



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Board Report

Legal Department

• December 31, 2023 Quarterly Report

Summary

This is the quarterly report to the Legal and Claims Committee on the exercise of powers delegated to the General Manager and the General Counsel by Administrative Code Sections 6433 and 6434. In addition, the General Counsel reports to the Legal and Claims Committee on the exercise of power delegated to her by Administrative Code Section 6431.

Attachments

- ATTACHMENT A: Workers' Compensation Matters Resolved During the Period
October 1 – December 31, 2023.
- ATTACHMENT B: Claims Against Metropolitan Resolved by Risk Management During the Period
October 1 – December 31, 2023.
- ATTACHMENT C: Costs Collected During the Period
October 1 – December 31, 2023.
- ATTACHMENT D: Property Damage Written Off as Uncollectible During the Period
October 1 – December 31, 2023 - NONE.
- ATTACHMENT E: Accounts Receivables Written Off as Uncollectible During the Period
October 1 – December 31, 2023.

Detailed Report

Contracts

Within this past quarter, the General Counsel entered into or amended the following contracts pursuant to her authority under Administrative Code Section 6431:

Aecus Law

This agreement was amended this quarter to increase the maximum amount payable.

Debra L. Reilly, A Professional Law Corporation

This agreement was amended this quarter to increase the maximum amount payable.

Erin Joyce Law, PC

Metropolitan retained the services of Special Counsel to assist in a confidential employment matter.

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GeoPentech, Inc. Agreement No. 185875

This agreement was amended this quarter to designate a new agreement administrator and modify the notices section.

GeoPentech, Inc. Agreement No. 174615

This agreement was amended this quarter to designate a new agreement administrator, increase the maximum amount payable and to modify the notices section.

Hanson Bridgett LLP

Metropolitan retained the services of Special Counsel to provide legal advice on property taxes, rates, charges, and other revenue matters.

Horvitz & Levy, LLP

This agreement was amended this quarter to increase the maximum amount payable and to modify the notices section.

Innovative Legal Services, P.C.

This agreement was amended this quarter to increase the maximum amount payable.

Internet Law Center, LTD

This agreement was amended this quarter to increase the maximum amount payable.

Kronenberger Rosenfeld, LLP

This agreement was amended this quarter to increase the maximum amount payable.

Liebert Cassidy Whitmore

Metropolitan retained the services of Special Counsel to provide EEO Advice.

Marten Law LLP

This agreement was amended this quarter to increase the maximum amount payable and modify the fee schedule.

Olson Remcho LLP

This agreement was amended this quarter to increase the maximum amount payable.

Oppenheimer Investigations Group LLP

This agreement was amended this quarter to increase the maximum amount payable.

Pearlman, Brown & Wax, LLP

Metropolitan retained the services of Special Counsel to provide legal representation in workers' compensation and subrogation cases as directed by the General Counsel.

Seyfarth Shaw LLP

This agreement was amended this quarter to increase the maximum amount payable.

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Sheppard Mullin Richter & Hampton LLP

Metropolitan retained the services of Special Counsel to provide legal representation, advice and consultation in the defense of the litigation entitled, *Alicia Lorentzen v. Metropolitan Water District of Southern California*, Los Angeles County Superior Court Case no. 23STCV19214.

Stantec Consulting Services, Inc.

Metropolitan retained the services of Consultant to: attend project meetings; summarize potential product water impacts and factors affecting water stability; collect water quality and conveyance facility data; conduct desktop modeling to assess water quality shifts; assess need for potential experimental studies; and, prepare technical memorandum and respond to comments.

Water Quality & Treatment Solutions, Inc.

Metropolitan retained the services of Consultant to evaluate and prepare a cost estimate to install treatment for PFAS on each of Metropolitan's five treatment plants.

Structural Engineer – Gregg E. Brandow, PhD, P.E., S.E.

Metropolitan retained the services of Consultant to provide expert witness testimony/advice on contractor claims related to the Colorado River Aqueduct 6.9kV Power Cable Replacement Project.

Claims and Other Matters

1. Between October 1, 2023 – December 31, 2023, Metropolitan initiated, compromised, settled, or otherwise disposed of the following claims and entered into the following separation agreements:

a. Litigated, Compromised and Settled Claims By and Against Third Parties

i. **Gene Pumping Plant, MDAQMD Notice of Violation Settlement – 4/11/23**

Without admitting any liability, a payment for the civil penalty of \$250 was made to the Mojave District Air Quality Management District (MDAQMD) to settle MD00001646, which cited Metropolitan for its contractor failing to timely complete a vapor recovery test on an underground storage tank at Gene Pumping Plan. MDAQMD confirmed closure of the incident.

Metropolitan entered into the following settlement agreements within this past quarter:

i. ***Joshua Rivers v. Metropolitan, et al.*** (Los Angeles County Superior Court Case No. 22STCV09741)

As previously reported, former probationary employee Joshua Rivers sued Metropolitan in March 2022 after his release from employment during his probation. His complaint alleged whistleblower retaliation under Labor Code section 1102.5 and retaliation for complaints of discrimination and harassment under the Fair Employment and Housing Act. Rivers generally alleged he disclosed to his managers that Metropolitan was engaged in activities that violated applicable law and that he was retaliated against for these disclosures by having the terms of his probationary employment changed to make it difficult to complete probation. Rivers also claims he made complaints to Metropolitan regarding discrimination and harassment and that Metropolitan retaliated against him as a result of his complaints by sabotaging his work performance, ultimately leading to his termination. Metropolitan

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answered the complaint and denied the allegations. The parties engaged in discovery including depositions, they attempted to mediate the case, and the court did not dismiss Rivers' claims in response to a motion for summary judgment filed by Metropolitan. The matter was scheduled for jury trial on December 4, 2023. On November 2, 2023, a settlement agreement was entered into resolving this matter. The key terms of the agreement include no admission of fault by Metropolitan, no reinstatement of Mr. Rivers, a fully executed general release by Mr. Rivers, and payments to Mr. Rivers and his attorney totaling \$125,000. The agreement does not require confidentiality. As equal employment opportunity issues were alleged, an investigation ensued leading to corrective action in response to inappropriate comments made in the workplace by two managers. The Legal Department and Sheppard Mullin jointly represented Metropolitan.

ii. ***Association of Confidential Employees (ACE) - unfair practice charge with the Public Employment Relations Board*** (PERB Case No. LA-CE-1574-M)

On April 4, 2022, the Association of Confidential Employees (ACE) filed an unfair practice charge with the Public Employment Relations Board (PERB) (Case No. LA-CE-1574-M) regarding Metropolitan's creation of a new, unrepresented Equal Employment Opportunity ("EEO") Officer classification. On or about January 30, 2023, PERB issued a Complaint based on ACE's charge. On October 20, 2022, ACE filed an unfair practice charge with PERB (Case No. LA-CE-1611-M) regarding Metropolitan's creation of a new, unrepresented EEO Section Manager classification and a new, unrepresented Chief EEO Investigator classification. On or about March 3, 2023, PERB issued a Complaint based on ACE's charge. On April 11, 2023, ACE filed an unfair practice charge with PERB (Case No. LA-CE-1636-M) regarding Metropolitan's decision to transfer an ACE officer from the EEO Office to a newly created position to support Metropolitan's Project Labor Agreements Program. On October 27, 2023, a settlement agreement was executed resulting in the parties' agreement addressing the job descriptions, bargaining unit/unrepresented status, salary grades, and the transfer for the personnel at issue. The terms of the settlement agreement include a new job title and two-grade salary increase retroactive to July 2022 for the ACE officer transferred to support Metropolitan's Project Labor Agreements Program. As a result of the settlement agreement, PERB dismissed the three unfair practices charges at ACE's request. No equal employment opportunity issues were alleged in the charges, no confidentiality terms were included in the settlement, and Metropolitan has not taken any corrective action in response to the alleged issues.

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

On April 30, 2019, AFSCME Local 1902 filed a grievance on behalf of three Equipment Operators who alleged the denial of meal period pay in violation of the AFSCME MOU. Metropolitan denied the grievance and AFSCME appealed the denial to a hearing officer. The parties agreed to hold the matter in abeyance pending new MOU negotiations in 2023. After completion of negotiations, on December 20, 2023, the parties resolved the grievance. EEO issues were not implicated, the agreement has no confidentiality provisions, the Operators are still employed by Metropolitan, and the Operators received \$500 each to resolve their meal period pay claims. The grievance has been withdrawn pursuant to a written settlement agreement.

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- b. Workers' Compensation Matters
Workers' Compensation claims settled by the General Manager and the General Counsel within this past quarter are reported in Attachment A.
 - c. Other Claims By and Against Third Parties Resolved by Risk Management
Non-litigated third-party claims resolved by Risk Management (under authority delegated by the General Manager) and approved by the General Counsel within this past quarter are reported in Attachment B.
 - d. SB 90 Claims
No SB 90 claims for reimbursement for state-mandated costs collected were reported within this past quarter.
 - e. Separation Agreements
Metropolitan did not enter into any separation agreements within this past quarter.
2. Costs were collected for claims within this past quarter are reported in Attachment C.
 3. No Property Damage Claims were declared as uncollectible by the General Manager within this last quarter.
 4. Accounts Receivables written off as uncollectible by the General Manager within this past quarter are reported in Attachment E.

ATTACHMENT A
Workers' Compensation Matters Resolved During the Period
October 1, 2023 – December 31, 2023

Classification	Control No.	Date of Injury	Amount of Settlement	Nature of Injury	Basis for Settlement
Coater	2021-0209-0323	2/8/2021	\$25,000.00	Right Shoulder	Compromise and Release

ATTACHMENT B
 Claims Against Metropolitan Resolved by Risk Management During the Period
October 1, 2023 – December 31, 2023

Claimant/ Third-Party	Control No. TPA No.	Amount of Settlement	Incident Description	Basis for Resolution
Salcido, Cecila	2022-0301-0340 027-000161	\$8,287.53	An MWD vehicle backed into third party vehicle causing damage to left rear quarter panel	The third party property damage claim was settled based upon an evaluation of the accident, impact, damage, and repair cost

ATTACHMENT C
Costs Collected During the Period
October 1, 2023 – December 31, 2023

Third Party or Cause	Control No. TPA No.	Costs Collected	Incident Description	Basis for Costs Collected
Jhem Transportation	2023-0322-0338 026-000528	\$285.71	On 3/22/2023, a third-party vehicle struck drifted into the lane occupied by the MWD vehicle and struck and damaged the left side mirror	The property damage claim was paid in full by the third party's insurance carrier

ATTACHMENT E
 Accounts Receivable Written Off as Uncollectible During the Period
October 1, 2023 – December 31, 2023

Invoice Date	Invoice Number	Customer Name	Amount Written-Off	Brief Description	Basis for Write-Off	Date Written-Off
October 24, 2023	501908	City of Beverly Hills	\$0.20	Small amount written off under \$10.00	To correct \$0.20 balance on project #750002 as of September 2023	October 24, 2023
November 1, 2018	45331	Sprint Nextel Communications, Inc.	\$2,271.78	Lease of District property as described in Revenue Lease 1647 for the month of December 2018	Licensee is refusing to acknowledge the debt exists, and the statute of limitations for collection has passed.	December 27, 2023
		Total:	\$2,271.98			