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. Garza, Vice Chair
- M. Camacho
- G. Cordero
- L. Dick
- C. Douglas
- C. Kurtz
- T. McCov
- C. Miller
- G. Peterson
- M. Ramos
- K. Seckel

Legal and Claims Committee

Meeting with Board of Directors *

June 14, 2022

10:30 a.m.

Tuesday, June 14, 2022 Meeting Schedule

> 09:30 am - OP&T 10:30 am - L&C 11:30 am - Break 12:00 pm - BOD

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: 862 4397 5848. 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

https://us06web.zoom.us/j/81520664276pwd=a1RTQWh6V3h3ckFhNmdsUWpK R1c2Zz09

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

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

2. MANAGEMENT REPORTS

Α. General Counsel's report of monthly activities 21-1241

Attachments: 06142022 LC 2A Report - Revised

** CONSENT CALENDAR ITEMS -- ACTION **

3. CONSENT CALENDAR OTHER ITEMS - ACTION Page 2

A. Approval of the Minutes of the Meeting of the Legal and Claims Committee held May 10, 2022

21-1242

Attachments: 06142022 LC 3A minutes

4. CONSENT CALENDAR ITEMS - ACTION

NONE

** END OF CONSENT CALENDAR ITEMS **

5. OTHER BOARD ITEMS - ACTION

NONE

6. BOARD INFORMATION ITEMS

NONE

7. COMMITTEE ITEMS

Report on litigation in San Diego County Water Authority v. a. 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. [Conference with legal counsel - existing litigation; to be heard in closed session pursuant to Gov. Code Sections 54956.9(d)(1)]

21-1243

8. FOLLOW-UP ITEMS

NONE

9. FUTURE AGENDA ITEMS

10. ADJOURNMENT

Page 3

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. Agendas for the meeting of the Board of Directors may be obtained from the Board Executive Secretary. 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 http://www.mwdh2o.com.

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.



Office of the General Counsel

Monthly Activity Report – June 2022



Matters Impacting Metropolitan

Buyer Exercise of Option to Purchase Former Metropolitan Headquarters Parking Structure

On July 1, 2022, a special purpose entity formed by Palisades Capital Partners, LLC, gave Metropolitan notice of its intent to exercise an option to purchase Metropolitan's parking structure and fleet vehicle service center located at 1030 Alpine Street in Los Angeles.

This option sale of land arises from the settlement approved by the Metropolitan Board and confirmed by the United States Bankruptcy Court in 2017 to resolve disputes over the right to lease and purchase the parking structure that formerly served Metropolitan's former headquarters on Sunset Boulevard in Los Angeles. The Legal Department will be supporting Real Property Group staff in this conveyance.

EPA Sets New Health Advisories for PFOA, PFOS, PFBS, and GenX

On June 15, 2022, the U.S. Environmental Protection Agency (EPA) announced interim, updated drinking water health advisories of 0.004 parts per trillion (ppt) for perfluorooctanoic acid (PFOA) and 0.02 ppt for perfluorooctane sulfonic acid (PFOS), and final health advisories of 2,000 ppt for perfluorobutane sulfonic acid and its related compound potassium perfluorobutane sulfonate (PFBS) and 10 ppt for hexafluoropropylene oxide dimer acid and its ammonium salt (GenX chemicals).

EPA also announced that it is inviting states and territories to apply for \$1 billion – the first of \$5 billion in Bipartisan Infrastructure Law grant funding – to address per- and polyfluoroalkyl substances (PFAS) and other emerging contaminants in drinking water, specifically in small or disadvantaged communities.

The updated drinking water health advisories for PFOA and PFOS replace the previous level of 70 ppt that was set for individual or combined concentrations in 2016. They are also below the level at which current analytical methods can measure PFOA and PFOS at this time – 4 ppt. However, as EPA explains, the lower the levels of

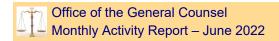
PFOA and PFOS, the lower the risk to public health.

EPA's health advisories are not binding or legally enforceable, but they identify non-regulatory levels to protect all people, including sensitive populations, from adverse health effects resulting from a lifetime of exposure to these PFAS in drinking water. They also take into account other potential sources of exposure to PFAS besides drinking water (such as food, air, consumer products, etc.), which provide an additional layer of protection. The interim health advisories for PFOA and PFOS are intended to be in place until EPA issues a final health advisory or maximum contaminant level goal (MCLG) and a National Primary Drinking Water Regulation for PFOA and PFOS.

EPA's Science Advisory Board is reviewing EPA's analyses, and therefore, the interim health advisory levels for PFOA and PFOS are subject to change. However, EPA does not anticipate changes that will result in health advisory levels that are greater than the minimum reporting level of 4 ppt. If water sampling results show the presence of PFOA, PFOS, GenX chemicals, or PFBS in drinking water above the health advisory levels, EPA recommends that water systems undertake additional sampling to assess the level, scope, and localized source of contamination to inform next steps.

EPA also recommends that water systems work with state authorities to determine if they have state requirements or guidance on concentrations of PFOA, PFOS, GenX chemicals, and/or PFBS that warrant action or concern. According to EPA, drinking water systems and public health officials should also provide consumers with information about the levels of PFAS in their drinking water.

EPA anticipates proposing a National Primary Drinking Water Regulation for PFOA and PFOS by the end of 2022 and finalizing it by the end of 2023. The proposal will include both a non-enforceable MCLG and an enforceable standard, or Maximum Contaminant Level (MCL) or Treatment Technique. The MCLG is the maximum level of a contaminant in drinking water at which no known or anticipated adverse effect on the health



of persons would occur, allowing an adequate margin of safety. The enforceable standard is set as close as feasible to MCLG. EPA considers the ability to measure and treat a contaminant, as well as costs and benefits, in setting the enforceable standard. EPA is also evaluating additional PFAS and considering regulatory actions to address groups of PFAS.

Metropolitan staff will continue to monitor EPA's development of a proposed National Primary Drinking Water Regulation for PFOA and PFOS and other regulatory actions to address PFAS chemicals.

Other Matters

Finance

On June 22, 2022, Metropolitan sold \$279,570,000 of Water Revenue Refunding Bonds, 2022 Series A (Bonds). The Bonds were issued to refund portions of three separate series of bonds originally issued in 2012 and realize debt service savings. Total present value debt service savings for Metropolitan was \$40 million. The Bonds will

also prepay \$35,645,000 of outstanding Wells Fargo Short-Term Revolving Notes issued on June 29, 2022. During a 4-month process, Legal Department staff attorneys worked with Finance, Engineering and Water Resources staff to prepare the official statement used to market the Bonds and assisted outside bond and disclosure counsel with the drafting and negotiation of several contracts and closing certificates.

Matters Concluded and/or Terminated

AFSCME Local 1902 v. Metropolitan (MOU Hearing Officer Appeal)

On March 21, 2021, AFSCME Local 1902 filed a grievance on behalf of a Water Treatment Plant Operator who alleged the denial of authorized leave in violation of the AFSCME MOU. The grievance claimed a loss of sick and vacation hour accrual, holiday pay, and missed overtime. Metropolitan denied the grievance and AFSCME appealed the denial to a hearing officer. The parties agreed to resolve the grievance prior to a scheduled June 1 hearing. EEO issues were not implicated, the agreement has no confidentiality

provisions, the operator is still employed by Metropolitan, and the operator received \$2,638.96 in backpay and reinstatement of 72.5 hours in leave time. The grievance has been withdrawn pursuant to this settlement.

Workers' Compensation Matters

Compromise and Release Settlement, Workers' Compensation Appeals Board, Case No. ADJ1314899

Compromise and Release Settlement, Workers' Compensation Appeals Board, Case No. ADJ11742592

Matters Received by the Legal Department

<u>Category</u>	Received	<u>Description</u>		
Government Code Claims	1	Claim relating to accident involving MWD vehicle		
Requests Pursuant to	18	Requestor	Documents Requested	
the Public Records Act		Alliant Tax Research	Information on any pending property tax/charges by MWD for property located in the city of Anaheim	

Requestor Center for Contract Compliance (4 requests)	Documents Requested (1) Bid and contract documents for Weed Abatement, Herbicide Application and Trash Removal in Hemet; (2, 3) certified payroll records and fringe benefit statements for Specialty Mowing Services Inc. and Quality Sprayers Inc. for the same project in Hemet, and (4) bid packages and evaluations submitted for Landscape Maintenance and Irrigation Repairs in Yorba Linda by Mariposa Landscapes, Summit
Cordoba Corporation	Landcare, and J. Orozco Enterprises Information on any MWD underground facilities near project area along Old Highway 395 in the City of Rainbow
Deltek	Awarded contract and bid tabulation results for Structural Engineering Services for Seismic and Pipeline Rehabilitation
EEC Environmental	Information regarding monthly water rates for an industrial facility in the city of Gardena
eThekwini Water and Sanitation in South Africa	MWD's guidelines, standards, and policies used for its water reuse projects
FirmoGraphs	Bid results for Control System Upgrade Program
Kimley-Horn	As-builts for 75" water line near University Hills project in city of San Bernardino
Klir	MWD's list of approved IT vendors
LTEC Engineering Consultants	As-built drawings for any MWD facilities near project on Vista Madera Lane in San Diego County
Painters & Allied Trades Compliance Administrative Trust (2 requests)	(1) Bid and contract information for painting desert housing, and (2) certified payroll records and fringe benefit statement for Pacific Contractors Group Inc. for painting desert housing
Private Citizen	Information on requirements to save water for businesses like gyms and hotels
City of Santa Ana	Information regarding any MWD facilities in the project area along MacArthur Boulevard in the city of Santa Ana

1

Thermo Fisher Scientific Bid information for Inductively Coupled

Plasma-Optical Emission Spectrometry

System

Subpoena

Subpoena served in *Wells Fargo Bank v. Hayday Farms, Inc.*, Riverside Superior Court, Case No. BLC 1800096, for the persons most knowledgeable about certain leases issued by Metropolitan to HayDay Farms to appear and testify in a civil trial scheduled at end of July 2022.

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 Consolidated DCP Revenue Bond Validation** Validation Action **Action and CEQA Case** Metropolitan, Mojave Water Agency, Coachella Valley Water District, and Santa Sierra Club. et al. v. California Department of Water Clarita Valley Water Agency have filed Resources (CEQA, designated as lead case) answers in support Kern County Water Agency, Tulare Lake DWR v. All Persons Interested (Validation) Basin Water Storage District, Oak Flat Water District, County of Kings, Kern Sacramento County Superior Ct. Member Units & Dudley Ridge Water (Judge Kenneth C. Mennemeier) 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; crossmotions by opponents denied August 5, 2022 Case Management Conference **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

SWP-CVP 2019 BiOp Cases

Pacific Coast Fed'n of Fishermen's Ass'ns, et al. v. Raimondo, et al. (PCFFA)

Calif. Natural Resources Agency, et al. v. Raimondo, et al. (CNRA)

Federal District Court, Eastern Dist. of California, Fresno Division (Judge Thurston)

- SWC intervened in both PCFFA and CNRA 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

CESA Incidental Take Permit Cases

Coordinated Case Name CDWR Water Operations Cases, JCCP 5117 (Coordination Trial Judge Gevercer)

Metropolitan & Mojave Water Agency v. Calif. Dept. of Fish & Wildlife, et al. (CESA/CEQA/Breach of Contract)

State Water Contractors & Kern County Water Agency v. Calif. Dept. of Fish & Wildlife, et al. (CESA/CEQA)

Tehama-Colusa Canal Auth., et al. v. Calif. Dept. of Water Resources (CEQA)

San Bernardino Valley Municipal Water Dist. v. Calif. Dept. of Water Resources, et al. (CEQA/CESA/ Breach of Contract/Takings)

Sierra Club, et al. v. Calif. Dept. of Water Resources (CEQA/Delta Reform Act/Public Trust)

North Coast Rivers Alliance, et al. v. Calif. Dept. of Water Resources (CEQA/Delta Reform Act/Public Trust)

Central Delta Water Agency, et. al. v. Calif. Dept. of Water Resources (CEQA/Delta Reform Act/Public Trust/ Delta Protection Acts/Area of Origin)

San Francisco Baykeeper, et al. v. Calif. Dept. of Water Resources, et al. (CEQA/CESA)

- 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
- August 5, 2022 hearing on any motions to augment the administrative records and fifth Case Management Conference
- Sept. 9, 2022 hearing on any motions to augment the administrative records

CDWR Environmental Impact Cases Sacramento Superior Ct. Case No. JCCP 4942, 3d DCA Case No. C091771 (20 Coordinated Cases)

Validation Action

DWR v. All Persons Interested

CEQA 17 cases

CESA/Incidental Take Permit 2 cases

- 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

COA Addendum/ No-Harm Agreement

North Coast Rivers Alliance v. DWR Sacramento County Superior Ct. (Judge Gevercer)

- 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 May 20July 19, 2022
- July 22, 2022 hearing on the merits

Delta Plan Amendments and Program EIR

4 Consolidated Cases Sacramento County Superior Ct. (Judge Gevercer)

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

California Water Impact Network, et al. v. Delta Stewardship Council

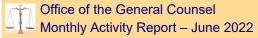
Delta Stewardship Council Cases

3 Remaining Cases (CEQA claims challenging original 2013 Delta Plan EIR) (Judge Chang)

North Coast Rivers Alliance, et al. v. Delta Stewardship Council

Central Delta Water Agency, et al. v. Delta Stewardship Council

- 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 North Coast Rivers Alliance v. Delta Stewardship Council
- SWC granted leave to intervene
- Metropolitan supports SWC
- 2013 and 2018 cases to be heard separately due to peremptory challenge
- SWC and several individual members, including Metropolitan, SLDMWA and Westlands have dismissed their remaining 2013 CEQA claims but remain intervenordefendants in the three remaining Delta Stewardship Council Cases



California Water Impact Network, et al. v. Delta	2013 Cases
Stewardship Council	 After a hearing on Feb. 25, 2022 the court ruled against plaintiffs on the merits of their BDCP-related CEQA claims
	 April 22, 2022 court ruled against the remaining CEQA claims and denied the petitions for writs of mandamus
	Three remaining petitioner groups filed notices
	of appeal
	 Delta Stewardship Council filed memorandum of costs seeking \$362,407.47, mostly for cost to prepare the administrative record
	2018 Cases
	2018 Cases fully briefed as of Jan. 24, 2022, hearing on the merits set for July 22, 2022
SWP Contract Extension Validation Action Sacramento County Superior Ct. (Judge Culhane)	DWR seeks a judgment that the Contract Extension amendments to the State Water Contracts are lawful
DWR v. All Persons Interested in the Matter, etc.	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 filed a notice of appeal May 20, 2022
SWP Contract Extension CEQA Cases Sacramento County Superior Ct. (Judge Culhane)	Petitions for writ of mandate alleging CEQA and Delta Reform Act violations filed on January 8 & 10, 2019
North Coast Rivers Alliance, et al. v. DWR	Deemed related to DWR's Contract Extension
Planning & Conservation League, et al. v. DWR	Validation Action and assigned to Judge Culhane
	Administrative Record completed
	DWR filed its answers on September 28, 2020 Metropolitan Korn County Water Agency and
	 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 deputing the units of mandate filed March 0

denying the writs of mandate filed March 9,

Final judgments entered and served

	North Coast Rivers Alliance et al. and PCL et al. filed notices of appeal
Delta Conveyance Project Soil Exploration Case Central Delta Water Agency, et al. v. DWR Sacramento County Superior Ct. (Judge Chang)	 Filed August 10, 2020 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 Deadline to prepare the administrative record extended to April 22, 2022 DWR's petition to add the 2020 CEQA case to the Department of Water Resources Cases, JCCP 4594, San Joaquin County Superior Court denied Hearing on the merits scheduled for Oct. 14, 2022
Water Management Tools Contract Amendment California Water Impact Network et al. v. DWR Sacramento County Superior Ct. (Judge Eurie) North Coast Rivers Alliance, et al. v. DWR Sacramento County Super. Ct. (Judge Eurie)	 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 CWIN case reassigned to Judge Earl so both cases will be heard together 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.			
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.		
	July 19	Court issued order denying Metropolitan's motion to strike portions of the second amended petition/complaint.		

Cases	Date	Status
2018 (cont.)	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 pretrial 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.
	April 13	Hearing on Metropolitan's and SDCWA's motions for summary adjudication.

Cases	Date	Status
2014, 2016, 2018 (cont.)	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, crossclaims, 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 ; court set last day of trial on June 3, 2022 .
	May 23 <u>.</u> June 21	SDCWA filed motions in limine.
	May 26, June 24	Court denied SDCWA's motions in limine.

Cases	Date	Status
	June 3 <u>.</u> June 24 <u>.</u> July 1	Trial continued, concluding on July 1.
	June 24	SDCWA filed motion for partial judgment.
	July 15	Metropolitan's opposition to motion for partial judgment due.
	Aug. 19	Post-trial briefs due.
	Sept. 27	Post-trial closing arguments.
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	Employee Relations	59302	04/04	\$1,214,517	
Loya Ruud & Romo	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	\$50,000 \$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
Soferiseri, LLP	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	<u>207941</u>	05/22	<u>\$10,000</u>
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,	Colorado River Issues	69374	09/05	\$175,000
Harris & Donlan	Issues re SWRCB	84457	06/07	\$200,000

Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
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
Hausman & Sosa, LLP	MOU Hearing Officer Appeal	201892	09/21	\$25,000
	MOU Hearing Officer Appeal	<u>207943</u>	<u>05/22</u>	<u>\$25,000</u>
Hawkins Delafield & Wood LLP*	Bond Counsel	193469	07/21	N/A
Horvitz & Levy	SDCWA v. MWD	124100	02/12	\$900,000
	General Appellate Advice	146616	12/15	\$100,000
	MWD v. Collins	203449	01/03/22	\$20,000
	Colorado River	203464	04/22	\$100,000
Hunt Ortmann Palffy Nieves Darling & Mah, Inc.	Construction Contracts/COVID-19 Emergency	185883	03/20	\$40,000
Internet Law Center	HR Matter	174603	05/18	\$60,000
	Cybersecurity and Privacy Advice and Representation	200478	04/13/21	\$100,000
	Systems Integrated, LLC v. MWD	201875	05/17/21	\$40,000 \$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
Jones Hall, A Professional Law Corporation*	Bond Counsel	200465	07/21	N/A

Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
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
	EEO Investigations	180193	01/19	\$100,000
	FLSA Audit	180199	02/19	\$50,000
LiMandri & Jonna LLP	Bacon Island Subrogation	200457	03/21	\$50,000
Manatt, Phelps & Phillips	In Re Tronox Incorporated	103827	08/09	\$540,000
	SDCWA v. MWD rate litigation	146627	06/16	\$2,900,000
Meyers Nave Riback Silver & Wilson	OCWD v. Northrop Corporation	118445	07/11	\$2,300,000
Sliver & Wilson	IID v. MWD (Contract Litigation)	193472	02/21	\$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	\$900,000
	Arvin-Edison v. Dow Chemical	203452	01/22	\$50,000
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
	Ethics Office	170714	01/18	\$350,000
	MWD Board/Ad Hoc Committee Advice	203459	03/22	\$60,000
Ryan & Associates	Leasing Issues	43714	06/01	\$200,000

Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Seyfarth Shaw LLP	HR Litigation	185863	12/19	\$250,000
	Claim (Contract #201897)	201897	11/04/21	\$100,000
	Claim (Contract #203436)	203436	11/15/21	\$100,000
	Claim (Contract #203454)	203454	01/22	\$100,000
	Claim (Contract #203455)	203455	10/21	\$100,000
Stradling Yocca Carlson & Rauth*	Bond Counsel	200471	07/21	N/A
Theodora Oringher PC	OHL USA, Inc. v. MWD	185854	09/19	\$1,100,000
	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	185891	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
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

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

LEGAL AND CLAIMS COMMITTEE

May 10, 2022

Chair Dick called the teleconference meeting to order at 8:30 a.m.

Members present: Chair Dick, Directors Atwater, Camacho, Fellow, Goldberg, Record, Smith, Sutley, and Tamaribuchi.

Member absent: Director Phan.

Other Directors present: Chairwoman Gray, Directors Abdo, Ackerman, Blois, De Jesus, Dennstedt, Erdman, Faessel, Jung, Kurtz, Lefevre, McCoy, Miller, Morris, Ortega, Peterson, Pressman, and Ramos.

Committee Staff present: Hagekhalil, Miyashiro, Scully, Torres, and Upadhyay.

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

None

2. MANAGEMENT REPORTS

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

General Counsel informed the committee that the closed session agenda item 7b, the *San Diego County Water Authority v. Metropolitan*, would be deferred. However, she did inform the committee in open session on the status of the motions for summary adjudication by each party, and ongoing discovery and depositions. She also reported that trial in the case was upcoming.

CONSENT CALENDAR ITEMS – ACTION

3. CONSENT CALENDAR OTHER ITEMS – ACTION

A. Approval of the Minutes of the Meeting of the Legal and Claims Committee held April 11, 2022.

No comments on the minutes.

4. CONSENT CALENDAR ITEMS – ACTION

None

Director Atwater made a motion, seconded by Director Fellow, to approve the consent calendar consisting of Item 3A:

The vote was:

Ayes: Directors Atwater, Camacho, Dick, Fellow, Goldberg, Record, Smith,

Sutley, and Tamaribuchi

Noes: None
Abstain: None
Absent: Phan

The motion for Item 3A passed by a vote of 9 ayes, 0 noes, 0 abstain, and 1 absent.

END OF CONSENT CALENDAR ITEMS

5. OTHER BOARD ITEMS – ACTION

None

6. BOARD INFORMATION ITEMS

None

7. COMMITTEE ITEMS

a. Subject Report on litigation in The Navajo Nation v. United States

Department of the Interior (U.S. Court of Appeals for the Ninth

Circuit, Case No. No. 19-17088, D.C. No.

3:03-cv-00507-PCT-GMS) [Conference with legal

counsel - existing litigation; to be heard in closed session pursuant

to Gov. Code Sections 54956.9(d)(1)]

Presented by: Chief Deputy General Counsel Catherine Stites

In closed session, Chief Deputy General Counsel Catherine Stites made a presentation on this item. No action was taken.

b. Subject

Report on litigation, including discussions regarding potential settlement, 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. [Conference with legal counsel - existing litigation; to be heard in closed session pursuant to Gov. Code Sections 54956.9(d)(1)]]

Presented by: This item was deferred.

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

None

Next meeting will be held on June 14, 2022.

Meeting adjourned at 9:06 a.m.

Larry Dick Chair