01:30 p.m. CWC**

Agendas, live streaming, meeting schedules, and other board materials are available here:

<https://mwdh2o.legistar.com/Calendar.aspx>. Written public comments received by 5:00 p.m. the business days before the meeting is scheduled will be posted under the Submitted Items and Responses tab available here:

<https://mwdh2o.legistar.com/Legislation.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: 873 4767 0235.

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: 876 9484 9772 or to join by computer [click here](#).

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

Teleconference Locations:

3008 W. 82nd Place • Inglewood, CA 90305

SDCWA • Lobby Conference Room • 4677 Overland Avenue • San Diego, CA 92123

1005 South Cardiff Street • Anaheim, CA 92806

525 Via La Selva • Redondo Beach, CA 90277

* The Metropolitan Water District's meeting of this Committee is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to this Committee may participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the committee as advisory to the Board, members of the Board who are not assigned to this Committee will not vote on matters before this Committee.

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

2. MANAGEMENT ANNOUNCEMENTS AND HIGHLIGHTS

A. General Counsel's report of monthly activities [21-4430](#)

Attachments: [04082025 LC 2A Report](#)

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

3. CONSENT CALENDAR OTHER ITEMS - ACTION

A. Approval of the Minutes of the Legal and Claims Committee for March 11, 2025 [21-4431](#)

Attachments: [04082025 LC 3A \(03112025\) Minutes](#)

4. CONSENT CALENDAR ITEMS - ACTION

7-8 Approve amendments to the Metropolitan Water District Administrative Code to conform oversight of the General Auditor and Audit Department duties and responsibilities to the current committee structure, to streamline reporting on professional services agreements, and make a minor non-substantive change; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA [21-4429](#)

Attachments: [04082025 LC 7-8 B-L](#)
[04082025 LC 7-8 Presentation](#)

7-18 Authorize increase in the maximum amount payable under contract with outside counsel Liebert, Cassidy Whitmore, in the amount of \$200,000 for a total amount not to exceed \$450,000; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA [21-4457](#)

Attachments: [04082025 LC 7-18 B-L](#)
[04082025 LC 7-18 Presentation](#)

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

5. OTHER BOARD ITEMS - ACTION

- 8-2** Report on litigation in Maria Carmen Zarate v. Metropolitan Water District of Southern California, Los Angeles County Superior Court Case No. 23STCV15786; and authorize an increase in the maximum amount payable under contract for legal services with Seyfarth Shaw LLP, in the amount of \$250,000 for a total amount not to exceed \$750,000; 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)] [21-4428](#)

6. BOARD INFORMATION ITEMS

NONE

7. COMMITTEE ITEMS

- a.** 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; the Metropolitan Water District of Southern California v. San Diego County Water Authority cross-complaints in the 2014, 2016, and 2018 actions; and the appeals of the 2014, 2016, and 2018 actions, Court of Appeal for the First Appellate District Case No. A170156; including report on discussions regarding potential settlement of the 2014, 2016, and 2018 actions, including the cross-complaints and appeals, San Francisco County Superior Court Case Nos. CPF-14-514004, CPF-16-515282, and CPF-18-516389 and Court of Appeal for the First Appellate District Case No. A170156 [Conference with legal counsel – existing litigation; may be heard in closed session pursuant to Gov. Code Sections 54956.9(d)(1)] [21-4427](#)

8. FOLLOW-UP ITEMS

NONE

9. FUTURE AGENDA ITEMS

10. ADJOURNMENT

NOTE: This committee reviews items and makes a recommendation for final action to the full Board of Directors. Final action will be taken by the Board of Directors. Committee agendas may be obtained on Metropolitan's Web site <https://mwdh2o.legistar.com/Calendar.aspx>. This committee will not take any final action that is binding on the Board, even when a quorum of the Board is present.

Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan's Headquarters Building and on Metropolitan's Web site <https://mwdh2o.legistar.com/Calendar.aspx>.

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 Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.



Metropolitan Cases

Katano Kasaine v. Metropolitan **(Los Angeles County Superior Court)**

On February 24, 2025, employee Katano Kasaine filed an employment lawsuit against Metropolitan and Adel Hagekhalil in Los Angeles County Superior Court. Plaintiff served the lawsuit on Metropolitan on March 3, 2025. The complaint alleges causes of action for discrimination, hostile work environment, retaliation, failure to prevent discrimination, whistleblower retaliation, equal pay violations, intentional infliction of emotional distress, and defamation. The Legal Department has retained Davis Wright Tremaine LLP to defend the lawsuit.

Samer Samir Shafik Shahat v. Metropolitan **(Los Angeles County Superior Court)**

On January 17, 2025, plaintiff Samer Samir Shafik Shahat filed a lawsuit against Metropolitan and an employee in Los Angeles County Superior Court for alleged injuries arising out of a vehicle collision on June 12, 2023. Plaintiff served the lawsuit on Metropolitan on February 4, 2025. The complaint alleges causes of action for negligence, motor vehicle, negligent entrustment, and negligent hiring. The Office of the General Counsel is defending this lawsuit and answered the plaintiff's complaint on March 20, 2025.

Matters Impacting Metropolitan

EPA Seeks Input on New Definition of “Waters of the United States”

On March 12, 2025, the U.S. Environmental Protection Agency (EPA) and the Army Corps of Engineers (Corps) announced plans to seek stakeholder input on implementing a new definition of “waters of the United States” (WOTUS) under the Clean Water Act (CWA). The agencies' goal is to align their WOTUS implementation with the agencies' pre-2015 definition of “WOTUS” and the U.S. Supreme Court's 2023 decision in *Sackett v. Environmental Protection Agency*, 598 U.S. 651 (2023) (*Sackett*). The EPA will host six stakeholder listening sessions to solicit recommendations beginning in April through May 2025. Registration information and dates are available at <https://www.epa.gov/wotus/public-outreach-and-stakeholder-engagement-activities#wotusnotice>. Written recommendations on specific topics -- including the scope of “relatively permanent” waters, “continuous surface connection,” and jurisdictional ditches -- are due by April 23, 2025.

EPA also issued new implementation guidance clarifying what wetlands qualify as a jurisdictional

WOTUS. The new guidance explains that the Supreme Court in *Sackett* provided a clear two-part test for determining CWA jurisdiction over adjacent wetlands. First, the adjacent water must be a traditional navigable water or relatively permanent water body connected to a traditional navigable water. Second, the wetland must have a continuous surface connection to that water in a way that makes it difficult to distinguish where the water ends and the wetland begins. Thus, the guidance clarifies that the agencies interpret WOTUS to include “only those adjacent wetlands that have a continuous surface connection because they directly abut the [requisite jurisdictional water].” Wetlands separated by uplands, a berm, dike, or similar feature will no longer be considered WOTUS. Also, wetlands with only an intermittent, physically remote hydrologic connection to WOTUS do not have the necessary connection to covered waters that triggers CWA jurisdiction.

Metropolitan staff will submit written recommendations consistent with the Board-adopted Policy Principles and continue to track any future rulemakings or other actions affecting the definition of WOTUS, and any related litigation.



Other Matters

Miscellaneous

On March 19, 2025, Metropolitan issued \$99,400,000 of Tax-Exempt Flexible Rate Revolving Note, Series 2025 A-1 to reimburse the District for expenditures made from cash in fiscal year 2024-25 for Board-approved debt-financed projects for the Antelope Valley East Kern (AVEK) High Desert Water Banking Program and to prepay

the District's Tax-Exempt Flexible Rate Revolving Note, Series 2024 A1 and the Tax-Exempt Flexible Rate Revolving Note, Series 2024 A-7. Legal Department staff attorneys worked with and assisted outside bond counsel with the drafting and negotiation of several contracts and closing certificates.

Matters Received

<u>Category</u>	<u>Received</u>	<u>Description</u>						
Action in which MWD is a party	1	Complaint for Damages for: (1) Harassment Based on Race; (2) Harassment Based on Gender; (3) Discrimination Based on Race; (4) Discrimination Based on Gender; (5) Retaliation; (6) Failure to Take All Reasonable Steps to Prevent and Correct Harassment, Discrimination, and Retaliation; (7) Whistleblower Retaliation; (8) Violation of Labor Code § 1197.5 (California Equal Pay Act); (9) Intentional Infliction of Emotional Distress; and (10) Defamation, filed in Los Angeles County Superior Court, in the case <i>Katano Kasaine v. MWD and Adel Hagekhalil</i> , Case No. 25STCV05250						
Subpoenas	1	Worker's Compensation subpoena for personnel, medical, and payroll records for an agency temp						
Government Code Claims	1	Claim relating to an accident involving an MWD vehicle						
Requests Pursuant to the Public Records Act	14	<table border="1"> <thead> <tr> <th><u>Requestor</u></th> <th><u>Documents Requested</u></th> </tr> </thead> <tbody> <tr> <td>22nd Century Technologies</td> <td>Current contracts for: (1) On-Call Information Technology Infrastructure Services; (2) On-Call Information Technology Quality Assurance and Control, Project Management, and Business Analysis Support Services; (3) On-Call Information Technology Application Support Services; and (4) Information Technology Cybersecurity Services</td> </tr> <tr> <td>BTCS Group</td> <td>Winning Statements of Qualifications and Evaluation Score Sheets for IT Application Support Services</td> </tr> </tbody> </table>	<u>Requestor</u>	<u>Documents Requested</u>	22nd Century Technologies	Current contracts for: (1) On-Call Information Technology Infrastructure Services; (2) On-Call Information Technology Quality Assurance and Control, Project Management, and Business Analysis Support Services; (3) On-Call Information Technology Application Support Services; and (4) Information Technology Cybersecurity Services	BTCS Group	Winning Statements of Qualifications and Evaluation Score Sheets for IT Application Support Services
<u>Requestor</u>	<u>Documents Requested</u>							
22nd Century Technologies	Current contracts for: (1) On-Call Information Technology Infrastructure Services; (2) On-Call Information Technology Quality Assurance and Control, Project Management, and Business Analysis Support Services; (3) On-Call Information Technology Application Support Services; and (4) Information Technology Cybersecurity Services							
BTCS Group	Winning Statements of Qualifications and Evaluation Score Sheets for IT Application Support Services							



<u>Requestor</u>	<u>Documents Requested</u>
Center for Contract Compliance (4 requests)	Contract/bid information relating to the: (1) Solids Removal and Disposal Services at the Jensen Treatment Plant; (2) Landscape Maintenance and Irrigation Repairs at the Jensen Water Treatment Plant; (3) Landscape Maintenance and Repair Services at the Garvey Reservoir; and (4) Lake Skinner Dam Perimeter Drainage Improvements
Deltek	Bidders list for the Intramet Redesign
GHD	Documents relating to any environmental issues with septic systems or water supply wells at Monlux Elementary School in Valley Glen
Private Citizen (2 requests)	(1) Documents relating to the request for proposal and contracts for Multimedia Placement Consulting Services for Water Awareness and Outreach Campaign' and (2) documents relating to a turf removal rebate paid to Casta del Sol Homeowners Association
Rincon Consultants	Turf removal rebate data during the period 2020-2024 for participants in the Vallecitos Water District service area
Santa Margarita Water District	Proposals submitted in response to the 2019 Request for Qualifications for On-Call Consulting Services for Asset Management Program Planning and Development Services
Trellix	Scoring for responses to Request for Proposal for Cybersecurity Operation Center (CSOC) Support Services
Tryfacta	Technical and cost proposals submitted by the awarded vendors and the amount spent on the contracts for: (1) On-Call Information Technology Infrastructure Services; (2) On-Call Information Technology Quality Assurance and Control, Project Management, and Business Analysis Support Services; and (3) Information Technology Application Support Services



<u>Category</u>	<u>Received</u>	<u>Description</u>
Other Matters	1	Wage garnishment



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	
Subject	Status
<p>Delta Conveyance Project CEQA Cases</p> <p><i>Tulare Lake Basin Water Storage District v. California Department of Water Resources</i> (case name for the consolidated cases)</p> <p><i>City of Stockton v. California Department of Water Resources</i></p> <p><i>County of Butte v. California Department of Water Resources</i></p> <p><i>County of Sacramento v. California Department of Water Resources</i></p> <p><i>County of San Joaquin et al. v. California Department of Water Resources</i></p> <p><i>Sacramento Area Sewer District v. California Department of Water Resources</i></p> <p><i>San Francisco Baykeeper, et al. v. California Department of Water Resources</i></p> <p><i>Sierra Club, et al. v. California Department of Water Resources</i></p> <p><i>South Delta Water Agency and Rudy Mussi Investment L.P. v. California Department of Water Resources</i></p> <p><i>Sacramento County Superior Ct.</i> (Judge Acquistio)</p> <p>3d District Court of Appeal Case No. C101878</p>	<ul style="list-style-type: none"> • DWR is the only named respondent/defendant • All alleged CEQA violations • Most allege violations of the Delta Reform Act, Public Trust Doctrine and Delta and Watershed Protection Acts • Two allege violations of the fully protected bird statute • One alleges violations of Proposition 9 (1982) and the Central Valley Project Act • Deadline for DWR to prepare the administrative record extended to Jan. 31, 2025 • June 20, 2024 trial court issued a preliminary injunction halting pre-construction geotechnical soil testing until DWR certifies that the DCP is consistent with the Delta Plan • Aug. 19, 2024 DWR appealed the injunction • Oct. 24, 2024 cases ordered consolidated for all purposes under <i>Tulare Lake Basin Water Storage District v. California Department of Water Resources</i> • April 4, 2025 next case management conference • Feb. 6, 2025 DWR filed its opening brief on appeal of the preliminary injunction halting preconstruction geotechnical work • March 21, 2025 trial court hearing on DWR's motion to for stay of enforcement of injunction to allow the DCA to resume preconstruction geotechnical work • <u>Aug. 8, 2025 next case management conference</u>
<p>Delta Conveyance Project Water Right Permit Litigation</p> <p><i>Central Delta Water Agency et al. v. State Water Resources Control Board</i></p> <p>Fresno County Superior Court (Judge Hamilton <u>Lisa Gamoian</u>)</p>	<ul style="list-style-type: none"> • Complaint filed April 16, 2024, alleges that the State Water Board must rule on DWR's 2009 petition to extend the time to perfect its State Water Project rights before the State Water Board may begin to adjudicate DWR's petition to change its water rights to add new points of diversion for the Delta Conveyance Project • Sept. 19 hearing date for State Water Resources Control Board demurrer (motion to dismiss) and motion to strike and DWR's demurrer (motion to dismiss) taken off calendar by court-entered stipulation of the



Subject	Status
	<p>parties after DWR withdrew the 2009 petition to extend its SWP water rights</p> <ul style="list-style-type: none"> March 11, 2025 Trial Setting Conference <u>August 27, 2025 Case Management Conference</u>
<p>Consolidated DCP Revenue Bond Validation Action and CEQA Case</p> <p><i>Sierra Club, et al. v. California Department of Water Resources</i> (CEQA, designated as lead case)</p> <p><i>DWR v. All Persons Interested</i> (Validation)</p> <p>Sacramento County Superior Ct. (Judge Kenneth C. Mennemeier)</p> <p>3d District Court of Appeal Case No. C100552</p>	<ul style="list-style-type: none"> Validation Action Final Judgment and Final Statement of Decision issued January 16, 2024 ruling the bonds are not valid DWR, Metropolitan and other supporting public water agencies filed Notices of Appeal on or before the February 16, 2024 deadline Eight opposing groups filed Notices of Cross Appeals by March 27, 2024 April 16, 2024 DWR moved to dismiss the cross appeals as untimely October 4, 2024 DWR's and Supporting SWP Contractors' Joint Opening Brief and Appellants' Appendix filed October 15, 2024 DWR's and Supporting SWP Contractors' joint motion for calendar preference was granted; the appeal will be accorded priority pursuant to statutory provisions, which should accelerate oral argument and the court's decision once briefing is completed in about March 2025 Respondents' and Cross-Appellants' briefs filed Dec. 31, 2024 and Jan. 2, 2025 DWR's and Supporting SWP Contractors' filed reply to Howard Jarvis Taxpayers Association's opposition brief Feb. 11, 2025 DWR's and Supporting SWP Contractors' combined opposition to cross-appeals and reply brief <u>filed April 1, 2025</u>due ~March 18, 2025 <u>Cross-Appellants' reply briefs due May 12, 2025</u>



Subject	Status
<p>2025 Delta Conveyance Program Revenue Bond Validation</p> <p><i>Department of Water Resources v. All Persons Interested, etc.</i></p> <p>Sacramento County Superior Court (Judge TBD)</p>	<ul style="list-style-type: none"> Jan. 6, 2025, the Department of Water Resources (DWR) adopted a new bond resolution Jan. 7, DWR filed a complaint seeking a judgment validating its authority to issue the bonds under the CVP Act Jan. 27, 2025 summons issued Feb. 27, 2026 Case Management Conference March 25, 2025 deadline to file answers Metropolitan and Coachella Valley Water District filed answers in support in mid- and late-February, respectively <u>15 answers filed, 10 in opposition and 5 in support</u> <u>Two motions to dismiss filed; the first noticed for a June 12, 2025 hearing, the second for October 8, 2025</u>
<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 Federal defendants reinitiated consultation on Oct 1, 2021 March 28, 2024 order extending the Interim Operations Plan and the stay of the cases through the issuance of a new Record of Decision or December 20, 2024, whichever is first
<p>2020 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. (CESA/CEQA/Breach of Contract)</i></p> <p><i>State Water Contractors & Kern County Water Agency v. Calif. Dept. of Fish & Wildlife, et al. (CESA/CEQA)</i></p> <p><i>San Bernardino Valley Municipal Water Dist. v. Calif. Dept. of Water Resources, et al. (CEQA/CESA/ Breach of Contract/Takings)</i></p> <p><i>Sierra Club, et al. v. Calif. Dept. of Water Resources (CEQA/Delta Reform Act/Public Trust)</i></p>	<ul style="list-style-type: none"> Administrative records certified in October 2023 Order entered to delay setting a merits briefing schedule by 90 days and extending the time to bring the action to trial by six months Deadline to bring all the coordinated cases to trial is now December 5, 2025 December 2024 three petitioner groups filed requests for dismissal without prejudice Remaining petitioner groups meeting and conferring in light of the new, 2024 CESA Incidental Take Permit <u>SF Baykeeper dismissed its case on March 18, 2025</u> <u>March 7-May 2, 2025</u> Case Management Conference



Subject	Status
<p><i>San Francisco Baykeeper, et al. v. Calif. Dept. of Water Resources, et al. (CEQA/CESA)</i></p>	
<p>2024 CESA Incidental Take Permit Cases</p> <p><i>San Francisco Baykeeper, et al. v. California Department of Water Resources</i> (CEQA, Delta Reform Act, Public Trust Doctrine)</p> <p>Sacramento County Superior Ct. Case No. 24WM000185 (Judge Arguelles)</p> <p><i>California Sportfishing Protection Alliance, et al. v. California Department of Water Resources, et al.</i> (CEQA, CESA, Delta Reform Act, Public Trust Doctrine)</p> <p>Sacramento County Superior Ct. Case No. 24WM000181 (Judge Arguelles)</p> <p><i>Tehama-Colusa Canal Authority, et al. v. California Department Of Water Resources, et al.</i> (CEQA)</p> <p>Sacramento County Superior Ct. Case No. 24WM000183 (Judge Rockwell)</p> <p>Central Delta Water Agency and South Delta Water Agency v. California Department of Water Resources (CEQA, Delta Reform Act, Watershed Protection Acts, Public Trust Doctrine)</p> <p>Sacramento County Superior Ct. Case No. 24WM000186 (Judge Acquisto)</p>	<ul style="list-style-type: none"> • Cases challenge DWR's Final EIR and the California Department of Fish and Wildlife's California Endangered Species Act Incidental Take Permit for the updated Long Term Operations plan for the State Water Project



Subject	Status
<p>CDWR Environmental Impact Cases Sacramento Superior Ct. Case No. JCCP 4942, 3d DCA Case No. C100302 (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 Arguelles)</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 • May 11, 2022, court of appeal reversed the trial court’s denial of attorney fees and costs • Coordinated cases remitted to trial court for re-hearing of fee motions consistent with the court of appeal’s opinion • Dec. 26, 2023 order denying fee motions • Six notices of appeal filed • Appellants’ opening briefs and appendices filed Oct. 29 and Oct. 31 • Feb. 13, 2025 DWR filed its omnibus respondents’ (opposition) brief • Reply briefs due May 5, 2025
<p><i>North Coast Rivers Alliance v. DWR</i> <i>Sacramento County Superior Ct.</i> (Judge Rockwell)</p>	<ul style="list-style-type: none"> • Case dismissed Dec. 12, 2024
<p>Water Management Tools Contract Amendment</p> <p><i>California Water Impact Network et al. v. DWR</i> Sacramento County Superior Ct. (Judge Acquisto)</p> <p><i>North Coast Rivers Alliance, et al. v. DWR</i> Sacramento County Super. Ct. (Judge Acquisto)</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 • SWC motion to intervene in both cases granted • Dec. 20, 2022 DWR filed notice of certification of the administrative record and filed answers in both cases



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

Cases	Date	Status
2014, 2016	Sept. 30	Based on the Court of Appeal's Sept. 21 opinion in the parties' earlier 2010/2012 cases, 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	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.
	Feb. 22	Metropolitan and SDCWA each filed motions for summary adjudication.
	April 13	Hearing on Metropolitan's and SDCWA's motions for summary adjudication.
	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



Cases	Date	Status
2014, 2016, 2018 (cont.)		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 16-27	Trial occurred but did not conclude.
	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 filed proposed trial statements of decision.
	Dec. 21	SDCWA filed the parties' stipulation and proposed order for judgment on Water Stewardship Rate claims for 2015-2020.
	Dec. 27	Court entered order for judgment on Water Stewardship Rate claims for 2015-2020 as proposed by the parties.
	March 14, 2023	Court issued tentative statement of decision (tentatively ruling in Metropolitan's favor on all claims litigated at trial, except for those ruled to be moot based on the rulings in Metropolitan's favor)



Cases	Date	Status
2014, 2016, 2018 (cont.)	March 14	Court issued amended order granting in part and denying in part SDCWA's motion for partial judgment (ruling that Metropolitan's claims for declaratory relief regarding cost causation are not subject to court review).
	March 29	SDCWA filed objections to tentative statement of decision
	April 3	Metropolitan filed response to amended order granting in part and denying in part SDCWA's motion for partial judgment (requesting deletion of Background section portion relying on pleading allegations).
	April 25	Court issued statement of decision (ruling in Metropolitan's favor on all claims litigated at trial, except for those ruled to be moot based on the rulings in Metropolitan's favor)
	Jan. 10, 2024	Parties filed joint status report and stipulated proposal on form of judgment
	Jan. 17	Court issued order approving stipulated proposal on form of judgment (setting briefing and hearing)
	April 3	Court entered final judgment
	April 3	Court issued writ of mandate regarding demand management costs
	April 3	SDCWA filed notice of appeal
	April 17	Metropolitan filed notice of cross-appeal
	May 3	Participating member agencies filed notice of appeal
	May 31	Parties filed opening briefs on prevailing party
	June 28	Parties filed response briefs on prevailing party
	July 17	Court issued tentative ruling that there is no prevailing party due to mixed results
	July 18	Hearing on prevailing party; court took matter under submission, stating it expects to rule in mid-Aug.
	Aug. 15	Court issued ruling that Metropolitan is the prevailing party and is entitled to SDCWA's payment of its litigation costs and fees under the Exchange Agreement
	Sept. 25	Court issued order extending time for Metropolitan to file its memorandum of costs and motion for attorneys' fees
	Sept. 27	Metropolitan filed its memorandum of costs in the amount of \$372,788.64



Cases	Date	Status
2014, 2016, 2018 (cont.)	Oct. 18	Parties filed a joint application to extend the briefing schedule in the Court of Appeal
	Oct. 21	Court of Appeal granted parties' joint briefing schedule; briefing begins April 11, 2025 and ends October 10, 2025
	Oct. 29	SDCWA filed its motion to tax (reduce) Metropolitan's costs
	Nov. 26	SDCWA withdrew its motion to tax (reduce) Metropolitan's costs and requested that the court cancel the Dec. 11 motion hearing
	Dec. 17	The court entered the parties' stipulated order that Metropolitan's recoverable attorneys' fees are \$3,402,408.71 and its recoverable costs are \$372,788.64; unless the Court of Appeal reverses the order that Metropolitan is the prevailing party, SDCWA is to pay Metropolitan these amounts, plus interest; and briefing on Metropolitan's motion for attorneys' fees is vacated.
	Dec. 17	The court issued an order reassigning the cases from the Honorable Anne-Christine Massullo to the Honorable Ethan P. Schulman.
	Jan. 28, 2025	Court of Appeal granted parties' modified joint briefing schedule; briefing begins July 11, 2025 and ends January 9, 2026.
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
Albright, Yee & Schmit, APC	Employment Matter	222524	11/24	\$75,000
	Employment Matter	222529	12/24	\$50,000
	<u>Employment Matter</u>	<u>222536</u>	<u>03/25</u>	<u>\$50,000</u>
	<u>Employment Matter</u>	<u>222542</u>	<u>03/25</u>	<u>\$50,000</u>
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
Anzel Galvan LLP	Bond Issues	220411	07/24	N/A
Atkinson Andelson Loya Ruud & Romo	Employee Relations	59302	04/04	\$1,316,937
	Delta Conveyance Project Bond Validation-CEQA Litigation	185899	09/21	\$250,000
	MWD Drone and Airspace Issues	193452	08/20	\$50,000
	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
	Misconduct Investigation	222533	01/25	\$25,000
	Ethics Investigation	222534	01/25	\$25,000
	<u>PRA Issues</u>	<u>222539</u>	<u>02/25</u>	<u>\$20,000</u>
BDG Law Group, APLC	Gutierrez v. MWD	216054	03/24	\$250,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Best, Best & Krieger	Bay-Delta Conservation Plan/Delta Conveyance Project (with SWCs)	170697	08/17	\$500,000
	Environmental Compliance Issues	185888	05/20	\$100,000
	Grant Compliance Issues	211921	05/23	\$150,000
	Pure Water Southern California	207966	11/22	\$250,000
	Progressive Design Build	216053	04/24	\$250,000
Blooston, Mordkofsky, Dickens, Duffy & Prendergast, LLP	FCC and Communications Matters	110227	11/10	\$100,000
Brown White & Osborn LLP	Employment Matter	222523	10/24	\$50,000
	Employment Matter	222525	11/24	\$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	\$75,000
	General Real Estate Matters	180209	08/19	\$200,000
	Rancho Cucamonga Condemnation Actions (Grade Separation Project)	207970	05/22	\$100,000
Law Office of Alexis S.M. Chiu*	Bond Counsel	200468	07/21	N/A
	Bond Counsel	220409	07/24	N/A
Castañeda + Heidelman LLP	Employment Matter	216055	04/24	\$100,000
	Employment Matter	222530	11/24	\$100,000
Cislo & Thomas LLP	Intellectual Property	170703	08/17	\$100,000
Curls Bartling P.C.*	Bond Counsel	200470	07/21	N/A
Davis Wright Tremaine, LLP	Advice and Representation re Potential Litigation	220424	10/24	\$250,000
Duane Morris LLP	SWRCB Curtailment Process	138005	09/14	\$615,422



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Duncan, Weinberg, Genzer & Pembroke	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
Erin Joyce Law, PC	Employment Matter	216039	11/23	\$100,000
	Ethics Advice	216058	05/24	\$100,000
Glaser Weil Fink Howard Jordan & Shapiro	Employment Matter	220395	7/24	\$160,000 \$150,000
Greines, Martin, Stein & Richland LLP	SDCWA v. MWD	207958	10/22	\$100,000
	Colorado River Matters	207965	11/22	\$100,000
Hackler Flynn & Associates	Government Code Claim Advice	216059	5/24	\$150,000
Haden Law Office	Real Property Matters re Agricultural Land	180194	01/19	\$50,000
Hanna, Brophy, MacLean, McAleer & Jensen, LLP	Workers' Compensation	211926	06/23	\$500,000
Hanson Bridgett LLP	Finance Advice	158024	12/16	\$100,000
	Deferred Compensation/HR	170706	10/17	\$600,000 \$500,000
	Tax Issues	180200	04/19	\$50,000
	Alternative Project Delivery (ADP)	207961	10/22	\$250,000
	Ad Valorem Property Taxes	216042	11/23	\$100,000
Harris & Associates	Employment Matter	220397	7/24	\$100,000
Hausman & Sosa, LLP	Jones v. MWD	216056	05/24	\$100,000
	Villavicencio v. MWD	220426	10/24	\$100,000
	Jensen Operator Standby Removal	222522	10/24	\$100,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Hawkins Delafield & Wood LLP*	Bond Counsel	193469	07/21	N/A
	Bond Counsel	220405	07/24	N/A
Hemming Morse, LLP	Baker Electric v. MWD	211933	08/23	\$175,000
Horvitz & Levy	SDCWA v. MWD	124100	02/12	\$1,250,000
	General Appellate Advice	146616	12/15	\$200,000
	Colorado River	203464	04/22	\$100,000
	Delta Conveyance Bond Validation Appeal	216047	03/24	\$25,000
	PFAS Multi-District Litigation – Appeal	216050	03/24	\$200,000
Innovative Legal Services, P.C.	Employment Matter	211915	01/19/23	\$175,000
Internet Law Center	Cybersecurity and Privacy Advice and Representation	200478	04/13/21	\$100,000
	Systems Integrated, LLC v. MWD	201875	05/17/21	\$100,000
Amira Jackmon, Attorney at Law*	Bond Counsel	200464	07/21	N/A
Jackson Lewis P.C.	Employment: Department of Labor Office of Contract Compliance	137992	02/14	\$45,000
Jones Hall, A Professional Law Corp*	Bond Counsel	200465	07/21	N/A
Katten Muchin Rosenman LLP	Bond Counsel	220412	07/24	N/A
Kronenberger Rosenfeld, LLP	Systems Integrated, LLC v. MWD	211920	04/23	\$250,000
Kutak Rock LLP	Delta Islands Land Management	207959	10/22	\$160,000 \$60,000
<u>Lesnick Prince & Pappas LLP</u>	<u>Kidde-Fenwal Bankruptcy</u>	<u>216061</u>	<u>06/24</u>	<u>\$50,000</u>



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Liebert Cassidy Whitmore	Labor and Employment	158032	02/17	\$244,741 \$240,824
	FLSA Audit	180199	02/19	\$50,000
	EEO Advice	216041	12/23	\$250,000
Lieff Cabraser Heimann & Bernstein, LLP	PFAS Multi-District Litigation	216048	03/24	\$200,000
Manatt, Phelps & Phillips	SDCWA v. MWD rate litigation	146627	06/16	\$4,400,000
	Raftelis-Subcontractor of Manatt, Agr. #146627: Per 5/2/22 Engagement Letter between Manatt and Raftelis, MWD paid Raftelis Financial Consultants, Inc.	Invoice No. 23949		\$56,376.64 for expert services & reimbursable expenses in SDCWA v. MWD
Marten Law LLP	PFAS Multi-District Litigation	216034	09/23	\$550,000
	PFAS-Related Issues (PWSC)	220414	08/24	\$100,000
	Perris Valley Pipeline Project	220415	07/24	\$100,000
	PFAS-Related Issues (General)	220413	10/24	\$50,000
Meyers Nave Riback Silver & Wilson	Pure Water Southern California	207967	11/22	\$100,000
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	\$3,250,000
	Arvin-Edison v. Dow Chemical	203452	01/22	\$150,000
	Semitropic TCP Litigation	207954	09/22	\$75,000
	Employment Matter	220417	08/24	\$100,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Nixon Peabody LLP*	Bond Counsel [re-opened]	193473	07/21	N/A
	Special Finance Project	207960	10/22	\$50,000
	Bond Counsel	220404	07/24	N/A
Norton Rose Fulbright US LLP*	Bond Counsel	200466	07/21	N/A
	Bond Counsel	220407	7/24	N/A
Olson Remcho LLP	Government Law	131968	07/14	\$600,000
	Executive Committee/Ad Hoc Committees Advice	207947	08/22	\$60,000
	Advice/Assistance re Proposition 26/Election Issues	211922	05/23	\$100,000
Pearlman, Brown & Wax, L.L.P.	Workers' Compensation	216037	10/23	\$100,000
Procopio, Cory, Hargreaves & Savitch, LLP	CityWatch Los Angeles Public Records Act Request	216046	02/24	\$75,000
	Public Records Act Requests	220399	7/24	\$75,000
<u>Redwood Public Law, LLP</u>	<u>PRA and Conflicts Issues</u>	<u>222540</u>	<u>02/25</u>	<u>\$150,000</u>
Renne Public Law Group, LLP	ACE v. MWD (PERB Case No. LA-CE-1574-M)	203466	05/22	\$100,000
	ACE v. MWD (PERB Case No. LA-CE-1611-M)	207962	10/22	\$50,000
	Employee Relations and Personnel Matters	216045	01/24	\$50,000
	ACE v. MWD (PERB Case No. LA-CE-1729-M)	220421	09/24	\$35,000
	AFSCME v. MWD (PERB Case No. LA-CE-1733-M)	220422	09/24	\$35,000
	AFSCME v. MWD (PERB Case No. LA-CE-1738-M)	220425	10/24	\$35,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
	SAMWD v. MWD (PERB Case No. LA-CE-1745-M)	220527	11/24	\$35,000
	AFSCME v. MWD (PERB Case No. LA-CE-1746-M)	222528	11/24	\$35,000
Melanie Ross Law P.C.	Tiegs v. MWD	222535	01/25	\$25,000
Ryan & Associates	Leasing Issues	43714	06/01	\$200,000
	Oswalt v. MWD	211925	05/23	\$100,000
	Unlawful Encroachment on Metropolitan Rights-of-Way	216065	06/24	\$100,000
Seyfarth Shaw LLP	Claim (Contract #201897)	201897	11/04/21	\$350,000
	Claim (Contract #203436)	203436	11/15/21	\$350,000
	Claim (Contract #203454)	203454	01/22	\$210,000
	Reese v. MWD	207952	11/22	\$900,000
	General Labor/Employment Advice	211917	3/23	\$250,000
	Civil Rights Department Complaint	211931	07/23	\$100,000
	Crawford v. MWD	216035	09/23	\$525,000
	Tiegs v. MWD	216043	12/23	\$525,000
	Zarate v. MWD	216044	01/24	\$250,000 \$500,000
Shaw Law Group, PC	Administrative Investigation	222531	12/24	\$30,000
Sheppard Mullin Richter & Hampton LLP	Lorentzen v. MWD	216036	09/23	\$250,000
	Iverson v. MWD	222532	12/24	\$100,000
Stradling Yocca Carlson & Rauth*	Bond Counsel	200471	07/21	N/A
	Bond Counsel	220408	7/24	N/A



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Theodora Oringher PC	Construction Contracts - General Conditions Update	185896	07/20	\$100,000
Thompson Coburn LLP	NERC Energy Reliability Standards	193451	08/20	\$300,000
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
	Colorado River Issues	211924	05/23	\$250,000

*Expenditures paid by Bond Proceeds/Finance

**Expenditures paid by another group

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

LEGAL AND CLAIMS COMMITTEE

March 11, 2025

Chair Luna called the meeting to order at 10:15 a.m.

Members present: Directors Camacho, Dick, Douglas, Fellow, Kurtz, Luna, McCoy, McMillan, Miller, Ramos (entered after roll call), and Seckel.

Members absent: Director Cordero

Other Board Members present: Directors Ackerman, Alvarez, Armstrong, Bryant, De Jesus, Dennstedt, Erdman, Faessel, Fong-Sakai, Garza, Goldberg, Gray (teleconference posted location), Katz, Lefevre, Lewitt, Morris, Ortega, and Pressman (teleconference posted location).

Committee Staff present: Beatty, Boucher, Gaxiola, Rubin, Scully, and Upadhyay.

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

None

2. MANAGEMENT ANNOUNCEMENTS AND HIGHLIGHTS

A. Subject: General Counsel's report of monthly activities

General Counsel Scully addressed changes to the agenda regarding Items 7-10 deferred, 8-3 withdrawn, and 7a deferred; provided an update on the Tieg v. Metropolitan litigation and an update on the settlement negotiations in San Diego County Water Authority v. Metropolitan; and reported on federal regulations affecting NEPA.

The following Directors provided comments or asked questions:

1. Dick
2. Morris
3. De Jesus
4. Garza

Chair Luna announced no closed session for Item 7a.

CONSENT CALENDAR ITEMS – ACTION

3. CONSENT CALENDAR OTHER ITEMS – ACTION

A. Subject: Approval of the Minutes of the Legal and Claims Committee for February 11, 2025.

No comments on the minutes.

4. CONSENT CALENDAR ITEMS – ACTION

7-11 Subject Authorize an increase of \$100,000, to an amount not-to-exceed \$600,000, for a contract for legal services with Hanson Bridgett LLP to provide legal advice on deferred compensation plans, other employee benefits, taxes, and CalPERS matters; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

No presentation was given.

Motion Authorize the General Counsel to increase the amount payable under its contract with Hanson Bridgett LLP by \$100,000 to an amount not to exceed \$600,000

7-12 Subject Approve amendments to the Metropolitan Water District Administrative Code to modify the structure and duties of various committees and the roles of specified board and committee officers; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

No presentation was given.

Motion Approve amendments to the Metropolitan Water District Administrative Code to modify the structure and duties of various committees and the roles of specified board and committee officers

The following Directors provided comments or asked questions:

1. Ortega
2. Douglas

Director Fellow made a motion, seconded by Director Camacho, to approve item 3A, 7-11 and 7-12.

The vote was:

Ayes: Directors Camacho, Dick, Douglas, Fellow, Kurtz, Luna, McCoy, McMillan, Miller, and Seckel
Noes: None
Abstentions: None
Absent: Directors Cordero and Ramos

The motion for Item 3A, 7-11 and 7-12 passed by a vote of 10 ayes, 0 noes, 0 abstentions, and 2 absent.

END OF CONSENT CALENDAR ITEMS

5. OTHER BOARD ITEMS – ACTION

8-3 Subject Report on litigation in Ryan Tiegs v. Metropolitan Water District of Southern California, Riverside County Superior Court Case No. CVPS2306176; 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)]

Item withdrawn.

6. BOARD INFORMATION ITEMS

None

Vice Chair McMillan called the meeting into closed session.

7. COMMITTEE ITEMS

- a. Subject: Report on litigation in San Diego County Water Authority v. 21-4230 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; the Metropolitan Water District of Southern California v. San Diego County Water Authority cross-complaints in the 2014, 2016, and 2018 actions; and the appeals of the 2014, 2016, and 2018 actions, Court of Appeal for the First Appellate District Case No. A170156; including report on discussions regarding potential settlement of the 2014, 2016, and 2018 actions, including the cross-complaints and appeals, San Francisco County Superior Court Case Nos.CPF-14-514004, CPF-16-515282, and CPF-18-516389 and Court of Appeal for the First Appellate District Case No. A170156 [Conference with legal counsel – existing litigation; may be heard in closed session pursuant to Gov. Code Sections 54956.9(d)(1)]

Item deferred.

Director Ramos entered the meeting.

Director Pressman entered the meeting.

- b. Subject: Report on Katano Kasaine v. Metropolitan Water District of Southern California et al., Los Angeles County Superior Court Case No. 25STCV05250 [Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(d)(1)]

Presented by: Tony Zepeda, Sr. Deputy General Counsel

- c. Subject: Conference with legal counsel regarding anticipated litigation based on existing facts and circumstances, including receipt of two separate government claims threatening litigation, there is significant exposure to litigation against Metropolitan: two potential cases; to be heard in closed session pursuant to Gov. Code Section 54956.9(d)(2)

Presented by: Tony Zepeda, Sr. Deputy General Counsel

Chair Ortega, Committee Chair Luna, and Director Kurtz withdrew from the meeting for the report on item 7c.

Vice-Chair McMillan chaired that portion of the closed session meeting.

Chair Ortega, Committee Chair Luna, and Director Kurtz re-entered the meeting.

Chair Luna reported the committee discussed and conferred with legal counsel regarding Items 7b and 7c. No action was taken in closed session.

8. FOLLOW-UP ITEMS

Director Dick requested staff to research agendaizing meetings earlier so the next meeting can begin upon the completion of the prior meeting.

9. FUTURE AGENDA ITEMS

None

Next meeting will be held on April 8, 2025.

Meeting adjourned at 11:47 a.m.

Miguel Luna
Chair



- **Board of Directors**
Legal and Claims Committee

4/8/2025 Board Meeting

7-8

Subject

Approve amendments to the Metropolitan Water District Administrative Code to conform oversight of the General Auditor and Audit Department duties and responsibilities to the current committee structure, to streamline reporting on professional services agreements, and make a minor non-substantive change; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

The proposed amendments will transfer oversight of the General Auditor and Audit Department duties and responsibilities from the Executive Committee to the Audit Committee to conform to recent board-approved changes to the committee structure, including creating the Audit Committee to supersede the Audit Subcommittee of the Executive Committee. The amendments will also end dual reporting on professional services agreements to two committees by deleting reporting to the Legal and Claims Committee. Such agreements will now be reported to the Audit Committee, thereby consolidating the reporting of audit-related matters within the Audit Committee. The proposed amendments will make the foregoing changes to Chapter 7 of Division II and Chapter 4 of Division VI of the Administrative Code.

Proposed Action(s)/Recommendation(s) and Options

Staff Recommendation: Option #1

Option #1

Approve amendments to the Metropolitan Water District Administrative Code to conform oversight of the General Auditor and Audit Department duties and responsibilities to the current committee structure, streamline reporting on professional services agreement, and make a minor non-substantive change.

Fiscal Impact: None

Business Analysis: This option will allow the General Auditor and Audit Department to report to the Audit Committee instead of the Executive Committee and will streamline reporting on professional services agreements.

Option #2

Do not approve amendments to the Metropolitan Water District Administrative Code to conform oversight of the General Auditor and Audit Department duties and responsibilities to the current committee structure or to streamline reporting on professional services agreement.

Fiscal Impact: None

Business Analysis: This option will not allow the General Auditor or Audit Department to report directly to the Audit Committee or to streamline reporting on professional services agreements.

Alternatives Considered

Not applicable

Applicable Policy

Metropolitan Water District Administrative Code Section 2700: Periodic Staff Reports to Board and Committees

Metropolitan Water District Administrative Code Section 6400: Officers

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

Related Board Action(s)/Future Action(s)

In March 2025, the Board approved changes to its committee structure, including the creation of the Audit Committee and deletion of the Audit Subcommittee of the Executive Committee. In November 2024, the Board approved changes to the Audit Committee charter as part of its annual review of the charter.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves organizational, maintenance, or administrative activities; personnel-related actions; and/or general policy and procedure making that will not result in direct or indirect physical changes in the environment. (Public Resources Code Section 21065; State CEQA Guidelines Section 15378(b)(2) and (5)).

CEQA determination for Option #2:

None required

Details and Background

Background

The proposed amendments will transfer oversight of the General Auditor and Audit Department duties and responsibilities from the Executive Committee to the Audit Committee to conform to recent board-approved changes to the committee structure, including, among them, creating the Audit Committee to supersede the Audit Subcommittee of the Executive Committee. The amendments will also end dual reporting on professional services agreements to two committees by deleting reporting to the Legal and Claims Committee. Such agreements will now be reported to the Audit Committee, thereby consolidating reporting on audit-related matters within the Audit Committee.

The proposed amendments will make the foregoing changes to Articles 1 and 2 of Chapter 7 of Division II regarding the General Auditor's quarterly and annual reporting duties and to Articles 2, 3, and 4 of Chapter 4 of Division VI regarding oversight of more specific duties and functions of the General Auditor and the Audit Department, as follows:

1. Amend Sections 2703, 6416, 6436(b), 6450(b), and 6451(d)(1) so that the General Auditor will report its annual business plan to the Audit Committee and no longer to the Executive Committee.
2. Amend Section 2722 so that the General Auditor will report on the general exercise of its power quarterly to the Audit Committee and no longer to the Executive Committee.
3. Amend Section 6450(a) to establish that oversight of the work of internal and external auditors and approval of the Audit Department's charter will be conducted by the Audit Committee and no longer by the Executive Committee.
4. Amend Section 6450(d) so that the General Auditor will report on internal audit assignments and transmit reports by external auditors to the Audit Committee and no longer to the Executive Committee.
5. Amend Section 6450(f) so that the specific audit requests by other committees are submitted to the Audit Committee and fix a minor spelling error.
6. Amend Section 6451(b) to establish that the General Auditor will be accountable to the Board of Directors and the Audit Committee rather than to the Board of Directors and the Executive Committee.

- 7. Amend Section 6451(d)(1), (2), (3), (4), (9) and (10) to establish that the Audit Department will provide an annual audit plan and various reports (i.e., status reports, audit reports, progress reports, and fraud investigation reports) and will convey emerging audit trends and best practices to the Audit Committee (no longer to the Executive Committee) and to District management, where specified in this section.
- 8. Amend Section 6451(e)(2) to establish that the General Auditor and Audit Department staff members have full and free access to the Audit Committee and no longer to the Executive Committee.
- 9. Amend the postamble to Section 6452 to establish that the Audit Charter will be reviewed at least annually by the Audit Committee and no longer by the Executive Committee.
- 10. Amend Section 6453 to establish that the General Auditor will inform the Audit Committee whenever they obtain the professional services of independent auditors or technical consultants, and will no longer report quarterly to the Legal and Claims Committee concerning said agreements entered into pursuant to this section.

The complete list of proposed amendments is set forth in **Attachment 1**, with overstrikes reflecting deletions and underlining reflecting additions. **Attachment 2** sets forth the sections as they will appear in the Administrative Code if the changes are approved.

All amendments are effective upon board approval unless specified otherwise.

Project Milestone(s)

Not applicable


 _____ 3/28/2025
 Scott M. Suzuki Date
 General Auditor


 _____ 3/28/2025
 Deven Upadhyay Date
 General Manager

Attachment 1 – Proposed Administrative Code Amendments (with changes marked)

Attachment 2 – Proposed Administrative Code Amendments (clean)

Ref# I12699489

Division II

**PROCEDURES PERTAINING TO BOARD, COMMITTEES
AND DIRECTORS**

Chapter 7

PERIODIC STAFF REPORTS TO BOARD AND COMMITTEES

Article 1

ANNUAL REPORTS

§ 2703. General Auditor’s Report

The General Auditor shall annually report to the Executive Audit Committee a business plan containing the General Auditor’s key priorities for the coming year for the Audit Department as required by Sections 2416 and 6451.

Article 2

QUARTERLY REPORTS

§ 2722. General Auditor's Quarterly Reports.

The General Auditor shall report to the Executive Audit Committee the exercise of any power delegated to the General Auditor by Section 6453.

Division VI

PERSONNEL MATTERS

Chapter 4

OFFICERS

Article 2

GENERAL MANAGER

§ 6416. Annual Report to Executive Committee

The General Manager shall annually submit to the Executive Committee a business plan containing the General Manager’s key priorities for the coming year. The business plan shall be submitted in conjunction with similar plans by the General Auditor to the Executive

Audit Committee and the Ethics Officer to the Community and Workplace Culture Committee and the General Counsel to the Legal and Claims Committee.

Article 3

GENERAL COUNSEL

§ 6436. Annual and Quarterly Reports to Legal and Claims Committee.

(a) The General Manager and General Counsel shall report quarterly to the Legal and Claims Committee the exercise of any power delegated to them by Sections 6433 and 6434. The General Counsel shall report quarterly to the Legal and Claims Committee the exercise of any power delegated to them by Section 6431.

(b) The General Counsel shall annually, in advance of the July Board meetings, submit to the Legal and Claims Committee a business plan containing the Legal Department's key priorities for the coming year for review and approval. The business plan shall be submitted in conjunction with similar plans by the General Manager to the Executive Committee and the General Auditor to the Executive-Audit Committee, and the Ethics Officer to the Community and Workplace Culture Committee.

Article 4

GENERAL AUDITOR

§ 6450. Powers and Duties.

(a) The District's independent internal auditing function is governed by provisions of the California Government Code and by policies established by the Board of Directors. The Executive-Audit Committee is responsible for the oversight of the internal auditing function, approving the Audit Department charter (subject to review and approval of the Board of Directors), selecting and overseeing the work of external auditors, and reviewing reports issued by both the internal and external auditors.

(b) The General Auditor manages the District's Audit Department and is responsible for formulating departmental policies and procedures; directing and evaluating the performance of work done by employees within the department, administering the internal records of the department; and administering the District's contract for external audit services. The General Auditor shall, annually in advance of the July Board meetings, submit to the Audit Executive Committee an Audit business plan containing key priorities for the coming year for review and approval. The business plan shall be submitted in conjunction with similar plans by the General Manager to the Executive Committee, the General Counsel to the Legal and Claims Committee and Ethics Officer to the Community and Workplace Culture Committee.

(c) The General Auditor shall report the findings, opinions, and recommendations which result from the performance of the duties outlined in paragraph 6450(b) to the General Manager,

General Counsel and Ethics Officer for their information and appropriate actions. Whenever an audit report contains recommendations for corrective actions or changes in current practices, the General Manager, General Counsel, Ethics Officer or their designees shall respond to the General Auditor in an appropriate manner and within a reasonable time, indicating their views on the recommendations and proposed actions to be taken, if any.

(d) The General Auditor's reports on internal audit assignments shall be addressed to the ~~Executive-Audit~~ Committee. The General Auditor shall have the discretion to determine the form and content of such audit reports, subject to guidance by the ~~Executive-Audit~~ Committee. With the exception of those reports which the General Auditor deems to be urgent or confidential in nature, copies of all audit reports addressed to the ~~Executive-Audit~~ Committee shall be submitted to the General Manager and General Counsel for review and comment simultaneously to their submittal to the ~~Executive-Audit~~ Committee.

(e) The General Auditor shall transmit all reports issued by the District's external auditors to the ~~Executive-Audit~~ Committee and any other committees of the Board as may be applicable. Such transmittal letters should include any comments on the external auditor's reports that the General Auditor deems necessary.

(f) The General Auditor may receive requests from time to time from the other executive officers or committees of the Board to perform audit assignments which are not included in the approved annual Audit Business Plan. Similarly, the General Auditor may identify a need to include new assignments in the Audit Business Plan during the year. The General Auditor shall have sufficient latitude and discretion to include those new assignments in the annual Audit Business Plan as the General Auditor deems necessary based upon their professional judgement and available resources. Requests from other committees of the Board and individual Board members desiring specific audit assignments shall be submitted to the Audit Committee for study, advice, and recommendation, ~~or if such subcommittee is not currently in place, the Executive Committee~~. Once the audit assignment is approved by the Board, the General Auditor reserves the right to determine how to best fit the directed audit assignment into the Audit Business Plan. The reporting process for assignments requested by either executive management, by committees of the Board, or by individual Board members shall generally follow the process outlined in paragraphs 6450(c) or (d) previously.

(g) The General Auditor shall manage the work of the Audit Department in accordance with the Audit Department Charter. The General Auditor shall assess annually whether the purpose, authority and responsibility, as defined in this Charter, continue to be adequate to enable the Audit Department to accomplish its objectives.

§ 6451. Audit Department Charter.

(a) Mission and Scope of Work - The mission of the Audit Department is to provide independent, professional, objective assurance and consulting services designed to add value and improve Metropolitan's operations. It helps the District accomplish its objectives by using a proactive, systematic approach to evaluate and improve the effectiveness of governance, risk management, and internal control. The scope of work of the Audit Department is to determine

whether the District's network of governance, risk management, and internal control, as designed and represented by District management, is adequate and functioning in a manner to ensure:

- (1) Risks are appropriately identified, managed and monitored;
- (2) Significant financial, managerial and operating information is accurate, reliable and timely;
- (3) Employees' actions are in compliance with policies, standards, procedures and applicable laws and regulations;
- (4) Resources are acquired economically, used efficiently, and adequately protected;
- (5) Programs, plans, and objectives are achieved;
- (6) Quality and continuous improvement are fostered in the District's control process;
- (7) Significant legislative or regulatory issues impacting the District are recognized and addressed appropriately; and
- (8) Information technology is governed and systems and applications are securely deployed and monitored.

Opportunities for improving management internal control, efficiency and the District's image may be identified during audits. They will be communicated to the appropriate level of District management.

(b) Accountability - The General Auditor shall be accountable to the Board of Directors and the Executive Audit Committee to:

- (1) Advise on the adequacy and effectiveness of the District's processes for controlling its activities and managing its risks;
- (2) Report significant issues related to the processes for controlling the activities of the District, including potential improvements to those processes, and provide information concerning such issues through to resolution; and
- (3) Coordinate with other District control and monitoring functions (e.g., risk management, legal, finance, ethics, security, environmental).

(c) Professional Standards – The Audit Department shall govern itself by adherence to The Institute of Internal Auditors' mandatory guidance, including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of*

Internal Auditing (Standards). This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the Audit Department's performance. These documents constitute the operating procedures for the department and constitute an addendum to the charter. The Institute of Internal Auditors' Practice Advisories, Practice Guides, and Position Papers shall also be adhered to as applicable. In addition, Audit Department staff shall adhere to Metropolitan's policies and procedures, the California Government Code; and the Audit Department's Policies and Procedures Manual.

(d) Responsibilities -- The Audit Department shall carry out the following responsibilities:

(1) Develop and present a flexible annual audit plan to the Executive Audit Committee for review and approval. This plan should be developed utilizing a risk-based methodology and should include risks or internal control concerns identified by Management or the Board of Directors;

(2) Report periodically to the Executive Audit Committee and District management the status of the current year's audit plan and the sufficiency of department resources;

(3) Submit audit reports to the Executive Audit Committee and District management communicating the General Auditor's opinion regarding the internal control structure, identifying significant control issues, and providing related recommendations;

(4) Evaluate the adequacy and timeliness of District management's responses to, and the corrective action taken on, all recommendations noted in such reports. Conduct follow-up reviews as necessary and periodically report to the Executive Audit Committee the status of District management's progress;

(5) Ensure the selection, development and supervision of competent and professional audit staff;

(6) Perform a quality assurance program by which the General Auditor evaluates internal auditing activities against professional standards. Obtain an external quality assurance review as required by the *Standards*;

(7) Perform advisory services to assist District management in meeting its objectives. Examples may include facilitation, process design, training, and assessment services;

(8) Evaluate additions or changes in internal control processes coincident with their development and implementation;

(9) Keep the Executive Audit Committee informed of significant emerging trends and best practices in internal auditing and governance;

(10) Assist in the investigation of significant suspected fraudulent activities within the District. Assure reporting to the Executive Audit Committee on the results, as appropriate; and

(11) Coordinate with external auditors to minimize duplication of effort and to ensure that issues raised as a result of their review, are appropriately addressed.

(e) Authority - The General Auditor and Audit Department staff members are authorized to:

(1) Have unrestricted access to all functions, records, property, and personnel, subject to the requirements of safekeeping, confidentiality, and applicable process;

(2) Have full and free access to the Executive Audit Committee, subject to applicable law;

(3) Allocate resources, set frequencies, select the subject, determine scopes of work, and apply the techniques required to accomplish audit objectives; and

(4) Obtain the necessary assistance of personnel within units of the District where they perform audits, as well as other specialized services from within or outside the District.

The General Auditor and Audit Department staff are not authorized to:

(1) Perform any operational duties for the District;

(2) Initiate or approve accounting transactions external to the Audit Department; or

(3) Direct the activities of any District employee not employed by the Audit Department, except to the extent such employees have been appropriately assigned to auditing teams or to otherwise assist the internal auditors.

This Charter shall be reviewed at least annually by the Executive Audit Committee and Board of Directors.

§ 6453. Authority to Obtain Professional Services.

The General Auditor is authorized to employ the services of independent auditors or other professional or technical consultants to advise or assist them in performing their assigned duties as may be required or as they deem necessary provided that the amount to be expended in fees, costs, and expenses under any one contract in any one year shall not exceed \$100,000. External auditors, while employed as external auditors for Metropolitan, are prohibited from performing any other consulting work for Metropolitan or performing any work for other clients that conflicts, or may conflict, with their responsibilities as Metropolitan's external auditors. These prohibitions shall be included in Metropolitan's agreements with external auditors. ~~The~~

Whenever the General Auditor enters into services agreements under the authority granted by this section, he or she shall inform the Executive Audit Committee whenever they exercise the authority granted under this section and thereafter shall report periodically on such agreements to the committee. and they shall further report quarterly to the Legal and Claims Committee concerning any agreements entered into under this section.

Division II

**PROCEDURES PERTAINING TO BOARD, COMMITTEES
AND DIRECTORS**

Chapter 7

PERIODIC STAFF REPORTS TO BOARD AND COMMITTEES

Article 1

ANNUAL REPORTS

§ 2703. General Auditor’s Report

The General Auditor shall annually report to the Audit Committee a business plan containing the General Auditor’s key priorities for the coming year for the Audit Department as required by Sections 2416 and 6451.

Article 2

QUARTERLY REPORTS

§ 2722. General Auditor's Quarterly Reports.

The General Auditor shall report to the Audit Committee the exercise of any power delegated to the General Auditor by Section 6453.

Division VI

PERSONNEL MATTERS

Chapter 4

OFFICERS

Article 2

GENERAL MANAGER

§ 6416. Annual Report to Executive Committee

The General Manager shall annually submit to the Executive Committee a business plan containing the General Manager’s key priorities for the coming year. The business plan shall be submitted in conjunction with similar plans by the General Auditor to the Audit

Committee and the Ethics Officer to the Community and Workplace Culture Committee and the General Counsel to the Legal and Claims Committee.

Article 3

GENERAL COUNSEL

§ 6436. Annual and Quarterly Reports to Legal and Claims Committee.

(a) The General Manager and General Counsel shall report quarterly to the Legal and Claims Committee the exercise of any power delegated to them by Sections 6433 and 6434. The General Counsel shall report quarterly to the Legal and Claims Committee the exercise of any power delegated to them by Section 6431.

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(3) Direct the activities of any District employee not employed by the Audit Department, except to the extent such employees have been appropriately assigned to auditing teams or to otherwise assist the internal auditors.

This Charter shall be reviewed at least annually by the Audit Committee and Board of Directors.

§ 6453. Authority to Obtain Professional Services.

The General Auditor is authorized to employ the services of independent auditors or other professional or technical consultants to advise or assist them in performing their assigned duties as may be required or as they deem necessary provided that the amount to be expended in fees, costs, and expenses under any one contract in any one year shall not exceed \$100,000. External auditors, while employed as external auditors for Metropolitan, are prohibited from performing any other consulting work for Metropolitan or performing any work for other clients that conflicts, or may conflict, with their responsibilities as Metropolitan's external auditors. These prohibitions shall be included in Metropolitan's agreements with external auditors. Whenever the General Auditor enters into services agreements under the authority granted by

this section, he or she shall inform the Audit Committee and thereafter shall report periodically on such agreements to the committee.



Legal and Claims Committee

Administrative Code Amendments to Committee Oversight of Audit Duties and Functions

Item 7-8

April 8, 2025

Item # 7-8

Oversight of Audit Responsibilities

Subject

Approve amendments to the MWD Administrative Code to conform oversight of the General Auditor and Audit Department duties and responsibilities to the current committee structure, to streamline reporting on professional services agreements, and make a minor non-substantive change

Purpose

To conform to the current committee structure

Item # 7-8

Overview

Recommendation

Board action is required to amend the MWD Administrative Code

Fiscal Impact

No fiscal impact

Budgeted

Not applicable

Presentation Length

5 minutes

Purposes

Conform to New Committee Structure

- Transfer oversight of Audit-related duties and functions from Executive to Audit Committee
- Streamline reporting on professional services agreements to a single committee, the Audit Committee

Board Options

- **Option #1**

Approve amendments to the MWD Administrative Code to conform oversight of the General Auditor and Audit Department duties and responsibilities to the current committee structure, to streamline reporting on professional services agreements, and make a minor non-substantive change

- **Option #2**

Do not approve amendments

Staff Recommendation

- **Option #1**

Approve amendments to the MWD Administrative Code to conform oversight of the General Auditor and Audit Department duties and responsibilities to the current committee structure, to streamline reporting on professional services agreements, and make a minor non-substantive change





- **Board of Directors**
Legal and Claims Committee

4/8/2025 Board Meeting

7-18

Subject

Authorize increase in the maximum amount payable under contract with outside counsel, Liebert Cassidy Whitmore, in the amount of \$200,000 for a total amount not to exceed \$450,000; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

The General Counsel entered into a contract with the law firm of Liebert Cassidy Whitmore (Liebert Cassidy) on December 1, 2023, for \$100,000 to provide advice, as requested, to the Chair of the Board and serve as counsel to the Ad Hoc Committee of the Executive Committee relative to its duties pursuant to Section 2416 (f) (5) of Metropolitan's Administrative Code regarding the investigation of allegations of Equal Employment Opportunity violations against members of the Metropolitan Board, the General Manager, General Counsel, General Auditor and Ethics Officer.

The agreement was amended on January 30, 2024, to amend the scope of work to include representation of Metropolitan in responding to and, if required, defend Metropolitan relative to requests for documents pursuant to the California Public Records Act; on August 12, 2024, to increase the maximum amount payable by \$100,000 to an amount not to exceed \$200,000 and, on December 17, 2024 to increase the maximum amount payable by \$50,000 to an amount not to exceed \$250,000.

This letter requests an increase of \$200,000 to a maximum amount payable of \$450,000 so that Liebert Cassidy can continue to provide these legal services for Metropolitan. This agreement remains in effect until terminated. While the rate of expenditure is subject to the number and nature of matters requiring assistance from the firm, it is anticipated that the requested increase will be adequate for an additional one to two years.

Proposed Action(s)/Recommendation(s) and Options

Staff Recommendation: Option #1

Option #1

Authorize the General Counsel to increase the amount payable under contract with outside counsel, Liebert Cassidy Whitmore, in the amount of \$200,000 for a total amount not to exceed \$450,000.

Fiscal Impact: The sum of \$200,000 is added to this agreement for the provision of the authorized legal services, funded within the FY 2024/25 budget.

Business Analysis: Metropolitan will retain the expertise needed for the provision of advice and assistance to the Chair of the Board and the Ad Hoc Committee of the Executive Committee.

Option #2

Do not authorize an increase in the maximum amount payable under this agreement with Liebert Cassidy Whitmore, effectively terminating this contract when the current funds are exhausted.

Fiscal Impact: None

Business Analysis: Metropolitan will not have access to the valuable expertise and assistance provided by this law firm.

Alternatives Considered

Not applicable

Applicable Policy

Metropolitan Water District Administrative Code Section 6430: General Counsel’s employment of attorneys to render special counsel services

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

Related Board Action(s)/Future Action(s)

Not applicable


California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it will not result in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. (State CEQA Guidelines Section 15378(a).)

CEQA determination for Option #2:

None required



Marcia Scully
General Counsel

4/1/2025
Date



Adán Ortega, Jr.
Chair of the Board

4/1/2025
Date

Ref# 112707276



Legal & Claims Committee

Request to Authorize Increase in Special Counsel Contract with Liebert Cassidy Whitmore

Item #7-18

April 8, 2025

Item 7-18

Request for Contract Increase

Subject

Authorize increase in the maximum amount payable under contract with outside counsel, Liebert Cassidy Whitmore, in the amount of \$200,000 for a total amount not to exceed \$450,000

Purpose

Request additional funds to continue engagement of highly qualified counsel

Recommendation and Fiscal Impact

Approve contract increase of additional \$200,000 funded within the FY 2024/25 budget

Special Counsel

Request for Additional Funds for Special Counsel

- Request to increase existing contract with Liebert Cassidy Whitmore
- Retained in 2023 for maximum \$100,000
- Increased contract maximum in August and December 2024 to a maximum of \$250,000

Specialized
Legal
Support

Liebert Cassidy Whitmore

- Advise the Chair of the Board
- Serve as counsel to the Ad Hoc Committee of the Executive Committee
- Respond to certain California Public Record Act (CPRA) requests

Board Options

- **Option #1**

Authorize the General Counsel to increase the amount payable under contract with outside counsel, Liebert Cassidy Whitmore in the amount of \$200,000 for a total amount not to exceed \$450,000.

- **Option #2**

Do not authorize an increase in the maximum amount payable under this contract with Liebert Cassidy Whitmore, effectively terminating this contract when the current funds are exhausted.

Board Options

Staff Recommendation:

- Option 1

