THE
METROPOLITAN WATER DISTRICT
ADMINISTRATIVE CODE

Disclaimer

THIS ADMINISTRATIVE CODE REFLECTS THE ACTIONS OF METROPOLITAN'S BOARD OF DIRECTORS THROUGH ITS MEETING ON July 8, 2025, AND MAY NOT REFLECT THE MOST CURRENT ACTIONS OF METROPOLITAN'S BOARD. IN CASE OF ANY DISCREPANCY BETWEEN THIS ONLINE VERSION AND METROPOLITAN'S, OFFICIAL RECORDS, THE OFFICIAL RECORDS WILL PREVAIL.

The Metropolitan Water District Administrative Code was adopted by M.I. 31609 on January 11, 1977. Unless otherwise noted in the legislative history cited in the body of the Code, a section was adopted as part of the Code at that time and is based on the resolution, minute order or other matter cited in the Code. Where M.I. 31609 is cited in the Code, the section or group of sections in question was added at the time the Code was adopted. Where no citation proceeding the time of adoption of the Code is shown, the section was added after the original adoption of the Code.

[Note: The derivation of each section or group of sections from prior ordinances, resolutions, actions recorded in minute orders and other matters is shown in brackets at the end of such section or group of sections. The following abbreviations are used: Ord. - Ordinance, Res. - Resolution and M.I. - Minute Item.]

Containing changes as of July 8, 2025, Board of Directors Meeting

THE ADMINISTRATIVE CODE OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

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Division I

GENERAL

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Chapter 1

DEFINITIONS

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§ 1100. Definitions Governing Construction.

Whenever used in this Administrative Code, the terms defined in this chapter shall have the meaning indicated herein.

Section 100.1 - M.I. 31609 – January 11, 1977; amended by M.I. 32690 – April 10, 1979; amended by M.I. 34814 – August 17, 1983. Section 100.1 repealed and Section 1100 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987.

§ 1101. Board.

The Board of Directors of the District.

Section 100.1.1 - M.I. 31609 – January 11, 1977; amended by M.I. 32690 - April 10, 1979; renumbered by staff. Section 100.2 repealed and Section 1101 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987.

§ 1102. Code.

The term "code" shall mean the Metropolitan Water District Administrative Code, unless otherwise specifically defined.

Section 100.1.2 - M.I. 31609 - January 11, 1977; amended by M.I. 32690 - April 10, 1979; renumbered by staff. Section 100.3 repealed and Section 1102 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 38304 - June 12, 1990.

§ 1103. Department Head.

The term "Department Head" as used in this Code shall mean and include the General Manager, General Counsel, General Auditor, and Ethics Officer.

Section 100.1.3 - M.I. 31609 - January 11, 1977; amended by M.I. 32690 - April 10, 1979; renumbered Section 100.4 by staff. Section 100.4 repealed and Section 1103 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I.43968 - April 11, 2000; amended by M. I. 46838 – October 10, 2006.

§ 1104. District or Metropolitan.

The Metropolitan Water District of Southern California.

Section 100.1.4 - M.I. 31609 - January 11, 1977; amended by M.I. 32690 - April 10, 1979; renumbered Section 100.5 by staff. Section 100.5 repealed and Section 1104 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; added “or Metropolitan” to section title by M.I. 49187 - September 11, 2012.

§ 1105. General Manager.

The General Manager of the District.

Section 100.6 - M.I. 33642 - March 10, 1981. Section 100.6 repealed and Section 1105 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 1106. Holiday.

Whenever the word "Holiday" is used in this Code, it shall include January 1 (New Year’s Day), the third Monday in January (Martin Luther King Jr. Day), the third Monday in February, (Presidents’ Day), March 31 (César Chávez Day), the Friday before Easter, the last Monday in May (Memorial Day), June 19 (Juneteenth), July 4 (Independence Day), the first Monday in September (Labor Day), November 11 (Veterans’ Day), Thanksgiving Day, the day following Thanksgiving Day, December 24 (Christmas Eve), December 25 (Christmas Day), December 31 (New Year’s Eve), and any day or portion of a day declared by the Board as a Holiday. If any Holiday other than December 24 and 31 falls on Sunday, the following Monday is a Holiday. If any Holiday falls on Saturday, the preceding Friday is a Holiday.

Section 100.1.5 - M.I. 31609 - January 11, 1977; amended by M.I. 32690 - April 10, 1979; amended by M.I. 33384 - August 19, 1980; renumbered 100.1.6 by M.I. 33642 - March 10, 1981; renumbered 100.7 by staff. Section 100.7 repealed and Section 1106 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 37218 - July 12, 1988; amended by M. I. 45943 – October 12, 2004; amended by M. I. 46036 – December 14, 2004; amended by M.I. 52864 – June 14, 2022.

§ 1107. Member Public Agency.

Any city, municipal water district, or county water authority, the corporate area of which, in whole or in part, is included in the District as a separate unit.

Section 100.1.6 - M.I. 31609 – January 11, 1977; amended by M.I 32690 - April 10, 1979; renumbered 100.1.7 by M.I. 33642 – March 10, 1981; renumbered 100.8 by staff. Section 100.8 repealed and Section 1107 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 1108. Officers, Departments, Committees, and Employees.

Officers, departments, committees, and employees referred to in this Code shall mean officers, departments, committees, and employees of the District, unless the context clearly indicates otherwise.

Section 100.1.7 - M.I. 31609 - January 11, 1977; amended by M.I. 32690 - April 10, 1979; renumbered 100.1.8 by M.I. 33642 - March 10, 1981; renumbered 100.9 by staff. Section 100.9 repealed and Section 1108 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 1109. State.

The State of California.

Section 100.1.8 - M.I. 31609 - January 11, 1977; amended by M.I. 32690 - April 10, 1979; renumbered 100.1.9 by M.I. 33642 - March 10, 1981; renumbered 100.10 by staff. Section 100.10 repealed and Section 1109 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

Chapter 2

SEAL, LOGOTYPE, AND PRINCIPAL PLACE OF BUSINESS

Sec.
1200. Seal
1201. Logotype
1202. Principal Place of Business

§ 1200. Seal.

The following seal is adopted as the corporate seal of the District:

Ords. 12, 13, 33, 113 and 131, effective 1-1-75; repealed by Ord. 146; Section 110.1 added, as amended, by M.I. 32690 - April 10, 1979; amended by M.I. 33829 - July 14, 1981. Section 110.1 repealed and Section 1200 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 1201. Logotype.

The General Manager is authorized to adopt and determine the manner of use of a District logotype.

Section 110.2 - M.I. 36282 - September 9, 1986. Section 110.2 repealed and Section 1201 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987.

§ 1202. Principal Place of Business.

The principal place of business and office of the District shall be in the building at 700 North Alameda Street, in the City of Los Angeles, State of California, which building shall be known and designated as "Headquarters Building, The Metropolitan Water District of Southern California."

Ords. 3, 17, 96 and 113; repealed by Ord. 146; Section 110.2 added, as amended, by M.I. 32690 - April 10, 1979; renumbered Section 110.3 by M.I. 36282 - September 9, 1986. Section 110.3 repealed and Section 1202 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 40976 - August 19, 1994; amended by M.I. 43275 - November 10, 1998.

Chapter 3

Board Governance Principles

Sec.
1300. Board Governance Principles
1301. Board Product

§ 1300. Board Governance Principles.

The Board will govern with an emphasis on outward vision, encouragement of diversity in viewpoints, strategic leadership more than administrative detail, and clear distinction of Board and general manager goals.

M.I. 43995 – May 17, 2000.

§ 1301. Board Product.

Specific products of the Board are those that ensure appropriate organizational performance in serving the mission of Metropolitan.

(a) The Board will be the initiator of policy, not merely a reactor to staff initiatives. The Board may use the expertise of individual members to enhance the ability of the Board as a body, rather than to substitute the individual judgments for the Board's values.

(b) The Board will direct, control and inspire the organization through the careful establishment of broad written policies and the continuous development of ends policies. The Board's major policy focus will be on intended long-term impacts of the organization, not on the administrative or programmatic means of attaining those effects.

(c) The Board will produce written governing policies addressing:

(1) Protection of the existing water and power supplies;

(2) Development of new water supplies;

(3) Protection and enhancement of water quality;

(4) Commitment to water management programs, including increased emphasis on conservation, recycling and groundwater storage and other storage programs;

(5) Establishment of fair and equitable water and tax rates;

(6) Financial policies – including adoption of long-range financial policies, reserve policy and the annual operating budget;

(7) Development and/or maintenance of infrastructure;

(8) Development of compensation, benefits and other terms and conditions of employment;

(9) Guidelines relative to Board governance;

(10) Development of guidelines relative to communicating with the public, legislature, and stakeholders.

(d) The Board will assure the performance of the General Manager, General Counsel, General Auditor and Ethics Officer as measured against organizational expectations and executive limitations.

M.I. 43995 – May 17, 2000; paragraph (d) amended by M.I. 51391 - November 6, 2018.

Division II

PROCEDURES PERTAINING TO BOARD, COMMITTEES AND DIRECTORS

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Chapter 1

BOARD OF DIRECTORS

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Article 1

MEETINGS

Sec.

2100. Regular Meetings
2101. Special Meetings
2102. Emergency Meetings
2103. Place of Meetings
[2104 - Repealed]
2105. Closed Meeting Procedure
2106. Adjourned Meetings
2107. Legal Department Representation
2108. Minutes
2109. Board Agenda

§ 2100. Regular Meetings.

Regular meetings of the Board shall be held on the second Tuesday of each month; provided that if said Tuesday falls upon a holiday designated in Section 1106 hereof, such regular meeting shall be held on the next business day unless another date is set by the Board, and the staff shall arrange its affairs accordingly.

Organization and Procedures of the Board - July 19, 1976; amended by M.I. 32690 - April 10, 1979 and M.I. 33414 - September 8, 1980; see also Ords. 85 and 113; repealed by Ord. 146; Sections 201.2 and 201.2.1 renumbered Section 201.3.1 January 8, 1985; amended by M.I. 35590 - April 9, 1985. Section 201.3.1 repealed and Section 2100 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36563 - April 14, 1987; amended by M.I. 37492 - January 10, 1989; amended by M.I. 39500 - March 10, 1992; amended by M.I. 43587 - June 8, 1999; amended by M.I. 43853 - January 11, 2000; amended by M. I. 45943 – October 12, 2004; amended by M.I. 49596 - November 19, 2013.

§ 2101. Special Meetings.

In accordance with Government Code Section 54956 special meetings of the Board may be called by the Chair of the Board, or by a majority of the directors. The Board Executive Secretary shall be responsible for arranging deliveries of special meeting notices and for receiving written waivers of notice. Directors shall be notified of special meetings.

The call and notice shall be posted at least 24 hours prior to the special meeting in the public reception area of the District's Headquarters Building.

Ord. 113; repealed by Ord. 146; added, as amended, by M.I. 32690 - April 10, 1979; Section 201.2.2 renumbered Section 201.3.2 January 8, 1985; amended by M.I. 36412 - December 9, 1986. Section 201.3.2 repealed and Section 2101 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 37492 - January 10, 1989; amended by M.I.43587 - June 8, 1999.

§ 2102. Emergency Meetings.

The Board Executive Secretary shall be responsible for providing the notice of emergency meetings and the public postings required by Government Code Section 54956.5.

Section 201.2.3 - M.I. 34112 - February 9, 1982; renumbered Section 201.3.3 January 8, 1985; amended by M.I. 36412 - December 9, 1986. Section 201.3.3 repealed and Section 2102 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 37492 - January 10, 1989.

§ 2103. Place of Meetings.

All regular meetings of the Board shall be held in the room known and designated as the "Board Room" located in the District's Headquarters Building; provided, that if, by reason of fire, flood, earthquake, or other emergency, it shall be unsafe to meet in said Board Room, the meetings may be held for the duration of such emergency at such place as is designated by the Chair, either within or without the boundaries of the District, in which event notice of such place

of meeting shall be given by the Board Executive Secretary in the same manner required under Government Code Section 54956 for special meetings.

Ords. 85, 96 and 113; repealed by Ord. 146; Section 201.2.4 added, as amended, by M.I. 32690 - April 10, 1979; further amended by M.I. 33453 - October 14, 1980; renumbered by M.I. 34112 - February 9, 1982; Section 201.2.5 renumbered Section 201.3.5 January 8, 1985. Section 201.3.5 repealed and Section 2104 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered to Section 2103 and amended by M.I. 37492 - January 10, 1989 (previous Section 2103 repealed).

[§ 2104 - repealed by M.I. 37722 - June 13, 1989]

§ 2105. Closed Meeting Procedure.

(a) The Chair shall be responsible for ensuring that procedural requirements, other than requirements for notice, are fulfilled when a closed meeting is held. The Board Executive Secretary shall be responsible for fulfilling any notice requirements relating to closed meetings. The General Counsel shall be responsible for the preparation of any documents required by Government Code Section 54956.9 with regard to litigation. The General Counsel, General Manager and when appropriate the Auditor and Ethics Officer shall designate staff members and others who shall remain in the closed session to assist the Board in its deliberations. The General Counsel shall also designate staff members to record the minutes of the closed meeting.

(b) No person attending a closed session may disclose any matter discussed in the session where to do so would be contrary to the purpose for which the session was held. Any director who has not attended a closed session and wishes to be advised of the content of the session may inquire of any director who attended the closed session. The person contacted may advise the inquiring director of the content of the session. The advised director shall not disclose the matter for which the session was held.

(c) If a director, a Department Head, or a person other than a District staff member is reported to have violated Section 2105(b), the matter shall be referred to the Executive Committee for investigation and consideration of any appropriate action warranted including, but not limited to, legal action, censure, removal from one or more committee assignments, and recommendation to the member's appointing agency that steps be taken to remove that individual from the Board. Before taking any action and as part of the consideration, the Executive Committee shall provide the person under investigation with an opportunity to meet with it or a subcommittee appointed by it, and present reasons and evidence why action should not be taken.

(d) If a member of the staff is reported to have violated Section 2105(b), the matter shall be referred to the appropriate Department Head for investigation; the Department Head shall report to the Executive Committee any action taken including, but not limited to, legal action and initiation of discipline.

Ords. 85 and 113; repealed by Ord. 146; Sections 201.2.5.3 through 201.2.5.5 added, as amended, by M.I. 32690 - April 10, 1979; amended by M.I. 33493 - November 18, 1980; renumbered Sections 201.2.6.6.4 through 201.2.6.5 by M.I. 34112 - February 9, 1982; renumbered Sections 201.3.9 through 201.3.9.2 and amended by M.I. 35469 - January 8, 1985 Sections 201.3.9 through 201.3.9.2 repealed and Sections 2108(a) through 2108(b) adopted by M.I. 36464 - January 13, 1987; renumbered to Section 2105, paragraphs (a) and (b) deleted and new language adopted by M.I. 37492 - January 10, 1989 (previous Sections 2106 through 2107 repealed).

Sections 201.2.5.6.1 through 201.2.5.6.3 - M.I. 33600 - February 10, 1981; renumbered Sections 201.2.6.6.1 through 201.2.6.6.3 and amended by M.I. 34112 - February 9, 1982; amended by M.I. 35061 - March 13, 1984; renumbered Sections 201.3.9.3 through 201.3.9.5 - January 8, 1985. Sections 201.3.9.3 through 201.3.9.5 repealed and Sections 2108(c) through 2108(e) adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered to Section 2105(b) through (d) by M.I. 37492 - January 10, 1989; Section 2105 paragraph (a) amended by M.I. 41684 - December 14, 1995; paragraph (a) amended by M.I. 52941 - August 16, 2022.

§ 2106. Adjourned Meetings.

If all members are absent from any regular or adjourned regular meeting, the Board Executive Secretary may declare the meeting adjourned and shall cause a written notice of the adjournment to be given pursuant to Government Code Section 54955 which shall be posted in the public reception area of the District's Headquarters Building.

Ord. 113; repealed by Ord. 146; Section 201.2.6 added, as amended, by M.I. 32690 - April 10, 1979; renumbered Section 201.2.7 and amended by M.I. 34112 - February 9, 1982; renumbered Section 201.3.10 - January 8, 1985. Section 201.3.10 repealed and Section 2109 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended and renumbered 2106 by M.I. 37492 - January 10, 1989.

§ 2107. Legal Department Representation.

In order to maintain continuity of legal advice, a second representative of the Legal Department shall attend with the General Counsel all meetings of the Board to the extent possible.

Section 203.1 based on M.I. 20914 - October 11, 1960. Section 203.1 repealed and Section 2110 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended and renumbered Section 2107 by M.I. 37492 - January 10, 1989.

§ 2108. Minutes.

Minutes of the Board meeting shall be prepared and provided to each director as soon as convenient after each meeting. Such minutes shall not include the text of ordinances and resolutions adopted, which shall be recorded in separate volumes by the Board Executive Secretary. Minutes of the Board and monthly reports filed therewith are to be sent to the city clerks and water departments of the member public agencies who have requests on file with the Board Executive Secretary for such material.

Section 203.2 based on M.I. 147 - May 13, 1929, M.I. 435 - December 27, 1929, and M.I. 15950 - September 28, 1954. Section 203.2 repealed and Section 2111 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended and renumbered Section 2108 by M.I. 37492 - January 10, 1989; amended paragraph by M.I. 53441 - November 14, 2023.

§ 2109. Board Agenda.

(a) The deadline for submission to the Board Executive Secretary of items for the Board agenda shall be in conformity with rules promulgated by the General Manager from time to time.

(b) The Executive Committee shall review the Board agenda prior to the Board meeting, and may remove or defer items on the agenda. Any matter not on the Board agenda may be presented to the Board upon motion duly made and carried at the Board meeting:

(1) Upon a determination by a majority vote of the Board that an emergency situation exists, as defined in Government Code Section 54956.5; or

(2) Upon a determination by a two-thirds vote of the Board, or if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted; or

(3) If the item was posted for a prior meeting of the Board occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

(c) The Board agenda shall make provision for public appearances before matters on which action is taken.

(d) The Board Executive Secretary shall be responsible for any required posting of agendas which shall be in the public lobby of the District's Headquarters Building and on Metropolitan's website in accordance with applicable law.

(e) Videotapes of informational presentations prepared by District staff which are distributed in advance of a Board meeting to Board members shall be identified on the Board agenda, and copies of the videotapes shall be available to the public.

Paragraph (a) [formerly Section 203.3.1] based on M.I. 21755 - November 14, 1961 as amended by Consent Calendar Procedure - July 8, 1975; amended by M.I. 34302 - July 13, 1982; paragraph (b) [formerly Section 203.3.2] based on M.I. 21756 - November 14, 1961; and paragraph (c) [formerly Section 203.3.3] based on M.I. 21832 - December 12, 1961; paragraphs (d) and (e) [formerly Section 203.3.4 and 203.3.5] added by M.I. 36412 - December 9, 1986. Section 203.3 repealed and Section 2112 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (e) amended by M.I. 36491 - February 10, 1987; amended and renumbered Section 2109 by M.I. 37492 - January 10, 1989; paragraphs (b)(1) through (b)(3) added, and paragraph (c) deleted, paragraphs (d) and (e) renumbered to (c) and (d) by M.I. 37722 - June 13, 1989; paragraph (e) added by M.I. 39036 - June 11, 1991; paragraph (b) amended by M.I 43587 - June 8, 1999; paragraph (d) amended by M.I. 50990 - October 10, 2017.

Article 2

CONSENT CALENDAR

Sec.
2120. Purpose and Scope
2121. Consent Calendar
2122. Committee Procedure
2123. Board Meeting Procedure

§ 2120. Purpose and Scope.

It is the purpose of the Consent Calendar procedure to expedite Board consideration of non-controversial matters so as to enable the Board to devote added time to other matters. The procedure ensures that if any item on the calendar is disputed, individual consideration will be given to it.

Organization and Procedures of the Board - July 19, 1976. Section 202.1 repealed and Section 2120 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 2121. Consent Calendar.

(a) Consent Calendar items shall be set forth in a separate section of the Board's agenda.

(b) Matters for the Consent Calendar shall be recommended by the Department Heads and shall be submitted to the Board Executive Secretary not less than seven working days prior to the meeting of the Board and, except as provided below, pertinent materials sufficient to enable a member to formulate an opinion on each Consent Calendar item shall be included with the agenda provided to directors. Such materials need not be included with the agenda as to matters which are to be considered in committee in closed session, but such materials shall be available at the meeting of the Board for distribution to directors who request them.

(c) Matters may not be placed on the Consent Calendar if a vote other than a simple majority is required or if the amount involved is $10,000,000 or more.

Organization and Procedures of the Board - July 19, 1976; Section 202.3 amended and by M.I. 33453 - October 14, 1980. Paragraph (c) [formerly 202.3.3] previously 202.3.4 amended and renumbered by M.I. 33453 - October 14, 1980; amended by M.I. 34889 - October 11, 1983; amended by M.I. 35592 - April 9, 1985. Section 202.2 repealed and Section 2121 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36811 - September 22, 1987; paragraph (c) amended by M.I. 39036 - June 11, 1991; paragraph (c) amended by M.I. 53322 – July 11, 2023; amended paragraph by M.I. 53441 - November 14, 2023.

§ 2122. Committee Procedure.

(a) Matters recommended by a Department Head for inclusion on the Consent Calendar shall be so identified on the committee agendas.

(b) A Consent Calendar matter shall be removed if the standing committee to which it has been submitted does not recommend approval with a quorum of the committee present or if it recommends approval only after making changes to the recommendation of the Department Head.

Organization and Procedures of the Board - July 19, 1976. Paragraph (b) [formerly Section 202.3.2] amended by M.I. 35592 - April 9, 1985. Section 202.3 repealed and Section 2122 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36811 - September 22, 1987.

§ 2123. Board Meeting Procedure.

(a) Copies of the Board Agenda shall be made available at the entrance to the Board Room on the day of the Board meeting.

(b) As the first order of business after any ceremonial matters or opening reports, the Chair shall ask if any director or member of the public requests removal of a Consent Calendar matter. Upon such request, such matter shall be automatically removed from the Consent Calendar and shall be considered in the manner of a regular item; provided, however, that any such matter considered in committee in closed session shall be considered in closed session by the Board.

(c) A motion by any member shall then be in order to approve the remaining matters on the Consent Calendar and the vote thereon shall be on all the matters collectively.

(d) If the vote is favorable, then before the result of the vote is announced, the Chair shall ask whether there are any abstentions or negative votes to be cast on any item and shall cause the Secretary to record such abstention or negative vote. Each matter on the Consent Calendar shall be recorded in the minutes separately and the vote for the Consent Calendar shall be shown as the vote for each matter together with any abstentions or negative votes.

Organization and Procedures of the Board - July 19, 1976. Paragraph (b) [formerly Section 202.4.2] amended by M.I. 33453 - October 14, 1980. Section 202.4 repealed and Section 2123 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36811 - September 22, 1987; paragraph (b) amended by M. I. 43587 - June 8, 1999.

Article 3

BOARD CONDUCT RULES

Sec.
2130. Avoiding Personal Bias
2131. Prohibition of Discrimination, Harassment, and Retaliation by Directors

§ 2130. Avoiding Personal Bias.

In any matter involving a contract, permit, license, or other entitlement for use, a Board member shall not make, participate in or attempt to influence any decision, if they are incapable of providing fair treatment to a matter before the Board due to bias, prejudice or because they have prejudged a matter.

M.I. 52574 - November 9, 2021; paragraph amended by M.I. 53064 – December 13, 2022.

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

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

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

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

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

(e) Definitions applicable to Section 21

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

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

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

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

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

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

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

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

M.I. 52574 - November 9, 2021; amended Section title, added letter numbering to all paragraphs, amended paragraphs (a), (b), (c), and (d), and added new paragraph (e) by M.I. 53010 - November 8, 2022.

Article 4

MISCELLANEOUS BOARD RULES

Sec.
2140. Duties of the Board Executive Secretary
2141. Communications to Board
2142. Monthly Staff Reports
2143. Bid Tabulations
2144. Appearances before Board and Committees
2145. Use of Board and Committee Facilities
2146. Availability for Public Inspection of Certain Board and Committee Material
2147. Time Limits Upon Presentations

[Former § 2140 - repealed by M.I. 49187 - September 11, 2012]

§2140. Duties of the Board Executive Secretary.

The duties of the Board Executive Secretary are to:

(a) Provide administrative and ministerial services for the Board and directors under the direction of the General Manager;

(b) Act as the liaison between the Board and management under the direction of the General Manager;

(c) Accept service of process on behalf of the District; and,

(d) Report to the General Manager.

M.I. 43587 - June 8, 1999; amended by M. I. 45943 – October 12, 2004; Section renumbered to 2140, amended paragraphs (a), (b), and (d) by M.I. 49187 - September 11, 2012.

§2141. Communications to Board.

(a) A communication from a Department Head to the Board may be withdrawn by the Department Head at any time prior to its approval by a committee. After approval by a committee, a communication may be withdrawn by the Department Head only with the concurrence of the chair of any committee which has approved the recommendation contained in the communication.

(b) The Board Executive Secretary shall send copies of all items for the Board and other important communications received to the General Manager and the General Counsel unless they already have such copies.

M.I. 16909 - January 24, 1956; M.I. 19888 - August 20, 1959; paragraph (a) [formerly 203.4.1] added and paragraph (b) [formerly 203.4.2] renumbered by M.I. 35027 - February 14, 1984; paragraph (c) [formerly 203.4.3] was former Section 433.5.8.2, added by M.I. 35166 - June 12, 1984 and renumbered 203.4.3 - January 8, 1985; Section 203.4 repealed and Section 2140 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; Section renumbered to 2142 and paragraph (c) repealed by M.I.43587 - June 8, 1999; Section renumbered to 2141 by M.I. 49187 - September 11, 2012.

§ 2142. Monthly Staff Reports.

The monthly departmental reports of the General Manager and General Counsel shall be provided in advance of the Board meeting to each director by the department organizing the report but they are not to be distributed at such meeting. These reports are to be orally summarized at the Board meeting mentioning only significant changes from previous reports.

Section 203.5 based on M.I. 12516 - October 14, 1949; M.I. 14449 - July 29, 1952; M.I. 14519 - August 19, 1952; M.I. 19058 - October 14, 1958; M.I. 19151 - November 18, 1958; M.I. 19178 - November 25, 1958; M.I. 30159 - February 5, 1974. Section 203.5 repealed and Section 2141 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; Section renumbered to 2143 by M.I. 43587 - June 8, 1999; Section renumbered to 2142 by M.I. 49187 - September 11, 2012; amended paragraph by M.I. 53441 - November 14, 2023.

§ 2143. Bid Tabulations.

Each director is to be furnished with a tabulation of all bids received for each proposed award of contract presented to the Board for approval. Therefore, the reading of that portion of the General Manager's letter listing the bids shall be dispensed with.

Section 203.6 based on M.I. 15251 - September 15, 1953 and M.I. 15348 - November 10, 1953. Section 203.6 repealed and Section 2142 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; Section renumbered to 2144 and amended by M.I. 43587 - June 8, 1999; Section renumbered to 2143 by M.I. 49187 - September 11, 2012.

§ 2144. Appearances before Board and Committees.

(a) Persons desiring to appear before the Board at a regular meeting shall so signify when asked by the Chair to do so at the time the agenda item required by Section 2109(c) is called. They shall state the purpose of their appearance. If the purpose relates to an item to be considered by a committee, the Chair of the Board shall refer them to the appropriate committee, unless the Chair determines that referral is not appropriate or the person expresses a desire to address the Board directly. The person may address the Board on matters within the Board's subject matter jurisdiction subject to reasonable time limits on the issue and individual speakers as established by the Chair.

(b) Upon referral of an appearance to a committee by the Board, the Committee Chair shall place the matter on the committee‘s agenda if the request for an appearance is made to a committee in the first instance, the Committee Chair shall place the matter on the committee’s agenda unless the committee determines that the matter should be referred to the Board for placement on the Board’s agenda or to a different committee.

Section 203.7 - M.I. 32113 - January 10, 1978; amended and renumbered Sections 203.7.1 and 203.7.2 by M.I. 36412 - December 9, 1986. Section 203.7 repealed and Section 2143 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 37492 - January 10, 1989; Section renumbered to 2145 by M.I. 43587 - June 8, 1999; paragraphs (a) and (b) amended by M.I. 47286 - November 20, 2007; Section renumbered to 2144 by M.I. 49187 - September 11, 2012.

§ 2145. Use of Board and Committee Facilities.

All requests for use of the Board and committee rooms shall be submitted to the General Manager, and the use of such rooms by outside agencies and groups shall be limited to appropriate purposes pursuant to the terms and conditions, including payment, established by the General Manager.

Section 203.8 - M.I. 33453 - October 14, 1980; amended by M.I. 33484 - November 18, 1980. Section 203.8 repealed and Section 2144 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; Section renumbered to 2146 by M.I. 43587 - June 8, 1999; amended by M.I. 43692 - August 17, 1999; amended by M.I. 45943 – October 12, 2004; Section renumbered to 2145, and amended by M.I. 49187 - September 11, 2012.

§ 2146. Availability for Public Inspection of Certain Board and Committee Material.

The Board Executive Secretary shall make available, for inspection by the public prior to commencement of and during a Board or Board committee meeting, copies of the meeting agenda and of any written or videotaped materials that are not exempt from public disclosure under Sections 10200 - 10205 and that have been distributed in advance to the Board or committee members for discussion or consideration at the meeting. If non-exempt written or videotaped materials are distributed to the members during their discussion at the meeting, copies thereof shall be made available for public inspection at the same time or as soon thereafter as practicable. Upon request, the District shall provide facilities for public viewing of videotaped materials distributed to Board members.

Section 203.9 - M.I. 33523 - December 9, 1980. Section 203.9 repealed and Section 2145 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 39036 - June 11, 1991; Section renumbered to 2147 by M.I. 43587 - June 8, 1999; Section renumbered to 2146 by M.I. 49187 - September 11, 2012.

§ 2147. Time limits upon presentations.

Members of the public addressing the Board or a committee shall be limited to three minutes at each meeting. Organizations shall be limited to a total of five minutes if more than one representative wishes to speak. Each director may speak for no more than three minutes on each matter before the Board or committee. The Chair of the Board or committee, or the Board or committee by majority vote, may allow additional time. Established time limits for members of the public shall be doubled if the presenter requires the aid of a translator unless simultaneous translation is available.

M.I. 40164 - April 13, 1993; Section renumbered to 2148 by M.I. 43587 - June 8, 1999; amended by M.I. 47286 - November 20, 2007; Section renumbered to 2147 by M.I. 49187 - September 11, 2012; amended by M.I. 50990 - October 10, 2017.

Chapter 2

BOARD OFFICERS

Sec.
2200. Establishment of Offices
2201. Terms of Office: Limitations
2202. Selection of Officers
2203. Vacancy in Office
2204. Delegation of Duties to Vice Chair
2205. Duties of the Chair
2206. Use of District Automobile by Chair
2207. Duties of the Secretary of the Board

§ 2200. Establishment of Offices.

There shall be one office of Chair and one office of Secretary of the Board. There shall be four offices of Vice Chair of the Board serving at the pleasure of the Chair

Organization and Procedures of the Board - July 19, 1976; amended by M.I. 33453 - October 14, 1980; Sections 201.1 and 201.1.1, renumbered January 8, 1985. Section 201.2.1 repealed and Section 2200 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 39911 - November 10, 1992; amended by M.I. 41147 - December 13, 1994; amended by M.I. 43587 - June 8, 1999; amended by M.I. 43819 - December 14, 1999; amended by M. I. 46064 – January 11, 2005.

§ 2201. Terms of Office; Limitations.

(a) The term of office of officers of the Board shall commence on January 1 of the year immediately following their election, except for the Vice Chairs who are appointed to their positions.

(b) A director may serve as a Board officer for not more than two consecutive full two-year terms and a partial term immediately prior to the first full term.

(c) A director shall not be eligible to serve in a combination of offices of the Board more than four consecutive full two-year terms except that any member may serve in the office of Chair for two consecutive full two-year terms and a partial term immediately prior to the first full term without regard to previously held office and may thereafter serve as a member of the Executive Committee in the capacity as a past Chair.

Organization and Procedures of the Board - July 19, 1976; amended by M.I. 32690 - April 10, 1979; M.I. 33453 - October 14, 1980; M.I. 34399 - September 14, 1982; and M.I. 34673 - April 12, 1983; Sections 201.1.2 through 201.1.2.3, renumbered January 8, 1985. Section 201.2.2 repealed and Section 2201 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (c) amended by M.I. 37406 - November 8, 1988; paragraph (a) amended by M.I. 43819 - December 14, 1999; amended by M.I. 45249 - March 11, 2003; paragraph (c) amended by M. I. 46148 – March 8, 2005; amended by M. I. 46983 - February 13, 2007; paragraphs (b) and (c) amended by M.I. 52335 – April 13, 2021.

§ 2202. Selection of Officers.

The Chair shall be nominated by the Executive Committee or from the floor and elected in even-numbered years at the October meeting of the Board. The Secretary shall be nominated by the Executive Committee or from the floor and elected in even-numbered years at the November meeting of the Board. The four Vice Chairs shall be selected by the Chair, with the approval of the Executive Committee and Board, and shall serve at the pleasure of the Chair. Selection of the officers shall be made without regard to the regions which are represented.

Section 201.1.3, Organization and Procedures of the Board - July 19, 1976; repealed by M.I. 33453 - October 14, 1980; Section 201.1.4 - M.I. 32213 - March 14, 1978; previous Section 201.1.4 repealed by same M.I.; amended by M.I. 32996 - November 13, 1979; amended and renumbered as 201.1.3 by M.I. 33453 - October 14, 1980; amended by M.I. 34673 - April 12, 1983; renumbered Section 201.2.3 by January 8, 1985; amended by M.I. 36240 - August 19, 1986. Section 201.2.3 repealed and Section 2202 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 39449 - February 11, 1992; amended by M.I. 39911 - November 10, 1992; amended by M.I. 41147 - December 13, 1994; amended by M. I. 43587 - June 8, 1999; amended by M. I. 43819 - December 14, 1999; amended by M.I. 44582 – August 20, 2001; amended by M. I. 46064 – January 11, 2005; amended by M.I. 47998 - August 18, 2009.

§ 2203. Vacancy in Office.

Whenever a vacancy occurs in an office of Chair or Secretary of the Board during a term of office, nominations shall be submitted to and an election shall be held by the Board to fill the vacancy within 90 days of the date of the vacancy if there remain 90 days or more in the term at the time the vacancy occurs.

Section 201.1.4 - M.I. 34673 - April 12, 1983; renumbered Section 201.2.4 on January 8, 1985. Section 201.2.4 repealed and Section 2203 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 43587 – June 8, 1999.

§ 2204. Delegation of Duties to Vice Chairs.

The Vice Chairs selected by the Chair shall act in the Chair's absence, failure or inability to act. The Vice Chairs shall have ex efficio membership and may vote to break a tie and maintain a quorum. If the committee Chair and Vice Chair(s) of the committee are not present in person the Vice Chair may preside over the meeting.

Section 201.1.5 Organization and Procedures of the Board - July 19, 1976; amended by M.I. 32213 - March 14, 1978; amended and renumbered Section 202.1.4 by M.I. 33453 - October 14, 1980; renumbered Section 201.1.5 by M.I. 34673 - April 12, 1983; renumbered Section 201.2.5 - January 8, 1985. Section 201.2.5 repealed and Section 2204 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; Section renamed and amended by M.I. 43587 - June 8, 1999; amended by M.I. 43819 - December 14, 1999; M.I. 43893 - February 8, 2000; amended Section title, amended first paragraph, added new subparagraphs (1), (2), (3) and (4), and deleted final paragraph by M.I. 53064 – December 13, 2022; amended first paragraph and paragraphs (1) – (4) by M.I. 53251 - May 9, 2023; amended paragraphs (1)(b), (2)(a), and (3)(a) by M.I. 53528 – February 13, 2024; amended first paragraph, and deleted subparagraphs (1) – (4) by M.I. 53408 - March 11, 2025.

§ 2205. Duties of the Chair.

As prescribed by the Board, the Chair's duties include:

(a) Presiding over meetings of the Board, with the exception that the Board may, by a majority vote, overrule parliamentary rulings of the Chair;

(b) Ex officio membership on standing or special committees as designated in this Code;

(c) Making committee appointments as set forth in this Code; and,

(d) Other Board duties not specifically delegated to another Board officer or director.

Section 201.2.6 - M.I. 36265 - September 9, 1986. Section 201.2.6 repealed and Section 2205 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; Former Section 2205 repealed and renamed by M.I. 43587 - June 8, 1999; paragraph (a) amended by M.I. 52633 – December 14, 2021.

§2206. Use of District Automobile by Chair

The Chair is authorized to use the Chair's District automobile for such purposes other than District business as may be necessary.

M.I. 44582 – August 20, 2001.

§ 2207. Duties of the Secretary of the Board.

The duties of the Secretary of the Board are to:

(a) Sign all Board Meeting Minutes; and,

(b) Sign all official Board documents on behalf of the Board, unless signature of an item has been delegated to the Board Executive Secretary or another person; and

(c) Act as steward of parliamentary procedure for the Board and committees.

M.I. 43587 - June 8, 1999; Section renumbered by M.I. 44582 – August 20, 2001; amended paragraph (b), and added new paragraph (c) by M.I. 53064 – December 13, 2022.

Chapter 3

RULES GOVERNING COMMITTEES

Sec.
2300. Definitions
2301. Special Meetings
2302. Committee Work and Reports
2303. Record of Actions
2304. Quorum
2305. Joint Meetings
2306. Adjournment of Meetings
2307. Attendance of Committees
2308. Obligations of Staff
2309. Meetings Open to Public
2310. Ad Hoc Committees
2311. Subcommittees
2312. Temporary Membership on Committees
2313. Agendas
2314. Resolution of Conflicting Committee Recommendations
2315. Standing Committee Inspection Trips

§ 2300. Definitions.

Unless otherwise qualified in this Chapter, the term "committee" includes standing committee, special committee, ad hoc committee, and subcommittee.

Organization and Procedures of the Board - July 13, 1976. Section 213.1 repealed and Section 2300 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 2301. Special Meetings.

Special meetings of any committee shall be called upon order of its chair or by a majority of the members of the committee. Notice of special meetings shall be provided as set forth in Section 2101 of this Code.

Organization and Procedures of the Board - July 13, 1976. Section 213.2 repealed and Section 2301 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 43587 - June 8, 1999.

§ 2302. Committee Work and Reports.

The performance of all duties and functions by committees is for the purpose of advising and recommending actions to the Board of Directors. Reports of standing, special and ad hoc committees shall be addressed to the Board; reports of a subcommittee shall be addressed to its parent standing committee.

Organization and Procedures of the Board - July 13, 1976; Section 213.3 amended by M.I. 33453 - October 14, 1980. Section 213.3 repealed and Section 2302 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 43692 - August 17, 1999.

§ 2303. Record of Actions.

Except as to matters which may lawfully be considered or acted upon in closed session, a record shall be kept of the actions taken by each committee and a member of the staff shall be designated for the purpose. The record shall indicate the attendance at the time each action was taken.

Organization and Procedures of the Board - July 13, 1976; Section 213.4 amended by M.I. 334935 - November 18, 1980. Section 213.4 repealed and Section 2303 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 2304. Quorum.

A quorum of a committee shall be a majority of the membership of a committee. Committees shall function in the absence of a quorum.

Organization and Procedures of the Board - July 13, 1976. Section 213.5 repealed and Section 2304 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 2305. Joint Meetings.

At any joint committee meeting, each committee shall vote separately on any action to be taken.

Organization and Procedures of the Board - July 13, 1976. Section 213.6 repealed and Section 2305 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 2306. Adjournment of Meetings.

The Board Executive Secretary may declare regular or adjourned regular meetings of committees or subcommittees adjourned when no committee or subcommittee members are present at such meetings. The Board Executive Secretary shall give notice of committee or subcommittee meeting adjournment in the manner established by statute and otherwise function as clerk of the committees and subcommittees for the purpose of any statute.

Section 213.7 based on M.I. 30940 - July 8, 1975. Section 213.7 repealed and Section 2306 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 2307. Attendance of Committees.

Insofar as possible all committees shall meet at their scheduled times. All directors have the right to attend any committee meeting.

Section 213.8 based on M.I. 21175 - February 14, 1961. Section 213.8 repealed and Section 2307 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 2308. Obligations of Staff.

All references and assignments to Board committees include, without the necessity of specific instruction, the request to the District's staff to render assistance and perform such functions and services to the committees as may be requested. Such references and requests shall be routed through the appropriate Department Head or their designee, or the Board Executive Officer.

Section 213.9 based on M.I. 19298 - January 27, 1959; repealed by M.I. 33453 - October 14, 1980; Section 213.10 based on M.I. 19810 - July 21, 1959; renumbered Section 213.9 by M.I. 33453 - October 14, 1980. Section 213.9 repealed and Section 2309 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 43587 - June 8, 1999; amended by M.I. 53064 – December 13, 2022.

§ 2309. Meetings Open to Public.

The provisions of Sections 2105(b) through 2105(d) shall apply to committee meetings.

Paragraphs (a) and (b) [formerly Sections 213.11 through 213.11.2] - M.I. 33493 - November 18, 1980; paragraph (c) [formerly Section 213.11.3] added by M.I. 33600 - February 10, 1981 and amended by M.I. 35061 - March 13, 1984; renumbered Section 213.10 by M.I. 35469 - January 8, 1985. Section 213.10 repealed and Section 2309 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (a) and (b) repealed and paragraph (c) amended and renumbered Section 2309 by M.I. 37492 - January 10, 1989.

§ 2310. Ad Hoc Committees.

Ad Hoc Committees may be created by the Board to undertake special assignments on behalf of the Board. An ad hoc committee shall exist for a specified term or until its special assignments are completed, whichever comes first, but its existence may be extended for an added term or added assignments by action of the Board. Unless otherwise specified, members of an ad hoc committee shall be appointed by the Chair of the Board and shall serve at the Chair's pleasure. Ad Hoc Committees shall provide reports to the Executive Committee as well as committees where the subjects are relevant.

Organization and Procedures of the Board - July 19, 1976; Section 212.2 amended by M.I. 33453 - October 14, 1980. Section 212.2 repealed and Section 2310 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended paragraph by M.I. 53408- March 11, 2025.

§ 2311. Subcommittees.

With the approval of the Chair of the Board, subcommittees may be created by any standing committee of the Board to undertake specific assignments on behalf of the committee. The standing committee creating a subcommittee shall establish the term of the subcommittee and may extend such term as it deems desirable. At least two-thirds of a subcommittee’s membership shall be from the parent committee, and shall be appointed by the chair of the subcommittee's parent committee and shall serve at the Chair's pleasure. The remaining at large members shall be appointed by the chair of the parent committee after consultation with the Chair of the Board. An at large member who is the Chair of a subcommittee becomes a member of the parent committee for the time period that member serves as Chair of the subcommittee.

Organization and Procedures of the Board - July 19, 1976; Section 212.3 amended by M.I. 33453 - October 14, 1980. Section 212.3 repealed and Section 2311 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 42193 - December 10, 1996; amended by M.I. 43587 - June 8, 1999.

§ 2312. Temporary Membership on Committees.

Whenever any member of a Standing, Special or Ad Hoc Committee is absent from a committee assignment for an extended period the Chair of the Board may appoint another director to serve on such committee in place of the absent director for the duration of the absence whenever such appointment is deemed to be important to the effective functioning of the committee.

Section 212.4 - M.I. 34825 - August 17, 1983. Section 212.4 repealed and Section 2312 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 2313. Agendas.

Committee agendas shall be prepared, posted and acted upon in the same manner as required for Board meetings.

Section 213.11 - M.I. 36412 - December 9, 1986. Section 213.11 repealed and Section 2313 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 37492 - January 10, 1989.

§ 2314. Resolution of Conflicting Committee Recommendations.

Whenever the recommendations of two or more committees, not including the Executive Committee, to which a matter has been referred for initial consideration differ, such matter shall be considered by the Executive Committee whose recommendation on such matter shall be presented to the Board as the sole committee recommendation. If a conflict arises concerning a matter referred to the Executive Committee, as well as other committees, for initial consideration cannot be resolved by the Executive Committee, the recommendation of each committee shall be presented to the Board.

M.I. 40010 - January 12, 1993; amended by M.I. 43587 - June 8, 1999.

§ 2315. Standing Committee Inspection Trips.

When deemed to be of value by the Executive Committee, any standing, special, sub, or ad hoc committee may schedule one- or two-day inspection trips that will aid its members in the deliberations of matters before that committee. Trips of longer duration require approval by the Chairman and Board officers. Such inspection trips should be coordinated through the Office of the Board.

M.I. 40768 - April 12, 1994; amended by M.I. 43587 - June 8, 1999; amended by M.I 45943 – October 12, 2004; amended by M.I. 47998 - August 18, 2009.

Chapter 4

STANDING COMMITTEES

Article		Sec.
1	General	2400
2	**Executive Committee**	**2410**
3	**Audit Committee**	**2420**
4	**Engineering, Operations and Technology Committee**	**2430**
5	**Finance, Affordability, Asset Management, and Efficiency Committee**	**2440**
6	**Legal and Claims Committee**	**2450**
7	**Legislation and Communications Committee**	**2460**
8	**Organization, Personnel and Effectiveness Committee**	**2470**
9	**One Water and Adaptation Committee**	**2480**
10	**Community and Workplace Culture Committee**	**2490**

Article 1

GENERAL

Sec.
2400. Identification of Standing Committees
2401. Officers and Members of Standing Committees
2402. Regular Meetings

§ 2400. Identification of Standing Committees.

The Standing Committees of the Board of Directors are:

- Executive Committee (EXEC)
- Audit Committee
- Engineering, Operations and Technology Committee (EOT)
- Finance, Affordability, Asset Management, and Efficiency Committee (FAAME)
- Legal and Claims Committee (LC)
- Legislation and Communications Committee (LEG)
- Organization, Personnel and Effectiveness Committee (OPE)
- One Water and Adaptation Committee (OWA)
- Community and Workplace Culture Committee (CWC)

Organization and Procedures of the Board - July 19, 1976. Section 211.1.1 repealed and Section 2400 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 40715 - March 8, 1994; amended by M.I. 41389 - May 9, 1995; amended by M.I. 42193 - December 10, 1996; amended by M.I. 42892 - April 14, 1998; amended by M.I. 43587 - June 8, 1999; amended by M.I. 44582 – August 20, 2001; amended by M.I. 44745– January 8, 2002; amended by M. I. 46064 – January 11, 2005; amended by M. I. 46148 - March 8, 2005; amended by M. I. 46711 - June 13, 2006; amended by M.I. 46983 - February 13, 2007; Committees Engineering and Capital Programs, Legal and Human Resources, and Water Quality and Operations renamed by M.I. 48081 - November 10, 2009; Business and Finance, Communication and Legislation renamed by M.I. 48534 - January 11, 2011; Organization, Personnel and Technology renamed by M.I. 48624 - April 12,

2011; amended by M.I. 49187 - September 11, 2012; added Real Property and Asset Management Committee by M.I. 50467 - May 10, 2016; added Audit and Ethics Committee by M.I. 51391 - November 6, 2018; added Bay-Delta Committee by M.I. 51875 – January 28, 2020; removed Bay Delta Committee, added One Water (Conservation and Local Resources) Committee, Imported Water Committee, Underserved Communities Committee, Diversity, Equity and Inclusion Committee by M.I. 52666 – January 11, 2022; amended Engineering, Operations and Technology Committee, Finance, Audit, Insurance and Real Property Committee, Legislation, Regulatory Affairs and Communications Committee, Ethics, Organization and Personnel Committee, One Water and Stewardship Committee, and Equity, Inclusion and Affordability Committee, and removed Water Planning and Stewardship Committee, Real Property and Asset Management Committee, Audit and Ethics Committee, and Underserved Communities Committee by M.I. 53064 – December 13, 2022; amended title of Finance and Asset Management Committee, and Legislation and Communications Committee by M.I. 53528 – February 13, 2024; added bullet point list to subparagraph and amended standing committee names by M.I. 53408- March 11, 2025.

§ 2401. Officers and Members of Standing Committees.

(a) Members, Chair, and Vice Chair of standing committees with the exception of the Executive Committee shall be appointed subject to the approval of the Executive Committee and the Board on the basis that each director, with the exception of the Chair of the Board, serve on at least one standing committees, in addition to the Executive Committee. Such appointment shall be made by the Chair of the Board unless a new Chair-elect has been selected by the Board to take office on the next January 1, in which event appointment of Chair and Vice-Chair of standing committees shall be made by the Chair-elect.

(b) Chair and Vice Chair of standing committees with the exception of the Executive Committee are to be appointed in even-numbered years at the December meeting of the Board for a two-year term commencing on January 1 of odd-numbered years. No director shall be appointed to the same committee office for more than two consecutive full terms and a partial term immediately prior to the first term.

(c) The Chair of the Board or the Vice Chair acting in the Chair's absence per Section 2204 is a member ex-officio, with right to vote, of all standing committees, subcommittees, and special committees of the Board. However, the Chair (or the Vice Chair) shall not be considered a member of any committee of which the officer is a member ex-officio for the purpose of determining whether a quorum of the committee is present unless the Chair or Vice Chair is actually present at the meeting of the committee.

(d) The committee Chair's duties include presiding over meetings of the committee, with the exception that the committee may, by a majority vote, overrule parliamentary rulings of the Chair. Any Vice Chair of that committee may serve as the alternate presiding officer of committee meetings when the committee Chair is absent.

Organization and Procedures of the Board - July 19, 1976; Section 211.1.2 amended by M.I. 32213 - March 14, 1978. Paragraph (a) [formerly Section 211.1.2.1] amended by M.I. 32690 - April 10, 1979; paragraph (b) [formerly Section 211.1.2.2] amended by M.I. 32996 - November 13, 1979; paragraph (a) amended by M.I. 34889 - October 11, 1983; amended by M.I. 36240 - August 19, 1986; see also Ords. 113 and 133, repealed by Ord. 146. Section 211.1.2 through 211.1.2.2 repealed and Sections 2401(a) and (b) adopted by M.I. 36464 - January 13, 1987; paragraph (a) amended by M.I. 40011 - January 12, 1993; paragraph (a) amended by M.I. 40715 - March 8, 1994; paragraph (a) amended by M.I. 42193 - December 10, 1996; paragraph (a) amended by M.I. 42631 - September 9, 1997.

Paragraph (c) [formerly Section 211.1.2.4], Ords. 113 and 133; repealed by Ord. 146; added, as amended, by M.I. 32690 - April 10, 1979; renumbered 211.1.2.3 by M.I. 34673 - April 12, 1983; amended by M.I. 35592 -

April 9, 1985. Section 211.1.2.3 repealed and Section 2401(c) adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36811 - September 22, 1987; paragraph (a) amended by M.I. 37570 - March 14, 1989; paragraph (a) amended by M.I.42892 - April 14, 1998; paragraph (a), (b), (c) amended by M.I. 43587 - June 8, 1999.

Paragraph (a) amended by M. I. 46064 – January 11, 2005; paragraph (b) amended by M.I. 52335 – April 13, 2021; paragraph (b) amended by M.I. 52335 – April 13, 2021; paragraph (d) added by M.I. 52633 – December 14, 2021; amended paragraph (c) by M.I. 53251 - May 9, 2023; amended paragraphs (c) and (d) by M.I. 53408- March 11, 2025.

§ 2402. Regular Meetings.

The regular meetings of standing committees shall be held on the Monday preceding regular board meetings or on the second or fourth Tuesday of each month. The Audit Committee shall meet on a quarterly basis. If a scheduled meeting falls on a holiday designated in Section 1106, the meeting will be rescheduled to the next business day unless the Board selects an alternate date. Staff will adjust its schedule accordingly.

M.I. 53408 - March 11, 2025.

Article 2

EXECUTIVE COMMITTEE

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

§ 2410. Membership.

The Executive Committee shall consist of the Chair, Vice Chairs, Secretary, all past Chairs of the Board who are directors of the District, and the Chairs of the standing committees in addition to the Executive Committee, and four (4) additional directors as nonofficer members. In the absence of a committee Chair, a committee's Vice Chair shall serve as the alternate on the Executive Committee for the absent committee Chair.

Organization and Procedures of the Board - July 19, 1976; Section 211.2.1.1 amended by M.I. 32213 - March 14, 1978, M.I. 32996 - November 13, 1979, M.I. 33453 - October 14, 1980; M.I. 34186 - April 13, 1982; M.I. 34301 - July 13, 1982; M.I. 34399 - September 14, 1982; and M.I. 34673 - April 12, 1983; amended by M.I. 36455 - January 13, 1987. Section 211.2.1.1 repealed and Section 2410 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 37406 - November 8, 1988; amended by M.I. 40715 - March 8, 1994; amended by M.I. 42193 - December 10, 1996; amended by M.I. 43587 - June 8, 1999; amended by M.I. 43792 - November 16, 1999; amended by M. I. 44745– January 8, 2002; amended by M.I. 45249- March 11, 2003; amended by M. I. 46064 – January 11, 2005; amended by M. I. 46711 - June 13, 2006; amended by M.I. 46983 - February 13, 2007; amended by M.I. 48501- December 14, 2010; amended by M.I. 51875 – January 28, 2020; amended by M.I. 53064 – December 13, 2022; amended paragraph by M.I. 53528 – February 13, 2024; amended paragraph by M.I. 53408 - March 11, 2025.

§ 2411. Selection of Nonofficer Members.

The four (4) nonofficer members of the Executive Committee shall be nominated from the floor and elected at the January meeting of the Board.

Section Title amended and new paragraph added by M.I. 48501 - December 14, 2010; amended by M.I. 53064 – December 13, 2022; amend paragraph by M.I. 53528 – February 13, 2024.

§ 2412. Term of Office for Nonofficer Members.

The term of office for nonofficer members shall be two years and shall commence as of the date of their election at the January meeting of the Board.

Section Title amended and new paragraph added by M.I. 48501 - December 14, 2010.

§ 2413. Limitation on Service.

Each director may be elected as a nonofficer member of the Executive Committee for not more than two consecutive full two-year terms and a partial term immediately prior to the first full term.

Section Title amended and new paragraph added by M.I. 48501 - December 14, 2010; amended by M.I. 52335 – April 13, 2021.

§ 2414. Officers.

The Chair of the Board shall be the Chair of the Executive Committee and the Vice Chairs of the Board shall be the Vice Chairs of the Executive Committee and their terms shall be concurrent with their terms as officers of the Board.

Section 211.2.1.6 - M.I. 34673 - April 12, 1983. Section 211.2.1.6 repealed and Section 2415 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph renumbered to 2411 by M. I46983 - February 13, 2007; paragraph renumbered from 2411 to 2414 by M.I. 48501 – December 14, 2010.

§ 2415. Day of Regular Meeting.

The regular meeting of the Executive Committee shall be held on the fourth Tuesday of the month.

Organization and Procedures of the Board - July 19, 1976. Section 211.2.2 repealed and Section 2416 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36563 - April 14, 1987; amended by M.I. 40004 - January 12, 1993; amended by M.I. 40110 - March 9, 1993, amended by M.I. 40376 - August 24, 1993; amended by M.I. 43587 - June 8, 1999; amended by M.I. 43853 - January 11, 2000; amended by M.I. 44582 – August 20, 2001; amended by M.I. 44745– January 8, 2002; amended by M.I. 45943 – October 12, 2004; paragraph renumbered to 2412 by M. I. 46983 - February 13, 2007; paragraph renumbered from 2412 to 2415 by M.I. 48501 – December 14, 2010.

§ 2416. Duties and Functions. [Executive Committee]

(a) The Executive Committee shall study, advise, and make recommendations with regard to:

(1) Public information for governmental and other entities and officials, and for the citizens of California regarding matters affecting the District's interests;

(2) Official dealings with the United States Government, the State of California or other states, member public agencies or their sub-agencies, foreign governments and other entities or persons in matters of public policy or other activities as deemed appropriate;

(3) Policies and procedures to be considered by the Board or committees thereof, except for policy matters within the jurisdiction of a specific standing committee;

(4) Matters relating to the Colorado River Board of California;

(5) Major policy issues to be considered by the Board, including proposed amendments to the Metropolitan Water District Act;

(6) Questions raised by the officers and staff in intervals between meetings of the Board and in unexpected situations and emergencies.

(7) The terms and conditions of employment of all consultants and advisors not within the jurisdiction of other committees;

(8) Resolution of conflicting committee recommendations pursuant to Section 2314;

(9) The progress of, and propose modifications to, the Board's goals in light of then existing and projected future conditions; and

(10) Such other matters as may be required by Division II of this Code.

(b) The Executive Committee shall:

(1) Review and approve board and committee agendas and, notwithstanding the jurisdiction of the other standing committees in the Code, have the authority to direct which committee shall consider an item;

(2) Review and approve the scheduling of board and committee meetings;

(3) Be responsible for the oversight and management of the organization including, but not limited to, the form of the District's organization and the flow of the authority and responsibility. This includes monitoring and overseeing the duties and responsibilities of management; and

(4) Consider the effectiveness of the District's internal control system, including information technology security and control.

(c) The Executive Committee shall retain ultimate responsibility for those duties as are specifically assigned to the subcommittees of the Executive Committee.

(d) The Executive Committee shall be responsible for reviewing and approving the annual business plan containing the General Manager's key priorities for the coming year.

(e) As part of the Department Head annual evaluation process, the Executive Committee shall be responsible for engaging in periodic performance expectations discussions, including progress checks, with the General Manager.

(f) The Executive Committee shall also:

(1) Act on behalf of the Board in unexpected situations and emergencies, subject to subsequent approval or ratification of the actions taken whenever such approval or ratification is required by law.

(2) Provide policy guidance where appropriate to those directors and District staff members who are associated with organizations in which the District has membership.

(3) Conduct hearings on appeals of protest denials involving Purchasing Contracts and Professional and Technical Services Contracts pursuant to Section 8150(b).

(i) Hearings shall be held by the committee at its next regular meeting to be held at least 72 hours after the filing of the notice of appeal of the General Manager's determination under Section 8150(b). The decision of the committee shall be final unless the committee chooses to refer the notice of protest to the Board.

(ii) The Chair of the Executive Committee may re-delegate duties provided for under subparagraph (i) above to a minimum of three members of the Executive Committee who shall act in place of the committee.

(4) Resolve disputes over inspection dates and monitor conduct of inspection trips to assure maximum effectiveness.

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

(i) The Executive Committee shall create an EEO ad hoc subcommittee of three members and two alternates that will serve for a period of one year to address substantiated findings of violations determined as a result of Equal Employment Opportunity (EEO) investigations conducted for alleged violations of Section 2131 made against a director and for alleged violations of Section 6305 made against the General Manager, General Counsel, General Auditor, or Ethics Officer. All matters related to EEO investigations, the development of recommendations, and confidential communications with the EEO ad hoc subcommittee shall be conducted in an attorney-client privileged manner to the extent practical. If any director serving on the three-member subcommittee is an involved party to an EEO investigation, or has a conflict of interest with any involved party, the conflicted director shall recuse themselves from the matter. The Chief EEO Officer (EEO Officer) will select an alternate director to fulfill all subcommittee duties related to the particular matter. If the EEO Officer has a conflict of interest in the same matter, the Ethics Officer and/or General Counsel will select an alternate director. Directors serving as alternates will not participate in ad hoc committee matters unless or until called to serve.

(ii) The EEO ad hoc subcommittee shall delegate to the EEO Officer the responsibility to designate an external investigator to conduct a fact-finding EEO investigation pursuant to this section. The external investigator shall issue findings of fact and will include an assessment of whether applicable Metropolitan policies were violated. All EEO investigations will be fair, impartial, timely, and promptly initiated and completed by qualified personnel. Detailed EEO investigative procedures, pursuant to this section can be found in *EEO Investigative Procedures for the Board and its Direct Reports*. A redacted investigative report of substantiated EEO findings will be provided to the EEO ad hoc subcommittee for its review and determination or recommended post investigative action.

(iii) Following receipt of a substantiated finding, the EEO ad hoc subcommittee shall:

(a) Timely review the redacted EEO investigative report.

(b) Consult with the EEO Officer and the assigned internal counsel to the EEO ad hoc subcommittee to develop proposed recommendations for remedial or disciplinary actions consistent with the severity of the substantiated violation(s);

(c) Direct the dissemination of the redacted external investigator's confidential, attorney-client privileged report to the full Board, consistent with applicable laws and protections of privilege and privacy. A redacted version of the report shall be transmitted to the full Board by the General Counsel's Office. A separate presentation of ad hoc subcommittee's proposed recommended actions shall be prepared by the General Counsel's Office, in consultation with the EEO Officer.

(iv) Appropriate remedial or disciplinary actions for directors may include, but are not limited to, counseling, training, a private warning letter, public censure, temporary or permanent removal from committee assignments, or referral to the director's appointing authority for further action.

(v) Appropriate remedial or disciplinary actions for the General Manager, General Counsel, General Auditor, or Ethics Officer may include, but are not limited to, counseling, training, performance evaluation review, employment agreement modification, employment agreement termination, or employee discipline consistent with applicable laws, contractual provisions, and policies.

(vi) When in the judgment of the EEO Officer that matter should be handled differently to avoid real or perceived conflicts of interest, or to avoid potential bias or threats to impartiality, the EEO Officer shall delegate to the Ethics Officer the

responsibility to retain an external investigator to conduct a fact-finding EEO investigation pursuant to this section. If the Ethics Officer has a conflict of interest in the particular case, the EEO Officer would delegate to the General Counsel the responsibility to retain an external investigator to conduct a fact-finding investigation pursuant to this section. Substantiated EEO findings under this subsection shall be referred directly to the EEO ad hoc subcommittee to determine recommended appropriate action for the Board's consideration.

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

(viii) On a quarterly basis, the Chief EEO Officer will report to the Executive Committee EEO case statistics regarding EEO complaints filed against the Board and its direct reports.

Section 211.2.3 - Organization and Procedures of the Board - July 19, 1976; paragraph (b) [formerly Section 211.2.3.2] amended by M.I. 32869 - August 17, 1979; section amended by M.I. 32924 - September 18, 1979; paragraphs (e), (f) and (h) [formerly Sections 211.2.3.5, 211.2.3.6 and 211.2.3.8] amended by M.I. 33453 - October 14, 1980; paragraph (h)(4) [formerly Section 211.2.3.8.4] added by M.I. 34399 - September 14, 1982. Section 211.2.3 repealed and Section 2417 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; new paragraphs (g), (h), (i) and (j) added, former paragraphs (g) and (h) renumbered, new paragraphs (l)(5), (6) and (7) added by M.I. 40004 - January 12, 1993; paragraph (a) deleted and paragraphs renumbered by M.I. 40715 - March 8, 1994; paragraph (5) deleted and subsequent paragraphs renumbered by M.I. 40715 and M.I. 40728 - March 8, 1994; paragraphs (b), (d), (k)(6) amended, former paragraphs (f), (g), (h), repealed, and new paragraphs (f), (g), (h), (i) added by M.I. 43587 - June 8, 1999; new paragraphs (j) and (k) added and former paragraphs (j) and (k) renumbered by M.I.43692 - August 17, 1999; (i) repealed and new (i) added, (i)-(m) renumbered, and (j)-(l) amended by M.I. 44582 – August 20, 2001; paragraph (m) deleted, paragraphs (a) through (n) renumbered, and new paragraphs (a)(3), (5), (6), (13) added by M.I. 45249 - March 11, 2003; paragraphs (a)(5), (13) amended, paragraphs (e)(2) repealed, and paragraphs (e) (3) through (6) renumbered by M.I. 46064 – January 11, 2005; paragraph (a) (12) repealed and paragraph (a) (13) renumbered (a) (12).by M.I. 46148 - March 8 2005; paragraph (a)(5) amended, new paragraphs (a)(9)–(a)(15) added, former paragraphs (9)-(12) renumbered (16)-(19), and paragraphs (c) and (d) amended by M.I. 46711 June 13, 2006; paragraph (e)(4)(i) amended by M.I. 46838 – October 10, 2006; paragraph renumbered to 2413, paragraphs (a) (3)-(19) renumbered and amended, paragraphs (b) – (e) renumbered and amended by M.I. 46983 - February 13, 2007; paragraph (a)(12) (b)(3) amended and (a)(12) (b)(4) added by M.I. 47252 October 9, 2007; original paragraphs (a) (7) and (8) deleted and renumbered, and paragraphs (b)(3), (d), and (e) amended by M.I. 47636 - September 9, 2008; paragraph (e) amended by M.I. 48081 - November 10, 2009; paragraph renumbered from 2413 to 2416 by M.I. 48501 – December 14, 2010; paragraphs (d) and (e) amended by M.I. 48800 – September 13, 2011; paragraph (d) amended by M.I. 49187 - September 11, 2012; paragraphs (d) and (e) amended by M.I. 49566 - October 8, 2013; paragraphs (d) and (e) amended by M.I. 50156 - June 9, 2015; paragraph (d) amended by M.I. 50498 - June 14, 2016; paragraphs (f)(3)(i) and (f)(3)(ii) amended by M.I. 51930 – March 10, 2020; added new paragraph (f)(5) by M.I. 52574 - November 9, 2021; amended paragraph (f)(5), (f)(5)(i), (f)(5)(ii), (f)(5)(iii), and added new paragraph (f)(5)(iv) by M.I. 53010 - November 8, 2022; added new paragraphs (f)(5)(ii) and (f)(5)(vi), renumbered paragraphs (f)(5)(iii) – (f)(5)(v), and amended paragraph (f)(5)(iv) by M.I. 53050 – December 13, 2022; amend paragraph (a)(8), and add new paragraph (f)(6) by M.I. 53528 – February 13, 2024; deleted paragraph (f)(6) by M.I. 53408 - March 11, 2025; amended subparagraph (f)(5)(i), amended subparagraph (f)(5)(ii) and merge portions of existing language from former subparagraph (f)(5)(iii) to (f)(5)(ii), delete portions of former subparagraph (f)(5)(iii), add new subparagraph (f)(5)(iii), including new subparagraphs (f)(5)(iii)(a), (f)(5)(iii)(b), and (f)(5)(iii)(c), amend subparagraphs (f)(5)(iv), (f)(5)(v), and (f)(5)(vi), and add new subparagraphs (f)(5)(vii) and (f)(5)(viii) by *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§ 2417. Action by Board Officers.

If, in the opinion of the Chair, it is impracticable that the full committee perform a function to be performed by the Executive Committee between regular meetings, such function may be performed by the Officers of the Board, acting at a meeting called for that purpose, with equal effect as if performed by the full committee.

Section 211.2.4 - M.I. 35855 - November 19, 1985. Section 211.2.4 repealed and Section 2418 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph renumbered to 2414 by M.I. 46983 - February 13, 2007; paragraph renumbered from 2414 to 2417 by M.I. 48501 – December 14, 2010.
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[§ 2415 and §2416 Repealed by – M. I. 47636 - September 9, 2008 and Reinstated by M.I. 48501 – December 14, 2010.]

[§ 2421 Repealed by M.I. 44582 – August 20, 2001]

Article 3

AUDIT COMMITTEE

Sec.
2420. Day of Regular Meeting
2421. Duties and Functions

§ 2420. Day of Regular Meetings.

The regular meetings of the Audit Committee shall be held on a quarterly basis in the months of March, June, September and December.

M.I. 53408 - March 11, 2025.

§ 2421. Duties and Functions.

The Audit Committee shall study, advise, and make recommendations with regard to:

(a) All reports of the General Auditor and external auditors, including the audited financial statements of the District;

(b) The Audit Department's annual business plan and biennial budget;

(c) Requests from other committees of the Board and individual Board members for audits and review not included in the Audit Department's annual business plan;

(d) Monitor and oversee the duties and responsibilities of the Audit Department and the external auditors as those duties and responsibilities relate to the effectiveness of the District's internal control system.

(e) Review and approve, in advance of the July Board meeting, the Audit Department annual business plan containing the key priorities of the General Auditor and the Audit Department.

(f) As part of the Department Head annual evaluation process, be responsible for engaging in periodic performance expectations discussions, including progress checks, with the General Auditor.

(g) Monitor compliance with the recommendations of the California State Audit (April 2022).

M.I. 53408 - March 11, 2025.

Article 4

ENGINEERING, OPERATIONS AND TECHNOLOGY COMMITTEE

Sec.
2430. Day of Regular Meeting
2431. Duties and Functions

§ 2430. Day of Regular Meetings.

The regular meetings of the Engineering, Operations and Technology (EOT) Committee shall be held on the Monday preceding regular Board meetings or on the second or fourth Tuesday of each month.

Organization and Procedures of the Board - July 19, 1976. Section 211.3.1 repealed and Section 2430 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 37432 - December 13, 1988; amended by M.I. 43587 - June 8, 1999; amended by M.I. 43853 - January 11, 2000; Title and section amended by M.I. 44582 – August 20, 2001; amended by M.I. 44745 – January 8, 2002; Section renamed by M. I. 46983 - February 13, 2007; Article 3 renamed Engineering and Operations and section amended by M.I. 48081 - November 10, 2009; amended by M.I. 50155 - June 9, 2015; amended by M.I. 53064 – December 13, 2022; amended by M.I. 53408 - March 11, 2025.

§ 2431. Duties and Functions.

(a) The Engineering, Operations and Technology Committee shall study, advise and make recommendations with regard to:

(1) Plans, specifications and bids;

(2) The initiation, scheduling, contracting, and performance of construction programs and work, and the equipment or materials to be used, replaced, disposed of, or salvaged;

(3) Such matters as may come to its attention on inspection trips of the aqueduct works which the committee shall make at least once a year;

(4) The operation, protection, and maintenance of the plants and facilities required for the production, exchange, sale, storage, treatment, and delivery of water and power and for the storage and treatment of water; and for the distribution of electrical energy to the aqueduct pumping plants;

(5) The providing of storage and distribution facilities and connections for the delivery of water;

(6) Construction claims;

(7) Engineering aspects of State Water Project facilities;

(8) The selection of engineering and geologic consultants and the determination of the scope of their assignments;

(9) Energy matters in general;

(10) Water treatment technologies for complying with drinking water regulations;

(11) Water quality policies and standards;

(12) Policies regarding the quality of imported, reclaimed, reused and stored water;

(13) The effect on the District of existing and proposed federal, state, and local water quality statutes and regulations;

(14) Proposed amendments to the Metropolitan Water District Act and Code affecting the engineering and operations functions of the District and water quality;

(15) Proposed rules and proposals regarding business development opportunities for intellectual property transactions;

(16) The District's Capital Investment Program and appropriations for capital projects;

(17) Changes in Metropolitan's aqueduct system to provide for the changing needs of the District member agencies; and

(18) Information technology strategies, projects and activities, including information technology asset management and the budgeting and tracking of information technology resources.

(b) The Engineering, Operations and Technology Committee shall also conduct hearings on appeals of protest denials involving Public Works Contracts pursuant to Section 8150(a).

(1) Hearings shall be held by the committee at its next regular meeting, at least 72 hours after the filing of the notice of appeal of the General Manager's determination under Section 8150(a). The decision of the committee shall be final unless the committee chooses to refer the notice of protest to the Board.

(2) The Chair of the Engineering, Operations and Technology Committee may re-delegate duties provided for under subparagraph (1) above to a minimum of three members of the Engineering, Operations and Technology Committee who shall act in place of the committee.

Organization and Procedures of the Board - July 19, 1976; Sections 211.3.2 amended and paragraph (j) [formerly Section 211.3.2.10] added by M.I. 32924 - September 18, 1979. Section 211.3.2 repealed and Section 2431 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; former paragraph (j) renamed (o), and new paragraphs (j), (k), (l), (m), and (n), added by M.I. 43587 - June 8, 1999; paragraphs (j)-(n)

repealed, (o) renumbered to (k) and amended, and new paragraphs (j)-(u) added by M. I. 44582 – August 20, 2001; amended and paragraphs (l)-(u) deleted by M. I. 44745 – January 8, 2002; paragraph (c) – (k) renumbered and amended and new paragraphs (h) – (j) added by M. I. 46983 - February 13, 2007; new paragraphs (d)-(e) and (i)-(l) added, former paragraphs (d)-(f) renamed (f)-(h), former paragraphs (g-j) renamed (n)-(q), paragraphs (n) and (p) amended by M.I. 48081 - November 10, 2009; paragraph (o) deleted, former paragraph (p)-(q) renamed (o)-(p) by M.I. 48624 - April 12, 2011; amended paragraph (p) by M.I. 51417 – December 11, 2018; numbered opening paragraph and renumbered subparagraphs from letters to numbers, and added new paragraph (b) by M.I. 51930 – March 10, 2020; added new paragraph (17) by M.I. 52666 – January 11, 2022; amended paragraphs (a), (a)(15), (a)(16), (a)(17), (b), (b)(1) and (b)(2), and added new paragraph (a)(18) by M.I.53064 – December 13, 2022.

Article 5

FINANCE, AFFORDABILITY, ASSET MANAGEMENT, AND EFFICIENCY COMMITTEE

Sec.
2440. Day of Regular Meeting
2441. Duties and Functions

§ 2440. Day of Regular Meetings.

The regular meetings of the Finance, Affordability, Asset Management, and Efficiency (FAAME) Committee shall be held on the Monday preceding regular Board meetings or on the second or fourth Tuesday of each month.

Organization and Procedures of the Board - July 19, 1976; Section 211.4.1 amended by M.I. 31897 - August 19, 1977. Section 211.4.1 repealed and Section 2440 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36563 - April 14, 1987; amended by M.I. 40004 - January 12, 1993; amended by M.I. 42193 - December 10, 1996; amended by M.I. 43587 - June 8, 1999; title and Section amended by M.I. 44582 – August 20, 2001; amended by M.I. 44745 – January 8, 2002; committee name changed by M. I. 46064 – January 11, 2005; amended by M. I. 46148 - March 8, 2005; Section renamed by M. I. 46983 - February 13, 2007; Business and Finance renamed by M.I. 48534 - January 11, 2011; amended by M.I. 50155 - June 9, 2015; amended by M.I. 53064 – December 13, 2022; amend paragraph by M.I. 53528 – February 13, 2024; amended by M.I. 53408 - March 11, 2025.

§2441. Duties and Functions.

The Finance and Asset Management Committee shall study, advise and make recommendations with regard to:

(a) Preparation of budgets;

(b) Policies and procedures related to budget development and cost containment;

(c) Sale of bonds and borrowing and repayment of money;

(d) Disposition and investment of funds;

(e) Authorization of appropriations, except appropriations for capital projects;

(f) The determination of revenues to be obtained through water transactions, including, but not limited to, sales, exchanges, and wheeling of water, water standby or availability of service charges, and the levying of taxes;

(g) The financial impact and requirements of policies concerning annexation;

(h) The financial aspects of the District's risk management program;

(i) Questions pertaining to insurance coverage and self-insurance;

(j) The selection of financial and insurance consultants and the determination of the scope of their assignments;

(k) Form and contents of accounts, financial reports, and financial statements;

(l) Proposed amendments to the Metropolitan Water District Act affecting the finance and asset management functions of the District;

(m) Goals and objectives related to financial planning for Metropolitan, including but not limited to revenues, operating expenses, reserve policies, internally funded construction, debt management, investments and capital financing strategies;

(n) The prices and conditions governing water transactions, including, but not limited to, sales, exchanges, and wheeling sales of water;

(o) Costs and accounting procedures relating to the District's and other state water service contracts;

(p) Policies regarding water transactions, including, but not limited to, the sale, exchange, and wheeling of water for various uses;

(q) Policies regarding allocation of water standby or availability of service revenue requirements among member public agencies;

(r) Water standby or availability of service charges within the District;

(s) Determinations by the General Manager with respect to appeals concerning charges for water service, including readiness-to-serve charges and capacity charges, and report its recommendations, as appropriate, to affirm or reverse the General Manager's determinations;

(t) Appeals from determinations by the General Manager to deny or qualify an application for exemption from the water standby charge, and report its recommendations, as appropriate, to affirm or reverse the General Manager's determinations;

(u) The purchase, management and disposition of personal property assets such as equipment and vehicles;

(v) Facility master plans, including budgeting for capital improvements and long-term facilities commitments;

(w) Proposed rules and proposals regarding business development opportunities for real property;

(x) Policies for the acquisition of rights-of-way;

(y) The purchase, sale, and leasing of land and buildings, including the District's various office and garage space needs;

(z) The incidental use of land in farming operations and otherwise;

(aa) The operation and maintenance of buildings;

(bb) The development, oversight, and coordination of recreational facilities at Diamond Valley Lake and Lake Skinner;

(cc) The use of proceeds from the sale or disposition of surplus property related to Diamond Valley Lake and Lake Skinner for recreational purposes;

(dd) Annexations and annexation policies including the requirements, procedures, terms and conditions for annexation.

Organization and Procedures of the Board - July 19, 1976; Section 211.4.2 amended and paragraphs (l) and (m) [formerly Sections 211.4.2.12 - 211.4.2.13] added by M.I. 32924 - September 18, 1979. Section 211.4.2 repealed and Section 2441 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (j) amended by M.I. 37000 - February 9, 1988; amended by M.I. 37449 - December 13, 1988; paragraphs (i) and (j) amended, paragraph (l) deleted and paragraph (m) renumbered by M.I. 39358 - December 10, 1991; amended by M.I. 42193 - December 10, 1996; former paragraph (i) deleted, paragraph (j) renumbered, and new paragraphs (l) through (t) added by M. I. 43587 - June 8, 1999; paragraphs (b)-(l) renumbered, (s) and (t) amended, and paragraphs (u) –(y) added by M. I. 44582 – August 20, 2001; amended and paragraphs (u)-(y) deleted by M.I. 44745 – January 8, 2002; Budget, Finance and Investment Committee name changed to Budget and Finance, and paragraph (s) amended by M. I. 46064 – January 11, 2005; Committee name changed to Budget, Finance, Investment and Insurance by M. I. 46148 - March 8, 2005; paragraphs (s) and (t) amended, (u) thru (ee) added by M.I. 46983 - February 13, 2007; paragraphs (u)-(z) deleted, previous paragraphs (aa)-(cc) renumbered to (u)-(w), paragraphs (dd)-(ee) deleted by M.I. 48295 – June 8, 2010; amended paragraphs (e), (f), (n), and (p) by M.I. 51417 – December 11, 2018; deleted paragraph (w) by M.I. 52447 - July 13, 2021; amended opening paragraph, added new paragraphs (h), (i), (j), (z), (aa), (bb), (cc), (dd), (ee), (ff), and (gg), renumbered and amended paragraphs (o) and (y), renumbered paragraphs (k) – (y) by M.I. 53064 – December 13, 2022; amend opening paragraph and paragraph (l), repeal paragraphs (h), (i), and (j), and renumber paragraphs (h) – (dd) by M.I. 53528 – February 13, 2024.

[§2450 Asset and Recreation Committee Repealed by M.I. 46983 - February 13, 2007]

Article 6

LEGAL AND CLAIMS COMMITTEE

Sec.
2450. Day of Regular Meetings
2451. Duties and Functions

§ 2450. Day of Regular Meeting.

The regular meetings of the Legal and Claims Committee (LC) shall be held on the Monday preceding regular Board meetings or on the second or fourth Tuesday of each month.

Organization and Procedures of the Board – July 19, 1976. Section 211.6.1 repealed and Section 2460 adopted by M. I. 36464 – January 13, 1987, effective April 1, 1987; amended by M.I. 36563 – April 14, 1987; amended by M.I. 37432 – December 13, 1988; amended by M.I. 39500 – March 10, 1992; amended by M.I. 41450 – June 13, 1995; amended by M.I. 42504 – July 8, 1997; amended by M.I. 43587 – June 8, 1999; title and Section amended by M.I. 45582 – August 20, 2001; committee name changed to Legal and Claims by M.I. 46064 – January 11, 2005; amended by M. I. 46711 - June 13, 2006; Article 5 renamed and renumbered to 2450-1 by M. I. 46983 – February 13, 2007; amended by M.I. 50155 - June 9, 2015; amended by M.I. 53408 - March 11, 2025.

§ 2451. Duties and Functions. [Legal and Claims Committee]

The Legal and Claims Committee shall study, advise and make recommendations with regard to:

(a) Litigation and claims brought by or against the District;

(b) Condemnation matters, when they involve settlements requiring Board approval and inverse condemnation matters;

(c) Public liability insurance matters, including self-insurance aspects, and matters pertaining to errors and omissions insurance;

(d) Policy considerations concerning District contracts;

(e) The selection of candidates for consideration by the Board to serve as the General Counsel and the determination of the scope of the assignments of the General Counsel;

(f) The selection of special counsel and the determination of the scope of their assignments;

(g) Proposed amendments of the Metropolitan Water District Act, legislation dealing with public agencies, proposed District ordinances and the organization and contents of the Code;

(h) Proposed legislation dealing with public agencies and proposed amendments to the Public Employees Retirement Law; and

(i) The Legal and Claims Committee shall be responsible for reviewing and approving the business plan containing the key priorities for the coming year of the General Counsel and the Legal Department. It shall review and approve the business plan in advance of the July Board meeting.

(j) As part of the Department Head annual evaluation process, the Legal and Claims Committee shall be responsible for engaging in periodic performance expectations discussions, including progress checks, with the General Counsel.

Organization and Procedures of the Board - July 19, 1976; paragraph (f) [formerly Section 211.6.2.6] amended by M.I. 32690 - April 10, 1979; amended and paragraph (h) [formerly Section 211.6.2.8] added by M.I. 32924 - September 18, 1979; paragraph (f) amended by M.I. 35058 - March 13, 1984. Section 211.6.2 repealed and Section 2461 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (e) amended, new paragraph (f) added, and other paragraphs renumbered by M.I. 40010 - January 12, 1993; paragraphs (e) and (f) amended by M.I. 43587 - June 8, 1999; paragraph (j) added by M.I. 43692 - August 17, 1999; paragraphs (h)-(j) amended, and (k)-(o) added by M. I. 44582 – August 20, 2001; paragraphs (g) (h) amended, (i) repealed, (j) renumbered, and previous paragraphs (k) through (o) repealed by M. I. 46064 – January 11, 2005; paragraphs (e) (g) (h) and (i) amended and (j) – (m) added by M. I. 46983 - February 13, 2007; paragraph (i) amended by M.I. 47636 - September 09, 2008; Article 5 renamed, paragraph (g) amended, paragraphs (j)-(m) deleted by M.I. 48081- November 10, 2009; paragraph (g) amended by M.I. 48624 - April 12, 2011; paragraph (i) amended by M.I. 48800 – September 13, 2011; paragraph (i) amended by M.I. 49187 - September 11, 2012; paragraphs (g), (h) and (i) amended by M.I. 49566 - October 8, 2013; paragraph (i) amended, and paragraph (j) added by M.I. 50156 - June 9, 2015; paragraph (i) amended by M.I. 50498 - June 14, 2016.

[§ 2462 repealed by M.I. 37529 - February 14, 1989.]

[Former §2470-2471 repealed by M.I. 43587 - June 8, 1999.]

Article 7

LEGISLATION AND COMMUNICATIONS COMMITTEE

Sec.
2460. Day of Regular Meeting
2461. Duties and Functions
2462. Vice Chairs

§ 2460. Day of Regular Meeting.

The regular meetings of the Legislation and Communications (LEG) Committee shall be on the Monday preceding regular Board meetings or on the second or fourth Tuesday of each month.

M. I. 46711 - June 13, 2006; Section renumbered to 2470 by M. I. 46983 - February 13, 2007; paragraph amended by M.I. 48534 - January 11, 2011; amended by M.I. 49187 - September 11, 2012; amended by M.I. 50155 - June 9, 2015; Section renumbered, and paragraph amended by M.I. 53064 – December 13, 2022; paragraph amended by M.I. 53408 - March 11, 2025.

§2461. Duties and Functions.

The Legislation and Communications Committee shall study, advise and make recommendations to the Board with regard to:

(a) Proposals of the General Manager, other committees, and board members concerning State and Federal legislation or amendments thereto, that may affect the District;

(b) Recommendations for new legislation identified by members of the Board or the General Manager;

(c) Opportunities for members of the Board to assist in outreach activities, including efforts to inform members of the Legislature or the Congress of the District's position with regard to proposed legislation;

(d) The effectiveness of legislative and administrative advocacy efforts by staff and members of the Board;

(e) The development and implementation of Directors' inspection trips, including the expectations and goals for these trips;

(f) The development and implementation of school education programs, including the expectations and goals for these programs;

(g) The effectiveness of Metropolitan's external affairs programs and general communications efforts directed at member agencies and the general public; and

(h) The selection of public information consultants and the scope of their assignments.

M. I. 46711 - June 13, 2006; Section renumbered to 2471 by M.I. 46983 - February 13, 2007; paragraphs (a)-(d) deleted; paragraphs (e)-(h) renumbered by M.I. 48534 - January 11, 2011; renamed Article 7 title to add "And Legislation," amended unnumbered introduction sentence, added paragraphs (a) – (d), and renumbered and amended paragraphs (e) – (h) by M.I. 49187 - September 11, 2012; Section renumbered, and amended first paragraph and paragraphs (a), (b), (c) and (d) by M.I. 53064 – December 13, 2022; amend opening paragraph, and paragraphs (a), (b), and (c) by M.I. 53528 – February 13, 2024.

§2462. Vice-Chairs.

The Board Chair shall designate two Vice Chairs for the committee, one to preside over legislative affairs, the other over communications matters.

M. I. 53408 -March 11, 2025.

Article 8

ORGANIZATION, PERSONNEL AND EFFECTIVENESS COMMITTEE

Sec.
2470. Day of Regular Meeting
2471. Duties and Functions

§2470. Day of Regular Meeting.

The regular meetings of the Organization, Personnel and Effectiveness (OPE) Committee shall be held on the Monday preceding regular board meetings or on the second or fourth Tuesday of each month.

M. I. 46983 - February 13, 2007; amended by M.I. 49187 - September 11, 2012; amended by M.I. 50155 - June 9, 2015; Section renumbered, and paragraph amended by M.I. 53064 – December 13, 2022; paragraph amended by M.I. 53408 - March 11, 2025.

§2471. Duties and Functions.

The OPE Committee shall study, advise and make recommendations with regard to:

(a) The form of the District's organization and the flow of authority and responsibility;

(b) Periodic independent reviews and studies of the organization, classification of positions, job duties, salaries, and salary ranges;

(c) Relations between the District and its employees, including all matters affecting wage, hours, pension plans and other employee benefits, and other terms and conditions of employment, as well as the district's negotiation of such matters with employee bargaining units and selection of negotiators;

(d) Areas of special concern to the District and its employees, including, but not limited to work rules pertaining to the health and safety of employees;

(e) Policies and rules regarding employment, discipline and discharge of District officers and employees;

(f) Proposed amendments to the Metropolitan Water District Act and Administrative Code affecting contract procedures and policies, the organization and personnel policies of the District and to the Public Employees' Retirement Law;

(g) Information technology strategies, projects and activities, including information technology asset management and the budgeting and tracking of information technology resources;

(h) Oversight of workforce training programs, including strategic planning, needs assessment, program design and development, and metric-based evaluation;

(i) Recruitment of top-tier talent throughout the District and securing leaders with exceptional skills, qualities, and abilities; and

(j) Policies and procedures concerning District personnel matters.

M. I. 46983 - February 13, 2007; Article 8 renamed, new paragraphs (a)-(f) added and former paragraphs (a)-(h) deleted by M.I. 48081 - November 10, 2009; paragraph (f) amended and paragraph (g) added by M.I. 48624 - April 12, 2011; amended unnumbered introductory sentence by M.I. 49187 - September 11, 2012; amended paragraphs (f) and (g), and added paragraph (h) by M.I. 49566 - October 8, 2013; paragraph (f) amended by M.I. 50155 - June 9, 2015; amended paragraph (d) by M.I. 52666 – January 11, 2022; Section renumbered, and amended first paragraph and paragraph (h), and added new paragraphs (i), (j), (k), (l), and (m) by M.I. 53064 – December 13, 2022; amended first paragraph, deleted former paragraphs (h) – (m), and added new paragraphs (h) – (j) by M.I. 53408 - March 11, 2025.

Article 9

ONE WATER AND ADAPTATION COMMITTEE

Sec.
2480. Day of Regular Meeting
2481. Duties and Functions

§ 2480. Day of Regular Meeting

The regular meetings of the One Water and Adaptation Committee (OWA) shall be held on the Monday preceding regular board meetings or on the second or fourth Tuesday of each month.

M.I. 51875 – January 28, 2020; Article name change (formerly "Bay-Delta Committee), amended paragraph by M.I. 52666 – January 11, 2022; Section renumbered and paragraph amended by M.I.53064 – December 13, 2022; paragraph amended by M.I. 53408 - March 11, 2025.

§ 2481. Duties and Functions

The OWA Committee shall have oversight over the planning, prioritization, and funding of any current or future regional demand management or any regional or local supply projects within the Metropolitan service area receiving funding from Metropolitan, such as the Regional Recycling Project and local projects funded through Metropolitan's Local Resources Program. The committee shall review and consider:

(a) Establishing policies and programs regarding water conservation and reuse, watershed management, storm water capture and management, recycling, sustainable groundwater management and protection, underground storage, and use thereof;

(b) Seawater desalination, recycling and reuse, and brackish water issues in Metropolitan's service area, and use thereof;

(c) Overseeing development and implementation of Metropolitan's Local Resources Program and Conservation Program and other efforts to meet local supply and water use efficiency goals;

(d) The effect of existing and proposed federal, state and local environmental, water supply and water management statutes and regulations on supplies produced or that may be produced within the District's region;

(e) Recommendations for comprehensive solutions to regional supply problems with the intent to increase water reliability, cost effectiveness, and environmental benefit;

(f) Expanding Metropolitan's understanding of regional water supply issues by inviting informational presentations and feedback from external representatives;

(g) Recommendations to the Board on policies and programs that will strengthen relationships with other agencies in furthering Metropolitan's objectives for increased regional self-reliance and greater water use efficiency;

(h) Creating opportunities for collaboration to advance the development of local supplies and achieving greater water use efficiency;

(i) Coordinating and aligning new water supplies, local resources projects and programs, and investments with other Metropolitan strategic priorities and initiatives;

(j) Developing criteria for the prioritization of investments in new water supplies;

(k) Policies, sources, and means of importing and distributing water, transferring water, and wheeling water as required by the District;

(l) Policies and procedures regarding the delivery and exchange of water for various uses;

(m) Metropolitan Water Supply Planning including the Integrated Resources Planning Process and completion of the Urban Water Management Plan and related policies; and

(n) Environmental compliance and requirements, and informing the technical aspects and science factors in providing comments to regulatory agencies and legislation affecting the regulation of water supply operational facilities and the conditions that they operate under.

M.I. 51875 – January 28, 2020; amended introductory paragraph, added new paragraphs (a), (b), (c), (e), (f), (g), (h), (i), and (j), repeal former paragraphs (a) and (b), and renumber paragraphs (a) – (d) by M.I. 52666 – January 11, 2022; Section renumbered, amended opening paragraph and paragraphs (i) and (j), and added new paragraphs (k), (l), (m), and (n) by M.I. 53064 – December 13, 2022; amended first paragraph by M.I. 53408 - March 11, 2025.

Article 10

COMMUNITY AND WORKPLACE CULTURE COMMITTEE

Sec.
2490 Day of Regular Meeting
2491 Duties and Functions

§ 2490. Day of Regular Meeting

The regular meetings of the Community and Workplace Culture (CWC) Committee shall be held on the Monday preceding regular board meetings on the second or fourth Tuesday of each month.

M.I. 52666 – January 11, 2022; Section renumbered and paragraph amended by M.I. 53064 – December 12, 2022; paragraph amended by M.I. 53408- March 11, 2025.

§ 2491 Duties and Functions

The CWC Committee shall study, advise and make recommendations, as follows:

(a) With regards to ethics matters:

(1) Periodic performance expectations discussions, including progress checks, with the Ethics Officer.

(2) Monitoring and overseeing the duties and responsibilities of the Ethics Officer to ensure the independence of the Ethics Officer.

(3) Receive and review bi-monthly status reports of pending investigations by the Ethics Officer. The reports shall include the general nature and status of the investigation, how long the investigation has been pending, when the investigation is expected to be completed and, when completed, resolution of the investigation.

(4) Receive and review quarterly reports from the Ethics Officer on any engagement of professional and technical consultants.

(5) Review and approval of the business plan containing the key priorities for the coming year for the Ethics Office. It shall review and approve the business plan in advance of the July Board meeting.

(b) With respect to matters of equal employment opportunity and of diversity, equity and inclusion:

(1) Direct and receive reports from, and be the home committee for, Metropolitan's Diversity, Equity and Inclusion Officer, and Metropolitan's Chief Equal Employment Opportunity Officer;

(2) Receive input, policy and procedure recommendations from the Diversity, Equity and Inclusion Officer;

(3) Study diversity, equity, and inclusion issues within Metropolitan to recommend ways to enhance and promote equal opportunity, affirmative action, increased diversity of the workforce and a culture of inclusion within Metropolitan;

(4) Monitor performance of efforts to promote workforce development programs, including training and advancement opportunities at Metropolitan to increase diversity, equity and inclusion within Metropolitan and benefit the communities within Metropolitan's service area; and

(5) Study areas of special concern to the District and its employees, including, but not limited to, equal employment opportunity and affirmative action.

(6) Study, advise and make recommendations on the ways the District can:

(i) Better serve the disadvantaged and underserved communities within Metropolitan's service area, and mitigate issues of affordability;

(ii) Improve the access of disadvantaged and underserved communities to reliable, high-quality drinking water supplies;

(iii) Increase participation of currently underserved communities in Metropolitan's rebate, conservation, and other local resources programs; and

(iv) Assist and support member agency programs and advocate for underserved communities, including providing communications, operational and technical assistance, with focus on consumer confidence in drinking water.

(7) Monitor Metropolitan's compliance with laws governing equal opportunities and employment and the manner in which investigations are conducted in compliance with such laws.

M.I. 52666 – January 11, 2022; Section renumbered, amended first paragraph, and added new paragraph (f) by M.I. 53064 – December 13, 2022; added new first paragraph, including new paragraphs (a), (a)(1) – (a)(5), (b), and (b)(7), renumber subparagraphs (b)(1) – (b)(6), and amend paragraph (b)(4) by M.I. 53408 - March 11, 2025.

[Article 9 - Legislation Committee, §§ 2490 - 2491, Repealed by M.I. 49187 - September 11, 2012]

[Article 9.7 – Bay-Delta Committee, §§ 2497 - 2498, Repealed by M.I. 52666 – January 11, 2022]

[Article 6 – Water Planning and Stewardship Committee, §§ 2460 – 2461, Repealed by M.I. 53064 – December 13, 2022]

[Article 9 – Real Property and Asset Management Committee, §§ 2490 – 2491, Repealed by M.I. 53064 – December 13, 2022]

[Article 9.5 – Audit and Ethics Committee, §§ 2495 – 2496, Repealed by M.I. 53064 – December 13, 2022]

[Article 9.8 – Imported Water Committee, §§ 2499 – 2499.10, Repealed by M.I. 53064 – December 13, 2022]

[Article 9.9 – Underserved Communities Committee, §§ 2499.20 – 2499.30, Repealed by M.I. 53064 – December 13, 2022]

Chapter 5

OTHER COMMITTEES: MISCELLANEOUS COMMITTEE MATTERS

Article		Sec.
1	Special Committees	2500
2	**Board and Committee Nomination Procedures**	**2520**

Article 1

SPECIAL COMMITTEES

Sec.
2500. General

§ 2500. General.

Special committees may be created by the Board to undertake special assignments on behalf of the Board and shall report directly to the Board unless otherwise directed. A special committee shall continue in existence indefinitely. Unless otherwise specified, members of a special committee shall be appointed by the Chair of the Board and shall serve at the Chair's pleasure.

Organization and Procedures of the Board - July 19, 1976; Section 212.1.1 amended by M.I. 33453 - October 14, 1980; amended by M.I. 36225 - August 19, 1986. Section 212.1.1 repealed and Section 2500 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

[Former Section 2501 (Audit and Ethics Special Committee) repealed by M.I. 51391 - November 6, 2018]

[Former Section 2502 (Conservation and Local Resources Special Committee) repealed by M.I. 52666 – January 11, 2022.]

[Former Sections 2501 (Agriculture and Industry Relations Special Committee) and Section 2502 (Integrated Resources Planning Special Committee) repealed by M.I. 53441 - November 14, 2023]

Article 2

BOARD AND COMMITTEE NOMINATION PROCEDURES

Sec.
2520. In General
2521. Number of Nominations

§ 2520. In General.

The Executive Committee shall:

(a) Nominate members for the offices of Chair and Secretary of the Board. If a member is nominated as a candidate by the committee, they shall be advised by the committee and shall immediately cease further participation in the committee's deliberations and action on that office.

(b) Establish procedures for the fair and impartial election of members to the offices of Chair and Secretary of the Board including, but not limited to, sponsorship of forums for communication of the views of the candidates to Board members. Nominations from the floor shall be made at the meeting of the Board at which an election is scheduled. The committee will provide each director with written notice of any candidate nomination at least 10 days prior to the scheduled date of the election.

Organization and Procedures of the Board - July 19, 1976; Section 212.1.3.1 amended by M.I. 32213 - March 14, 1978; M.I. 34399 - September 14, 1982; M.I. 34430 - October 12, 1982; amended by M.I. 34570 - February 8, 1983. Section 212.1.3.1 repealed and Section 2520 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 43853 - January 11, 2000; amended by M.I. 44582 – August 20, 2001; amended by M. I. 45249 - March 11, 2003; Article and Section names amended to Board & Committee Nomination Procedures, and paragraphs (a) and (b) added by M. I. 46711 - June 13, 2006; paragraph (a) amended by M. I. 46983 - February 13, 2007; paragraph (a) amended by M.I. 48081 - November 10, 2009; paragraph (a) amended by M.I. 49187 - September 11, 2012; paragraph (b) amended by M.I. 50990 - October 10, 2017; paragraphs (a) and (b) amended by M.I 51823 - December 10, 2019; paragraph (a) amended by M.I. 53064 – December 13, 2022.

§ 2521. Number of Nominations.

More than one member may be nominated for each of the offices.

Organization and Procedures of the Board - July 19, 1976; Section 212.1.3.2 amended by M.I. 32213 - March 14, 1978; M.I. 32604 - February 13, 1979 and M.I. 32996 - November 13, 1979; amended by M.I. 34370 - August 18, 1982; M.I. 34399 - September 14, 1982; and M.I. 34570 - February 8, 1983; amended by M.I. 35592 - April 9, 1985; Section 212.1.3.3 repealed and Section 2521 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 44582 – August 20, 2001; Section name and paragraph amended, and remaining Section 2522 deleted by M. I. 46711 - June 13, 2006.

[Article 1 – Real Property and Asset Management Committee, § 2502 - Repealed by M.I. 50467 - May 10, 2016]

[Article 3 – Desalination & Reclamation Committee, §2530, Repealed by M. I. 46711 – June 13, 2006.]

[Article 4 – Communications & Legislation Committee, §§2540-2543, Renumbered to §2480, by M. I. 46711 - June 13, 2006.]

[Article 5 – Education & Outreach Committee, §2550-2552, Repealed by M. I. 46711 - June 13, 2006.]

[Article 6 – Audit Committee, §2560, Repealed by M. I. 46711 - June 13, 2006.]

[Article 7 – Asset & Real Property Committee, §2570, Repealed by M. I. 46711 - June 13, 2006.]

[Article 7.5 Special Committee on Department Head Compensation, §§ 2575- 2576, Repealed by M. I. 43587 - June 8, 1999.]

[Article 8 – Recreation Committee, §2580 Repealed by M. I. 46711 - June 13, 2006.]

[Article 8.5 - Special Committee on Financial Policy, § 2585, Repealed by M.I. 41755 - February 13, 1996]

[Article 9 - Ad Hoc Committees, §§ 2590-2592, Repealed by M.I. 43587 - June 8, 1999.]

[Article 10, §§ 2595-2596, Repealed by M.I. 41633 - November 14, 1995]

[Article 3 – §§2530 - 2534 (Ad Hoc Committees) repealed by M.I. 53251 - May 9, 2023]

Chapter 6

DIRECTORS

Article		Sec.
1	General	2600
2	**Inspection Trips**	**2610**
3	**Responsibilities of New Directors**	**2616**
4	**Miscellaneous**	**2620**

Article 1

GENERAL

Sec.
2600. Directors. Assumption of Office

§ 2600. Assumption of Office.

(a) Before entering upon the duties of their office, each person appointed to be a director shall take and subscribe to an oath or affirmation conforming to that prescribed by Section 3 of Article XX of the California Constitution. Said oath or affirmation shall only be taken before a District officer or employee authorized to administer the oath.

(b) A person shall assume all rights and powers and be subject to all liabilities, duties and obligations of a director upon the taking of the oath administered in accordance with the provisions of Section 2600(a).

Section 201.1 - M.I. 35470 - January 8, 1985. Section 201.1 repealed and Section 2600 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 53064 – December 13, 2022.

Article 2

INSPECTION TRIPS

Sec.
2610. Authorization
2611. Colorado River Aqueduct System
2612. State Water Project
2613. One-Day Inspection Trips
2614. Alternative Inspection Trips
2615. General Provisions

§ 2610. Authorization.

During each fiscal year (July 1 to June 30), each of the District's directors may sponsor inspection trips of District and related facilities for the purpose of providing leading citizens and other interested persons, preferably from the agency represented by the director, with firsthand knowledge of the District's operations, as follows:

Either (A) one two-day or one three-day trip over the Colorado River Aqueduct System under Section 2611 and one one-day trip under Section 2613, or (B) four one-day trips under Section 2613.

Res. 7651 - September 16, 1975; Section 401.1 amended by M.I. 32339 - July 11, 1978, repealed and new Chapter 401 reenacted by M.I. 33178 - March 11, 1980; Section 401.1 amended by M.I. 35592 - April 9, 1985; amended by M.I. 35785 - September 10, 1985; amended by M.I. 35852 - November 19, 1985. Section 401.1 repealed and Section 2610 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 40768 - April 12, 1994; amended by M.I. 50498 - June 14, 2016.

§ 2611. Colorado River Aqueduct System.

(a) The District will provide at its expense transportation, meals, lodging and related incidental expenses for inspection trips over the Colorado River Aqueduct System.

(b) A visit to Hoover Dam may be incorporated into the trip with Board Chair approval. Directors must submit a written request to the Board Chair in conformance with Section 2614.

(c) Ground Transportation is to be provided by a chartered bus or the District.

(d) The trip will include a stopover at the Gene Facilities for either one night or two successive nights. Lodging is to be provided at the E. Thornton Ibbetson Guest Quarters and meals are to be provided both en route and at the Gene Facilities.

Res. 7651 - September 16, 1975; repealed and new Chapter 401 reenacted by M.I. 33178 - March 11, 1980; paragraph (b) [formerly Section 401.2.1] amended by M.I. 35592 - April 9, 1985. Section 401.2 repealed and Section 2611 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 40768 - April 12, 1994; paragraphs (a),(b),(c) amended by M.I. 44582 – August 20, 2001; amended by M.I. 50498 - June 14, 2016.

§ 2612. State Water Project.

(a) A two-day or a three-day inspection trip over State Water Project facilities is available upon written request to the Board Chair in conformance with Section 2614. The Chair must approve each trip.

(b) Transportation, meals, lodging and related incidental expenses for the day trips will be provided by the District at its expense. Lodging accommodations will be provided at moderately priced hotels.

Res. 7651 - September 16, 1975; repealed and new Chapter 401 reenacted by M.I. 33178 - March 11, 1980; paragraph (a) [formerly Section 401.3] amended by M.I. 35785 - September 10, 1985. Section 401.3 repealed and Section 2612 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 40768 - April 12, 1994; paragraph (a) amended by M.I. 43587 - June 8, 1999; paragraph (a) amended by M.I. 44582 – August 20, 2001; amended by M.I. 50498 - June 14, 2016; paragraph (b) amended by M.I. 51417 – December 11, 2018.

§ 2613. One-Day Inspection Trips.

The District will provide at its expense transportation, meals and related incidental expenses for inspection trips of District and State Water Project facilities within Southern California. Transportation is to be provided by a chartered bus or the District. The District will provide meals that occur during the inspection trip.

Res. 7651 - September 16, 1975; repealed and new Chapter 401 reenacted by M.I. 33178 - March 11, 1980; Section 401.4 amended by M.I. 35592 - April 9, 1985. Section 401.4 repealed and Section 2613 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 40768 - April 12, 1994; amended by M. I. 44582 – August 20, 2001; amended by M.I. 50498 - June 14, 2016.

§ 2614. Alternative Inspection Trips.

When in the best interests of the District, the District may provide alternative inspection trips to inform directors and invited guests on facilities and water management issues. The Board Chair shall approve any alternative inspection trip. An approved alternative inspection trip may be substituted by a director for a regular inspection trip from Section 2611 to 2613 of the Administrative Code; however, the same provisions of Section 2610 shall apply.

M. I. 45353 - May 13, 2003; amended by M.I. 47998 - August 18, 2009; amended by M.I. 50498 - June 14, 2016; amended by M.I. 51417 – December 11, 2018.

§ 2615. General Provisions.

(a) The purpose of these inspection trips is to educate and inform elected and appointed officials, members of the business and environmental communities, members of the media, and other leading citizens and interested persons from each member public agency about Metropolitan and Southern California’s water resources and water infrastructure. This will be accomplished through visual inspection of District and related facilities and presentations and discussions on water issues and the District's operations, programs, and objectives.

(b) It is each director's obligation to periodically sponsor inspection trips. Each director shall be responsible for the individual selection of guests, the choice of inspection trip and the inspection trip dates.

(c) Inspection trip guests should be selected from within the area of the public agency represented by the sponsoring director. Each director should select guests who occupy positions of leadership in their communities and other interested persons as described in subsection (a) above. The sponsoring director may be accompanied by one family member. No person under the age of 18 shall be permitted to attend.

(d) Directors may co-sponsor a trip with another director to maximize resources and serve the best interest of the District.

(e) Directors shall accompany their guests on inspection trips they sponsor except in cases of illness, emergency or other exceptional circumstances, and shall accompany them throughout all portions of the trip. In the event that a sponsoring director is not available, another director from the district or an approved director designee from a member agency must accompany the trip if cancellation is not feasible.

(f) The number of guests on two- or three-day inspection trips should be approximately 36. Directors are encouraged to have a standby list of up to six guests available in the event of cancellations.

(g) Payment of District expense for transportation and meals on any inspection trip is limited to the normal travel routes to and from District facilities.

(h) Directors are encouraged to arrange for a member agency presentation that is relevant to the trip being conducted. Reasonable distribution of written material concerning the member public agency will be permitted.

(i) Itineraries, transportation, lodging and meals for District inspection trips shall be standardized to the extent possible in order to minimize costs. Variations from standard itineraries to accommodate special conditions may be authorized by the Chair.

(j) Trip groups numbering ten or less may be required to share the E. Thornton Ibbetson Guest Quarters with another group or groups.

(k) Reservation requests for inspection trips for the following fiscal year will be accepted beginning April 1.

(l) Inspection trip dates are assigned on a date/time-request-received basis. Scheduling conflicts will be resolved by consultation with affected directors. Any unresolved scheduling conflicts shall be referred to the Chair.

(m) In the event a director is unable to schedule a trip because of lack of an open date for a requested reservation, the director’s request will receive priority the next fiscal year.

(n) Alcoholic beverages will not be provided at District expense. Directors shall assume the sole responsibility for the purchase, cost and use of any alcoholic beverages during an inspection trip. Staff shall not purchase or serve alcoholic beverages during an inspection trip.

(o) Directors sponsoring inspection trips are responsible for the conduct and behavior of all guests attending an inspection trip. Upon being informed, or otherwise becoming aware of, any improper behavior or activity, the sponsoring Director shall take appropriate measures, in coordination with Metropolitan tour staff, to address such behavior or activity, up to and including removal of any person or persons from the inspection trip. Directors or guests observing any action or event that is inappropriate shall report such activity as soon as possible to the District tour staff or supervising Director, or after the tour is concluded, to the Board Chair, for appropriate action. District staff observing an action or event that is inappropriate shall report such activity as soon as possible to their immediate supervisor and/or to the Inspection Trip Program Manager for appropriate action.

(p) Tipping of District employees is strictly prohibited and any employee accepting a gratuity is subject to dismissal. The District staff representative on the trip will handle the tip for the bus driver and any other tips which are appropriate.

(q) The District will pay all necessary expenses incurred during an inspection trip.

(r) As a security measure, the sponsoring Director shall submit a manifest of all guests to the District in advance of the inspection trip. In an emergency situation, the District may interrupt and/or cancel any inspection trip in accordance with District security policy.

(s) Directors within the same member public agency may transfer inspection trips among themselves if the transfer is in the best interests of the District. Acceptance of an inspection trip sponsored by another director shall not affect a director's right to sponsor an inspection trip under the other provisions of this chapter. Directors of one public agency may not transfer their inspection trips to directors of another public agency except for reasons stated in paragraph (e) above.

Res. 7651 - September 16, 1975, as amended by Res. 7665 - April 13, 1976, M.I. 32339 - July 11, 1978, M.I. 32690 -- April 10, 1979, M.I. 32869 - August 17, 1979, M.I. 32944 - October 9, 1979, and M.I. 33042 - December 11, 1979 repealed and new Chapter 401 - Section 401.5 reenacted by M.I. 33178 - March 11, 1980; paragraphs (k) and (m) [formerly Sections 401.5.11 and 401.5.13] amended by M.I. 35592 - April 9, 1985; paragraphs (h), (m) and (o) [formerly Sections 401.5.8, 401.5.13 and 401.5.15] amended by M.I. 35765 - August 20, l985; paragraph (m) amended by M.I. 35992 - March 11, l986. Section 401.5 repealed and Section 2614 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 40768 - April 12, 1994; paragraphs (i), (l), (m), (p), and (r) amended by M. I. 43587 - June 8, 1999; paragraphs (a),(i),(j)-(m),(p), and (r) amended by M.I. 44582 – August 20, 2001; Section renumbered to 2615, paragraphs (c) – (g), (k), (m), (o) – (r) amended, and paragraphs (s) and (t) added by M. I. 45353 - May 13, 2003; paragraph (l) amended by M.I. 47998 - August 18, 2009; paragraph (c) amended by M.I. 49041 – April 10, 2012; amended paragraphs (a) – (c), (f), (h), deleted paragraph (j), renumbered former paragraphs (k) through (t) to new number (j) through (s), amended paragraphs (j), (k), (m), (n), (o), and (r) by M.I. 50498 - June 14, 2016.

Article 3

RESPONSIBILITIES OF NEW DIRECTORS

Sec.
2616. Obligations
2617. Inspection Trip Sponsorship Duty

§ 2616. Obligations.

(a) It is the obligation of new members of the Board of Directors to participate in orientation and training.

(b) Each new appointee to the Board within the first six months of being seated shall participate in a one-day orientation excursion to view various local District facilities.

M.I. 40768 - April 12, 1994; paragraphs (a) and (b) amended by M.I. 43587 - June 8, 1999; paragraphs (a) and (b) amended by M. I. 44582 – August 20, 2001; Section renumbered to 2616 by M. I. 45353 - May 13, 2003; paragraphs (a) and (b) amended by M.I. 47998 - August 18, 2009; Former paragraph (a) deleted, existing first paragraph numbered as (a), paragraph (b) amended by M.I. 50498 - June 14, 2016.

§ 2617. Inspection Trip Sponsorship Duty.

New directors are encouraged to participate as soon as possible in an inspection trip being sponsored by a fellow director, and, subsequently, to sponsor an inspection trip within their first year on the Board.

M.I. 40768 - April 12, 1994; Section renumbered to 2617 by M. I. 45353 -- May 13, 2003; amended by M.I. 50498 - June 14, 2016; amended by M.I. 53064 – December 13, 2022.

Article 4

MISCELLANEOUS

Sec.
2620. Identification
2621. Blood Donations
2622. Attendance at Board Committee Meetings

§ 2620. Identification.

Identification cards shall be issued to all directors.

Section 409.1 based on M.I. 22585 - December 11, 1962. Section 409.1 repealed and Section 2620 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; Article 3 renumbered by M.I. 40768 - April 12, 1994.

§ 2621. Blood Donations.

Directors are now included as eligible recipients in the Employees' Association's blood bank. This eligibility also includes members of the immediate families of Metropolitan directors, whether or not said parties have ever donated blood, regardless of where the blood or derivatives are needed in the United States. "Immediate family" is defined as spouse, child, mother, father, brother, or sister.

Section 409.3 - M.I. 28948 - November 9, l971; renumbered Section 409.2 by M.I. 35592 - April 9, l985. Section 409.2 repealed and Section 2621 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 2622. Attendance at Board and Committee Meetings

(a) The Chair of the Board shall notify a director’s appointing body when that director is absent, without the permission or consent of the Board or Chair, from three consecutive Board meetings.

(b) The chair of a standing committee, special committee or subcommittee shall notify the Chair of the Board when a member of that committee is absent without the permission or consent of the Board, Chair of the Board, or committee chair, from three consecutive committee meetings. At the Chair’s discretion, the Chair may take appropriate action against the designated committee member, including removal of that director from the committee.

M. I. 45656 – February 10, 2004.

Chapter 7

PERIODIC STAFF REPORTS TO BOARD AND COMMITTEES

Article		Sec.
1	Annual Reports	2700
2	**Quarterly Reports**	**2720**
3	**Monthly Reports**	**2740**
4	**Miscellaneous Reports**	**2750**

Article 1

ANNUAL REPORTS

Sec.
2700. General Manager's Annual Reports
2701. Treasurer's Annual Reports
2702. General Counsel's Report
2703. General Auditor's Report
2704. Ethics Officer's Report

§ 2700. General Manager's Annual Reports.

The General Manager shall annually make the following reports:

(a) To the Board:

(1) On financial matters generally;

(2) After consulting with the General Counsel, on the results of their review made pursuant to Section 5204 of District compliance with minimum fund requirements outlined in Sections 5201-5204 and with the articles and covenants contained in resolutions of issuance;

(3) On the status of appropriations pursuant to Section 5108(c).

(4) On annexation matters pursuant to Sections 3107 and 3300(b).

(5) On payment of dues to organizations pursuant to Section 11102.

(b) To the Executive Committee:

(1) On the business plan containing the General Manager's key priorities for the coming year as required by Sections 2416 and 6416.

(2) On the effectiveness of the District's internal control system, including information technology security and control.

(c) To the Equity, Inclusion and Affordability Committee on the status of the equal employment opportunity policy and affirmative action program as required by Section 6304.

(d) To the Ethics, Organization and Personnel Committee on all consulting agreements in effect during the preceding year and the exercise of authority under Section 8121(c). Each such report shall indicate when a consultant is a former employee of the District.

Section 2700 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 38303 - June 12, 1990. Paragraph (c) added by M.I. 43692 - August 17, 1999; paragraphs (b)-(c) amended by M. I. 44582 – August 20, 2001; paragraph (3) amended by M.I. 45943 – October 12, 2004; paragraph (a) (2) and (b) amended by M. I. 46371 – September 13, 2005; paragraph (b) amended by M. I. 46983 - February 13, 200; paragraph (c) amended by M. I. 47252 - October 9, 2007; paragraph numbers (1) and (2) added by M.I. 47998 - August 18, 2009; paragraph (b) amended by M.I. 48081 - November 10, 2009; paragraph (a)(3) deleted, former paragraph (a)(4) renumbered, new paragraph (a)(4) added, paragraph (c) amended, paragraph (d) added by M.I. 48800 – September 13, 2011; amended paragraph (c)(1) by M.I. 49187 - September 11, 2012; amended paragraph (a)(5) by M.I. 49596 - November 19, 2013; prior paragraph (b) deleted, prior paragraph (c) renumbered as paragraph (b), prior paragraph (d) renumbered as paragraph (c), amended (c)(1), and added paragraph (c)(2) by M.I. 50155 - June 9, 2015; amended paragraph (a)(4) by M.I. 51390 - November 6, 2018; amended paragraphs (a)(2) and (c), deleted numbering for (c)(1) and (c)(2), and added new paragraph number (d) by M.I. 53064 – December 13, 2022 .

§ 2701. Treasurer's Annual Reports

(a) The Treasurer shall annually report to the Board on the investment policy of the District.

(b) The Treasurer shall report to the Finance and Asset Management Committee:

(1) All payments after loss of a bond interest coupon made pursuant to Section 5104; and

(2) All issuances of duplicate bonds made pursuant to Section 5105.

Section 2701 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (b) amended by M.I. 42193 - December 10, 1996; paragraph (a) amended by M I. 44582 – August 20, 2001 paragraph (b) amended by M. I. 46983 - February 13, 2007; new paragraphs (a) -(b) added and former paragraphs (a)-(b) deleted by M.I. 48081 - November 10, 2009; paragraph (b) amended by M.I. 48534 - January 11, 2011; amended paragraph (b) by M.I. 53064 – December 13, 2022; amend paragraph (b) by M.I. 53528 – February 13, 2024.

§ 2702. General Counsel's Report

The General Counsel shall annually report to the Legal and Claims Committee the Legal Department's business plan containing the General Counsel's key priorities for the coming year as required by Sections 2451 and 6436(b).

Section 2702 adopted by M.I. 48800 – September 13, 2011; amended by M.I. 49187 - September 11, 2012.

§ 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.

Section 2703 adopted by M.I. 48800 – September 13, 2011; amended by M.I. 49187 - September 11, 2012; amended by M.I. 51391 - November 6, 2018; amended by M.I. 53064 – December 13, 2022; amend paragraph by M.I. 53528 – February 13, 2024; paragraph amended by M.I. 53438 - April 8, 2025.

§ 2704. Ethics Officer's Report

The Ethics Officer shall annually report to the Ethics, Organization and Personnel Committee a business plan containing the Ethics Officer's key priorities for the coming year for the Ethics Office as required by Sections 2501 and 6473.

Section 2704 adopted by M.I. 48800 – September 13, 2011; amended by M.I. 49187 - September 11, 2012; amended by M.I. 51391 - November 6, 2018; amended by M.I. 53064 – December 13, 2022.

Article 2

QUARTERLY REPORTS

Sec.
2720. General Manager's Quarterly Reports
2721. General Counsel's Quarterly Reports
2722. General Auditor's Quarterly Reports
2723. Ethics Officer's Quarterly Reports

§ 2720. General Manager's Quarterly Reports.

The General Manager shall quarterly make the following reports:

(a) To the Engineering, Operations and Technology Committee: a report on the Capital Investment Plan, including service connections approved by the General Manager pursuant to Sections 4700-4708 with the estimated cost and approximate location of each and the execution of any relocation agreements involving an amount in excess of $100,000 under authority of Section 8122(c);

(b) To the Finance and Asset Management Committee:

A summary of financial performance including Comparative Statements of Operations and Comparative Balance Sheets and variances thereof from estimates;

(c) To the Finance and Asset Management Committee:

(1) Deeds or grants accepted during the preceding quarter;

(2) Easements, or similar rights, granted during the preceding quarter under the authority of Section 8220, and shall also include in such report any relocation or protection agreement made in connection therewith;

(3) All leases made during the preceding quarter under the authority of Sections 8222, 8223, 8230 and 8232;

(4) The details of any transactions during the preceding quarter in which an improvement was disposed of in such a manner as to make the improvement available for subsequent use by a party other than the District; and

(5) Property sold pursuant to the authority granted by Section 8240 et seq.

(d) To the Legal and Claims Committee, jointly with the General Counsel, the exercise of any power delegated to them by Sections 6431, 6433 and 6434, and, in addition any and all other personnel-related settlements that invoke confidentiality or have any financial impact – including paid and reinstated leave – regardless of settlement type. The reporting on personnel-related

settlements should include whether equal employment opportunity issues were implicated, whether the employee is still employed by the District, the existence and type of any financial or confidentiality terms, and whether the District has taken any corrective action in response to the alleged issues.

(e) To the Engineering, Operations and Technology Committee:

(1) The status of all information technology projects throughout the organization.

(2) The employment of any professional and technical consultant, the extension of any professional and technical consulting agreement, on the exercise of authority under Section 8121(c) and 8122(h) and the execution of any contract authorized pursuant to Section 8122(g) during the preceding calendar quarter. The report covering the last calendar quarter of the year may be combined with and included in the annual report. Each such report shall indicate when a consultant is a former employee of the District.

Section 2720 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (a) and (d) amended by M.I. 39036 - June 11, 1991; paragraphs (a)(4) and (b)(e) added by M.I. 39080 - July 9, 1991; paragraph (f) added by M.I. 39840 - September 15, 1992; paragraph (f) repealed by M.I. 40768 - April 12, 1994; paragraph (e) amended by M.I. 41389 - May 9, 1995; paragraph (c) amended by M.I. 41615 - October 10, 1995; paragraph (b) amended by M.I. 42193 - December 10, 1996; paragraphs (b)(6), and (d) amended by M.I. 43587 - June 8, 1999; paragraph (f) added by M.I. 43963 - April 11, 2000; paragraphs (a) and (a)(1) amended, paragraph (b) deleted, sub-paragraphs (4)-(6) renumbered, paragraphs (c)-(f) renumbered and amended by M. I. 44582 – August 20, 2001; original paragraph (4) repealed and paragraphs renumbered; new paragraph (6) amended; old paragraph (d) repealed and renumbered (e) and amended by M. I. 45943 – October 12, 2004; paragraphs(a)(2), (a)(3), (b), (c), and (d) amended by M. I. 46371 – September 13, 2005; paragraphs (a) –(e) amended and renumbered by M. I. 46983 - February 13, 2007; paragraph (2) deleted, former paragraphs (3-8) renumbered, paragraph (c) divided to create paragraph (1), paragraph (2) added by M.I. 47998 - August 18, 2009; paragraph (a) and (1) amended, new paragraph (2)-(4) added, paragraph (c), (1) and (2) deleted, former paragraph (d) renumbered as new paragraph (c), paragraph (e) deleted by M.I. 48081 – November 10, 2009; paragraph (b) amended by M.I. 48534 - January 11, 2011; paragraph (a)(1) amended, paragraphs (a)(2)-(a)(3) deleted, former paragraph (a)(4) renumbered, paragraph (c) added, former paragraph (b)(3)-(b)(7) renumbered, former paragraph (e) renumbered, new paragraph (e) added by M.I. 48800 – September 13, 2011; paragraph (a) amended, subparagraphs (a)(1) and (a)(2) deleted, subparagraph (b)(1) amended to remove number, subparagraph (b)(2) deleted, subparagraph (e)(1) amended, and subparagraph (e)(2) added by M.I. 50155 - June 9, 2015; paragraph (d) amended by M.I. 52977 - September 13, 2022; paragraph (d) amended by M.I. 53014 – October 11, 2022; amended paragraphs (a), (b), (c) and (e) by M.I. 53064 – December 13, 2022; amend paragraphs (b) and (c) by M.I. 53528 – February 13, 2024.

§ 2721. General Counsel's Quarterly Reports.

The General Counsel shall quarterly report to the Legal and Claims Committee the exercise of any power delegated to the General Counsel by Sections 6431, 6433 and 6434, and, in addition, any and all other personnel-related settlements that invoke confidentiality or have any financial impact – including paid and reinstated leave – regardless of settlement type. The reporting on personnel-related settlements should include whether equal employment opportunity issues were implicated, whether the employee is still employed by the District, the existence and type of any financial or confidentiality terms, and whether the District has taken any corrective action in response to the alleged issues.

Section 2721 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 43587 - June 8, 1999; amended by M.I. 48800 – September 13, 2011; amended by M.I. 52977 - September 13, 2022; amended by M.I. 53014 - October 11, 2022.

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§ 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.

M.I. 40603 - January 13, 1987, effective April 1, 1987; amended by M.I. 43587 - June 8, 1999; amended by M.I. 43963 - April 11, 2000; amended by M.I. 48800 – September 13, 2011; amended by M.I. 51391 - November 6, 2018; amended by M.I. 53064 – December 13, 2022; amend paragraph by M.I. 53528 – February 13, 2024; paragraph amended by M.I. 53438 – April 8, 2025.

§ 2723. Ethics Officer's Quarterly Reports.

The Ethics Officer shall report to the Ethics, Organization and Personnel Committee on activities concerning agreements executed pursuant to the authority given to the Ethics Officer in Section 6471.

Section 2723 adopted by M.I. 48800 – September 13, 2011; amended by M.I. 51391 – November 6, 2018; amended by M.I. 53064 – December 13, 2022.

Article 3

MONTHLY REPORTS

Sec.
2740. General Manager's Monthly Reports
2741. General Counsel's Monthly Reports
2742. Treasurer's Monthly Reports
2743. Ethics Officer's Bi-Monthly Reports

§2740. General Manager's Monthly Reports.

The General Manager shall monthly report to the Board the execution of any power or transmission contract authorized by Section 8122(e) and any transaction made under such contract.

Section 2740 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (b) added by M.I. 37096 - April 12, 1988; paragraph (a) deleted and paragraph (b) renumbered by M.I. 43963- April 11, 2000; paragraph (a) amended by M.I. 46371 – September 13, 2005; paragraph amended by M.I. 48800 – September 13, 2011.

§ 2741. General Counsel's Monthly Reports.

The General Counsel shall monthly report to the Board a determination as to eligibility of securities invested in by the Treasurer in the preceding month.

Section 2741 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (b) amended by M.I. 37529 - February 14, 1989; paragraph (b) amended by M. I. 44582 – August 20, 2001; paragraph (b) amended by M.I. 46371 – September 13, 2005; paragraph (b) amended by M. I. 46983 - February 13, 2007; paragraph (b) amended by M.I. 48081 – November 10, 2009; paragraph amended, paragraph (a) and (b) deleted by M.I. 48800 – September 13, 2011.

§ 2742. Treasurer's Monthly Reports.

The Treasurer shall monthly report:

To the Board and General Manager transactions made pursuant to the delegation made by Section 53607 of the Government Code and Section 5101(a). The report shall show the type of investment, institution, date of maturity, amount of deposit, current market value for all securities with a maturity of more than 12 months, and rate of interest. The report shall specify in detail any investments in repurchase or reverse repurchase agreements made pursuant to subdivision (j) of Section 53601 of the Government Code. The report shall also state whether investments comply with Section 5101 of the Administrative Code and the statement of investment policy. A subsidiary ledger of investments may be used in the report in accordance with accepted accounting practices.

Section 2742 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; paragraph amended, paragraph (a)-(b) deleted.

§ 2743. Ethics Officer's Bi-Monthly Reports.

The Ethics Office shall provide bi-monthly reports to the Ethics, Organization and Personnel Committee summarizing all investigations. The reports shall be limited to the general nature and status of the investigation, how long the investigation has been pending, when the investigation is expected to be completed and, when completed, the resolution of the investigation.

M.I. 51391 - November 6, 2018; amended by M.I. 53064 – December 13, 2022.

[Former Section 2743 (Ethics Officer's Monthly Reports) repealed by M.I. 51391 - November 6, 2018]

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Article 4

MISCELLANEOUS REPORTS

Sec.
2750. Escheat to District of Unclaimed Funds
2751. Report of Exercise of Authority
2752. Emergency Contracting
2753. Changes in Organization of the Code

§ 2750. Escheat to District of Unclaimed Funds.

The Controller shall file a report with the Finance and Asset Management Committee after each publication made pursuant to Section 5113 regarding moneys unclaimed in the District treasury.

Section 2750 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 42193 - December 10, 1996; amended by M. I. 44582 – August 20, 2001; paragraph amended by M.I. 46371 – September 13, 2005; amended by M.I. 46983 February 13, 2007; paragraph amended by M.I. 48534 - January 11, 2011; paragraph amended by M.I. 51823 - December 10, 2019; amended by M.I. 53064 – December 13, 2022; amend paragraph by M.I. 53528 February 13, 2024.

§ 2751. Report of Exercise of Authority.

The General Manager shall report to the next following meeting of the Finance and Asset Management Committee any exercise of authority pursuant to Sections 5300-5303.

Section 2751 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 42193 - December 10, 1996; amended by M. I. 44582 – August 20, 2001; paragraph amended by M.I. 46371 – September 13, 2005; amended by M. I. 46983 - February 13, 2007; paragraph amended by M.I. 48534 - January 11, 2011; amended by M.I. 53064 – December 13, 20222; amend paragraph by M.I. 53528 February 13, 2024.
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§ 2752. Emergency Contracting.

The General Manager shall report to the Board on any action taken under the authority of Section 8122(b) within 7 days after taking that action or at the next following meeting of the Engineering, Operations and Technology Committee if that meeting will occur not later than 14 days after the action.

Section 2752 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 39036 – June 11, 1991; amended by M. I. 44582 – August 20, 2001; Section renamed from Rejection of Bids to Emergency Contracting and paragraph amended by M. I. 46371 – September 13, 2005; amended by M.I. 46983 - February 13, 2007; section amended by M.I. 48081 – November 10, 2009; amended by M.I. 53064 – December 13, 2022.

§ 2753. Changes in Organization of the Code.

The General Counsel shall report to the Legal and Claims Committee any changes made by staff in the organization of the Code and in the titles of divisions, chapters, sections and subsections, promptly after such changes are made.

Section 2753 adopted by M.I. 48800 – September 13, 2011.

[Former Article 2 – Semi-Annual Reports, § 2715 Repealed, Former Article 3 Renumbered to Article 2, Former Article 4 Renumbered to Article 3, and Former Article 5 Renumbered to Article 4 by M.I. 49187 - September 11, 2012]

Chapter 8

LEGISLATION

Sec.
2800. Development, Approval and Support of Legislative Concepts
2801. Urgency Actions

§ 2800. Development, Approval and Support of Legislative Concepts.

The General Counsel or the General Manager, at the request of the Board or any Committee of the Board, or the General Counsel at the request of the General Manager, shall draft language for legislation of interest to the District. Prior to introduction in the Legislature or in the Congress, such language shall

(1) Be reviewed jointly by the General Manager, General Counsel, and the District's Legislative Representative, and such other members of the staff as the General Manager or General Counsel may designate;

(2) Be submitted for approval by committees of the Board with subject matter jurisdiction over the matter addressed by the language; and

(3) Be submitted for approval by the Board.

The General Manager may then take such steps as the General Manager deems appropriate to achieve the objectives of the Board regarding such legislation and may, without further Board approval, agree to changes in language that the General Manager, after consulting with the General Counsel, deems to be substantially consistent with the intent of the Board. The General Manager shall periodically report to the Board on the progress of the legislation.

M.I. 39042 - June 11, 1991.

§ 2801. Urgency Actions.

Notwithstanding the provisions of Section 2800, if, in the opinion of the General Manager, immediate introduction of legislation is required to meet an urgent concern of the District and, in the opinion of the General Manager, action is required prior to the next meeting of the Board, the General Manager may seek an author for legislation upon approval of the Executive Committee. If, in the General Manager's opinion, it is impractical to convene a meeting of the Executive Committee, the General Manager may seek an author for urgent legislation of concern to the District with the concurrence of the Chair of the Board.

M.I. 39042 - June 11, 1991.

Division III

ANNEXATIONS

Chapter		Sec.
1	Annexation Procedure	3100
2	**Policies Related to Annexations**	**3200**
3	**Financial Policies Related to Annexations**	**3300**

Chapter 1

ANNEXATION PROCEDURE

Sec.
3100. Request for Annexation
3101. Submittal of Request
3102. Board Consideration of Request for Annexation
3103. Board Approval of Request for Annexation
3104. Mandatory Terms and Conditions
3105. Waiver of Charge and Fee
3106. Payment Requirement
3107. Water Use Efficiency Guidelines
3108. Time for Completion of Annexation

§ 3100. Request for Annexation.

(a) Board approval process.

The Board will act to approve annexations. All annexation requests must comply with all requirements of Section 3100(b), (c) and (d).

A notice of intent, legal description and map per Section 3100(b)(1) must be received and approved by the District prior to filing a submittal request with the Local Agency Formation Commission (LAFCO). Within 30 days of receipt, the District will review, and approve or comment upon these materials. Once LAFCO approval and all other requirements pursuant to Section 3100(b) and (c) have been obtained, the member public agency shall submit said documentation to the District for Board consideration.

(b) Conditional approval submittal requirements.

A request for annexation of area to the District shall be made in writing and executed on behalf of the member public agency or proposed member public agency within which the area is or is proposed to be situated.

The request shall include:

(1) A legal description and a detailed map of the area proposed to be annexed, clearly indicating the metes and bounds of the area and the gross and net acreage for the area with sufficient documentation to support the gross and net acreage specified;

(2) A certificate from the assessor of the county within which the area proposed to be annexed is situated setting forth the assessed valuation of each parcel included within the area;

(3) Identification of the ownership of each parcel included within the area proposed to be annexed;

(4) A statement setting forth whether the number of voters within the area proposed to be annexed is less than 12, or 12 or more; and

(5) A description of:

(i) Present use of each of the parcels included within the area proposed to be annexed;

(ii) Existing or proposed development plans for such parcels;

(iii) An estimate of total annual and peak demands for water service to the area proposed to be annexed; and

(iv) An estimate of the portion of such annual and peak demands to be supplied by the District.

(6) A plan for implementing the water use efficiency guidelines set forth in Section 3107;

(7) Payment of $5,000 processing fee to cover the District's cost of handling the request for annexation, unless waived pursuant to Section 3105;

(8) A statement indicating if it is proposed that payment for the annexation charge is to be pursuant to Sections 3106(b) and (c), and sufficient justification to demonstrate security for future payments, in a form approved by the General Counsel with Board approval; and

(9) The member public agency within which the area is situated shall furnish such other information as may be requested by the District's General Manager.

(c) Final approval submittal requirements.

Prior to final approval of the proposed annexation, as provided in Section 3103, the request shall be supplemented by the member public agency with the following materials:

(1) Any changes to the annexation documentation submitted previously;

(2) Certified copy of member public agency resolution requesting approval of the annexation; and

(3) Documents complying with the California Environmental Quality Act (CEQA).

(d) Annexation completion requirements.

Prior to submitting a request to LAFCO for recording the Certificate of Completion for the proposed annexing area, the member public agency must submit to the District the following materials:

(1) Certified copy of member public agency resolution(s) accepting District final terms and conditions and ordering a reorganization;

(2) Payment of the annexation charge pursuant to Section 3106(a) or provision of appropriate and fully executed documentation pursuant to Section 3106(b); and

(3) Certified copy of LAFCO resolution approving the annexation to the member public agency.

(e) Reattachment requests.

The General Manager is authorized to approve, without payment of processing fees or annexation charges, the reannexation of any territory which has deannexed from the District under reasonable terms and conditions as may be established by the General Manager, which shall include payment of any property taxes, standby charges or other avoided charges for the period of deannexation.

M.I. 38048 – January 9, 1990; subparagraph (a)(5) added and amended by M.I. 38538 - October 9, 1990, paragraph (a) amended by M.I. 40406 - August 24, 1993; amended by M.I. 41898 - May 14, 1996; paragraph (a) amended by M.I. 42193 - December 10, 1996; paragraphs (a), (a)(1), (b), (b)(9), (c)(2) amended, (c)(3) deleted, (c)(4) renumbered, paragraphs (d)(1) and (2) amended, (d)(3) added, and paragraph (e) amended by M. I. 44582 – August 20, 2001; paragraph (a) amended, and subparagraph (a)(2) amended by M.I. 50155 - June 9, 2015; amended paragraph (a), and deleted paragraphs (a)(1) and (a)(2) *M.I. ____ (*M.I. to be Determined)- July 8, 2025.

§ 3101. Submittal of Request.

A request for annexation and all information required in connection therewith shall be submitted to the General Manager.

M.I. 38048 – January 9, 1990; amended by M. I. 44582 – August 20, 2001.

§ 3102. Board Consideration of Request for Annexation.

The Board, and any standing committee of the Board reviewing a request for annexation, will consider such request at their next regular meeting taking place no earlier than 75 days after receipt by the District of the request for annexation and all information required to be submitted by the Board approval process.

M.I. 38048 – January 9, 1990; amended by M.I. 38538 - October 9, 1990, amended by M.I. 40406 - August 24, 1993; amended by M.I. 41898 - May 14, 1996; amended by M. I. 44582 – August 20, 2001; paragraph amended *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§ 3103. Board Approval of Request for Annexation.

The Board will consider approval of the annexing area subject to terms and conditions then to be established after receipt of all submittals required pursuant to Sections 3100(b) and (c).

M.I. 38048 – January 9, 1990; paragraph (a) amended and paragraph (b) added by M.I. 41898 - May 14, 1996; paragraphs (a)(1) and (a)(2) amended by M. I. 44582 – August 20, 2001; paragraph (b) amended by M.I. 50155 - June 9, 2015; paragraphs (a) and (b) deleted by *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§ 3104. Mandatory Terms and Conditions.

All terms and conditions of annexation shall contain the following provisions:

(a) The sale and delivery of all water by the District, regardless of the nature and time of use of such water, shall be subject to regulations promulgated from time to time by the District.

(b) Except upon terms and conditions specifically approved by the Board, water sold and delivered by the District shall not be used in any manner which intentionally or avoidably results in the direct or indirect benefit of areas outside the District including use of such water outside the District or use thereof within the District in substitution for other water used outside the District.

(c) The District shall not be obligated to provide additional works or facilities, necessitated by the annexing area, for the delivery of water from works owned and operated by the District.

(d) The annexation shall be completed by the date established pursuant to Section 3108(a).

M.I. 38048 - January 9; 1990, paragraph (e) added by M.I. 40406 - August 24, 1993; deleted paragraph (c), and renumbered paragraphs (c) and (d) by *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§ 3105. Waiver of Charge and Fee.

The processing fee and the annexation charge may be waived in cases where the Board itself requests a small annexation to prevent or close a "window" in an existing member public agency or pursuant to Section 3100(e).

M.I. 38048 – January 9, 1990; amended by M.I. 41898 - May 14, 1996.

§ 3106. Payment Requirements.

(a) All annexation charges shall be paid in full in cash prior to completion of the annexation except where the Board approves installment payments pursuant to Section 3106(b) and (c).

(b) Subject to Board approval, a portion of the annexation charge may be paid in installments upon terms and conditions listed in Section 3106(c), and in form approved by the General Counsel, if the member public agency assumes the obligation for said payments, to be collected as part of monthly invoices, or other security is provided which guarantees said payments.

(c) Installment payments shall be subject to the following terms and conditions pursuant to each ownership:

(1) Minimum down payment of 10%.

(2) Maximum term of 15 years.

(3) Interest at the greater of the weighted average yield on invested funds of the District or the Districts then current cost of borrowing funds.

(4) Minimum net annexation acreage of 50 acres; or

(5) Under such other conditions as may be determined by the Board of Directors.

M.I. 38048 – January 9, 1990; paragraph (a) amended and paragraphs (b) and (c) added by M.I. 41898 - May 14, 1996; paragraph (b) amended by M.I. 51417 – December 11, 2018.

§ 3107. Water Use Efficiency Guidelines.

(a) **Water Use.** To minimize all water demands on the District including, but not limited to, peak demands, the member agency representing the parcels considered for annexation ("annexing member agency") shall submit evidence of compliance with all of the following:

(1) Annual Water Use. Minimizing annual water demand by:

i. Incorporating water conservation measures throughout the service area;

ii. Maximizing use of groundwater, local surface water, and recycled wastewater supplies;

iii. Constructing and operating local storage and groundwater production facilities, as required by California Water Code Sections 10700-10717 (Groundwater Resources); and

iv. Conditioning all new territory within each annexing member agency to be consistent with all applicable city, county, and state laws.

(2) Recycled Water. Using recycled water of adequate quality whenever it is available to be used, in accordance with California Water Code Sections 13550-13557 (Water Reuse).

(3) Local Resources. Establishing local storage, groundwater production capacity, system interconnections, and other measures able to sustain a seven-to 21-day interruption in service from the District pursuant to MWD Administrative Code Section 4503(b) (Suspension of Deliveries).

(b) **Reporting to District.** The annexing member agency shall be responsible for assuring compliance with these provisions and shall report to the District annually for five years following annexation of the new territory regarding such compliance or until the new territory is included in the annexing member agency's Urban Water Management Plan (UWMP). Annual reports shall include all of the following information regarding the annexing member agency:

(1) Conservation measures incorporated in the new territory;

(2) Total annual production of local water supplies including, but not limited to, recycled water, groundwater, and local surface water use;

(3) Evidence of sufficient resources to sustain interruptions of District deliveries of seven-to 21 –days, as described in MWD Administrative Code Section 4503(b). Specifically, each member agency shall have sufficient resources such as local reservoir storage, groundwater production capacity, system interconnections, or alternate supply source to sustain:

i. A seven-day interruption in District deliveries from raw and treated water distribution facilities based on average annual demand of the affected facility

ii. For service connections installed or modified after December 31, 2008, on raw water conveyance facilities, a seven-to 21-day interruption in District raw water deliveries based on average annual demand of the affected facility;

(4) Confirmation that the annexing member agency has:

i. Submitted a current UWMP;

ii. The UWMP includes a narrative description addressing the nature and extent of each water demand management measure implemented over the past five years, as required by California Water Code Section 10631(f); and

iii. The UWMP adequately addresses California Water Code requirements; and

(5) The status of implementing the water plans, projects, and programs described in the UWMP to implement California Water Code Section 10620 et seq.

(c) **District Reviews.** District staff shall review the reports and provide an annual information report to the Board on the annexing member agencies' reporting compliance. District staff

will ensure that each annexing member agency is in compliance with the District's reporting requirements before presenting subsequent annexation requests to the Board.

(d) **General Manager Authority.** The District's General Manager or designee is authorized to make minor adjustments to reporting requirements herein for annexing member agencies as deemed reasonable and appropriate. In addition, the annexing member agency shall furnish such other information as may be requested by the District's General Manager or designee.

M.I. 38538 – October 9, 1990; amended by M.I. 39787 - August 20, 1992; amended by M.I. 41898 - May 14, 1996; paragraphs (a), (b), (c), (d), and (e) amended, and paragraph (f) added by M. I. 45941 – October 12, 2004; amended paragraph (c) by M.I. 50990 – October 10, 2017; added numbering (a) to first paragraph and amended same, renumbered former paragraph (a) to paragraph (a)(1), added numbering to paragraphs (a)(1)i, and (a)(1)ii and amended same, deleted former paragraph (b), added paragraphs (a)(1)iii and (a)(1)iv, renumbered former paragraph (c) to paragraph (a)(2) and amended same, deleted former paragraph (d), renumbered former paragraph (e) to paragraph (a)(3) and amended same, deleted former paragraph (f), added numbering to new paragraph (b) and amended same, renumbered former paragraph (a) to (b)(1), renumbered former paragraph (b) to (b)(2), and renumbered former paragraph (c) to (b)(3) and amended same, added new paragraphs (b)(3)i, (b)(3)ii, (b)(4) and (b)(5), added numbering to paragraphs (c) and (d) and amended same by M.I. 51390 - November 6, 2018 .

§ 3108. Time for Completion of Annexation.

(a) The annexation shall be completed by December 31 of the year following the year in which the annexation receives approval of the Board. If the annexation is not completed by that date, a new request in conformance with Section 3100(b) and (c) must be made. A one year extension of the time in which to complete the annexation may be granted if a request for the extension is made in writing by the member public agency prior to the expiration date. The request for extension of time shall include the following:

(1) Specific details as to why the annexation could not be completed within the time provided;

(2) A resolution from the member public agency requesting an extension of time and reaffirmation of the terms and conditions established by the Board;

(3) Any changes that have occurred in the circumstances of the annexation since the terms and conditions were established;

(4) Payment of a $1,500 processing fee to cover the District's costs of handling the request for time extension;

(5) A certificate from the assessor of the county within which the area proposed to be annexed is situated setting forth the assessed valuation of each parcel included within the area; and

(6) Any other information as may be requested by the District's General Manager.

(b) If the General Manager finds that there is no significant change in the circumstances surrounding the annexation, they shall grant an extension for one year subject to any new mandatory terms and conditions which have been adopted by the Board since the original approval of the annexation, and further subject to payment of the current annexation charges. If the General Manager

finds that there are significant changes in the circumstances surrounding the annexation, they shall submit the request for extension to the Board in accordance with Section 3102.

(c) The General Manager shall find that there is a significant change in the circumstances surrounding the annexation if the size of the annexation area changes, the proposed water usage in the annexation area increases, the intensity or type of land use changes, the CEQA documents are modified or additional documents are issued, or there is any other change in the circumstances of the annexation which the General Manager deems to be significant.

M.I. 40406 - August 24, 1993; amended by M.I. 41898 - May 14, 1996; paragraph (b) amended by M.I. 53064 – December 13, 2022.

Chapter 2

POLICIES RELATED TO ANNEXATIONS

Sec.
3200. Water Availability
3201. Annexation Criteria - Avoidance of Windows

§ 3200. Water Availability.

In reviewing an application for annexation as member public agency, the District will give its favorable consideration only to areas of sufficient size and water requirements to justify as economically feasible the delivery of imported water. Preferably such areas should be so located as to control the entire production of water from local underground water basins affected.

Section 301.1.2 - Special Water Problems Committee - October 26, 1938. Section 301.1.2 repealed and Section 3100 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered Section 3200 by M.I 38048 – January 9, 1990; amended by M.I. 41898 - May 14, 1996; amended paragraph by *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§ 3201. Annexation Criteria - Avoidance of Windows.

An area proposed for annexation shall not, after annexation, leave an unannexed area entirely surrounded by area annexed to the District ("window") unless the Board finds that the District's interests will not be adversely affected by the existence of such window.

Section 301.5 based on Water Problems Committee Statement - November 19, 1962; amended by M.I. 36333 - October 14, 1986. Section 301.52 repealed and Section 3102 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered Section 3201 by M.I. 38048 – January 9, 1990.

Chapter 3

FINANCIAL POLICIES RELATED TO ANNEXATIONS

Sec.
3300. Annexation Charge Computation
3301. Taxes for Past Annexations

§ 3300. Annexation Charge Computation.

Annexation Charge - The annexation charge for areas newly annexing to the District shall be the greater of the amounts computed under Sections 3300(a) and 3300(b):

(a) Back-Tax Computation - The annexing area shall be required to pay an amount that bears the same relation to total District taxes levied and annexation taxes to be levied (both exclusive of interest or adjusting factors) as the assessed valuation of the annexation area bears to the assessed valuation of the District, all data to be as of the August 31 preceding the year in which the annexation will be effective, and back interest to be simply calculated by multiplying the amount established as the bare back tax obligation by 5 percent and the resultant by half the number of years since taxes were first levied by the District.

(b) Per-acre Charge - The annexation charge per acre of land, other than land devoted to public roads, streets, highways, and freeways, to be paid by the annexing areas shall be determined by dividing the sum of the estimated replacement cost of the District's facilities and the participation rights in facilities of the State Water Project and other non-District owned projects in which Metropolitan participates, less accumulated depreciation of the District’s facilities and participation rights on a replacement cost basis, less outstanding bonded indebtedness of the District's facilities and participation rights, by the total acreage within the service area of the District, all as of the end of the recently completed fiscal year.

M.I. 38048 – January 9, 1990; amended by M.I. 38304 - June 12, 1990; paragraph (b) amended by M.I. 39744 - July 14, 1992; paragraph (b) amended by M.I. 40406 - August 24, 1993; amended by M.I. 41204 - January 10, 1995; paragraph (b) amended by M. I. 46106 – February 8, 2005.

§ 3301. Taxes for Past Annexations.

(a) Effective with the 1981-82 fiscal year a tax rate of 18.75 cents per $100 of assessed valuation (to be stated as .1875% for tax levying and collecting purposes) has been established to collect annexation charges from areas annexed to the District after September 13, 1966 and before July 1, 1978 and such rate shall be continued until the annexation charge and interest on unlevied balances thereof have been raised provided, however, that in an area annexing after August 19, 1976 and before July 1, 1978 such rate shall in no event be levied for any fiscal year following the fiftieth year after the area has been annexed to the District.

(b) Effective with the 1981-82 fiscal year a tax rate of 18.75 cents per $100 of assessed valuation (to be stated as .1875% for tax levying and collecting purposes) has been established to collect the balance of the annexation charges from areas which annexed to the District prior to September 13, 1966, and such rate shall be continued until said balance of the annexation charges and interest on unlevied balances thereof have been raised.

(c) If for any reason (due to adoption in this State of tax limitation Constitutional initiatives, legislation or otherwise), any or all of the District's taxes to raise the minimum annexation charge are unable to be levied, then the Board shall have the option to collect such charge, or unlevied balances thereof, with interest at 5 percent per annum, within said area through any lawful means now, or to become, available to the District.

M.I. 38048 – January 9, 1990; paragraph (a) & (b) amended by M. I. 47286 - November 20, 2007.

Division IV

WATER SERVICE POLICIES

Chapter		Sec.
1	Definition	4100
2	**Regional Water Management**	**4200**
3	**Water Transactions Revenues**	**4300**
4	**Classification and Rates**	**4400**
5	**Water Service Regulations – General**	**4500**
6	**[Repealed]**	**4600**
7	**Service Connections**	**4700**
8	**System Interconnections - Hydraulic Transients**	**4800**
9	**[Repealed]**	**4900**

Chapter 1

DEFINITIONS

Sec.

4100. General
4101. Colorado
4102. State
4103. Treated Water
4104. Untreated Water
4105. Domestic and Municipal Purposes
4106. Agricultural Purposes
4107. Groundwater Replenishment by Spreading
4108. Groundwater Replenishment by Injection
4109. In-Lieu Groundwater Replenishment
4110. Direct Reservoir Replenishment
4111. In - Lieu Reservoir Replenishment
[4112. Repealed]
[4113. Repealed]
4114. Replenishment Service
[4115. Repealed]
[4116. Repealed]
4117. Cooperative Storage Program
4118. Cooperative Storage Program Sale
[4119. Repealed]
4120. Purchase Order; Purchase Order Commitment
4121. Supply Rates
4122. Base Firm Demand; Initial Base Firm Demand
4123. System Access Rate
4124. Water Stewardship Rate
4125. System Power Rate
4126. Treatment Surcharge
4127. Emergency Storage Program Purposes

§ 4100. General.

The definitions in this Chapter shall govern the meaning of the terms when used in this Division.

Res. 7666 - April 13, 1976; Section 313.2 amended by M.I. 33642 - March 10, 1981. Section 312.2 repealed and Section 4100 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 4101. Colorado.

"Colorado" as a source of water shall mean water obtained by the District from the Colorado River through facilities owned by the District.

Res. 7666 - April 13, 1976; Section 312.2.1 amended by M.I. 33642 - March 10, 1981. Section 312.2.1 repealed and Section 4101 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 4102. State.

"State" as a source of water shall mean water obtained by the District from facilities of the California State Water Project.

Res. 7666 - April 13, 1976; Section 312.2.2 amended by M.I. 33642 - March 10, 1981. Section 312.2.2 repealed and Section 4102 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 4103. Treated Water.

"Treated water" shall mean water that is treated by filtration and disinfection at any District water treatment facility.

Res. 7666 - April 13, 1976; Section 312.2.3 amended by M.I. 33642 - March 10, 1981. Section 312.2.3 repealed and Section 4103 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 40976 - August 19, 1994.

§ 4104. Untreated Water.

"Untreated water" shall mean water that is not treated water.

Res. 7666 - April 13, 1976; Section 312.2.4 amended by M.I. 33642 - March 10, 1981. Section 312.2.4 repealed and Section 4104 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 4105. Domestic and Municipal Purposes.

"Domestic and municipal purposes" shall mean, but is not limited to, the use of water for all domestic, municipal, commercial, industrial, and recreational purposes.

Res. 7666 - April 13, 1976; Section 312.2.5 amended by M.I. 33642 - March 10, 1981. Section 312.2.5 repealed and Section 4105 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 44005 - May 17, 2000.

§ 4106. Agricultural Purposes.

(a) "Agricultural purposes" shall mean the use of water for the growing or raising, in conformity with recognized practices of husbandry, for the purposes of commerce, trade, or industry, or for use by public educational or correctional institutions, of agricultural, horticultural, or floricultural products, and produced (1) for human consumption or for the market, or (2) for the feeding of fowl or livestock produced for human consumption or for the market, or (3) for the feeding of fowl or livestock for the purpose of obtaining their products for human consumption or for the market, such products to be grown or raised on a parcel of land having an area of not less than one acre utilized exclusively therefor.

(b) Metropolitan may provide interruptible water service for agricultural or other use upon a determination that surplus water exists for that purpose. Water sold by Metropolitan for any beneficial use, including agricultural purposes, at the uniform rate or rates established by the District for domestic or municipal uses and used for beneficial purposes with that district shall be deemed to be water for domestic or municipal uses and not surplus water and is not subject to interruption on that basis.

Res. 7666 – April 13, 1976; Section 312.2.6 amended and paragraphs (a), (b) and (c) [formerly Sections 313.2.6.1 - 312.2.6.3] added by M.I. 33642 – March 10, 1981. Section 312.2.6 repealed and Section 4106 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; Section renamed and paragraphs (a)-(c) amended by M. I. 44005 - May 17, 2000; Paragraph amended by M.I. 44812 - March 12, 2002; added paragraph (d) by M.I. 50323 - December 8, 2015; amend section title, add number "(a)" to first paragraph and amend first paragraph, delete former paragraphs (a), (b), (c), and (d), and add new paragraph (b) by *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§ 4107. Groundwater Replenishment by Spreading.

"Groundwater replenishment by spreading" shall mean the act of spreading or causing to be spread, water for the purpose of replenishing natural groundwater basins, without regard to subsequent use of the water.

Res. 7666 - April 13, 1976; Section 312.2.7 amended and paragraphs (a)and (b) [formerly Sections 313.2.7.1 - 312.2.7.2] added by M.I. 33642 - March 10, 1981. Section 312.2.7 repealed and Section 4107 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended and paragraphs (a) and (b) deleted by M.I. 42608 - September 9, 1997.

§ 4108. Groundwater Replenishment by Injection.

"Groundwater replenishment by injection" shall mean the act of injecting or causing to be injected, water for the purpose of replenishing natural groundwater basins.

(a) "Direct replenishment by injection" shall mean groundwater replenishment that results from the act of injecting without regard to subsequent use of the water.

(b) "Seawater barrier groundwater replenishment" shall mean groundwater replenishment having as a principal purpose the injection of water for the purpose of maintaining groundwater barriers designed and intended to avoid the contamination of groundwater storage basins by the intrusion of seawater.

Former Section 4108 renumbered to Section 4109 and new Section 4108 added by M.I. 42608 - September 9, 1997; paragraph (b) amended by M. I. 44812 - March 12, 2002; paragraph (b) deleted and paragraph (c) renumbered by M. I. 45249 - March 11, 2003; amended paragraph (a) by M.I. 50323 - December 8, 2015.

§ 4109. In-Lieu Groundwater Replenishment.

"In-lieu groundwater replenishment" shall mean maintenance or replenishment of water supplies in groundwater basins by reduction or elimination of extraction therefrom through the substitution of deliveries of water to consumers from surface distribution facilities in lieu of such extraction.

Section 312.2.8 - M.I. 33642 - March 10, 1981. Section 312.2.8 repealed and Section 4108 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 41468 - June 13, 1995; Section 4108 renumbered to Section 4109 by M.I. 42608 - September 9, 1997.

§ 4110. Direct Reservoir Replenishment.

"Direct reservoir replenishment" shall mean the act of storing water in surface reservoirs for long-term storage by delivering water directly into a reservoir.

Section 312.2.9 - M.I. 33642 - March 10,1981. Section 312.2.9 repealed and Section 4109 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 41617 - October 10, 1995; Section 4109 renumbered to Section 4110 by M.I. 42608 - September 9, 1997; paragraph and title amended by M. I. 45249 - March 11, 2003; amended by M.I. 50323 - December 8, 2015.

§ 4111. In-Lieu Reservoir Replenishment.

"In-lieu reservoir replenishment" shall mean the act of storing water in surface reservoirs for long-term storage by reducing or eliminating local supply outflow, through substitution of deliveries of water to consumers from surface distribution facilities in lieu of such withdrawals, thus conserving storage acquired from local sources.

Previous Section 4110 renumbered to Section 4111 and new Section 4110 added by M.I. 41617 - October 10, 1995; Section 4110 renumbered to Section 4111 by. M.I. 42608 - September 9, 1997; paragraph and title amended by M. I. 45249 - March 11, 2003; amended by M.I. 50323 - December 8, 2015.

[§ 4112 repealed by M. I. 45249 - March 11, 2003.]

[§ 4113 repealed by M. I. 44812 - March 12, 2002.]

§ 4114. Replenishment Service.

"Replenishment Service" shall mean delivery of water for long-term storage in either groundwater basins or surface reservoirs by direct or in-lieu means. Direct means shall be either through groundwater spreading or through injection. The Replenishment Service Program was discontinued after December 31, 2012.

M.I. 37006 - February 9, 1988; amended by M.I. 37764 - July 11, 1989; amended by M.I. 41468 - June 13, 1995; amended by M.I. 42109 - October 8, 1996; paragraph and title amended by M. I. 45249 - March 11, 2003; amended by M.I. 50323 - December 8, 2015.

[§ 4115 repealed by M. I. 44812 - March 12, 2002]

[§ 4116 repealed by M. I. 44812 - March 12, 2002]

§ 4117. Cooperative Storage Program.

"Cooperative Storage Program" shall mean the program that provides a means for coordinating the District's carryover storage needs with storage capacity available to member public agencies, on the basis that the stored water will eventually be released to respective participating member public agencies pursuant to the regulations provided by Section 4517.

M.I. 40976 - August 19, 1994; Original Section 4117 repealed and Section 4118 renumbered 4117 by M.I. 44005 - May 17, 2000.

§ 4118. Cooperative Storage Program Sale.

"Cooperative Storage Program Sale" shall describe the transaction that occurs at the time a water delivery is made by the District under the Cooperative Storage Program. Any such delivery is deemed a sale to the receiving member public agency when delivered to it for storage, with payment to the District deferred as provided in subsection 4517(i). For administrative record keeping purposes, such a transaction will be recorded as an advance delivery until invoiced as a sale by the District at the time of release.

M.I. 40976 - August 19, 1994; amended by M.I. 41404 - May 9, 1995; Original Section 4119 renumbered 4118 by M.I. 44005 - May 17, 2000; amended by M. I. 44812 - March 12, 2002.

[§ 4119. Repealed by M.I. 52090 - August 18, 2020]

§ 4120. Purchase Order; Purchase Order Commitment.

"Purchase Order" shall mean a member agency's written commitment to purchase a specified total volume of water from the District during a specified period, as provided in Section 4404. "Purchase Order commitment" shall mean the amount of system water a member agency commits to purchase over the term of the Purchase Order.

M. I. 44812 - March 12, 2002; amended by M. I. 45249 - March 11, 2003; amended by M.I. 49952 - November 18, 2014.

§ 4121. Supply Rates.

"Supply Rate" shall mean (i) the Tier 1 Supply Rate and (ii) the Tier 2 Supply Rate, as applicable to a particular purchase of water pursuant to Section 4404. The Tier 1 and Tier 2 Supply Rate shall be set from time to time by the District to recover the cost of maintaining existing supplies and developing additional supplies of water.

M. I. 44812 - March 12, 2002.

§ 4122. Base Period Demand; Revised Base Firm Demand; Initial Base Firm Demand.

"Base Period Demand" shall mean the amount specified in a member agency's Purchase Order, that is either: a) the member agency's Revised Base Firm Demand, as specified in this Section; or b) the member agency's highest fiscal year purchases from fiscal year 2003 through 2014; provided, however, that if the member agency's five-fiscal year rolling average of purchases of water from the District for the most recent five fiscal year period, excluding water purchased under an interruptible program, exceeds the member agency's Initial Base Period Demand, then the member agency's Base Period Demand for each subsequent calendar year shall be increased to the member agency's five-fiscal year rolling average. "Initial Base Firm Demand" shall mean the member agency's highest annual delivery of water from the District, excluding water delivered under Long-Term Seasonal Storage Service, Interruptible Service, and Interim Agricultural Water Program Service, during any fiscal year from fiscal year 1989/90 through fiscal year 2001/02.

Effective as of January 1, 2013, each member agency's Revised Base Firm Demand is as follows:

Member Agency	Revised BFD
Anaheim	27,154
Beverly Hills	14,867
Burbank	18,640
Calleguas	122,498
Central Basin	119,617
Compton	5,620
Eastern	102,694
Foothill	13,081
Fullerton	12,554
Glendale	29,135
Inland Empire	103,648
Las Virgenes	22,999
Long Beach	57,560
Los Angeles	372,959
MWDOC	311,769
Pasadena	23,533
San Diego	655,903
San Fernando	1,049
San Marino	1,998
Santa Ana	21,797
Santa Monica	12,344
Three Valleys	83,248
Torrance	23,297
Upper San Gabriel	74,698
West Basin	175,024
Western	94,567

M. I. 44812 - March 12, 2002; amended by M. I. 45249 - March 11, 2003; added second and third paragraphs by M.I. 49272 - December 11, 2012; amended first and third paragraphs, and deleted second paragraph by M.I. 49952 - November 18, 2014.

§ 4123. System Access Rate.

"System Access Rate" shall mean a dollar per acre-foot water rate charged by the District to recover a portion of the District's costs associated with the conveyance and distribution system, including capital, operating and maintenance costs.

M. I. 44812 - March 12, 2002; amended by M.I. 51417 – December 11, 2018.

§ 4124. Water Stewardship Rate.

"Water Stewardship Rate" shall mean a dollar per acre-foot water rate charged by the District to recover a portion of the costs of the District's financial commitment to conservation, water recycling, groundwater recovery and other water management programs approved by the Board.

§ 4124 Repealed by M. I. 45249 - March 11, 2003; Re-adopted by M.I. 49187 - September 11, 2012; amended by M.I. 51417 – December 11, 2018.

§ 4125. System Power Rate.

"System Power Rate" shall mean a dollar per acre-foot water rate charged by the District to recover the melded cost of power necessary to pump water from the State Water Project and Colorado River through the conveyance and distribution system for the District's member public agencies.

M. I. 44812 - March 12, 2002; amended by M.I. 51417 – December 11, 2018.

§ 4126. Treatment Surcharge.

"Treatment Surcharge" means a dollar per acre-foot water rate charged by the District to recover the District's costs of providing water treatment capacity and operations.

M. I. 44812 - March 12, 2002; amended by M.I. 51417 – December 11, 2018.

§ 4127 Emergency Storage Program Purposes.

"Emergency Storage Program purposes" shall mean delivery of water pursuant to the Emergency Storage Program for the purpose of emergency storage in surface water reservoirs and storage tanks. Emergency Storage Program purposes include initially filling a newly constructed reservoir or storage tank and replacing water used during an emergency. Emergency Storage Program service shall be governed by the provisions of Sections 4507 and 4518.

M.I. 45941 – October 12, 2004.

Chapter 2

REGIONAL WATER MANAGEMENT

Sec.

4200. Water Availability
4201. Mission Statement
4202. Avoidance in District Service Area of Overlapping or Paralleling Governmental Authorities (Laguna Declaration)
4203. Water Transfer Policy
4204. Sale of Water by State in District Boundaries
4205. Sale of Water by One Member Public Agency to Another
4206. Carryover Storage
4207. Exchange of Water
4208. No Recreational Use of Lake Mathews
4209. Contracts
4210. Water Conservation
4211. Sale of Water to State or Federal Governmental Agencies

§ 4200. Water Availability.

District water will be available only to cities and areas now or hereafter included within the legal boundaries of the District. This means that District water will not be sold or released under any terms to any area as long as such area is outside the boundaries of the District except as may be approved by the Board.

Section 301.1.1 - Special Water Problems Committee - October 26, 1938. Section 301.1.1 repealed and Section 4200 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 40976 - August 19, 1994.

§ 4201. Mission Statement.

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.

M.I. 39412 - January 14, 1992.

§ 4202. Avoidance in District Service Area of Overlapping or Paralleling Governmental Authorities (Laguna Declaration).

(a) The District is prepared, with its existing governmental powers and its present and projected distribution facilities, to provide its service area with adequate supplies of water to meet expanding and increasing needs in the years ahead. When and as additional water resources are required to meet increasing needs for domestic, industrial and municipal water, the District will be prepared to deliver such supplies.

(b) Taxpayers and water users residing within the District already have obligated themselves for the construction of an aqueduct supply and distribution system. This system has been designed and constructed in a manner that permits orderly and economic extensions and enlargements to deliver the District's full share of Colorado River water and State Project water as well as water from other sources as required in the years ahead. Establishment of overlapping and paralleling governmental authorities and water distribution facilities to service Southern California areas would place a wasteful and unnecessary financial burden upon all of the people of California, and particularly the residents of Southern California.

Section 301.2 based on M.I. 14727 - December 16, 1952. Section 301.2 repealed and Section 4201 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; Section 4201 renumbered Section 4202 by M.I. 39412 - January 14, 1992.

§ 4203. Water Transfer Policy.

To meet its public water supply objectives in the future, Metropolitan will vigorously pursue the development of water transfers, subject to the following considerations:

(a) Water transfers, including water marketing, will be developed only on a voluntary basis with willing partners;

(b) A full-range of water transfer options will be pursued, including arrangements with appropriate state and federal agencies, public and private water entities, and individual water users;

(c) Water transfers will be designed to protect and, where feasible, enhance environmental resources;

(d) Water transfers will be designed to avoid contributing to or creating a condition of long-term groundwater overdraft;

(e) Efforts will continue to develop water transfers in cooperation with the agricultural community, which seek to avoid unreasonable operational and financial impacts; and

(f) Strategies will be developed to appropriately address community impacts of water transfers.

M.I. 39412 - January 14, 1992.

§ 4204. Sale of Water by State in District Boundaries.

The State shall make no other contract to supply project water for use within the boundaries of the District without the consent of the District, and shall not authorize any other contractor to supply project water for use outside such other contractor's boundaries and within the boundaries of the District without the consent of the District.

Section 322.13.1 based on Amendment No. 12 to Metropolitan - State Water Contract dated November 11, 1960 - Article 15(d) thereof; amended by M.I. 33642 - March 10, 1981; Section 322.13.1 repealed and Section 4202 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; Section 4202 renumbered Section 4204 by M.I. 39412 - January 14, 1992.

§ 4205. Sale of Water By One Member Public Agency to Another.

The General Manager and General Counsel shall report to the Board any sale of water by one member public agency to another. The District will not deliver water at the request of one member public agency into the territory of another member public agency without written authorization from both affected member public agencies.

Section 322.13.2 based on M.I. 15647 - May 4, l954; amended by M.I. 32690 - April 10, 1979; amended by M.I. 33642 - March 10, 1981. Section 322.13.2 repealed and Section 4203 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; Section 4203 renumbered Section 4205 by M.I. 39412 - January 14, 1992; amended by M. I. 45637 - January 13, 2004.

§ 4206. Carryover Storage.

(a) The General Manager is authorized to store District water in any storage facility within any member public agency of the District where storage capacity is available. Further, the General Manager is instructed that no water is to be delivered or supplied under any storage contract until they have determined that sufficient water supplies will be available to fill the District's storage reservoirs.

(b) The General Manager is authorized to modify any arrangements with member public agencies for storage of water to provide for carryover storage, which modification shall be effective only when in writing and executed by the General Manager.

(c) Following the conclusion of each calendar year, the General Manager shall evaluate the District's carryover storage and determine the amount of carryover storage the District is expected to need during the ensuing calendar year.

Section 322.13.3 based on M.I. 25031 - December 14, 1965; paragraph (b) [formerly Section 322.13.3.2] added by M.I. 27396 - March 11, 1969; amended by M.I. 33642 - March 10, 1981; paragraph (a) [formerly Section 322.13.3.1] amended by M.I. 35992 - March 11, 1986. Section 322.13.3 repealed and Section 4204 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; Section 4204 renumbered Section 4206 by M.I. 39412 - January 14, 1992; paragraph (a) amended by M.I. 40976 - August 19, 1994; paragraph (c) added by M.I. 40969 - August 19, 1994; paragraph (b) amended by M.I. 41404 - May 9, 1995; paragraph (a) amended by M.I. 53064 – December 13, 2022.

§ 4207. Exchange of Water.

(a) The District's policy is that any exchange of Colorado River water for State Project water between the District and any state water service contractors shall be based upon such contractor paying all of the costs associated with delivery of State water at such contractor's delivery point, or at such other point as may be mutually agreed upon, which would result in the lowest cost to the District under such exchange.

(b) If two or more member public agencies of the District desire to enter into a water exchange arrangement, the District will cooperate in such an arrangement, subject to available capacity in the District's facilities and subject to availability of water for such exchange purposes, as determined by the District.

(c) The General Manager is authorized to enter into any economically beneficial water exchange agreement, in form approved by the General Counsel, without prior Board approval upon a determination that the exchange provides water quality benefits. The annual total of all exchanges under this subsection authority shall not exceed 50,000 acre-feet. The annual cumulative net exchange cost of exchanges under this subsection shall not exceed $500,000. Water exchanges authorized under this subsection are exempt from competitive bidding requirements under the terms of Administrative Code Section 8103. Such agreement shall be reported to the Board at the next meeting after which it is made.

Section 322.13.4 – paragraph (b) [formerly Section 322.13.4.2] based on M.I. 23612 – February 11, 1964 and paragraph (a) [formerly Section 322.13.4.1] based on M.I. 25756 – December 13, 1966; amended by M.I. 33642 – March 10, 1981. Section 322.13.4 repealed and Section 4205 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; Section 4205 renumbered Section 4207 by M.I. 39412 - January 14, 1992; paragraph (c) added by M. I. 44109 - July 11, 2000.

§ 4208. No Recreational Use of Lake Mathews.

The policy existing since 1939 that Lake Mathews not be used for recreational purposes is reaffirmed.

Section 322.13.6 based on M.I. 16404 – May 10, 1955 and M.I. 31249 – April 24,1961; amended by M.I. 33642 – March 10, 1981; renumbered 322.13.5 by M.I. 34182 – April 13, 1982. Section 322.13.5 repealed and Section 4206 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; [§ 4207 - repealed by M.I. 36806 - September 22, 1987.]; Section 4206 renumbered Section 4208 by M.I. 39412 - January 14, 1992.

§ 4209. Contracts.

The District may join or enter into agreements with member public agencies to make more effective use of water resources, including agreements providing for the wheeling, exchange, or banking of water, so long as such agreements serve a purpose of the District.

Section 322.6.12 - March 10, 1981, effective July 1, 1981; Section 322.6.12 repealed and Section 4208 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; Section 4208 renumbered Section 4209 by M.I. 39412 - January 14, 1992.

§ 4210. Water Conservation.

It shall be the policy of the District to undertake and support water conservation programs. To that end, the District may develop and implement such programs and enter into agreements with member public agencies and other organizations to make more efficient use of water resources through water conservation programs so long as such agreements serve a beneficial purpose of the District.

M.I. 36775 - August 18, 1987; Section 4209 renumbered Section 4210 by M.I. 39412 - January 14, 1992.

§ 4211. Sale of Water to State or Federal Governmental Agencies.

Subject to the provisions of Section 131 of the Metropolitan Water District Act, the General Manager is authorized to enter into contracts for the sale of water for any purpose or use with the United States of America or with any board, department, or agency thereof or with the State of California. Such contracts shall contain at a minimum the following terms:

1. The State or Federal Governmental Agency shall furnish, install, and remove, at no expense to Metropolitan, the facilities required to pump, measure, and transport the water.

2. Metropolitan's option to sell water to a State or Federal Governmental Agency shall be limited to a total quantity of 100 acre-feet per year, per connection, per agency.

3. The price of the water shall be Metropolitan's rate per acre-foot for the class of water in effect at the time of delivery, plus a reasonable capital facility charge and a minimum monthly standby rate if the connection is not used during a billing period.

4. The State or Federal Governmental Agency shall hold Metropolitan harmless from all claims and damages resulting from interruptions in water deliveries and from all damages resulting directly or indirectly from Metropolitan's delivery of water to the State or Federal Governmental Agency.

5. The agreement shall be terminable by either party upon giving written notice to the other party thirty days prior to the effective date of termination.

M.I. 42055 - September 10, 1996.

Chapter 3

WATER TRANSACTIONS REVENUE

Sec.
4300. General
4301. Cost of service and Revenue Requirement
[4302. Repealed]
[4303. Repealed]
4304. Apportionment of Revenues and Setting of Water Rates
4305. Setting of Charges to Raise Fixed Revenue

§ 4300. General.

The amount of revenue to be raised through water transactions, including, but not limited to, the sale, exchange and wheeling of water at rates and charges established pursuant to Sections 4400 and 4401 shall be determined in accordance with the provisions of this chapter.

Section 311.1 - M.I. 33007 - November 13, 1979, as clarified by M.I. 33059 - January 15, 1980. Section 311.1 repealed and Section 4300 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M. I. 44812 - March 12, 2002; amended by M.I. 49187 - September 11, 2012; amended by M.I. 51417 - December 11, 2018.

§ 4301. Cost of Service and Revenue Requirement.

(a) The District shall fix rates for water service such that anticipated revenues from water transactions, including but not limited to, sales, exchanges, and wheeling, together with anticipated revenues from any water standby or availability of service charge (such as the readiness-to-serve charge or capacity charge) or assessment, ad valorem tax revenues, and other revenues pay the expenses of the District, provide for repairs and maintenance, provide for payment of the purchase price or other charges for property or services or other rights acquired by the District, and provide for the payment of the interest and principal of the District's outstanding bonded debt. Subject to the foregoing, such rates and charges shall reflect the costs of the District's major service functions, including water supply, conveyance, power, storage, distribution and treatment to the greatest degree practicable.

(b) Notwithstanding the provisions in subsection (a) above, amounts raised by ad valorem property taxation shall not exceed the limitations established by Section 124.5 of the Act.

Section 311.2 - M.I. 33007 - November 13, 1979, as clarified by M.I. 33059 - January 15, 1980. Section 311.2 repealed and Section 4301 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended and paragraph (b) added by M.I. 38749 - February 12, 1991; paragraph titled changed and paragraph (a) amended by M. I. 44812 - March 12, 2002; paragraph (a) amended by M. I. 46148 - March 8, 2005; paragraphs (a)-(b) amended by M.I. 49187 - September 11, 2012; paragraphs (a)-(b) amended by M.I. 51417 – December 11, 2018.

[§ 4302 Repealed by M. I. 44812 - March 12, 2002]

[§ 4303 Repealed by M. I. 44812 – March 12, 2002]

§ 4304. Apportionment of Revenues and Setting of Water Rates.

(a) Not later than at its February meeting the General Manager shall present to the Finance, Affordability, Asset Management, and Efficiency (FAAME) Committee of the Board:

(1) Determinations of the revenue requirements and cost of service analysis supporting the rates and charges required during the biennial period beginning the following July 1, as determined by the General Manager in accordance with current Board policies, and,

(2) Recommendations of rates including, but not limited to, the System Access Rate, Water Stewardship Rate, System Power Rate, Treatment Surcharge, and the Supply Rates for the various classes of water service to become effective each January 1 of the biennial period. These recommended rates shall be the General Manager's determination, made in accordance with current Board policies, of the rates necessary to produce substantially the revenues to be derived from water transactions, including, but not limited to, sales, exchanges, and wheeling, during the biennial period beginning the following July 1.

(b) Not later than at its February meeting, the General Manager shall also present to the FAAME Committee recommendations regarding the continuation of a water standby charge or the imposition of an availability of service charge (such as the readiness-to-serve charge and capacity charge), which shall be the General Manager's determination, made in accordance with current Board policies, of the charge necessary to produce substantially the revenues to be derived from fixed revenue sources, if any, exclusive of taxes, during the biennial period beginning the following July 1 which said committee has determined to be necessary.

(c) Not later than its February meeting the FAAME Committee shall set a time or times for, and shall thereafter hold, one or more meetings of said committee, to be held prior to its regular April meeting, at which interested parties may present their views regarding the proposed water rates and availability of service charges to the committee. The committee shall direct the General Manager to cause the publication of a notice of such public hearing to be published in newspapers of general circulation within the District’s service area. Such notice shall be published not less than 10 days prior to the public hearing.

(d) Not later than its regular April meeting the FAAME Committee shall make its determination regarding the revenue requirement to be paid from water rates and the water rates to become effective each January 1 of the biennial period and shall recommend said water rates to the Board no later than the Board's regular April meeting.

(e) Not later than its April meeting, the Board shall establish water rates for deliveries beginning each January 1 of the biennial period.

(f) Proposals for changes in water rates to become effective at times other than on January 1 shall require adequate notice to the public and a hearing before such proposals are acted upon by the Board, unless the Board finds that an immediate change in water rates is urgent.

Section 311.5 - M.I. 32924 – September 18, 1979, as clarified by M.I. 33059 – January 15, 1980; paragraph (g) [formerly Section 311.5.7] amended by M.I. 34867 – September 13, l983. Section 311.5.7 repealed and Section 4304 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; amended, new paragraphs (d), (f), (i) and (j) added and other paragraphs renumbered by M.I. 39976 - December 8, 1992; paragraphs (b) through (g), (i) and (j) amended by M.I. 41389 - May 9, 1995; paragraphs (a)-(d) amended by M.I. 42193 - December 10, 1996; paragraphs (b) through (g), and (i) and (j) amended by M.I. 43587 - June 8, 1999; paragraphs (a) through (k) amended by M. I. 44582 – August 20, 2001; paragraphs (a) – (g), (i), and (j) amended by M. I. 44812 - March 12, 2002; paragraph (a) amended, (a) (i) & (a) (ii) added, paragraphs (b) & (c) deleted, paragraphs (d) (e) (f) renumbered to (b) (c) (d), paragraph (g) renumbered to (e) and amended, paragraphs (h) (i) renumbered to (f) (g), and paragraphs (j) (k) renumbered to (h) (i), by order of M. I. 45537 - October 14, 2003; paragraphs (a)-(e) and (g)-(h) amended by M. I. 46064 – January 11, 2005; paragraphs (a) through (e), (g) and (h) amended (committee name change) by M. I. 46148 - March 8, 2005; paragraphs (a)-(i) amended by M.I. 46983 February 13, 2007; paragraph(b) and (c) amended, paragraph (d) deleted and renumbered by M.I. 47636 - September 9, 2008; paragraphs (c)-(e) amended by M.I. 48171 - February 9, 2010; paragraphs (a)-(g) amended by M.I. 48534 - January 11, 2011; amended § 4304 title, amended paragraphs (a)-(f), deleted former paragraphs (f) and (g), and renumbered former paragraph (h) by M.I. 49187 - September 11, 2012; paragraph (a)(2) amended by M.I. 51417 – December 11, 2018; amended paragraphs (a), (b), (c) and (d) by M.I. 53064 – December 13, 2022; paragraph (b) amended by M.I. 53441 - November 14, 2023; amended paragraphs (a), (b), (c) and (d) by M.I. 53528 – February 13, 2024; paragraphs (a), (b), (c), and (d) amended by M.I. 53408- March 11, 2025.

§ 4305. Setting of Charges to Raise Fixed Revenue.

(a) Not later than its regular May meeting each year, the FAAME Committee shall make its final determination regarding the water standby charge or other fixed revenue charge, if any, for the fiscal year beginning the following July 1, and shall recommend such charge, if any, to the Board at its regular May meeting.

(b) Not later than such May meeting, the Board shall consider and take action upon the recommendations, if any, of the FAAME committee regarding a fixed revenue source, exclusive of taxes, to become effective the following January 1 or for the fiscal year beginning the following July 1, as determined by the Board for each fixed revenue source.

M.I. 49187 - September 11, 2012; paragraphs (a) and (b) amended by M.I. 53441 - November 14, 2023; paragraphs (a) and (b) amended by M.I. 53528 – February 13, 2024; paragraphs (a) and (b) amended by M.I. 53408 - March 11, 2025.

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Chapter 4

CLASSIFICATION AND RATES

Sec.
4400. Basic Statement
4401. Rates
4402. Readiness-to-Serve Charge
4403. Capacity Charge
4404. Purchase Orders
[4405. Repealed]

§ 4400. Basic Statement.

The rates and charges set forth herein, so far as practicable, shall result in revenue to meet the obligations set forth in Section 134 of the Metropolitan Water District Act.

Section 312.1 based on Res. 7666 - April 13, 1976; amended by M.I. 33642 - March 10, 1981. Section 312.1 repealed and Section 4400 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 41468- June 13, 1995.

§ 4401. Rates.

(a) The rates per acre-foot for water sold and delivered for each class of service on order of any member public agency for use therein shall be as follows:

(1) For all water that does not meet criteria for other classes of service or special programs as defined in this Division, each of the following is applicable:

System Access Rate:

Effective Date:	01/01/2020	**Rate:**	$346.00
	01/01/2021		$373.00
	01/01/2022		$389.00

Water Stewardship Rate:

Effective Date:	01/01/2020	**Rate:**	$ 65.00
	01/01/2021		not applicable
	01/01/2022		not applicable

System Power Rate:

Effective Date:	01/01/2020	**Rate:**	$136.00
	01/01/2021		$161.00
	01/01/2022		$167.00

Treatment Surcharge (Applicable to treated water):

Effective Date:	01/01/2020	**Rate:**	$323.00
	01/01/2021		$327.00
	01/01/2022		$344.00

Supply Rate:

Tier 1 Supply Rate – The Tier 1 Supply Rate shall apply to water purchases which in the aggregate for any calendar year, are less than or equal to 60 percent of the Revised Base Firm Demand of such member agency as specified in Section 4122, unless that member agency has executed a Purchase Order, as defined in Section 4120, in which case the Tier 1 Supply Rate applies to water purchases as established by the Purchase Order terms.

Effective Date:	01/01/2020	**Rate:**	$208.00
	01/01/2021		$243.00
	01/01/2022		$243.00

Tier 2 Supply Rate –The Tier 2 Supply Rate shall apply when a member agency's cumulative total of water purchases for the calendar year exceeds 60 percent of the member agency's Revised Base Firm Demand as specified in Section 4122, or according to the terms of a Purchase Order for member public agencies that execute a Purchase Order.

Effective Date:	01/01/2020	**Rate:**	$295.00
	01/01/2021		$285.00
	01/01/2022		$285.00

(2) [Reserved]

(b) The rates for water established by Section 4401(a) shall not apply to water sold and delivered by the District to any purchaser other than a member public agency; and said rates for water shall not apply to water sold and delivered by the District for any use outside the District, or to water sold and delivered by the District for any use within the District in substitution for water used outside the District, regardless of whether or not such water be purchased by, or delivered pursuant to the order of, any member public agency; but such water shall be sold and delivered pursuant to such contract and upon such terms and conditions as the Board shall authorize and determine for each such transaction.

(c) For purposes of agreements existing under the Local Resource Program, Local Project Program, Groundwater Recovery Program and other similar programs, references to the "full service water rate," "full service treated water rate," "treated non-interruptible water rate" or "other prevailing rate" or to the "reclaimed water rate" or "recycled service rate" shall be deemed to refer to the sum of the System Access Rate, Water Stewardship Rate (not applicable in calendar years 2021 and 2022), System Power Rate, the expected weighted average of Tier 1 Supply Rate and Tier 2 Supply Rate (equal to the estimated sales revenues expected from the sale of water at the Tier 1 and Tier 2 Supply Rates divided by the total District sales in acre-feet expected to be made at the Tier 1 and Tier 2 Supply Rates), a Capacity Charge expressed on a dollar per acre-foot basis and Treatment Surcharge.

Section 312.3 based on Res. 7666 - April 13, 1976; paragraphs (a)(1) through (a)(3) [formerly Sections 312.3.1 through 312.3.3] amended by M.I. 31919 – August 19, 1977, M.I. 33644 – March 10, 1981; amended by

M.I. 33642 – March 10, 1981; paragraphs (a)(1) through (a)(3) amended by M.I. 34156 – March 9, 1982, effective July 1, l982, M.I.34635 - March 8, 1983 effective July 1, 1983, M.I. 34851 – September 13, 1983 effective January 1, 1984; paragraphs (a)(4) and (a)(5) [formerly Sections 312.3.4 and 312.3.5] added and paragraphs (b) and (c) [formerly Sections 312.3.4 and 312.5] renumbered by M.I. 34867 – September 13, 1983; paragraph (a)(4) amended by M.I. 34930 – November 8, 1983, effective January 1, 1983; paragraphs (a)(1) through(a)(3) amended by M.I. 35064 – March 13, 1984 effective July 1, l984; paragraph (a)(4) amended by M.I. 35482 – January 8, 1985; paragraphs (a)(1) through (a)(3) amended by M.I. 35558 – March 12, 1985 effective July 1, 1985, M.I. 36001 – March 11, 1986. Section 312.3 repealed and Section 4401 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; paragraph (a)(1) through (a)(3) and (a)(5) amended by M.I. 36540 - March 10, 1987, effective July 1, 1987; paragraph (c) deleted by M.I. 36811 - September 22, 1987; paragraph (a)(4) amended by M.I. 37006 - February 9, 1988; paragraphs (a)(1) through (a)(3) and (a)(5) amended by M.I. 37045 - March 8, 1988, effective July 1, 1988; par. (a)(4) amended by M.I. 37566 - March 14, 1989 and pars. (a)(1) through (a)(3) and (a)(5) amended by M.I. 37574 - March 14, 1989, effective July 1, 1989; paragraph (a)(4) amended by M.I. 37764 - July 11, 1989, effective August 1, 1989; paragraphs (a)(1) through (a)(5) amended by M.I. 38196 - April 17, 1990, effective July 1, 1990; paragraph (b) renumbered to (c) and new paragraph (b) added by M.I. 38196 - April 17, 1990; paragraphs (a)(1) through (a)(5) amended by M.I. 38867 - April 9, 1991, effective July 1, 1991; paragraph (b) repealed and paragraph (c) renumbered by M.I. 39370 - December 10, 1991; paragraph (a)(1), and (a)(3) through (a)(5) amended by M.I. 39503 - March 10, 1992, effective July 1, 1992; paragraphs (a)(1), and (a)(3) through (a)(5) amended by M.I. 40142 - March 9, 1993, effective July 1, 1993 and April 1, 1993 respectively; paragraph (a)(5) amended for rate to become effective July 1, 1993 by M.I. 40173 - April 13, 1993; paragraphs (a)(1), (a)(3) through (a)(6) amended by M.I. 40731 - March 8, 1994; paragraphs (a)(1) through (a)(3) and (a)(5) amended and (a)6) added by M.I. 40865 - June 14, 1994; paragraph (a) amended, paragraph (b) added and paragraph (c) amended and renumbered by M.I. 41468 - June 13, 1995; paragraph (a)(3) amended by M.I. 41652 - November 14, 1995; paragraph (a) amended by M.I. 41816 - March 12, 1996 to be effective January 1, 1997; paragraph (a)(1) amended by M.I. 42278 - February 11, 1997; paragraphs (a)(1) through (a)(4) amended and paragraph (a)(5) added by M.I. 42335 and 42336 - March 11, 1997; paragraphs (a)(1) and (a)(2) amended by M.I. 42608 - September 9, 1997; paragraphs (a) (1), (2), (3), (4), and (b) amended by M.I. 42870 - March 10, 1998; paragraphs (a) (1), (2), (3), (4), and (b) amended by M.I. 43354 - January 12, 1999; paragraphs (a) (1), (2), (3), and (4) amended by M.I. 43936 – March 14, 2000; paragraphs (a)(1), (2), (3), (4), and (5) amended by M.I. 44386 – March 13, 2001; paragraph (a) (1) and (2) amended, paragraphs (a) (3), (4), and (5) sub-paragraph (b) deleted, old paragraph (c) renamed (b), and new paragraphs (a) (3) and (c) added by M. I. 44812 - March 12, 2002; paragraph (a) (2) amended by M. I. 45249 - March 11, 2003; paragraph (c) amended by M. I. 45257 - March 11, 2003; paragraphs (a) (1), (2), (3) amended by M.I. 45690 – March 9, 2004; paragraph (c) amended by M. I. 45943 – October 12, 2004; paragraph (a) (1), (2), (3) amended by M. I. 46149 - March 8, 2005; paragraphs (a) (1) (2) (3) amended by M. I. 46593 – March 14, 2006; paragraph (a)(1)-(3) amended by M. I. 47064 – April 10, 2007; paragraph (a)(3) amended by M. I. 47259 – October 9, 2007; paragraphs (a)(1)(2) and (3) amended by M.I. 47422 – March 11, 2008; paragraphs (a)(1)(2) and (3) amended by M.I. 47859 – April 14, 2009; paragraph (a)(1) amended by M.I. 48232 – April 13, 2010; paragraphs (a)(1)-(3) amended by M.I. 49026 – April 10, 2012; paragraph (a)(2) amended by M.I. 49272 - December 11, 2012; paragraph (a)(1) amended, paragraph (a)(2) deleted and reserved, and paragraph (3) deleted by M.I. 49734 – April 8, 2014; amended paragraph (a)(1) sections covering “Tier 1 Supply Rate,” and “Tier 2 Supply Rate” by M.I. 49952 - November 18, 2014; amended paragraph (a)(1) to reflect approved water rates effective January 1, 2017 and January 1, 2018 by M.I. 50438 – April 12, 2016; amended paragraph (a)(1) to reflect approved water rates effective January 1, 2020 by M.I. 51163 – April 10, 2018, and approved water rates effective January 1, 2021 and January 1, 2022 by M.I. 51962 – April 14, 2020.

§ 4402. Readiness-to-Serve Charge.

(a) The readiness-to-serve charge shall be set by the Board from time to time to recover the costs of emergency system storage and the cost of system conveyance capacity for peak and standby use not recovered by property tax revenue. The readiness-to-serve charge will be allocated among the member public agencies beginning January 1, 2003, in proportion to the average of deliveries (including exchanges and transfers) through Metropolitan’s system (in acre feet) to each member public agency during the ten-year period ending June 30, 2001; unless otherwise agreed and approved by Metropolitan’s Board; and thereafter as a ten-year rolling average; provided that Metropolitan sales of reclaimed water under the Local Projects Program, and Local Resources Program, groundwater under the Groundwater Recovery Program, deliveries under Replenishment and Interim Agricultural Water Service, and any other delivery

subject to an agreement providing otherwise, shall not be included in the water deliveries calculation.

(b) The readiness-to-serve charge shall be due monthly, quarterly or semiannually, as agreed upon by Metropolitan and the member public agency. If a standby charge is collected on behalf of a member public agency, the member public agency will be credited for the amount of net collections. This charge is subject to the provisions of Sections 4507 and 4508.

(c) The General Manager shall establish and make available to member public agencies procedures for administration of the readiness-to-serve charge, including filing and consideration of applications for reconsideration of their respective readiness-to-serve charge. The General Manager shall review any applications for reconsideration submitted in a timely manner. The General Manager shall also establish reasonable procedures for the filing of appeals from their determination.

M.I. 41468 - June 13, 1995; paragraph (b) amended by Resolution 8492 adopted by M.I. 41816 - March 12, 1996; paragraphs (b) and (e) amended by M. I. 44582 – August 20, 2001; paragraph (a) amended, paragraphs (b) and (c) deleted, paragraphs (d) and (e) renamed (b) and (c) respectively by M. I. 44812 - March 12, 2002; paragraph (a) amended by M. I. 45249 and M. I. 45257 - March 11, 2003; paragraph (a) amended by M. I. 45943 – October 12, 2004; paragraph (a) amended by M.I. 51417 – December 11, 2018; paragraph (c) amended by M.I. 53064 – December 13, 2022.

§ 4403. Capacity Charge.

(a) Beginning January 1, 2004, the capacity charge shall be payable by each member agency for system capacity based on the maximum summer day demand placed on the system between May 1 and September 30 for the three-calendar year period ending December 31, 2002, and thereafter for a rolling three-calendar year period.

(b) The capacity charge shall be due monthly, quarterly or semiannually, as agreed upon by Metropolitan and the member public agency.

M.I. 41468 - June 13, 1995; paragraphs (b) and (f) amended by M. I. 44582 – August 20, 2001; old Section deleted and renamed, new paragraphs (a)-(d) added by M. I. 44812 - March 12, 2002; paragraphs (a) and (b) amended by M. I. 45249 - March 11, 2003 and paragraphs (a) and (b) amended and paragraphs (c) and (d) deleted by M. I. 45257 - March 11, 2003; paragraph (a) amended by M. I. 45943 – October 12, 2004; Section title and paragraph (b) amended by M. I. 46148 - March 8, 2005.

§ 4404. Purchase Orders.

(a) The General Manager shall establish and make available to member public agencies the form of the Purchase Order and procedures for its administration. The General Manager shall establish a deadline by which all Purchase Orders shall be executed by member public agencies that desire to enter into such agreements with the District. Following the deadline established by the General Manager, no member public agencies will be allowed to execute Purchase Orders.

(b) The term of the Purchase Orders shall be specified in the Purchase Order. All Purchase Orders in effect for the same time period shall be on substantially the same terms. All amendments to Purchase Orders require approval by the Board.

(c) Each member public agency executing a Purchase Order shall commit to purchase at least its Purchase Order Commitment during the term of the Purchase Order.

(d) Purchase Orders shall permit a member public agency to purchase up to 90 percent of its Base Period Demand at the Tier 1 Supply Rate for the term of the Purchase Order.

(e) All water deliveries under a Purchase Order shall be subject to the operational conditions and constraints contained in this Division. In addition, all billings and payments for such water shall be subject to the provisions of this Division in the same manner as other water delivered by Metropolitan.

M.I. 41468 - June 13, 1995; old Section deleted and renamed, new paragraphs (a)-(g) added by M. I. 44812 - March 12, 2002; paragraph (d) amended by M.I. 48800 – September 13, 2011; amended paragraphs (b), (d), and (e), deleted prior paragraphs (e) and (f), and renumbered prior paragraph (g) as paragraph (e) by M.I. 49952 - November 18, 2014.

[§ 4405. Repealed by M.I. 52090 - August 18, 2020]

Chapter 5

WATER SERVICE REGULATIONS – GENERAL

Sec.

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§ 4500. Adoption of Regulations.

Subject to all applicable provisions of the Metropolitan Water District Act, as said Act may be amended from time to time, the following regulations shall govern the service of water by the District.

Section 322.1 based on Res. 7260 - May 12, 1970, amending Res. 3896 - August 18, 1950; amended by M.I. 33642 - March 10, 1981. Section 322.1 repealed and Section 4500 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 4501. Obligation to Pay for Water Delivered.

(a) All water delivered through any service connection to a member public agency for use within the member public agency shall be supplied in accordance with the provisions of the Metropolitan Water District Act and the rules and regulations of the District governing such service, as set forth in Chapter 5. The District shall bill the member public agency for all water delivered through the service connection, and the member public agency shall pay the District for all water so delivered at the rate or rates and within the period from time to time fixed by the Board.

(b) In the event that any member public agency shall request in writing a delivery of water directly by the District into any distribution system owned by some other agency which serves water within the corporate area of the member public agency, the member public agency

shall be obligated to pay the District for all water so delivered at the rates and under the conditions from time to time fixed by the Board; and such delivery into such other system shall constitute delivery to such member public agency for the purpose of these regulations.

(c) Member public agency system losses of District-supplied water are losses that are inherent in the operation of a water distribution system. These include losses occasioned by evaporation, seepage, spillage, leakage, pipeline failure, or system testing. Such losses shall be charged to a member public agency in direct proportion to the classes of service in which they occur and at the rates prescribed in Section 4401 for water sold and delivered for each such class of service. Such system losses shall not affect a member public agency's obligation to sustain an interruption or reduction in the delivery of water as set forth in this Code.

Section 322.2 based on Res. 7260 – May 12, 1970, amending Res. 3896 – August 18, 1950; amended by M.I. 33642 – March 10, 1981. Section 322.2 repealed and Section 4501 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; paragraphs (a) and (c) amended by M.I. 40865 - June 14, 1994; paragraph (a) amended by M.I. 41468 - June 13, 1995; paragraph (c) amended by M.I. 42278 - February 11, 1997; Paragraph (c) amended by M. I. 44005 - May 17, 2000;amended paragraph (a) by M.I. 50323 - December 8, 2015.

§ 4502. Liability and Indemnification.

Neither the District nor any of its officers, agents, or employees shall be liable for the control, carriage, handling, use, disposal, or distribution of water supplied or delivered by the District to a member public agency after such water has been delivered to such member public agency; nor for claim of damage of any nature whatsoever, including but not limited to property damage, personal injury or death, arising out of or connected with the control, carriage, handling, use, disposal, or distribution of such water beyond the point of such delivery; and the member public agency shall indemnify and hold harmless the District and its officers, agents, and employees from any such damages or claims of damages, and shall reimburse the District for costs of repair of the District's facilities and other damages resulting from the operations of the member public agency. Neither the member public agency nor any of its officers, agents, or employees shall be liable for the control, carriage, handling, use, disposal, or distribution of water prior to such water being delivered to the member public agency; nor for claim of damage of any nature whatsoever, including but not limited to property damage, personal injury or death, arising out of or connected with the control, carriage, handling, use, disposal, or distribution of such water prior to its delivery to such member public agency, excepting, however, claims by the District for costs of repair to the District's facilities and other damages resulting from the operations of the member public agency; and the District shall indemnify and hold harmless the member public agency and its officers, agents, and employees from any such damages or claims of damages, except claims by the District for costs of repair of the District's facilities and other damages resulting from the operations of the member public agency.

Section 322.3 based on Res. 7260 – May 12, 1970, amending Res. 3896 – August 18, 1950; amended by M.I. 33642 – March 10, 1981; amended by M.I. 34826 – August 17, 1983. Section 322.3 repealed and Section 4502 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; amended by M. I. 44812 - March 12, 2002.

§ 4503. Suspension of Deliveries.

(a) Whenever repairs or maintenance of the District's system, in the opinion of the General Manager of the District, shall require suspension of delivery of water at any point or points, such delivery may be suspended without liability on the part of the District; provided, that except in cases of emergency, as determined by the General Manager, notice of such suspension of service shall be given to the affected member public agency in advance of such suspension. Metropolitan will make a concerted effort to notify and work with member public agencies regarding all scheduled interruptions. The District will schedule non-emergency interruptions for the low demand months of the year, typically October through April, in coordination with the member public agencies.

(b) Each member agency shall have sufficient resources such as local reservoir storage, groundwater production capacity, system interconnections or alternate supply source to sustain:

(1) A seven-day interruption in Metropolitan deliveries from raw and treated water distribution facilities based on average annual demands of the affected facility.

(2) For service connections installed or modified after December 31, 2008 on raw water conveyance facilities, a seven-to twenty-one-day interruption in Metropolitan raw water deliveries based on average annual demand of the affected facility.

If a member public agency has been provided with a sixty (60) day notice of when an interruption in service is to occur, the member public agency shall be responsible for and reimburse direct costs, excluding labor costs, incurred by Metropolitan in the event that a scheduled non-emergency interruption is postponed or cancelled at the request of the member public agency as a result of insufficient local resources, and the District agrees to such cancellation or postponement. Direct costs shall be determined by Metropolitan's General Manager, in consultation with the affected member agency. These direct costs shall be applied to the member public agency's water invoice following cancellation or postponement of the shutdown.

(c) Except in cases of emergency, the District, working with the member agencies, will produce a shutdown schedule each September for the annual shutdown season from October through April. The District will also develop a three-year shutdown schedule, which will give notice of the proposed shutdowns greater than seven days at least one-year in advance.

Section 322.4 based on Res. 7260 – May 12, 1970, amending Res. 3896 – August 18, 1950; amended by M.I. 33642 – March 10, 1981. Section 322.4 repealed and Section 4503 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; amended by M.I. 42278 - February 11, 1997; paragraph amended by M. I. 44812 - March 12, 2002; paragraph amended by M. I. 45943 – October 12, 2004; paragraphs assigned (a), (b), (c), & (d) designations and amended by M. I. 45988 – November 9, 2004; paragraph (b) amended, (b)(1) and (2) added by M. I. 47730 - December 9, 2008; deleted paragraph (d) by M.I. 50323 - December 8, 2015.

§ 4504. Rates of Flow.

(a) Within any 24-hour period, changes in rate of flow through any service connection serving a member public agency will be limited to ten (10) percent above and below the previous 24-hour average rate of flow except when a specific request for a change in rate that would exceed such limitations has been made to the District; such requests (1) shall be made at least 6 hours in advance of the time such change is to be made; (2) shall be approved by the General Manager only if in their judgment the change would not adversely affect the District's ability to apportion available water equitably. The General Manager is hereby authorized to reduce the maximum obtainable rate of flow at any service connection where this regulation is being violated and in the event the capacity of the distribution system is insufficient to accommodate the above mentioned daily fluctuations in delivery rate, the General Manager shall regulate the rates of flow at any or all service connections so as to assure equitable service to all agencies. However, the District will endeavor to meet all reasonable demands for service so long as comparable service can be provided to all member public agencies being served from a related section of the District's distribution system.

(b) When flow through a service connection serving a member public agency is reduced below ten (10) percent of the requested or actual maximum design capacity of the meter, whichever is less, at that connection during a period when the service connection turnout valve is in the open position, the member public agency will be charged as though a flow equaling ten (10) percent of the capacity of such meter were being delivered, as determined by the General Manager, unless the District has been advised by the member public agency that no deliveries are required at that connection for a specified period. This Section 4504(b) shall not apply to those service connections which are not connected to pressure pipelines of the District or to those service connections being operated intermittently in a manner determined by the General Manager to be of benefit to the District under conditions such that when flow does occur at these service connections it exceeds ten (10) percent of the meter capacity. The General Manager shall have the power to waive the requirements of this Section 4504(b), with respect to any meter under either of the following conditions:

1) Where the member public agency served by the meter is doing everything within its capability, as determined by the General Manager, to adjust its facilities and operations so as to be able to take delivery at rates of flow not less than ten (10) percent of the requested or actual maximum design capacity of the meter, whichever is less, at that connection during a period when the service connection turnout valve is in the open position, or

2) When, at the member public agency’s request, the District has evaluated and approved meter flows at less than ten (10) percent of the requested or actual maximum design capacity of the meter, whichever is less. All of the following shall occur for this exception to be allowed:

    a. Analysis and testing validates the accurate operation of the service connection at the requested flow range, as determined by the General Manager;

    b. The revised operational range of the service connection complies with all other Administrative Code requirements, including, but not limited to,

Section 4506 (Metering of Water) requiring that service connection meters have no more than a two (2) percent error when measuring flows;

c. The service connection is using a meter type that is not a classical venturi meter;

d. The member public agency is responsible for all costs in evaluating, testing, and adjusting the meter; and

e. When flow through the service connection is reduced below the revised operational range of the meter, the member public agency will be charged as though a flow equaling the revised minimum flow is being delivered, as memorialized in an amended service connection agreement.

(c) When flow through a service connection serving a member public agency is increased above the actual maximum design capacity of the meter, the member public agency will be charged as though a flow equaling one hundred and twenty-five (125) percent of the capacity of such meter were being delivered, as determined by the General Manager.

(d) The General Manager shall have the power to waive the provisions of Sections 4504(a), 4504(b) and 4504(c) for a specified period with respect to any service connection if in their judgment such a waiver will serve to accomplish the current objectives of the District and will not adversely affect the operation of the District's distribution system or impair its ability to provide service to all member public agencies.

Paragraph (b) [formerly Section 322.5.2] based on Res. 7241 - February 10, 1970 and Res. 7260 - May 12,1970; paragraph (a) [formerly Section 322.5.1] based on Res. 7260 - May 12, 1970 amending Res. 3896 - August 18, 1981; paragraph (c) [formerly Section 322.5.3] added by M.I. 31817 - June 14, 1977; section amended by M.I. 33642 - March 10, 1981. Section 322.5 repealed and Section 4504 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (a) amended, paragraph (c) added and paragraph (d) renumbered and amended by M.I. 42278 - February 11, 1997; amended paragraph (b), and added paragraphs (b) 1) and (b) 2) by M.I. 51165 - April 10, 2018; amended paragraphs (a) and (d) by M.I. 53064 – December 13, 2022.

§ 4505. Estimates of Water Requirements and Schedules of Deliveries.

(a) General. - Before July 1 of each year, each member public agency shall furnish the District, in form provided by the District, with an estimate of the amounts of water to be furnished to such member public agency by the District. These estimates will be used by the District in planning the construction needed to complete the District's ultimate aqueduct and distribution system; in planning the future operation of such system; and in preparing notices for submission to the State Department of Water Resources which will be used by the State to order power for pumping on the State Water Project.

(b) Contents of Estimates

(1) Each estimate furnished by a member public agency pursuant to Section 4505(a) shall contain, as a minimum, for each service connection and for each month of the year beginning with the succeeding July 1, and for the entire member public agency for each month of the succeeding four years, the following information:

(i) The quantity of water to be delivered by Metropolitan to the member public agency in full service.

(ii) With regard to water estimated to be delivered in full service, the quantity of water to be used for seawater barrier groundwater replenishment.

(iii) With regard to water estimated to be delivered in full service, the quantity of water to be used for:

(aa) groundwater replenishment

(bb) reservoir replenishment.

(2) The estimate shall constitute the member public agency's request for deliveries for the first of the five years covered therein.

Section 322.6 based on Res. 7260 – May 12, 1970; amended and paragraph (b) [formerly Section 322.6.2] added by M.I. 33642 – March 10, 1981] effective July 1, 1981; paragraph (a) [formerly Section 322.6.1] amended by M.I. 36374 - November 18, 1986. Sections 322.6.1 and 322.6.2 repealed and Section 4505 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; paragraph (b)(iii) added and previous paragraph (b)(iii) renumbered to (b)(iv) and amended by M.I. 37764 - July 11, 1989; paragraphs (b)(1)(ii) and (iv) amended and subparagraph (cc) repealed by M.I. 40865 - June 14, 1994; paragraph (a) amended by M.I. 41468 - June 13, 1995; paragraphs (a) and (b)(1) amended by M.I. 42278 - February 11, 1997; Paragraphs ((b) (1) (ii), (iii); (aa), and (bb) amended by M I. 44005 - May 17, 2000; sub-paragraph(aa) amended by M. I. 44812 - March 12, 2002; sub-paragraph (iii) deleted and renumbered, sub paragraphs (aa) and (cc) amended, and (dd) added by M. I. 45249 - March 11, 2003; amended paragraph (a), deleted former paragraphs (b)(1)(ii), (b)(1)(iv)(bb), and (b)(1)(iv)(dd), renumbered former paragraph (b)(1)(iii) to current paragraph (b)(1)(ii), renumbered and amended former paragraph (b)(1)(iv) to current paragraph (b)(1)(iii), renumbered and amended former paragraph (b)(1)(iv)(aa) to current paragraph (b)(1)(iii)(aa), renumbered and amended former paragraph (b)(1)(iv)(cc) to current paragraph (b)(1)(iii)(bb) by M.I. 50323 - December 8, 2015.

§ 4506. Metering of Water.

All water delivered by the District shall be metered. Meter readings shall be made on or about the last day of each calendar month for billing purposes. Meters and control valves on water lines of the District shall be owned and operated by the District. Any member public agency may have any meter through which water is served from the District's facilities to any area within such member public agency tested by the District at any time. Any member public agency affected shall have the right to be represented by a qualified observer at and during any such tests. In the event that any such test shall disclose an error exceeding 2 percent, an adjustment shall be made in charges made to the affected member public agency, covering the known or estimated period of duration of such error, but in no event exceeding six months, and the expenses of such test shall be borne by the District; otherwise, such expense shall be borne by the member public agency requesting such test.

Section 322.7 based on Res. 7260 - May 12, 1970; amended by M.I. 33642 - March 10, 1981. Section 322.7 repealed and Section 4506 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 4507. Billing and Payment for Water Deliveries.

(a) **Timeframe for Billing and Payment.** Except as noted herein below, invoices shall be mailed electronically, or, if requested by the member agency, by hardcopy via United States mail, not later than the tenth day of the month following delivery to a member public agency. Each such invoice shall indicate the date of mailing and the date on which the payment thereunder becomes delinquent and shall show the total amount of water delivered for each class of service, the charges for water sold and delivered for each class, the readiness-to-serve and capacity charges, as applicable, and the total amount due and owing, all as determined by the General Manager. Payment of the amount shown on any such invoice shall be due on the last business day of that month and shall be delinquent if not received by the Treasurer of the District before the close of crediting activity on the last business day of the first month following such date of mailing. When making any such payment the member public agency shall specify the invoice or invoices to which the payment shall be credited by the District.

(1) For purposes of Section 4507(a), "business day" shall mean any day other than a Saturday, a Sunday, or a Holiday (as defined in Section 1106).

(2) For purposes of Section 4507(a), "received by the Treasurer of the District" shall mean receipt either (1) in the office of the Treasurer or (2) by crediting pursuant to advance agreement with the Treasurer to the District's general demand account at the District's principal depository bank, in such form that the funds are immediately available for investment or other use or disposal by the District.

(3) For purposes of Section 4507(a), "crediting activity" shall mean either (1) 2:00 p.m. if payment is delivered to the office of the Treasurer, or (2) the cutoff time for crediting by the District's principal depository bank of that day's transactions if payment is initiated by wire transfer, automated clearinghouse transfer, interbranch transfer, direct deposit, or by other means pursuant to advance agreement with the Treasurer.

If, under advance agreement with the Treasurer, a member agency has authorized payment of any invoice by automated clearinghouse transfer initiated by the Treasurer, the Treasurer shall initiate such transfer for processing two business days prior to the business day on which such payment shall be delinquent. Failure of such transfer shall not relieve such member agency from liability for such payment or charges in the event such payment should become delinquent, except as specifically provided under advance agreement with the Treasurer.

(b) **Full Service and Emergency Storage Program Facility.** In cases where water through a particular facility is delivered during any month for full service or Emergency Storage Program Service, the bill for water delivered in such month will be prepared by applying the rates for water sold and delivered in full service to the total quantity of water delivered. If the member public agency desires to receive credit for water used in Emergency Storage Program Service, the facts concerning the quantities of water so used must be certified to the District via the District's electronic certification and billing system by an authorized user for the member public agency purchasing such water as provided for in Section 4507 (c). The amount of such credits shall be based on the difference in water rates in effect at the time the water is used.

(c) **Late Certifications.** Based on available information, the District will notify a member agency for any certification that it has not received, if known, three months from the end of the month for which the agency would normally certify. No certification received after six months following the end of any month in which such a credit is claimed will be accepted. Certifications must be received by Metropolitan before 3:30 p.m. on the third working day after the end of the month to receive credit for any preceding month on the next bill, subject to the provisions with respect to late certifications in this Section. This Section applies to all cases where a certification is required to receive a credit, whether or not specifically named in this Section, unless otherwise provided by this Code.

(d) **Determination by General Manager as to Type of Delivery.** In the event the respective quantities of water sold and delivered in any month on order of any member public agency for use therein in any water program or contract requiring certification, are not determinable to the satisfaction of the General Manager in time for preparing regular monthly bills, then billing and payment for all water sold and delivered in such month to such member public agency shall be made at the rates prescribed for water used in full service in Section 4401(a)(1) hereof. Upon the determination by the General Manager of the correct quantities of water sold and delivered and used in any water program or contract requiring certification, any adjustment which is necessary to give effect to the applicable credit for the water used in any water program or contract requiring certification, shall be made by application of credits on subsequent purchases of water from the District by such member public agency. Such adjustments shall not be made in cases where a claim for the applicable credit is not submitted within the period provided in Section 4507(c).

(e) **Obligation to Pay for Appropriate Class of Service.** If water has been sold and delivered at the rates prescribed for water sold in any water program or contract and appropriate certifications have been submitted for the water so used, but the water has in fact been used in full service or another class of service, the member public agency shall be obligated to pay the

difference between the rates prescribed for water sold for the applicable water program or contract and the rates prescribed for the class of service actually used.

(f) **Submission of Documentation by Member Agency.** With respect to water sold and delivered at the rates prescribed for water sold under water programs or contract (unless otherwise specified in an agreement with the District), original documentation supporting the use of such water as certified must be submitted no later than December 31 following the end of the fiscal year for which a certification is submitted, unless otherwise specified in an agreement with the District. If the documentation is not submitted by December 31 following the end of the fiscal year for which a certification was submitted, an agency will receive a late penalty of $2,500. If the agency does not submit documentation by February 28/29 following the end of the fiscal year for which a certification was submitted, it shall be conclusively presumed that:

(1) The water sold from the District was used for full service, and the District's next monthly billing shall reflect such adjustment; or

(2) The yield was not produced as certified and the District's next monthly billing shall reflect such adjustment.

This provision will apply individually to each program or agreement that an agency or sub-agency participates in separately.

(g) **Review Process.** With respect to water sold and delivered at the rates prescribed for water sold under water programs or contract (unless otherwise specified in an agreement with the District) the District will complete its review within twelve months from date of receipt of the original supporting documentation.

(1) Should the District not complete its review within twelve months of the submittal of all source documentation, the review will be considered complete and the certifications final.

(2) When the review is completed, the District will notify the member agency of its initial findings for its comments. The member agency will provide its comments within 60 days. Metropolitan staff and the agency will work together to reconcile any differences.

(3) If the member agency and Metropolitan staff cannot reconcile the differences, Metropolitan's Water System Operations' Group Manager has the responsibility to consult with the member agency and make a final ruling, subject to the General Manager's oversight. If the ruling is unsatisfactory to the agency, it can be appealed to Metropolitan's Finance, Affordability, Asset Management, and Efficiency Committee.

(4) If the member agency does not provide further documentation correcting Metropolitan staff findings within the 60-day comment period as specified in (g) (2), then it shall be conclusively presumed that the District's findings are correct and the District's next monthly billing shall reflect such adjustment.

(h) **Discovery of Mistakes or Errors.** In the event a mistake or error is discovered in a District water sales record, the General Manager shall initiate appropriate corrective action. No mistake or error made more than three years prior to its discovery shall be corrected unless otherwise specified in an agreement with the District. In the event a mistake or error is discovered by a member agency in its water sales record or certifications, no mistake or error made more than three years prior to its discovery shall be corrected unless otherwise specified in an agreement with the District.

(1) A District water sales record shall include a water billing invoice, or district invoice for other water-related charges.

(2) If the District finds the mistake or error, the discovery of the mistake or error shall be documented in writing to the member agency. The date of discovery for corrective action purposes shall be the date notice is sent to the member agency.

(3) If the member agency discovers the mistake or error, the discovery of the mistake or error shall be documented in writing to the District by either a revised certification form or letter, whichever is applicable. The date of discovery for corrective action purposes shall be the date the certification or letter is received by the District.

(4) If an incorrect invoice has been issued to a member public agency, the General Manager shall notify the affected agency of any adjustment and the manner of making any required credit or charge, neither of which shall bear interest.

(5) Mistakes or errors shall also include but are not limited to mistakes or errors in metering or recording deliveries to member agencies, entry or calculation errors in fixed charges, discovery of errors in either a member agency or sub-agency submitted certification(s), or processing of a certification(s) for the Local Projects Program, the Local Resources Program, the Groundwater Recovery Program, Conservation Credit Program, or any other water management program or storage programs or agreements unless specified otherwise in the contract.

(6) Any mistakes or error for a fiscal year period that is less than five acre-feet cumulative by agency or sub-agency, by program or agreement, shall be waived.

(i) **Rate Change.** In the event that deliveries of water are made by the District to member public agencies over a billing period during which the District's water rates change, the General Manager may cause the meters recording deliveries of water during such period to be read at the end of the period and the statement of charges for such deliveries of water may be based on a proration between the previous and new water rates for the periods of time during which each were in effect as determined by the General Manager.

Section 322.8 based on Res. 7291 – October 13,1970; amended, paragraphs (c) through (h) [formerly Sections 322.8.3 through 322.8.8] added, and paragraph (i) [formerly Section 312.9] amended and renumbered by M.I. 33642 – March 10, 1981; paragraphs (c) and (f)(2) amended by M.I. 33691 – April 14, 1981; paragraph (a) [formerly Section 322.8.1] amended and paragraphs (a)(1) through (a)(3) added by M.I. 34215 – May 11, 1982; paragraph (d) amended by M.I. 35430 – December 11, 1984; paragraph (a) amended by M.I. 36374 - November 18, 1986. Section 322.8 repealed and Section 4507 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; paragraph (a) amended by M.I. 37271 - August 23, 1988; amended by M.I. 37764 -

July 11, 1989; paragraph (c) amended by M.I. 39082 - July 9, 1991; paragraph (f) amended by M.I. 40389 - August 24, 1993; paragraphs (a), (a)(2) and (3) amended by M.I. 40463 - September 21, 1993; paragraphs (c), (d), (f) through (i)(1) and (2) and (j), (k) and (l) amended by M.I. 40865 - June 14, 1994; paragraph (a) amended by M.I. 41468 - June 13, 1995; paragraphs (e) and (f) amended by M.I.41617 - October 10, 1995; paragraphs (a), (b), (d)-(m) amended by M.I. 42278 - February 11, 1997; Titles added to paragraphs (a)-(n), original paragraphs (b)-(l) renumbered and amended, new paragraphs (k)-(m) (1)-(6) added, and paragraph (m) amended and (m) (1)-(6) added by M. I. 44005 - May 17, 2000; paragraph (l)(3) amended by M.I. 44582 – August 20, 2001; paragraphs (a) and (f) amended and new paragraph (o) added by M. I. 44812 - March 12, 2002; paragraphs (a), (d), (e), (i), (j), (k), (l), (m)(5) amended by M. I. 45249 - March 11, 2003; paragraphs (e), (i), and (j) amended by M.I. 45941 – October 12, 2004; paragraph (a) amended by M. I. 46148 - March 8, 2005; paragraph (l)(3) amended by M. I. 46983 - February 13, 2007; paragraphs (c), (i)(3), (j) amended, paragraph (g) added and renumbered by M. I. 47259 - October 9, 2007; paragraphs (l), (m), (n)(1)-(6), (o), (p) amended by M.I. 47672 – October 14, 2008; paragraphs (c), (e), (i)(3), (j) amended by M.I. 47998 - August 18, 2009; paragraph (3) amended by M.I. 48534 - January 11, 2011; deleted paragraph (p) by M.I. 49952 - November 18, 2014; deleted former paragraphs (b), (c), (d), (g), (h), and (i), renumbered former paragraph (e) to current paragraph (b), renumbered former paragraph (f) to current paragraph (c), renumbered former paragraph (j) to current paragraph (d), renumbered former paragraph (k) to current paragraph (e), renumbered former paragraph (l) to current paragraph (f), renumbered former paragraph (m) to current paragraph (g), renumbered former paragraph (n) to current paragraph (h), renumbered former paragraph (o) to current paragraph (i), amended paragraphs (b), (d), (e), (f), (g), and (h) by M.I. 50323 - December 8, 2015; amended paragraphs (g)(3) and (g)(4) by M.I. 53064 – December 13, 2022; paragraph (g)(3) amended by M.I. 53528 – February 13, 2024; paragraph (g)(3) amended by M.I. 53408 - March 11, 2025.

§ 4508. Additional Payment and Reporting in the Event of Delinquency in Payment for Water.

In the event any member public agency shall be delinquent in the payment for water delivered and other charges as invoiced by the District, an additional charge equal to two (2) percent of such delinquent payment for each month or portion thereof that such payment remains delinquent shall be assessed, and the member public agency shall pay such charge to the District in addition to the amount of such delinquent payment. Notwithstanding the above, if the total period of delinquency does not exceed five (5) business days, the additional charge shall be equal to one (1) percent of such delinquent payment. Invoices for delinquencies including additional charges shall be mailed not later than the tenth day of each month. In the event any member public agency shall be delinquent for more than thirty (30) days in the payment for water, such delinquency shall be reported by the General Manager to the Board of Directors of the District at its next meeting. The Board, in its discretion and upon such other conditions as it may prescribe after giving the member public agency a reasonable opportunity to be heard, may order the termination of service to such member public agency until all delinquent payments, including additional charges, are made to the District or may authorize such other actions as may be legally available to effectuate collection.

Section 322.9 based on Res. 7291 - October 13, 1970; amended by M.I. 33642 - March 10, 1981; amended by M.I. 34215 - May 11, 1982 effective July 1, 1982. Section 322.9 repealed and Section 4508 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 41468 - June 13, 1995; amended by M.I. 53058 – December 13, 2022.

§ 4509. Water Restricted to Use Within the District.

In order to ensure that water served by the District is not used for the direct or indirect benefit of areas outside the District, the amount of water served by the District's facilities that shall be made available to any member public agency shall be limited to an amount equal to that required for uses within the area of the District lying within, or served by or through, such member public agency. No area lying outside the boundaries of the District shall be served with water from the

District's facilities, except as service to such area may, when found to be such by the Board, be a reasonably unavoidable incident to the service of such water within the District, and under such circumstances the amount of water served by the District that shall be made available to any member public agency shall be limited to an amount equal to that required for uses within the area of the District lying within, or served by or through, such member public agency. Any question of fact involved in the application of this Section 4509 shall be finally determined by the Board, after giving the member public agency concerned adequate opportunity to present pertinent factual evidence and the views of such member public agency.

Section 312.10 based on Res. 7260 - May 12, 1970; amended by M.I. 33642 - March 10, 1981.
Section 322.10 repealed and Section 4509 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 53058 – December 13, 2022.

§ 4510. Application of Regulations.

The provisions hereof shall not be applicable to service of water to the United States of America, or to any board, department or agency thereof, to the State of California, or to the service of surplus water under contract made in accordance with statute, but such service shall be controlled by the applicable contract.

Section 312.11 based on Res. 7260 - May 12, 1970; amended by M.I. 33642 - March 10, 1981. Section 322.11 repealed and Section 4510 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 4511. Notices.

All notices and communications from member public agencies of the District, relating to the service of water or the administration of these regulations by the District, shall be addressed to the General Manager, Post Office Box 54153, Los Angeles, California 90054.

Section 312.12 based on Res. 7260 - May 12, 1970; amended by M.I. 33642 - March 10, 1981. Section 322.12 repealed and Section 4511 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 4512. Sales Subject to System and Water Availability.

The District will endeavor to satisfy all requests for water sales and deliveries made by the member public agencies. Deliveries shall be subject to operational, supply or demand conditions, as determined by the General Manager. The District will develop annual operating plans in coordination with member public agencies. The annual operating plans shall be developed to meet requested deliveries under anticipated conditions. In the event of adjustments to deliveries due to changes in planned operations or in supply or demand conditions, the District and the member public agencies will communicate and coordinate operations.

M.I. 36811 - September 22, 1987; amended by M.I. 40865 - June 14, 1994; amended by M.I. 42278 - February 11, 1997; amended by M.I. 50323 - December 8, 2015.

§ 4513. Equal Opportunity Requirements.

Pursuant to contract between agencies of the United States and the District, any delivery of water by the District to a member public agency shall be subject to the following provisions. For

the purposes of these provisions only, the member public agency is therein referred to as "Contractor."

(a) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Federal Contracting Officer setting forth the provisions of this nondiscrimination clause.

(b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without discrimination because of race, color, religion, sex, or national origin.

(c) The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Federal Contracting Officer, advising said labor union or workers' representative of the Contractor's commitments under Section 202 of Executive Order 11246 of September 24, 1965, as amended, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(e) The Contractor will furnish all information and reports required by said amended Executive Order and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Federal Contracting Officer and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(f) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated, or suspended, in whole or in part, and the Contractor may be declared ineligible for further Federal Government contracts in accordance with procedures authorized in said amended Executive Order, and such other sanctions may be imposed and remedies invoked as provided in said amended Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(g) The Contractor will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of said amended Executive Order, so that

such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

M.I. 36781 - August 18, 1987.

[§ 4514 repealed by M.I. 50323 - December 8, 2015.]

[§ 4515 - M.I. 38295 - June 12, 1990; repealed by M.I. 41468 - June 13, 1995.]

[§ 4516 – M. I. 40969 – August 19, 1994; repealed by M. I.44812 - March 12, 2002.]

§ 4517. Cooperative Storage Program.

(a) The Cooperative Storage Program that provides a means for coordinating storage capacity available to the District's member public agencies, with the District's annual carryover storage needs as those needs are determined under Subsection 4206(c). The purpose of the Program is to place additional amounts of imported water in local storage to improve regional water supply reliability within the District's service area, in a manner that will recognize local costs and risks of participating in the program, but will not adversely impact either the District's finances or the member public agencies' ability to participate in the Replenishment Service Program.

(b) Storage Allocation - The General Manager shall allocate needed storage by reservoir and by groundwater basin to optimize the availability and usefulness of the storage to the District; and shall administer the Program so that, in any fiscal year, Program water in storage shall be accessible to offset demands on the District that year by the participating member public agency pursuant to subsection (h).

(c) Availability of Water for Storage - The General Manager may make water available during the period May 1 through September 30, for storage under the Cooperative Storage Program, upon notice to the respective participating member public agency, subject to a determination that the storage will increase the District's ability to receive imported water supplies.

(d) Application for Participation - Member public agencies may apply for participation in the Cooperative Storage Program by filing a written application containing at least the following:

(1) A verified statement that the member public agency will comply with the requirements of this section.

(2) A water supply and demand estimate based on historical data to ensure that:

(i) The agency's participation in the Program will not offset its firm purchases of water from the District, and

(ii) The agency will store additional imported District water.

(iii)The estimate may be updated if conditions change, provided the updating is first agreed to in writing by the agency and the District.

(3) A proposal for placing water provided by the District under this Program in storage available to the member public agency, and for administering that storage pursuant to this Section.

(4) An estimate of any expected losses of Program water while that water is in the proposed storage, and the method of estimating those losses.

(5) Evidence of compliance with the California Environmental Quality Act prior to delivery of imported water for placement in Program storage.

(6) If more than one member public agency overlies a common groundwater basin, the overlying member public agencies may file a joint application, with each such agency providing a separate water supply and demand estimate for its respective service area pursuant to subsection (d)(2) and any other separate information the General Manager may require.

(e) Approval for Participation - The General Manager shall approve an application for participation in the Program upon determination that it is consistent with the requirements of this section. The General Manager shall approve the application in writing which shall include a monthly estimate of total demand, water purchased from Metropolitan, available local supplies, and the maximum quantity of District water which shall qualify for storage under the Program, and those figures shall be approved by signature of a duly authorized representative of the participating member public agency prior to storage of water under the Program. Any later modification to said figures must be approved by both parties in writing. The application of any modification shall not be effective until approved in writing. The District shall conduct end-of-the-year verifications of stored water.

(f) Storing Process

(1) The District will deliver at its cost, available imported water to the respective participating member public agency at its appropriate District service connection, for Program storage by direct or in-lieu methods, following verbal or electronic acceptance by that agency. This delivery shall be deemed to be a Cooperative Storage Program sale by the District to the member public agency as defined in Section 4118, subject to the payment requirements of subsection (i) and (j) of this Section.

(2) The agency will, at its cost, cause the water to be placed in storage in a manner that meets all applicable storage requirements; and shall warrant that the stored water shall not

be withdrawn or used until after the District releases the stored water pursuant to this Section.

(3) Program water delivered to a member public agency shall not offset a firm water sale of District Water by that agency. If a participating member public agency's firm water purchases from the District on a monthly basis during the May through September period are less than the District's firm water sales on a monthly basis during the same period in any one of the last five years, the agency must clearly demonstrate to the District, in writing, that such reduction occurred due to the availability of unexpected local water supplies. Any resulting change in the baseline established pursuant to Subsection (e) shall be approved in writing by the General Manager prior to becoming effective. Should the agency fail to make the required demonstration, the District shall bill the agency at the firm water rate for that portion of Cooperative Storage water delivered which will bring the firm water sales up to the agreed base amount of firm water for the month(s) in question.

(g) Storage Accounting

(1) Each participating member public agency shall maintain a Program storage account for Program water it stores, which shall account for monthly deliveries, releases, and storage losses approved by the District, if any, and other information which the General Manager shall deem necessary.

(2) The District shall bear reasonable and equitable losses of stored water provided that the General Manager approves the respective member public agency's justification of the loss criteria prior to placement of water into storage and shall consider those losses in allocating Program storage. Otherwise the District shall not bear any loss of stored water.

(3) Water stored under this Program shall be stored by a participating agency in such a manner as to assure that such water can be produced by that agency when released by Metropolitan. Program water delivered to a member public agency for storage shall be considered local water produced in that year for purposes of Replenishment Service.

(h) Release of Stored Water - The General Manager shall release stored Program water to the participating member public agency in which it is stored under the following criteria:

(1) Water Delivered to Storage Prior to 1995

(i) In an fiscal year when Replenishment Service deliveries are available, the General Manager may release, up to half of the Program water stored by the respective member public agency, in place of the agency's request for delivery of Replenishment Service through the District's distribution system, except for conditions described in provisions (iv) and (v) of this subsection;

(ii) In a fiscal year in which Replenishment Service or Full Service deliveries have been suspended, the General Manager shall release, and the participating member public agency shall accept, up to half of the Program water stored by the respective

public agency, to the extent the agency requests that release, except for conditions described in provisions (iv) and (v) of this subsection;

(iii) During an emergency such as an earthquake, when District water service is interrupted, the General Manager shall release up to all stored Program water stored by the respective member public agency, to the extent of the interruption in water service and that the agency requests that release;

(iv) When the Program water stored by the respective member public agency is less that ten percent of the agency's average annual purchase of Replenishment Service, whichever is applicable, deliveries for the prior four years, the General Manager may release all of the Program water stored by the agency;

(v) In any fiscal year during which a participating member public agency's Replenishment Service or Program water release request is less than its average annual purchase of Seasonal Storage Service or Replenishment Service, whichever is applicable, of the prior four years, the General Manager may release the Program water stored by the respective member public agency in combination with Replenishment Service sales up to the agency's four-year average Seasonal Storage Service or Replenishment Service purchase. The District shall not release more than half of the Program water stored by the respective member public agency for this purpose and shall provide the agency with a 90-day advance notice of the release.

(2) Water Delivered to Storage After 1994

(i) The General Manager may release in a fiscal year up to one-third of the total amount of Program water placed in storage by a respective member public agency in place of that agency’s request for delivery of water from the District’s distribution system or for Replenishment Service, in order to fill Diamond Valley Lake, meet operational requirements, or reduce or eliminate shortages. Program water used to reduce or eliminate shortages, or for operational requirements may be released during any ten months selected by the General Manager during a twelve-month period from the time of release. Program Water may be released at any time in place of the agency’s request for Replenishment Service.

(ii) Upon release of Program water by District, the participating member agency shall furnish to District, within 60 days, water supply and demand data based on historical information sufficient to document that it has produced the amount of Program water released to it.

(iii) The General Manager shall release stored Program water to the respective member public agency no later than ten years after delivering it to that agency for storage.

(iv) If a member public agency receives delivery of Program water for storage after 1994, any Program water that agency has stored in previous years shall also be subject to the release provisions of this Subsection (h)(2).

(v) Participating Member Public Agencies may transfer Program water they have placed into storage under the Program into other long-term water storage programs the District may develop as part of its Integrated Resource Plan under mutually agreeable transfer terms, executed in writing by both parties.

(i) Payment

(1) The participating member public agency shall pay the District's incremental costs of delivering Program water for storage plus interest at the average yield on the District's investment portfolio, from the date of delivery to the member public agency to the date of the invoice. Pursuant to the provisions of Section 4507, the District will invoice the member public agency on or about July 10 of the calendar year following the year in which the water is delivered.

(2) At the time the General Manager releases stored Program water to the respective participating member public agency the District shall invoice the respective participating member public agency pursuant to the provisions of Section 4507, at the applicable treated or untreated Replenishment Service rate in effect when the respective Program water was placed in storage, less any previous payment for the incremental costs of delivering the water for storage (but not including credit for the interest required by Subsection (i)(1)).

(3) Water released from storage to the participating member public agency shall be the oldest water then in storage.

(4) Readiness-to-Serve Charge Treatment.

(i) Program water delivered to storage prior to April 12, 1994 shall be exempted from the Readiness-to-Serve charge determination. Those charge determinations shall be applied to water delivered to storage after that date, except as applied in (ii) below, when the stored water is released to the participating member public agency.

(ii) The Readiness-to-Serve charge for Program water delivered for storage in 1995 shall be $36 per acre foot and will be paid monthly as the water is released to the member public agency.

(j) Penalty - A participating member public agency shall pay the applicable treated or untreated Full Service water rates for Program water the District delivers to it for placement in storage, to the extent it fails to comply with all the requirements of this Section.

(k) Indemnification - Participating member public agencies shall indemnify and defend the District, its employees, officers and directors for any injuries or damages that may be caused as a

result of placing Program water in storage, storage itself, or storage releases and related withdrawal or use of Program water.

M.I. 40969 - August 19, 1994; paragraphs (a) through (i)(4)(ii) amended and renumbered, paragraph (k) repealed and paragraph (l) renumbered by M.I 41404 - May 9, 1995; paragraphs (h) and (j) amended by M.I. 42278 - February 11, 1997; paragraphs (f) and (h) (i) amended by M.I. 44005 - May 17, 2000; paragraph (i) (1) and (i) (4)(i) (ii) amended by M. I. 44812 - March 12, 2002; paragraphs (a), (g)(3), (h), (h)(i), (iii)-(v), (2)(i), (iv), and (i)(2) amended by M. I. 45249 - March 11, 2003.

§ 4518 Emergency Storage Program.

(a) The Emergency Storage Program is for the purpose of delivering water for emergency storage purposes. A member public agency may request delivery of water under the Emergency Storage Program. The minimum delivery of water for emergency purposes pursuant to any request is 10 acre-feet. Deliveries under the Emergency Storage Program, in the aggregate, are limited to 100,000 acre-feet annually, subject to available surplus and capacity to deliver. Water delivered under the Emergency Storage Program can be used only for Emergency Storage Program purposes. On-going operating losses such as evaporation cannot be replaced through the Emergency Storage Program. Water delivered through the Emergency Storage Program is subject to interruption by Metropolitan due to supply, water quality, or operational conditions. Water delivered pursuant to the Emergency Program may be withdrawn from emergency storage only to the extent that:

(1) The local agency's governing body declares an emergency requiring public notice and extraordinary conservation measures.

(2) The emergency requires use of stored water for a period greater than seven days; and

(3) Operational storage has been completely used.

(b) Applicable rate – Water delivered through the Emergency Storage Program will be billed at the then applicable Tier 1 cost including System Access Rate, System Power Rate, Water Stewardship Rate and Tier 1 Supply Rate. The Treatment Surcharge will apply to treated water deliveries. Water delivered through the Emergency Storage Program is not to be included in the calculation of a member agency's Readiness-to-Serve Charge or Capacity Charge. The Water Stewardship Rate is inapplicable for calendar years 2021 and 2022 and therefore, this section is also inapplicable during that time period. Water delivered through the Emergency Storage Program during this time will be billed at a rate for the transaction to be agreed upon by Metropolitan and the member agency.

(c) Certification

(1) Certification process is subject to the rules specified in Section 4507.

(2) On a monthly basis, a participating member public agency will certify the volume of water delivered for Emergency Storage Program purposes for billing purposes via the District's electronic certification and billing system.

(3) A member public agency that has received water under the Emergency Storage Program shall certify to Metropolitan whether water delivered through the Emergency Storage Program is maintained as emergency storage and/or indicate the emergency for which the storage water was withdrawn. In the event of an emergency where the water is unavailable due to its prior use to meet non-emergency demands, the water will be re-billed to the member agency at the then current Tier 2 cost.

M.I. 45941 – October 12, 2004; paragraph (2) amended by M.I. 47998 - August 18, 2009; amended paragraph (b) to reflect approved water rates effective January 1, 2020 by M.I. 51163 – April 10, 2018, and approved water rates effective January 1, 2021 and January 1, 2022 by M.I. 51962 – April 14, 2020.

§ 4519 Emergency Deliveries of Member Agency Water Supplies in Metropolitan's System

Emergency deliveries of member agency water supplies in Metropolitan's system are intended to provide Metropolitan's member public agencies the ability to deliver member agency water supplies through Metropolitan's system under specific emergency conditions, subject to the General Manager's approval and the requirements listed herein.

(a) Emergency: For the purposes of this section, an emergency shall be defined as a condition in which Metropolitan is physically unable to make deliveries to an operable existing member agency service connection due to damage associated with a natural disaster or other catastrophic event, for a period expected to be greater than seven days. For purposes of an emergency under this section, member agency supplies include any water the member agency introduces into Metropolitan's system even if all or part of its supply was originally delivered to the member agency by Metropolitan. The determination of an emergency shall be made solely by Metropolitan's General Manager.

(b) Emergency Deliveries: Use of Metropolitan's system for emergency deliveries of member agency water supplies will only be considered if:

i) There are no alternate means for Metropolitan to make deliveries to the member agency's system through another service connection on Metropolitan's system, and

ii) The member agency has no feasible alternate method(s) to provide extended service to an area without the use of Metropolitan's system. Feasible alternate methods include, but are not limited to, use of interconnections with other neighboring agencies, delivery of other member agency water supplies, and use of local emergency storage reserves. The determination of feasible alternate methods shall be made solely by Metropolitan's General Manager.

(c) Multiple Agencies: A member agency may move its supplies through Metropolitan's system due to an emergency: (i) to make emergency deliveries to itself, and/or (ii) to make emergency deliveries to one or more other member agencies that request this because the agency or agencies have no feasible alternate methods of delivery. In the latter situation, all of the requirements, liabilities, and indemnifications of a member agency in this section shall be

divided or shared between the participating member agencies, and Metropolitan shall have no such responsibilities. The participating member agencies shall agree to the division or sharing of requirements, liabilities, and indemnifications in writing in advance of the emergency deliveries, subject to Metropolitan's review and approval. The term "member agency" is referred to in singular form throughout this section, but can apply to multiple participating agencies, where applicable.

(d) Ability to Serve: Metropolitan's General Manager reserves the right to determine if Metropolitan's system will be used for emergency deliveries subject to available system capacity and facility impacts. Emergency deliveries of member agency water supplies may not occur if doing so impairs or impedes Metropolitan's emergency recovery efforts.

(e) Water Quality Standards and Liability: The member agency will be responsible for meeting all water quality standards and requirements for its member agency water supplies introduced into Metropolitan's system during the emergency and until Metropolitan's system is completely flushed with Metropolitan's water at the conclusion of the emergency operation. In addition:

i) The member agency shall assume all risk of any adverse impacts to water quality and system conditions attributable to its emergency deliveries of member agency water supplies through Metropolitan's system and other affected facilities, including all other affected downstream member agency connections and systems that may receive all or part of the member agency water supplies.

ii) Prior to initiation of emergency deliveries, the member agency will provide the necessary water quality data to confirm the compatibility of its member agency water supplies (either treated or untreated) with Metropolitan's water and distribution system. Water quality characteristics of the supplied water must be compatible with Metropolitan's water to ensure compliance with regulatory, aesthetic, physical, and operational objectives in Metropolitan's system.

iii) The member agency is responsible for obtaining all required drinking water permits and/or approvals for the new water source(s) from the State Water Resources Control Board, Division of Drinking Water. If another member agency is not participating in emergency deliveries but is affected by a member agency's participation, the participating member agency will coordinate with the affected agency and ensure that all compliance and permitting requirements are met for the affected agency.

(f) Indemnification: The member agency must indemnify Metropolitan for any claims arising from the emergency deliveries as set forth in Section 4502 of Metropolitan's Administrative Code, as may be amended over time, and from any costs or liability arising out of any violation by the member agency of any laws or regulations related to the emergency deliveries, including but not limited to CEQA and its implementing regulations. In addition to indemnity under Section 4502 of Metropolitan's Administrative Code, the member agency shall defend, indemnify, and hold harmless Metropolitan, its Board of Directors and its officers, agents, and employees from all liability and claims of any kind arising out of or in connection with any

effects on the member agency's, its member subagencies', or any other affected parties' water quality and/or operations as a result of the emergency deliveries.

(g) System Integrity: The member agency is responsible for paying for all costs of repairing any damage resulting from the emergency deliveries that occurs in the portion of Metropolitan's system being used and affected by the member public agency during the period of emergency deliveries. To ensure the timely return of Metropolitan's facilities to service and in accordance with Metropolitan's standards, Metropolitan may elect to perform the repairs on a reimbursable basis, at the General Manager's discretion.

(h) Compensation: The member agency will compensate Metropolitan for the delivery of member agency water supplies through Metropolitan's system as follows:

i) The member agency will not be required to pay Metropolitan's rate for wheeling service for the delivery of the member agency's water supplies through Metropolitan's system during an emergency.

ii) The member agency will pay Metropolitan for its direct costs and administration fees, as determined by the General Manager, incurred as a result of the emergency deliveries (e.g., costs associated with the use of a Metropolitan pump station to make emergency deliveries of member agency water supplies or system modifications needed to facilitate emergency deliveries).

iii) The member agency will pay Metropolitan's full service rate (all rates and charges that apply to full service deliveries) for Metropolitan water flushed through Metropolitan's system at the conclusion of the emergency for flushing related to emergency deliveries. Flushing costs related to Metropolitan's own activities (e.g. flushing a repair zone upstream of the area used by the member agency for emergency deliveries) are not the responsibility of the member agency.

(i) Operational Requirements: Operational requirements for the emergency deliveries of member agency water supplies in Metropolitan's system include:

i) The member agency is responsible for ensuring that emergency deliveries of member agency water comply with Administrative Code requirements, including but not limited to, Chapter 8: System Interconnections – Hydraulic Transients.

ii) The member agency shall request and obtain approval from Metropolitan for emergency deliveries of member agency water supplies into Metropolitan's system in advance of initiating emergency deliveries.

iii) Metropolitan shall permit commencement of emergency deliveries of member agency water supplies at its sole discretion.

iv) At the conclusion of the emergency, a short shutdown will occur to flush the system with Metropolitan water and return the system to its normal operating configuration. The member agency agrees to cooperate with Metropolitan to return the system to its

normal operating configuration as soon as possible after the restoration of Metropolitan's system, as determined by Metropolitan's General Manager.

v) Alternatively, rather than flushing the system with Metropolitan water at the conclusion of the emergency, the member agency can opt for Metropolitan to flush the system by pushing the member agency water supplies back to the member agency for its own use, if the member agency accepts responsibility for this process.

(j) Term for Emergency Deliveries: In their sole discretion, Metropolitan's General Manager shall determine: (i) when the emergency begins; and (ii) when the emergency ends because emergency deliveries are no longer necessary or need to be discontinued. Emergency deliveries of member agency water supplies shall not exceed one year in length unless a longer term is approved by Metropolitan's Board of Directors. Metropolitan will endeavor to provide the member agency with 72 hours' notice of the conclusion of the emergency and the return of normal operations.

M.I. 51658 – July 9, 2019; paragraph (j) amended by M.I. 53064 – December 13, 2022.

[Section 4520 (COVID-19 Member Agency Payment Deferment Program) – Repealed by M.I. 53441 - November 14, 2023]

[Chapter 6 - repealed by M.I. 41468 - June 13, 1995]

Chapter 7

SERVICE CONNECTIONS

Sec.
4700. General Authorization
4701. Authority for Execution of Service Connection Agreements
4702. Special Service Connection Terms and Conditions
4703. Appeal of Decisions Regarding Service Connections
4704. Compliance with Environmental Obligations for Service Connections
4705. Fair Value of Outlet
4706. Effect of Hydroelectric Facilities on Service Connections
4707. Temporary Service Connections
4708. General Manager's Report on Service Connections

§ 4700. General Authorization.

The General Manager is authorized to construct, or have constructed, any service connection requested by a member public agency, which, in the opinion of the General Manager, should be authorized and which is not specifically precluded by resolution of the Board; subject to such terms and conditions as shall be deemed by them to be reasonable and proper, and which shall, however, include the following:

(a) The District shall cause a service connection to be constructed pursuant to a written request by a member public agency in accordance with plans and specifications approved by the General Manager and by an authorized representative of member public agency. All equipment and materials required for constructing the service connection shall be acquired by the District in its customary manner, or the District may utilize therefor suitable equipment and materials on hand.

(b) The service connection shall include the facilities for diversion of water from the District's system and for delivery of such water into the pipeline distribution system of member public agency or of member public agency's affected distributor. The service connection up to and including the fitting connecting with the pipeline through which member public agency will receive water delivered through the service connection, which shall include metering instruments and a cabinet therefor, shall be the property of the District and shall be operated, maintained and controlled by the District.

(c) The costs of constructing the service connection shall be estimated by the General Manager, who shall inform the member public agency representative regarding the amount of such estimate. The total amount of such estimate shall be deposited by member public agency in advance of any action toward construction of the service connection, including all items peculiar only to a given service connection, or it may be deposited in stages, as follows:

(1) Estimated cost of final design, prior to commencement of final design.

(2) Cost of items of equipment and material requiring long term delivery, six weeks prior to the delivery date for such items, as estimated by General Manager.

(3) All remaining costs, six weeks prior to commencement of field construction; provided, however, that if the field construction period is estimated by the General Manager to exceed 90 calendar days, then payment of the remaining costs may be staged over the construction period, if the member public agency should so choose, by a series of advance deposits in amounts estimated by the General Manager to be sufficient to cover the construction in progress, but the first such advance deposit shall be made six weeks prior to commencement of field construction.

(4) Such deposits shall be held and used to defray the costs of constructing the service connection, and until such deposits have been received, except as provided in Section 4700(c)(3) the District shall not be required to undertake the construction of the service connection.

(d) Upon completion of construction of the service connection, the District shall render to member public agency a statement of all costs, audited and certified in accordance with the customary practice of the District, incurred by the District in constructing the service connection; if such costs shall exceed the sum of money theretofore deposited by member public agency with the District as provided hereinbefore in Section 4700(c) member public agency promptly shall pay to the District the amount by which such costs shall exceed such deposit; and if such costs be less than the said sum of money so deposited, any unexpended balance of such deposit shall be returned by the District to member public agency. Said costs incurred by the District shall include the costs of general administrative service and overhead expense, determined in accordance with the methods of cost accounting customarily employed by the District.

(e) Member public agency shall cause to be granted to the District or the District shall acquire at member public agency's expense, directly from the fee owner of the affected land, such easement as may be necessary in the opinion of the General Manager for the construction, operation, maintenance and repair of the service connection. Said easement and the grant thereof shall be approved by the District's General Counsel; provided, however, that fee title to the property required for such service connection may be acquired in the same manner as an easement and in lieu of an easement if the General Manager and member public agency agree that it would be advantageous to do so. Member public agency shall provide, or the District may obtain, at member public agency's sole cost and expense, a policy of title insurance insuring that clear title to the easement, or fee, is vested in "The Metropolitan Water District of Southern California, a public corporation of the State of California," subject to any encumbrances that have been approved in writing by the General Manager. The amount of title insurance shall be determined by the acquisition cost, unless the acquisition is made without cost or for less than the amount of the coverage which will be provided for the price paid for the title report, in which case the title policy shall be in the amount of such coverage.

(f) Upon completion of the service connection, the District shall be responsible for any subsequent maintenance, alteration, reconstruction or relocation of such service connection except changes which are requested by a member public agency, which changes shall be handled

as a new service connection. However, the cost for replacement of a classical venturi meter shall be the member public agency's responsibility when the following occurs: 1) the member public agency requests a meter type other than a classical venturi meter, and 2) the actual lifespan of the new meter is less than sixty (60) years from the date of commissioning. The member agency shall be responsible for each subsequent meter replacement, including all temporary or interim costs incurred during the replacement process, up to sixty (60) years from the time of the original classical venturi meter was replaced. In addition, prior to the release of water by the District into the pipeline distribution system of member public agency or of member public agency's affected distributor, each agency shall install its own flow control device or devices as a means of maintaining uniform flow. Should the service connection be of the type that delivers water into an open channel or basin for groundwater replenishment use, then member public agency shall have the following options for the design, construction, ownership and maintenance of the required flow control device or devices.

(1) The District at the request of member public agency will design, construct, own, operate and maintain such flow control device or devices deemed necessary for the regulation of water deliveries, in which case the District's responsibility shall not extend beyond the ownership of the flow control facility, and any and all liabilities arising from release of water in the quantities agreed upon by member public agency and the District shall be the full responsibility of member public agency. Construction of the aforementioned facility shall be included as an additional feature of the service connection and the related cost shall be included as a part of the total cost of the service connection.

(2) Member public agency may design, construct, own, and maintain the aforementioned flow control facility, in which case the District's responsibility shall not extend beyond ownership of its meter facility, and any and all liabilities arising from release of water in the quantities agreed upon by member public agency and the District shall be the full responsibility of member public agency. However, the quantity of water delivered to member public agency through the flow control facility at any time shall be only as requested by member public agency, subject to the ability of the District to operationally meet such requests.

Section 321.1 based on Res. 7489 - April 10, 1973 amending Res. 7038 - November 14, 1967; paragraph (f) [formerly Section 321.1.6 amended by M.I. 32690 - April 10, 1979 and M.I. 33642 - March 10, 1981. Section 321.1 repealed and Section 4700 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended paragraph (f) by M.I.51165 - April 10, 2018; amended opening paragraph by M.I. 53064 – December 13, 2022.

§ 4701. Authority for Execution of Service Connection Agreements.

The General Manager is authorized to execute on behalf of the District any agreement or agreements necessary or proper to be entered into between the District and a member public agency in order to provide for the construction of a service connection in the manner and subject at least in part to the terms and conditions set forth in this Chapter. Each such agreement shall be in form approved by the General Counsel of the District.

Section 321.2 based on Res. 7489 - April 10, 1973 amending Res. 7038 - November 14, 1967; amended by M.I. 32690 - April 10, 1979; amended by M.I. 35992 - March 11, 1986. Section 312.2 repealed and Section 4701 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 4702. Special Service Connection Terms and Conditions.

If a service connection is requested by a member public agency to which the terms and conditions, or any portion thereof, whether as required by the General Manager or as required by this Chapter 6, are inappropriate in either the opinion of the General Manager or the member public agency, such request may be presented to the Board for its determination of appropriate terms and conditions, together with the reasons why the required terms and conditions are claimed to be inappropriate.

Section 321.3 based on Res. 7489 - April 10, 1973 amending Res. 7038 - November 14, 1967; amended by M.I. 32690 - April 10, 1979. Section 312.2 repealed and Section 4702 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 4703. Appeal of Decisions Regarding Service Connections.

Any affected member public agency may appeal to the Board from any decision or action of the General Manager hereby authorized. The decision of the Board of Directors shall be final. Subject to Sections 4702 and 4703, the General Manager shall make all determinations of fact.

Section 321.4 based on Res. 7489 - April 10, 1973 amending Res. 7038 - November 14, 1967. Section 321.4 repealed and Section 4703 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 4704. Compliance with Environmental Obligations for Service Connections.

Member public agencies are responsible for ensuring that the obligations of lead agencies as described in the California Environmental Quality Act and its implementing guidelines are fulfilled. The District shall fulfill all other obligations that may arise from its involvement in construction of the service connections and shall provide such information as it has available which is necessary to ensure compliance with the Act and its implementing guidelines.

Section 321.5 based on Res. 7489 - April 10, 1973 amending Res. 7038 - November 14, 1967. Section 321.5 repealed and Section 4704 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 53058 – December 13, 2022.

§ 4705. Fair Value of Outlet.

The fair value of an outlet installed during pipeline construction will be established by the General Manager at the time a service connection is constructed at the outlet, and the charge to a member public agency for such an outlet will be based on this fair value; provided that any outlet larger than 24 inches or any outlet installed after a pipeline is placed in operation shall be charged for its actual cost.

Section 321.7 - M.I. 27804 - October 14, 1969; amended by M.I. 32690 - April 10, 1979; renumbered 321.6 by M.I. 33596 - February 10, 1981. Section 321.6 repealed and Section 4705 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 4706. Effect of Hydroelectric Facilities on Service Connections.

(a) The operation of a hydroelectric generating facility on the District's water distribution system may result in a reduction in the District's minimum design pressure at the downstream service connection through which a member public agency has been receiving water pursuant to Section 4700(f). In that event, the District may, at its own expense, in order to facilitate its water distribution or maintain maximum generation of the hydroelectric power, take reasonable and appropriate measures, either to adjust its own system to continue to supply water to the affected member public agency at such minimum design pressure, or to enable the agency to pump the water on its system to a pressure equal to such minimum design pressure.

(b) For purposes of this section, the minimum design pressure is defined as the lessor of:

(1) The pressure resulting from the design flow hydraulic gradient, as shown on the District's hydraulic profiles or,

(2) The pressure resulting from a low-flow hydraulic gradient in a reach of pipeline which was designed for "falling head."

Section 321.8 - M.I. 33443 - October 14, 1980; renumbered 321.7 by M.I. 33596 - February 10, 1981. Section 321.7 repealed and Section 4706 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 4707. Temporary Service Connections.

The General Manager is authorized to enter into and to perform any agreement for the construction and removal of a temporary service connection requested by a member public agency or other governmental agency to serve its needs for a limited time. Notwithstanding the provisions of Section 4700, such agreement may be upon such terms and conditions as the General Manager and the requesting entity may agree upon and may provide for payment of the cost of construction and removal of the temporary service connection based upon an estimate prepared by the General Manager.

Section 321.8 - M.I. 33596 - February 10, 1981. Section 321.8 repealed and Section 4707 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 4708. General Manager’s Report on Service Connections.

The General Manager shall report quarterly to the Engineering, Operations and Technology Committee of the Board new service connections approved by them pursuant to this Chapter with the estimated cost and approximate location of each.

Section 321.6 based on Res. 7489 April 10, 1973 amending Res. 7038 November 14, 1967; amended by M.I. 32690 - April 10, 1979; renumbered 321.9 by M.I. 33596 - February 10, 1981; amended by M.I. 36065 - May 13, 1986. Section 321.9 repealed and Section 4708 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; title and Section amended by M. I. 44582 – August 20, 2001; amended by M. I. 46983 - February 13, 2007; section amended by M.I. 48081 – November 10, 2009; amended by M.I. 53064 – December 13, 2022.

Chapter 8

SYSTEM INTERCONNECTIONS - HYDRAULIC TRANSIENTS

Sec.
4800. Definitions
4801. General
4802. Notice of New Construction or Alterations
4803. Reduction or Suspension of Deliveries

§ 4800. Definitions.

(a) As used in this Chapter 8, "hydraulic transient" means a change in pressure or flow-rate resulting from the sudden stoppage or increase of flow of water in a pipeline.

(b) As used in this Chapter 8, "new construction or modification" means new construction or modification on or affecting any part of a member public agency's or subagency's distribution system which is directly connected to the District's distribution system and which could cause a hydraulic transient affecting or potentially affecting the District's system.

Section 322.5.4.1 - M.I. 34826 - August 17, 1983. Section 322.5.4.1 repealed and Section 4800 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 4801. General.

Member public agencies shall avoid, and shall cause their subagencies to avoid, the creation of conditions that could cause hydraulic transients to damage the District's facilities. Where a member public agency or a subagency installs hydroelectric or pumping facilities on a pipeline that is directly connected to the District's system such condition may be avoided by the installation of reliable protective devices including, but not limited to, surge tanks, bypass or feeder tanks, and pressure relief valves.

Section 322.5.4.2 - M.I. 34826 - August 17, 1983. Section 322.5.4.2 repealed and Section 4801 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 4802. Notice of New Construction or Alterations.

Each member public agency shall notify the District of any proposed new construction or modification and shall require each subagency to provide such notice to the District with regard to any proposed new construction or modification. Such notice shall be accompanied by project plans and specifications. Within 30 days after receipt of the notice, the District shall notify the member public agency or subagency of its comments on such plans and specifications for the purpose of minimizing the possibility of hydraulic transients that could damage the District's facilities.

Section 322.5.4.3 - M.I. 34826 - August 17, 1983; amended by M.I. 35992 - March 11, 1986. Section 322.5.4.3 repealed and Section 4802 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 4803. Reduction or Suspension of Deliveries.

The General Manager is authorized to reduce or suspend deliveries to any member public agency if they determine that a member public agency or subagency has failed to install reliable protective devices to protect the District's facilities from damage from hydraulic transients and that a substantial risk of such damage exists.

Section 322.5.4.4 - M.I. 34826 - August 17, 1983. Section 322.5.4.4 repealed and Section 4803 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 53064 – December 13, 2022.

[Chapter 9 – repealed by M.I. 50323 - December 8, 2015]

Division V

FINANCIAL MATTERS

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2	**Financial Policies**	**5200**
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Chapter 1

ADMINISTRATIVE MATTERS

Sec.
5100. General Manager
5101. Investment of Surplus Funds
5102. Facsimile Signature re Banks; Authorization for Electronic Funds Transfers
5103. Treasury
5104. Payment After Loss of Bond Interest Coupon
5105. Lost or Destroyed Bonds
5106. Accounting System
5107. Biennial Budget Process
5108. Appropriations
5109. Capital Financing
5110. Asset Lease Versus Purchase
[5111. Repealed]
5112. State Water Contract Payments
5113. Escheat to District of Unclaimed Funds
5114. Reporting Requirements of the Treasurer

§ 5100. General Manager.

(a) The General Manager shall make an annual report to the Board regarding financial matters and shall provide monthly a summary of revenues and expenses and variances thereof from estimates.

(b) The General Manager is authorized to publish an annual financial report and other more frequent reports as may be required to obtain and preserve District credit and as a means of keeping the financial community and investors in District securities regularly informed of the District's operations.

Section 471.1 - paragraph (a) [formerly Section 471.1.1] based on M.I. 18745 - June 10, 1958, paragraph (b) [formerly Section 471.1.2] based on M.I. 20209 - January 12, 1960; amended by M.I. 35429 - December 11, 1984. Section 471.1 repealed and Section 5100 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (a) amended by M.I. 49187 - September 11, 2012.

§ 5101. Investment of Surplus Funds.

(a) Pursuant to Government Code Section 53607, this Board shall delegate to the Treasurer of the District annually the authority to invest or to reinvest funds of the District subject to the terms and conditions set forth in this Section 5101. The Treasurer shall report each month transactions made pursuant to this delegation.

(b) The terms and conditions of this delegation to the Treasurer are as follows:

(1) The Treasurer shall assume full responsibility for all transactions hereby delegated.

(2) The Treasurer may invest such portion of any money in any sinking fund of the District, or any surplus moneys in the District's treasury not required for the immediate necessities of the District, as the Treasurer deems wise or expedient, in any of the securities authorized for investment by local agencies pursuant to Government Code Section 53601 or any successor statute; provided that such investments meet the requirements of the most current Statement of Investment Policy approved by the Board, pursuant to Section 5114 below.

(3) The Treasurer may make any investment by direct purchase of any issue of the specified securities at their original sale or after they have been issued.

(4) The available cash amount and maximum period for any such investment by the Treasurer shall be determined by the General Manager. The Treasurer shall not liquidate any such investment except:

(i) To meet the District's cash requirements, which shall be determined by the General Manager; or

(ii) To generate cash for reinvestment whenever the General Manager determines that such reinvestment is in the District's interest.

The Treasurer shall not exchange any such investment unless the General Manager determines that such exchange is in the District's interest.

Subject to the above provisions of this subsection 5101(b)(4), the Treasurer may enter into a reverse repurchase agreement, so long as the proceeds of the reverse repurchase agreement are invested solely to supplement the income normally received from the securities involved in the agreement.

(5) The General Counsel shall review monthly and, if appropriate, approve as to eligibility the securities invested in by the Treasurer in the preceding month and report the determinations to the Board.

(c) The Treasurer is authorized to enter into safekeeping agreements, in form approved by the General Counsel, and thereafter may deposit for safekeeping the bonds, notes, bills, debentures, obligations, certificates of indebtedness, warrants or other evidences of indebtedness in which the money of the District is invested pursuant to the terms and conditions of this Section 5101 with any state or national bank with which there is a safekeeping agreement and which has sufficient security, as required by law, to secure the amount of any collections. All net collections which may be made by the bank from time to time pursuant to said safekeeping agreement shall immediately be deposited in a deposit account held by a state or national bank within this state which is supported by sufficient security, as required by law, to secure the amount of such collections. The Treasurer shall take from such bank a receipt for securities so deposited either in definitive form in such bank or held in book-entry form on the books of the Federal Reserve Bank. All securities purchased shall be held in safekeeping under such agreements and shall only be released from safekeeping pursuant to such agreements.

Res. 7695 - December 7, 1976; Section 471.2 amended by M.I. 33083 - January 15, 1980; paragraph (b)(6) [formerly Section 471.2.2.6] amended by M.I. 33208 - April 18, 1980; paragraph (b)(2)(vi) [formerly Section 471.2.2.2.6] added by M.I. 34811 - August 17, 1983; paragraph (b)(2) [formerly Section 471.2.2.2] amended by M.I. 35122 - May 8, 1984; paragraph (b)(5) [formerly Section 471.2.2.5] amended by M.I. 35462 - January 8, 1985; paragraphs (b)(2)(vii) and (b)(2)(viii) [formerly Sections 471.2.2.2.7 and 471.2.2.2.8] and paragraph (b)(6)(ii) [formerly Section 471.2.2.6.2] added and paragraph (b)(6) renumbered by M.I. 35555 - March 12, 1985; paragraph (b)(2)(iv) [formerly Section 471.2.2.2.4] amended and paragraph (b)(2)(ix) [formerly Section 471.2.2.2.9] added by M.I. 36272 - September 9, 1986. Section 471.2 repealed and Section 5101 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (b)(2)(vii) amended by M.I. 36492 - February 10, 1987 and by M.I. 36761 - August 18, 1987; amended by M.I. 36811 - September 22, 1987; amended by M.I. 38234 - May 8, 1990; paragraph (B)(2) amended by M.I. 38577 - November 20, 1990; paragraph (B)(2) amended by M.I. 39171 - August 20, 1991; paragraph (B)(2)(vi) amended by M.I. 39497 and (B)(2)(x) added by M.I. 39496 - March 10, 1992; paragraph (B)(2) amended by M.I. 39785 - August 20, 1992; paragraph (b)(2) amended and subparagraphs of (b)(2)(i) through (x) repealed by M.I. 40682 - February 8, 1994; paragraph (a) amended by M.I. 42275 - February 11, 1997; paragraph (c) amended by M.I. 42559 - August 19, 1997; subparagraph (b)(6) repealed by M.I. 51823 - December 10, 2019.

§ 5102. Facsimile Signature re Banks; Authorization for Electronic Funds Transfers.

Any state or national bank designated by the Treasurer as an official depository for funds of this District (including their respective correspondent banks) may be requested, authorized and directed to honor all checks, drafts or other orders for the payment of money drawn in this District's name on its accounts (including those drawn to the individual order of any person whose name appears thereon as signer) when bearing the facsimile signature of the Treasurer, and any other person designated by the Treasurer, the said banks (including their respective correspondent banks) shall be entitled to honor and to charge this District for all such instruments, regardless of by whom or by what means the actual facsimile signature thereon may have been affixed thereto, if such facsimile signature is identical to one of the specimen facsimile signatures filed with the said banks. Each of said banks shall also be entitled to honor instructions for funds transfers or electronic payments given in accordance with the security procedures set forth in an agreement for electronic payments services between such bank and the Treasurer, and any other person designated by the Treasurer pursuant to such an agreement is authorized to initiate, amend, cancel, confirm or verify the authenticity of such instructions.

Res. 7271 - July 14, 1970; Section 471.3 amended by M.I. 32426 - September 19, 1978; amended by M.I. 32460 - October 10, 1978. Section 471.3 repealed and Section 5102 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 40463 - September 21, 1993' amended by M.I. 51823 - December 10, 2019.

§ 5103. Treasury.

(a) There is established an official depository of the District which shall be known as the District treasury and which shall be under the direction and control of the Treasurer. The Treasurer shall, as far as practicable, deposit the money under the Treasurer's supervision and control in such institutions and upon such terms as the laws of the State of California may permit, and evidence of such deposits shall be counted and considered the same as cash in the District treasury.

(b) Qualifications of a New Treasurer. - Any new Treasurer of the District shall not assume office except at the end of a business day, so that the outgoing Treasurer's accountability can be established by audit thereof.

Section 471.4.2 based on M.I. 23649 - February 11, 1964; renumbered and paragraph (a) [formerly Section 471.4.1] added, as amended, by M.I. 32690 - April 10, 1979; paragraph (b) [formerly Section 471.4.2] amended by M.I. 35592 - April 9, 1985. Section 471.4 repealed and Section 5103 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 5104. Payment After Loss of Bond Interest Coupon.

(a) The Treasurer of the District is authorized to effectuate payment, without action of the Board, of a claim arising from the loss of a bond interest coupon that has been detached from a District bond or from the destruction of a bond interest coupon at any time after the date of its maturity, and the Treasurer has received:

(1) An affidavit or affidavits establishing the ownership of the coupon and reciting therein the circumstances under which it was lost or destroyed; and

(2) An indemnity bond in a penal sum which is at least the amount of the claim, said sum being specifically stated in said bond, said bond to be approved by the General Counsel and then filed with the Treasurer. The indemnity bond must include a rider substantially in the form hereinafter set forth:

(i) Rider.

This Rider is attached to and is a part of the Bond of Indemnity executed by the (enter name of insurance company) respecting the loss of coupons due coupons at $ per coupon - total $, detached from $ Bonds of THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, numbered to , %, maturing , at $ each bond in bearer form.

It is understood and agreed that in the event the balance in the coupon account respecting the above-described issue of bonds, maintained by the Treasurer of said District, should hereafter not be sufficient as a result of the payment of coupon(s) to provide for outstanding unpaid coupons, (enter name of insurance company) will reimburse The Metropolitan Water District of Southern California, up to the face amount of the coupon(s) paid under this indemnity contingent upon presentation by said District of (a) evidence that said District has paid the afore-described coupon(s) or (b) a certificate from the Treasurer of said District that there is a deficiency in said coupon account balance.

It is understood that within the first year after the due date of the afore-described coupon(s) that (enter name of insurance company) may request that the Treasurer of said District search the District's records to ascertain if in fact the afore-described coupon(s) have been paid, but any such request shall only be honored by said Treasurer upon payment by (enter name of insurance company) of any fee required by said Treasurer to cover costs of such search.

Executed this day of , 20 .

(enter name of insurance company)

(b) The Treasurer shall report to the Finance, Affordability, Asset Management, and Efficiency Committee all payments made pursuant to this Section 5104.

Section 471.5 based on Res. 7687 - November 16, 1976; paragraph (a) [formerly Section 471.5.1] amended by M.I. 35996 - March 11, 1986. Section 471.5 repealed and Section 5104 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (2) amended by M.I. 40584 - December 14, 1993; paragraph (b) amended by M.I. 42193 - December 10, 1996; paragraph (b) amended by M.I. 44582 – August 20, 2001; paragraph (b) amended by M. I. 46064 – January 11, 2005; paragraph (b) amended by M. I. 46148 - March 8, 2005; paragraph (b) amended by M.I. 46983 - February 13, 2007; paragraph (b) amended by M.I. 48534 - January 11, 2011; paragraph (b) amended by M.I. 53064 – December 13, 2022; paragraph (b) amended by M.I. 53528 – February 13, 2024; paragraph (b) amended by M.I. 53408- March 11, 2025.

§ 5105. Lost or Destroyed Bonds.

(a) The Treasurer of the District is authorized to issue a new District bond or bonds similar to the original to replace it if the Treasurer has received:

(1) Proof satisfactory to the Treasurer that the bond has been lost or destroyed; and

(2) Security approved by the Treasurer and the General Counsel from the owner indemnifying the District against any loss incurred on account of the bond, such security to be equal to the principal amount of the bond and plus the aggregate amount of any attached interest coupons; and

(3) The costs for issuance of the new bond.

(b) The Treasurer shall report to the FAAME Committee of the Board all issuances of duplicate bonds made pursuant to this Section 5105.

Section 471.6 - M.I. 32109 - January 10, 1978; paragraph (a) [previously Section 471.6.1] amended by M.I. 35996 - March 11, 1986. Section 471.6 repealed and Section 5105 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (2) amended by M.I. 40584 - December 14, 1993; paragraph (b) amended by M.I. 42193 December 10, 1996; paragraph (b) amended by M. I. 44582 – August 20, 2001; paragraph (b) amended by M. I. 46148 - March 8, 2005; paragraph (b) amended by M. I. 46838 – October 10, 2006; paragraph (b) amended by M.I. 46983 - February 13, 2007; paragraph (b) amended by M.I. 48534 - January 11, 2011; paragraph (b) amended by M.I. 53064 – December 13, 2022; paragraph (b) amended by M.I. 53408 - March 11, 2025.

§ 5106. Accounting System.

The General Manager shall prescribe the method of installing, keeping and rendering all accounts of the several officers and employees of the District; provided that any material change in the general system of accounting shall be authorized by the Board.

Ord. 127; repealed by Ord. 146; Section 471.7 added, as amended, by M.I. 32690 - April 10, 1979. Section 471.7 repealed and Section 5106 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 5107. Biennial Budget Process.

(a) There shall be prepared each even-numbered year, under the direction of the General Manager, a proposed biennial budget covering District operations for the following two fiscal years. The proposed biennial budget shall be submitted to the Board no later than the date of the regular Board meeting in June immediately preceding the first fiscal year of the biennium to which the budget applies. The proposed biennial budget shall indicate by fund all anticipated expenses and required reserves and the source of revenues to be used to meet such expenses and provide such reserves. The proposed biennial budget will at a minimum include a five-year financial forecast. At least one Board Workshop on the proposed biennial budget will be conducted prior to submission of the proposed biennial budget for Board approval. The FAAME Committee shall review the proposed biennial budget in its entirety, together with the recommendations from the Board workshop, and report its recommendations to the Board.

(b) After considering the proposed biennial budget and making any revisions thereto that it may deem advisable, the Board shall adopt the biennial budget before the beginning of the biennial period to which the budget applies. The amounts provided in the adopted budget for the biennial period for total expenses for operations and maintenance, including minimum and variable operations and maintenance charges under water or power contracts with the State, for capital charges under such contracts, and for debt service shall be deemed to be appropriated from the funds indicated in the budget.

(c) The adoption of the budget shall have no effect upon appropriations for capital projects and continuing expenditures not susceptible to immediate direct allocation, as described in Section 5108 hereof, and shall not establish any limitations on expenditures for such purposes.

(d) The total operations and maintenance budget shall be measured against the regional rate of inflation as measured by the five-year rolling average change in the Consumer Price Index (CPI) for the Los Angeles-Riverside-range County area, not seasonally adjusted, for all items as reported by the U. S. Bureau of Labor Statistics. The budget will include explanations of increases greater than the CPI due to unique conditions, growth or expansion of services.

Ords. 127 and 129; repealed by Ord. 146; Section 471.8 added, as amended, by M.I. 32690 - April 10, 1979; amended by M.I. 36110 - June 10, 1986. Section 471.8 repealed and Section 5107 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (a) amended by M.I. 36535 - March 10, 1987; paragraph (a) amended by M.I. 40231 - May 11, 1993; paragraph (a) amended by M.I. 41755 - February 13, 1996; paragraphs (a) and (b) amended by M.I. 42060 - September 10, 1996; paragraph (a) amended by M.I. 42193 - December 10, 1996; paragraph (a) amended by M. I. 44095 – July 11, 2000; paragraph (a) amended by M. I. 44582 – August 20, 2001; paragraph (a) amended and paragraph (d) added by M. I. 45904 – September 14, 2004; paragraph (a) amended by M. I. 46064 – January 11, 2005; paragraph (a) amended by M.I. 46148 - March 8, 2005; paragraph (a) amended by M.I. 46983 - February 13, 2007; paragraph (a) amended by M.I. 48534- January 11, 2011; section title and paragraphs (a)-(b) amended by M.I. 48800 – September 13, 2011; paragraphs (a), (b), and (d) amended by M.I. 49187 - September 11, 2012; paragraph (a) amended by M.I. 53064 – December 13, 2022; paragraph (a) amended by M.I. 53528 – February 13, 2024; paragraph (a) amended by M.I 53408 - March 11, 2025.

§ 5108. Appropriations.

(a) No expenditure shall be made unless an appropriation has been approved by the Board for the purpose intended.

(b) Appropriations may from time to time be authorized by the Board for capital projects not set forth in the Capital Investment Plan and for funding of continuing expenditures not susceptible to immediate direct allocation, including those for undistributed payroll and fringe benefits, for operating equipment, and for materials and equipment inventories. Appropriations for capital projects set forth in the Capital Investment Plan shall be authorized as described in Section 5108 (e). Appropriations for all other purposes shall be authorized on a biennial basis in accordance with Section 5107 hereof.

(c) Appropriations, whether made hereunder or under any other section of this Code, may be amended or closed by the Board provided such action does not impair any obligation which has been incurred by the District. Upon completion of all projects under capital appropriation, the General Manager shall close that appropriation after all work has been completed and all

other costs have been paid. Unused appropriation balances shall be returned to funds available for appropriation. All appropriations shall be reviewed at least quarterly to determine the status of work and charges. The General Manager shall report annually to the Board on the status of appropriations for which no activity is being recorded to permit the Board to consider which, if any, of such appropriations should remain open or be closed.

(d) The General Manager is authorized to designate the source of funds for appropriations to pay capital program expenditures. Such funding shall comply with the MWD Act; Board resolutions authorizing security sales; Federal tax laws and U.S. Treasury regulations; tax and nonarbitrage certificates; and letters of instruction from bond counsel. The General Manager shall report quarterly to the Board all changes in sources of funding from those designated at time of approval of the appropriation.

(e) Following adoption of the biennial budget, the General Manager shall request that the Board appropriate funds required for the projects identified in the Capital Investment Plan for the next two fiscal years. If, during the biennial budget period, Capital Investment Plan expenditures are expected to exceed the appropriated amount, the General Manager shall request that the Board appropriate additional funding and submit a report supporting said request. Notwithstanding the foregoing, the Board at its discretion may appropriate only such amounts as it deems necessary for the completion of any Capital Investment Plan project.

Ords. 29, 113, and 129; repealed by Ord. 146; Section 471.9 added, as amended, by M.I. 32690 - April 10, 1979; amended by M.I. 36110 - June 10, 1986; paragraphs (b) and (c) amended by M.I. 36367 - November 18, 1986. Section 471.9 repealed and Section 5108 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (c) amended by M.I. 38739 - February 12, 1991; paragraph (d) added by M.I. 39209 - September 17, 1991; paragraph (b) amended by M.I. 47636 - September 9, 2008; paragraph (b) amended by M.I. 49187 - September 11, 2012; amended paragraphs (b) and (c), and added new paragraph (e) by M.I. 51353 - October 9, 2018.

§ 5109. Capital Financing.

The Board's objective is to balance the use of bond financing and operating revenues (pay-as-you-go) to maintain financial flexibility when funding the capital investment plan. The amount of annual expenses paid from operating revenues shall be determined by the Board as part of the biennial budget process and may include, without limitation, the costs of:

(a) Capital facilities or projects costing less than $1 million.

(b) Capital improvement program studies.

(c) Reimbursable capital projects.

(d) Replacements and refurbishment of Metropolitan facilities or portions thereof.

The costs relating to provisions (a) through (c) above shall be paid from operating revenues, including revenues derived from water standby or availability service charges or benefit assessments, and proceeds from disposals of surplus property made available for expenditure by the Board.

When using tax-exempt bond financing, the weighted average maturity of the tax-exempt bonds may not exceed 120% of the weighted average useful life of the capital assets being financed.

M.I. 37449 - December 13, 1988; paragraph (c) added and renumbered (d) by M.I. 37530 - February 14, 1989; amended by M.I. 37679 - May 9, 1989; amended by M.I. 41580 - September 12, 1995; first paragraph and (d) amended by M.I. 43434 - March 9, 1999; paragraph (d) amended by M. I. 44907 – June 11, 2002; Section renamed, paragraph (d) amended and paragraph (e) added by M. I. 45904 – September 14, 2004; paragraph amended by M.I. 48800 – September 13, 2011; unnumbered introductory paragraph, and item(d) amended by M.I. 49187 - September 11, 2012; paragraph (a) amended by M.I. 50990 - October 10, 2017; Section title renamed, amended first paragraph, eliminated prior paragraph (b), renumbered prior paragraph (c) to paragraph (b), renumbered prior paragraph (e) to paragraph (c), eliminated paragraph (e), and added final paragraph by M.I. 51352 - October 9, 2018.

§ 5110. Asset Lease Versus Purchase.

The District will hold title to all acquired assets, except in those instances where the General Manager finds that it would be both appropriate and cost-beneficial to acquire assets under lease-purchase contracts or to lease or rent assets under operating leases. In evaluating lease financing alternatives, the financial analysis shall include a comparison of the lessor's implicit rate of return to either the District's rate of return on its investments or to its alternative financing costs, as appropriate. Equipment rentals or leases, unless such leases are capitalized in accordance with applicable accounting standards, shall be treated as operation and maintenance expenses to be paid from the Operation and Maintenance Fund, subject to appropriation by the Board each fiscal year. The costs of operating equipment acquisitions shall be paid from the General Fund.

M.I. 37449 - December 13, 1988.

[§ 5111 repealed by M.I. 49187 - September 11, 2012.]

§ 5112. State Water Contract Payments.

The General Manager shall from time to time present to the Board recommendations as to payment of billings received under the State Water Contract, and shall not make such payments without approval of the Board.

Section 471.11 - M.I. 34184 - April 13, 1982. Section 471.11 repealed and Section 5110 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered by M.I. 37449 - December 13, 1988.

§ 5113. Escheat to District of Unclaimed Funds.

The Controller is authorized from time to time to cause a notice to be published, pursuant to Government Code Sections 50050 et seq., whereby money unclaimed in the District treasury for three years prior to such publication, including unredeemed bonds and coupons, shall become the property of the District. Such money shall then be transferred to the District's general fund.

Unclaimed funds in an amount less than $15 per individual item which remain unclaimed for one year may be transferred to the general fund as provided in Government Code Section 50055.

Section 471.12 - M.I. 34816 - August 17, 1983; amended by M.I. 36270 - September 9, 1986. Section 471.12 repealed and Section 5111 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered by M.I. 37449 - December 13, 1988; amended by M.I. 43275, November 10, 1998; amended by M.I. 51823 - December 10, 2019.

§ 5114. Reporting Requirements of the Treasurer.

The Treasurer shall:

(a) Render, not later than the June Board meeting, a Statement of Investment Policy for the following fiscal year, to be considered for approval by the Board.

(b) Render a monthly report to the General Manager, the General Auditor and to the Board, showing the type of investment, issuer, date of maturity, par and dollar amount invested, current market value and source of such valuation, and rate of interest. The report shall additionally include a description of the funds, investments or investment programs of this District under the management of contracted parties (including lending programs), if any. The report shall also state compliance of the portfolio with the statement of investment policy, or the manner in which the portfolio is not in compliance. A subsidiary ledger of investments may be used in the report in accordance with accepted accounting practices.

Section 471.13 - M.I. 35463 - January 8, 1985. Section 471.13 repealed and Section 5112 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered by M.I. 37449 - December 13, 1988; amended by M.I. 40682 - February 8, 1994; paragraph (b) amended by M.I. 41717 - January 9, 1996; paragraph (a) amended by M.I. 42275 - February 11, 1997; paragraph (b) amended by M.I. 43968 - April 11, 2000; paragraph (a) amended by M.I. 50498 – June 14, 2016.

[§ 5115 repealed by M.I. 51353 - October 9, 2018.]

Chapter 2

FINANCIAL POLICIES

Sec.
5200. Funds Established
5201. Restricted Funds
5202. Fund Parameters
5203. Indirect Credit of District
5204. Compliance with Fund Requirements and Bond Indenture Provisions

§ 5200. Funds Established.

To provide for accountability of public moneys in accordance with applicable federal and state law and regulations and Board policies, the following funds active or prospectively active have been established in the Treasury of the District:

(a) General Fund (Fund No. 1001, established 1929). Moneys not specifically allocated or appropriated may be placed in this fund and used for general purposes of the District. Expenditures for reimbursable work and water conservation capital and indirect costs under the contract with Imperial Irrigation District are paid from this fund.

(b) Replacement and Refurbishment Fund (Fund No. 5001, established 1988). Used to fund certain capital program expenditures from current revenues in accordance with Section 5109, subject to the conditions contained in Section 5202(b).

(c) State Contract Fund (Fund No. 5701, established 1960). Used for the payment of capital charges under the State Water Contract, including the capital charges for off-aqueduct power facilities, subject to the conditions contained in Section 5201(d).

(d) Special Tax Fund (Fund No. 5702, established 1951). Annexation fees (cash payments and special tax collections) are deposited in this fund and transferred to the State Contract Fund to pay a portion of State Water Contract capital charges.

(e) Water Revenue Fund (Fund No. 1002, established 1975). Receipts from water transactions, including, but not limited to, sales, exchanges, and wheeling are deposited in this fund and are transferred to various other funds in accordance with revenue bond covenants and Board resolutions to pay in order of priority:

(1) Operation and maintenance expenditures;

(2) The interest on and bond obligation of Water Revenue Bonds and Parity Obligations issued pursuant to Master Resolution 8329 (the Master Resolution or Senior Debt Resolution) adopted by the Board on July 9, 1991 and any Supplemental Resolutions thereto, and any other obligations on a parity with the Water Revenue Bonds;

(3) All other payments required for compliance with the Master Resolution, and any Supplemental Resolutions;

(4) The interest on and bond obligation of Subordinate Water Revenue Bonds and Parity Obligations issued pursuant to Master Subordinate Resolution 9199 (the Master Subordinate Resolution) adopted by the Board on March 8, 2016 and any Supplemental Resolutions thereto, and any other obligations on a parity with the Subordinate Water Revenue Bonds;

(5) All other payments required for compliance with the Master Subordinate Resolution, and any Supplemental Resolutions;

(6) Principal of and interest on Commercial Paper Notes and other amounts due a provider of a liquidity facility;

(7) Deposits into the Water Standby Charge Fund in accordance with resolutions imposing such charges; and

(8) Any other obligations which are charges, liens, or encumbrances upon or payable from net operating revenues.

Moneys remaining at the end of each month, after the foregoing transfers, are transferred to the Revenue Remainder Fund.

(f) Operation and Maintenance Fund (Fund No. 1003, established 1975). Used to pay all operation and maintenance expenditures, including State Water Contract operation, maintenance, power and replacement charges, subject to the conditions contained in Section 5201(f).

(g) Revenue Remainder Fund (Fund No. 1004, established 1975). Used to maintain working capital and may be used for any lawful purpose by the District, subject to the conditions contained in Section 5202.

(h) Water Rate Stabilization Fund (Fund No. 5501, established 1987). Used to reduce future water revenue requirements or, as directed by the Board, for other lawful purposes, in accordance with Section 5202.

(i) Water Treatment Surcharge Stabilization Fund (Fund No. 5502, established 1988). Used to mitigate required increases in the surcharge for water treatment or, as directed by the Board, for other lawful purposes, in accordance with Section 5202.

(j) Revolving Construction Fund (Fund No. 5003, established 1988). Capital expenditures made from this fund are to be reimbursed from proceeds of security sales to the extent such expenditures are authorized uses of debt proceeds under the Act, subject to the conditions and restrictions contained in Section 5201(g).

(k) Iron Mountain Landfill Postclosure Maintenance and Corrective Action Trust Fund (Fund No. 6005, established 1990). Used as a trust fund to maintain moneys sufficient to cover the costs of postclosure maintenance and/or corrective action of the District's solid waste landfill facility at Iron Mountain, in accordance with regulations of the California Department of Resources Recycling and Recovery, and subject to the conditions contained in Section 5201(m).

(l) Water Standby Charge Fund (Fund No. 1005, established 1992). Used to separately hold revenues attributable to water standby charges; amounts deposited in this fund are used exclusively for the purpose for which the water standby charge was authorized.

(m) Water Transfer Fund (Fund No. 1007, established 1995). Used for moneys set aside for the purchase of water through transfers or similar arrangements, and for the costs of filling the Eastside Reservoir Project.

(n) Self-Insured Retention Fund (Fund No. 1008, established 1999). Used to separately hold amounts set aside for emergency repairs and claims against the District as provided in Section 5201(o).

(o) Lake Mathews Multi Species Reserve Trust Fund (Fund No. 6101, established 1997.) Used as set forth in agreement between Metropolitan and the Riverside County Habitat Conservation Agency for Southwest Riverside County the Multi Species Reserve.

(p) There shall be established in the Treasury of the District such funds and accounts as are required pursuant to bond covenants, tax and non-arbitrage certificates, bond counsel letters of instruction and related documents, to provide for accountability of District funds and compliance with applicable federal and state law and regulations. Such funds and accounts shall be established for each issue of bonds, notes or other obligations of the District as required in the respective bond or note resolution and closing documents.

(q) Reclamation Fund Trust Fund (Fund No.____, established 2023). Used as a trust fund to maintain moneys sufficient to cover the costs of reclamation activities related to the Metropolitan Reclamation Plan, in accordance with the Surface Mining and Reclamation Act of 1975, Public Resources Code section 2770 et al. and California Code of Regulations, Title 14, Division 2, Chapter 8, §3808.3.

38241 - May 8, 1990; amended and paragraph (bb) added by M.I. 38305 - June 12, 1990; paragraphs (cc), (dd) and (ee) added by M.I. 38999 - June 11, 1991; amended and paragraphs (ff), (gg), (hh) and (ii) added by M.I. 39171 - August 20, 1991; paragraphs (jj), (kk), and (ll) added by M.I. 39785 - August 20, 1992; paragraph (k)(6) added, paragraph (jj) added, paragraphs (kk) - (mm) renumbered by M.I. 39925 - November 10, 1992; new paragraphs (nn) through (uu) added by M.I. 40272 - June 15, 1993; paragraph (bb) amended by M.I. 40273 - June 15, 1993; paragraphs (vv) through (bbb) added by M.I. 40388 - August 24, 1993; paragraphs (i) and (q) amended, paragraph (r) deleted and remainder of section renumbered by M.I. 40443 - September 21, 1993; paragraph (q) amended by M.I. 40976 - August 19, 1994; paragraph (bbb) added by M.I. 41581 - September 12, 1995; paragraphs (a) through (bbb) amended and new paragraphs (bbb) through (sss) added by M.I.42817 - February 10, 1998; paragraphs (ttt) through (aaaa) added April 1998, by authority granted to the General Counsel by M.I. 42817 - February 10, 1998; paragraphs (bbbb) through (jjjj) added September 1998, by authority granted to the General Counsel by M.I. 42817 - February 10, 1998; paragraph (kkkk) added by M.I. 43434 - March 9, 1999; paragraph (a) amended, old paragraphs (c), (g)-(J), (m), (n), (p), (q), (u)-(x), (z), (bb)-(hh), (jj)-(aaa), and (ccc)-(jjjj) deleted, remaining paragraphs renumbered, and new paragraphs (q) and (r) added by M. I. 45249 - March 11, 2003; paragraph (b) amended, paragraph (e) repealed and paragraphs (f) – (r) renumbered by M. I. 45904 – September 14, 2004; new paragraph (r) added by M. I. 46266 - June 14, 2005; paragraph (g) amended by M. I. 46838 – October 10 2006; deleted previous paragraph (e)(2), added paragraphs (e)(4) and (e)(5), and renumbered paragraphs (e)(2) through (e)(8) by M.I. 50498 – June 14, 2016; paragraph (e) amended by M.I. 51417 – December 11, 2018; paragraph (l) amended by M.I. 52328 – April 13, 2021; deleted paragraph (k) and renumbered letter paragraphs (k) – (q) by M.I. 53058 – December 13, 2022; new paragraph (r) added by M.I. 53441 -

November 11, 2023; amend paragraphs (b), (n), and (o), format paragraphs (e)(5), (e)(6), (e)(7), and (e)(8) to include additional tab spacing for alignment consistency, deleted paragraph (q), and renumbered former paragraph (r) to (q) by *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§ 5201. Restricted Funds.

Cash and securities to be held in the various ledger funds shall be as follows:

(a) General Obligation Bond Interest and Principal Funds and the Waterworks General Obligation Refunding Bonds Interest and Principal Funds, the cash and securities in each as of June 30, shall be at least equal to the debt service for the ensuing 18 months, less revenues anticipated to be derived from the next succeeding tax levy specifically for such debt service.

(b) For the Water Revenue Bonds Interest and Principal Funds, the Water Revenue Bonds Reserve Funds, the Water Revenue Refunding Bonds Interest and Principal Funds and the Water Revenue Refunding Reserve Bonds, the cash and securities in each shall be at least equal to the minimums required by the resolutions of issuance for such bonds.

(c) For the Subordinate Bonds Interest and Principal Funds, the Subordinate Water Revenue Bonds Reserve Funds, the Subordinate Water Revenue Refunding Bonds Interest and Principal Funds and the Subordinate Water Revenue Refunding Reserve Funds, the cash and securities in each shall be at least equal to the minimums required by the resolutions of issuance for such bonds.

(d) For the Bond Construction Funds there shall be no minimum requirements; provided that any cash and securities in such funds shall be restricted to use for the purposes such finances were required.

(e) For the State Contract Fund, cash and securities on hand June 30 and December 31 shall equal the capital payments to the State Department of Water Resources that are due on July 1 of the same year and January 1 of the following year, respectively.

(f) For the Special Tax Fund, there shall be no minimum requirement.

(g) For the Operation and Maintenance Fund, cash and securities shall be at least equal to the minimum required by the resolutions of issuance for revenue bonds.

(h) For the Revolving Construction Fund, there shall be no minimum requirement. Cash and securities in this fund, unless restricted as to use by resolution of the Board, shall be available for transfer to the Water Rate Stabilization Fund and the Water Treatment Surcharge Stabilization Fund at the discretion of the Board.

(i) For the Commercial Paper, Series A, Note Payment Fund, and the Commercial Paper, Series B, Note Payment Fund, the District shall deposit amounts sufficient to pay principal of, and interest on, such Commercial Paper Notes in an amount at least equal to one-half of the projected interest payments due on such notes in the subsequent fiscal year.

(j) For the Water Standby Charge Fund, there shall be no minimum requirement; provided that any cash and securities in such fund shall be restricted to use for the purposes such moneys were authorized.

(k) For the General Obligation Bond Excess Earnings Funds, the Waterworks General Obligation Refunding Bond Excess Earnings funds, the Water Revenue Bond Excess Earnings Funds and the Water Revenue Refunding Bond Excess Earnings Funds, the minimum requirement shall be the amounts deposited into this fund in accordance with the provisions of the Tax and Nonarbitrage Certificates and Resolutions for the Bonds.

(l) For the Waterworks General Obligation Refunding Bonds, 1993 Series A1 and A2, Escrow Account Fund, the minimum requirement shall be the amounts necessary to pay the principal, if any, and the interest on the Series A1 and A2 Bonds to the crossover date, and to defease certain maturities of outstanding prior general obligation bonds.

(m) For the Iron Mountain Landfill Postclosure Maintenance and Corrective Action Trust Fund, cash and securities as of June 30, shall be at least equal to the General Manager's latest estimates of postclosure maintenance and/or corrective action costs.

(n) For the Optional General Obligation Bond Redemption Fund and the Optional Revenue Bond Redemption Fund, the minimum requirement shall be the amount necessary to redeem such untendered, refunded bonds which have been called for redemption.

(o) For the Water Transfer Fund, all amounts budgeted or pledged for purchase of water through transfers or similar arrangements, and for the costs of filling the Eastside Reservoir Project, shall be set aside in such fund and used solely for such purpose.

(p) For the Self-Insured Retention fund, all amounts in such fund shall be set aside and used solely for emergency repairs and claims against the District. The minimum cash and securities to be held in such fund as of June 30 of each year shall be $25 million.

(q) For the Water Stewardship Fund, there shall be no minimum requirement; all amounts in such fund shall be used to fund the Conservation Credit Program, Local Resources Program, seawater desalination, brackish water desalination, and similar demand management programs, including the departmental operations and maintenance costs for administering these programs.

(r) For the Reclamation Plan Trust Fund, cash and securities as of June 30, shall be at least equal to the General Manager’s latest financial assurance cost estimates of reclamation activities in accordance with the Metropolitan Reclamation Plan.

Section 331.1 - M.I. 32735 - May 8, 1979, effective July 1, 1979 [Supersedes M.I. 30984 - August 19, 1975; M.I. 31826 - June 14, 1977 and M.I. 32292 - June 13, 1978]; paragraph (f) [formerly Section 331.1.6] added by M.I. 35309 - September 11, 1984. Section 331.1 repealed and Section 5200 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36676 - June 9, 1987; paragraph (g) added by M.I. 37449 - December 13, 1988; renumbered to Section 5201 and paragraphs (a) and (c) amended by M.I. 38241 - May 8, 1990; paragraph (c) amended and paragraph (h) added by M.I. 38999 - June 11, 1991; paragraphs (b) and (c) amended by M.I. 39171 - August 20, 1991; paragraphs (b) and (c) amended by M.I. 39785 - August 20, 1992; paragraph (i) added by M.I. 39925 - November 10, 1992; paragraphs (a)(b)(c) amended and paragraph (j)(k) added by M.I. 40272 - June 15, 1993; paragraph (h) amended and paragraph (l) added by M.I. 40273 - June 15, 1993; paragraphs (a), (b), and (j) amended by M.I. 40388 - August 24, 1993; paragraph (j) amended and paragraph (m) added by M.I. 40443 - September 21, 1993; paragraph (n) added by M.I. 41581 - September 12, 1995; paragraphs (b)(c)(h)(j)(k)(l)(n) amended by M.I. 42817-- February 10, 1998; paragraphs (b), (c), and (j) amended April 1998

by authority granted the General Counsel by M.I. 42817 - February 10, 1998; paragraph (o) added by M.I. 43434 - March 9, 1999; paragraphs (a)-(c), and (j) amended by M. I. 45249 - March 11, 2003; paragraph (n) amended by M. I. 45775 – June 8, 2004; paragraph (p) added by M. I. 46266 - June 14, 2005; amended paragraph (b), added paragraph (c), and renumbered paragraphs (d) through (q) by M.I. 50498 – June 14, 2016; paragraph (m) amended by M.I. 52328 – April 13, 2021; new paragraph (r) added by M.I. 53441 - November 14, 2023.

§ 5202. Fund Parameters.

The minimum cash and securities to be held in the various ledger funds as of June 30 of each year shall be as follows:

(a) For the Revenue Remainder Fund cash and securities on hand of June 30 of each year shall be equal to the portion of fixed costs of the District estimated to be recovered by revenues from water transactions, including, but not limited to, sales, exchanges, and wheeling, for the eighteen months beginning with the immediately succeeding July. Such funds are to be used in the event that revenues are insufficient to pay the costs of the District.

(b) For the Replacement and Refurbishment Fund, any unexpended monies shall remain in the Fund for purposes defined in Section 5109, or as otherwise determined by the Board. The end-of-year fund balance may not exceed $160 million. Available monies in excess of $160 million at June 30 shall be transferred to the Water Rate Stabilization Fund, unless otherwise determined by the Board.

(c) Amounts remaining in the Revenue Remainder on June 30 of each year after meeting the requirements set forth in Section 5202(a) shall be transferred to the Water Rate Stabilization Fund and to the extent required under Section 5202(d), to the Water Treatment Surcharge Stabilization Fund.

(d) After making the transfer of funds as set forth in Section 5202(c), a determination shall be made to substantially identify the portion, if any, of such transferred funds attributable to collections of treatment surcharge revenue in excess of water treatment cost and to collections of water stewardship rate revenue in excess of costs of the Conservation Credits Program, Local Resources Program seawater desalination and similar demand management programs, including the departmental operations and maintenance costs of administering these programs. Such funds shall be transferred to the Water Treatment Surcharge Stabilization Fund and the Water Stewardship Fund, respectively, to be available for the principal purpose of mitigating required increases in the treatment surcharge and water stewardship rates. If such determination indicates a deficiency in treatment surcharge or water stewardship rate revenue occurred during the fiscal year, a transfer of funds shall be made from the Water Treatment Surcharge Stabilization Fund or the Water Stewardship Fund, as needed and appropriate, to reimburse funds used for the deficiency. Notwithstanding the principal purpose of the Water Treatment Surcharge Stabilization Fund and the Water Stewardship Fund, amounts assigned to these fund shall be available for any other lawful purpose of the District.

(e) Amounts in the Water Rate Stabilization Fund shall be held for the principal purpose of maintaining stable and predictable water rates and charges. The amount to be held in the Water Rate Stabilization fund shall be targeted to be equal to the portion of the fixed costs of the District estimated to be recovered by revenues from water transactions, including, but not limited to, sales, exchanges, and wheeling, during the two years immediately following the eighteen-month period referenced in Section 5202(a). Funds in excess of such targeted amount shall be utilized for capital expenditures of the District in lieu of the issuance of additional debt, or for the redemption, defeasance or purchase of outstanding bonds or commercial paper of the District as

determined by the Board. Provided that the District's fixed charge coverage ratio is at or above 1.2 amounts in the Water Rate Stabilization Fund may be expended for any lawful purpose of the District, as determined by the Board of Directors, provided that any funds distributed to member agencies shall be allocated on the basis of water revenues during the previous fiscal year, such sales to include sales under the Interim Agricultural Water Program, Replenishment Service Program and all Full Service water sales.

Notwithstanding the fund parameters set forth in this Section 5202, including, but not limited to, any minimum fund balances or specified uses and purposes, all amounts held in the foregoing funds shall be available to pay interest on and Bond Obligation (including Mandatory Sinking Account Payments) of Water Revenue Bonds issued pursuant to Resolution 8329 adopted by the Board on July 9, 1991, as amended and supplemented (the Master Resolution), and Parity Obligations, and Subordinate Water Revenue Bonds, issued pursuant to Resolution 9199 adopted by the Board on March 8, 2016, as amended and supplemented (the Master Subordinate Resolution). Capitalized terms not defined in this paragraph shall have the meanings assigned to such terms in the Master Resolution and the Master Subordinate Resolution.

Section 331.2 - M.I. 32735 - May 8, 1979, effective July 1, 1979 [Supersedes M.I. 30984 - August 19, 1975; M.I. 31826 - June 14, 1977 and M.I. 32292 - June 13, 1978]; amended by M.I. 35309 - September 11, 1984; amended by M.I. 35730 - July 9, 1985. Section 331.2 repealed and Section 5201 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (a) amended and paragraph (b) added by M.I. 36676 - June 9, 1987; paragraph (a) amended by M.I. 36731 - July 14, 1987; paragraph (b) amended and paragraph (c) added by M.I. 37007 - February 9, 1988; amended by M.I. 37449 - December 13, 1988; paragraph (a) amended by M.I. 37679 - May 9, 1989; renumbered to Section 5202 by M.I. 38241 - May 8, 1990; paragraphs (c) and (d) amended by M. I. 38304 - June 12, 1990; paragraph (a) amended by M.I. 39794 - August 20, 1992; paragraph (e) added by M.I. 41581 - September 12, 1995; Section renamed and paragraphs (a)-(c) and (e) amended by M.I.43434 - March 9, 1999; paragraph (e) amended by M.I. 43587 - June 8, 1999; paragraph (b), (c) and (e) amended by M. I. 44907 – June 11, 2002; paragraph (b) amended by M. I. 45904 – September 14, 2004; paragraph (d) amended by M. I. 46266 - June 14, 2005; Paragraph (e) amended by M. I. 46838 – October 10, 2006; final paragraph added by M.I. 47286 - November 20, 2007; amended paragraph (b) by M.I.49734 – April 8, 2014; amended paragraph (e) by M.I. 50498 – June 14, 2016 paragraphs (a) and (e) amended by M.I. 51417 – December 11, 2018.

§ 5203. Indirect Credit of District.

The General Manager may negotiate with the Department of Water Resources on the basis of using the indirect credit of the District to finance State Revenue Bonds so long as the obligation of the District thereunder does not exceed the obligation required under the State Contract.

Section 331.2 renumbered 331.3. Section 331.3 repealed and Section 5202 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered to Section 5203 by M.I. 38241 - May 8, 1990.

§ 5204. Compliance with Fund Requirements and Bond Indenture Provisions.

As of June 30 of each year, the General Manager shall make a review to determine whether the minimum fund requirements outlined in this Chapter have been met and whether the District has complied with the provisions of the articles and covenants contained in the resolutions of issuance for all outstanding District bond issues during the preceding fiscal year. The General Manager, after consulting with the General Counsel, shall report the results of their review in writing to the Board of Directors annually.

Section 331.4 - M.I. 34190 - April 13, 1982. Section 331.4 repealed and Section 5203 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36676 - June 9, 1987; renumbered to Section 5204 by M.I. 38241 - May 8, 1990; amended by M.I. 53064 – December 13, 2022.

Chapter 3

SHORT-TERM REVENUE CERTIFICATES

Sec.
5300. Authorization to General Manager
5301. Dealer-Manager
5302. Credit Facility
5303. Issuing and Paying Agent
5304. Method and Procedures for Sale of Certificates
5305. Report of Exercise of Authority

§ 5300. Authorization to General Manager.

The General Manager is authorized to perform any and all functions that may be delegated by the Board in Chapter 7 of Part 5 (commencing with Section 296) of the Metropolitan Water District Act (hereinafter referred to as the "Act"), in connection with the sale and issuance thereunder of short-term revenue certificates of the District (hereinafter referred to as "certificates"), such certificates being commonly referred to in financial markets as "commercial paper."

Section 475.1 - M.I. 35477 - January 8, 1985. Section 475.1 repealed and Section 5300 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 5301. Dealer-Manager.

(a) The General Manager may solicit proposals based on specifications prepared by them from any person or firm to act as dealer-manager that, as a minimum:

(1) Has served as a dealer-manager, marketing agent, or in some comparable capacity, within the last two years for a governmental issuer of commercial paper exempt from taxation under Section 103 of the Internal Revenue Code.

(2) Shall be able to demonstrate substantial knowledge of available marketing alternatives, financing options and capital markets.

(3) Shall identify one or more individuals, at least one of whom shall be experienced in the marketing of commercial paper for a governmental entity, who would be personally assigned to perform the services under the contract.

(b) The General Manager shall make a recommendation for award of contract for the services of a dealer-manager based on their review of the proposals and on interviews of persons or firms offering proposals which they may have conducted. In making that recommendation, they may give consideration to any factor they deem relevant, including, but not limited to, the experience, reputation and resources of any person or firm offering a proposal and the charges for the services set forth in the proposal.

(c) A contract for the services of a dealer-manager shall be awarded by the Board based on the recommendation of the General Manager; provided, however, that the Board may reject all proposals.

(d) Any contract with a dealer-manager shall be for a period no longer than 48 months but may be subject to extension upon mutual agreement of the District and the dealer-manager; shall be subject to termination without cause by either party upon 60 days' notice; and shall be subject to immediate termination by either party in the event of a significant change in the credit rating of either party or of the credit facility, as determined by any national rating organization, or in the event of a significant change in the tax-exempt status of the District's certificates.

(e) The District's financial consultant may, if selected by the Board, enter into a contract with the District to serve as the dealer-manager; provided, however, that if the financial consultant elects to so contract, its services as financial consultant may be terminated by the General Manager to remove any possible conflict of interest that might arise from such dual employment.

Section 475.2 - M.I. 35477 - January 8, 1985. Section 475.2 repealed and Section 5301 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (a) and (b) amended by M.I. 53064 – December 13, 2022.

§ 5302. Credit Facility.

(a) The General Manager may solicit proposals based on specifications prepared by them from financial institutions to provide a credit facility securing the payment of principal and interest on the certificates. To the extent permitted by the Act, such credit facility may be an insurance policy issued by a reputable municipal bond insurance company, a letter of credit issued by a commercial bank or savings and loan association, a line of credit, or a standby purchase agreement with a financial institution.

(b) The General Manager shall make a recommendation for award of contract to provide a credit facility based on their review of the proposals and on any interviews of representatives of financial institutions offering proposals which they may have conducted. In making that recommendation, they may give consideration to any factor they deem relevant in addition to the qualifications set forth in the specifications for proposals.

(c) A contract to provide a credit facility shall be awarded by the Board; provided, however, that the Board may reject all proposals.

(d) Any contract to provide a credit facility shall be for a period no longer than 48 months but may be subject to extension upon mutual agreement of the District and the financial institution, and shall be subject to termination by either party upon 60 days' notice. Such contract shall further provide that if the credit rating of such financial institution, as determined by any national rating organization, is at any time withdrawn, suspended or otherwise modified in such a manner as to impair, in the judgment of the General Manager, the marketability of certificates, it may be terminated by the General Manager immediately on written notice to such financial institution. The General Manager may contract with another financial institution having a satisfactory credit rating to provide a substitute credit facility or a temporary overlapping credit

facility if they determine that such an arrangement best serves the interests of the District. Any extension or termination of a contract to provide a credit facility shall be subject to the District's obligations to the holders of outstanding certificates.

Section 475.3 - M.I. 35477 - January 8, 1985. Section 475.3 repealed and Section 5302 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (a), (b), and (d) amended by M.I. 53064 – December 13, 2022.

§ 5303. Issuing and Payment Agent.

The General Manager is authorized to execute a contract with a financial institution to act as issuing and paying agent of certificates to be marketed or redeemed from time to time. Such contract, as a minimum, shall be terminable by either party without cause upon 30 days' notice and by the General Manager immediately on written notice to such financial institution if, in their judgment, good cause exists; shall provide for monthly accounting of all transactions; shall provide for insurance or a surety bond protecting the District against theft or fraudulent use of blanks or certificates in the custody of the agent; and shall provide for prompt delivery to a party to be designated by the District of any canceled certificates or blanks upon expiration or termination of the contract.

Section 475.4 - M.I. 35477 - January 8, 1985. Section 475.4 repealed and Section 5303 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 53064 – December 13, 2022.

§ 5304. Method and Procedures for Sale of Certificates.

(a) Board Action by Resolution. - Sale and issuance of the District's certificates shall be authorized by the Board by resolution which, as a minimum, shall specify the matters required by Section 298 of the Act and which may contain any other terms and conditions which the Board determines to be in the best interests of the District.

(b) Standards for Issuance of Certificates. - Subject to the terms of the resolution of sale and issuance adopted by the Board pursuant to Section 5304(a), the General Manager may sell and issue certificates in the name of the District when required to meet cash requirements of the District when they determine that the cost of funds resulting from the sale of certificates would be less than the cost of funds that would be incurred if alternative sources of financing were utilized.

(c) Sale of Certificates. - Subject to any limitations which the Board may impose in the resolution adopted pursuant to Section 5304(a), such certificates shall be sold by the General Manager at such time as may be fixed by them and upon such notice as they may deem advisable, either at public sale, upon sealed bids, to the bidder whose bid will result in the lowest interest cost to the District determined in the manner prescribed by said resolution, or by negotiated sale. Under either method, the sale shall be for cash, payable upon delivery of the certificates by the issuing and paying agent to the dealer-manager thereof.

Section 475.5 - M.I. 35477 - January 8, 1985. Section 475.5 repealed and Section 5304 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (b) and (c) amended by M.I. 53064 – December 13, 2022.

§ 5305. Report of Exercise of Authority.

The General Manager shall report to the next following meeting of the Finance, Affordability, Asset Management, and Efficiency Committee of the Board any exercise of authority pursuant to this Chapter.

Section 475.6 - M.I. 35477 - January 8, 1985. Section 475.6 repealed and Section 5305 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 42193 - December 10, 1996; amended by M. I. 44582 – August 20, 2001; amended by M. I. 46064 – January 11, 2005; amended by M.I. 46148 - March 8, 2005; amended by M.I. 46983 - February 13, 2007; amended by M.I. 48534 - January 11, 2011; amended by M.I. 53064 – December 13, 2022; paragraph amended by M.I. 53528 – February 13, 2024; paragraph amended by M.I. 53408 - March 11, 2025.

Division VI

PERSONNEL MATTERS

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Chapter 1

EMPLOYEE RELATIONS

Article		Sec.
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Article 1

GENERAL PROVISIONS

Sec.
6100. Statement of Purpose
6101. Definitions
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§ 6100. Statement of Purpose.

This Chapter implements Chapter 10, Division 4, Title 1 of the Government Code of the State of California (Sections 3500 *et seq.*) known as the "Meyers-Milias-Brown Act," by providing orderly procedures for the administration of employer-employee relations between the District and its employee organizations. This Chapter is intended to strengthen the method of administering employer-employee relations through the establishment of uniform and orderly methods of communications between employees, employee organizations and the District. It is the purpose of this Chapter to provide procedures for meeting and conferring in good faith with Recognized Employee Organizations regarding matters that directly and significantly affect and

primarily involve the wages, hours and other terms and conditions of employment of employees in appropriate units. However, nothing herein shall be construed to restrict the District rights identified in this Chapter.

Section 430.1 based on Res. 7525 - August 14, 1973. Section 430.1 repealed and Section 6100 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987. Section 6100 amended in entirety by M.I. 48418 - September 14, 2010.

§ 6101. Definitions.

The words and terms defined in this section shall have the following meanings throughout this Chapter. Any term not defined herein, which is defined in Sections 3500 to 3510, inclusive, of the California Government Code, or which is defined in this Administrative Code shall have the meaning therein.

(a) "Appropriate Unit" - means a unit established pursuant to Article 2 of this Chapter.

(b) "Confidential Employee" – means an employee who, in the course of their duties, has access to confidential information relating to the decisions of District management affecting employer-employee relations.

(c) "Consult/Consultation in Good Faith" - means to communicate orally or in writing with all affected employee organizations, whether exclusively or not, for the purpose of presenting and obtaining views or advising of intended actions in good faith effort to reach a consensus; and, as distinguished from meeting and conferring in good faith regarding matters within the required scope of such meet and confer process, does not involve an exchange of proposals and counterproposals with an exclusively recognized employee organization in an endeavor to reach agreement in the form of a Memorandum of Understanding, nor is it subject to Article 4 hereof.

(d) "Day" – means calendar day unless expressly stated otherwise.

(e) "District" – means The Metropolitan Water District of Southern California, the Board of Directors, or any duly authorized management employee as herein defined.

(f) "Employee Relations Officer" - means the Manager of the Employee Relations Section of the Human Resources Group.

(g) "Exclusively Recognized Employee Organization" – means an employee organization which has been formally acknowledged by the District as the sole employee organization representing the employees in an appropriate representation unit pursuant to Article 2 hereof, having the exclusive right to meet and confer in good faith concerning statutorily required subjects pertaining to unit employees, and thereby assuming the corresponding obligation of fairly representing such employees.

(h) "Impasse" - means that the representatives of the District and a Recognized Employee Organization have reached a point in their meeting and conferring in good faith where their differences on matters to be included in a Memorandum of Understanding, and concerning which

they are required to meet and confer, remain so substantial and prolonged that further meeting and conferring would be futile.

(i) “Management Employee” – means an employee having responsibility for formulating, administering or managing the implementation of the District’s policies and programs.

(j) “Mediation” – means the efforts by an impartial third party or person to assist as an intermediary between the Employee Relations Officer and representatives of a recognized employee organization, through interpretation, suggestion and advice, in reaching a voluntary resolution to an impasse. Nothing contained herein shall preclude said mediator from making recommendations to the interested parties.

(k) “Meet and Confer in Good Faith” - (sometimes referred to herein as “meet and confer” or “meeting and conferring”) means performance by duly authorized District representatives and duly authorized representatives of an employee organization recognized as the majority representative of their mutual obligation to meet at reasonable times and to confer in good faith regarding matters within the scope of representation, including wages, hours, and other terms and conditions of employment, in an effort to: (1) reach agreement on those matters within the authority of such representatives and (2) reach agreement on what will be recommended to the Board of Directors on those matters within the decision making authority of the Board of Directors. This does not require either party to agree to a proposal or to make a concession, or to continue to negotiate when either party declares an impasse.

(l) “Memorandum of Agreement” – means a written memorandum incorporating agreements reached through negotiation on matters within the jurisdiction of the General Manager, and signed by the General Manager and a duly authorized representative of a recognized employee organization.

(m) “Memorandum of Understanding” – means a written document, signed by the General Manager and a duly authorized representative of recognized employee organization, incorporating agreement between the General Manager and representatives of recognized employee organizations whereby the General Manager binds themself to recommend to the Board of Directors action on matters within the scope of representation.

(n) “Negotiation” – means the act of meeting and discussing issues or proposals by the Employee Relations Officer and representatives of recognized employee organizations with the purpose of reaching binding agreement concerning matters within the jurisdiction of the General Manager; discussions leading to preparation of written memoranda of agreement which are to be binding upon both parties.

(o) “Professional Employee” – means any employee engaged in work requiring specialized knowledge and skills normally attained through completion of a recognized course of instruction, including, but not limited to, accountants, architects, attorneys, chemists, engineers, geologists, and various types of physical, chemical and biological scientists.

(p) “Proof of Employee Support” – means (1) an authorization card recently signed and personally dated by an employee, or (2) a verified authorization petition or petitions recently

signed and personally dated by an employee, or (3) employee dues deduction authorization, using the payroll register for the period immediately prior to the date a petition is filed hereunder, except that dues deduction authorizations for more than one employee organization for the account of any one employee shall not be considered as proof of employee support for any employee organization. The only authorization which shall be considered as proof of employee support hereunder shall be the authorization last signed by an employee. The words "recently signed" shall mean within six (6) months prior to the filing of a petition.

(q) "Scope of Representation" – means all matters relating to employment conditions and employer-employee relations including, but not limited to, wages, hours and other terms and conditions of employment; except that consideration of the merits, necessity, or organization of any service or activity required by law or executive order shall be excluded from the scope of representation; and except that employee rights, as described in Section 6102, and District rights as described in Section 6103, shall be excluded from the scope of representation.

(r) "Supervisory Employee" – means any employee having authority in the interest of the District to hire, assign, transfer, promote, demote, suspend, discharge, reward or discipline other employees, or having the responsibility to direct them or to adjust their grievances, or effectively to recommend such action in connection with the foregoing, when the exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgment.

Section 430.2 based on Res. 7525 - August 14, 1973; amended by M.I. 32690 - April 10, 1979. Section 430.2 repealed and Section 6101 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (e) and (g) amended by M.I. 45943 – October 12, 2004. Section 6101 paragraphs (a)-(c), (e)-(f), (h)-(o) and (q)-(r) amended; paragraphs (d), (g) and (p) added; old paragraphs (n) and (o) deleted by M.I. 48418 - September 14, 2010; paragraphs (b) and (m) amended by M.I. 53064 – December 13, 2022.

§ 6102. Employee Rights.

Employees of the District shall have the right to form, join and participate in the activities of employee organizations of their own choosing for the purpose of representation on matters of employer-employee relations including wages, hours and other terms and conditions of employment. Employees of the District also shall have the right to refuse to join or participate in the activities of employee organizations and shall have the right to represent themselves individually in their employment relations with the District, but may not enter into any arrangements that are contrary to, modify or abridge any understanding reached between the District and the employee organization certified as exclusive representative for the unit in which the individual is included. Neither the District nor any employee organization shall interfere with, intimidate, restrain, coerce or discriminate against any District employee because of their exercise of these rights.

Section 430.3 based on Res. 7525 - August 14, 1973. Section 430.3 repealed and Section 6102 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 53064 – December 13, 2022.

§ 6103. District Rights.

The rights of the District shall include, but are not limited to, the exclusive right to determine the mission of its constituent departments; set standards of service; determine the procedures and standards of selection for employment, promotion and transfer; direct its

employees; take disciplinary action for proper cause; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of District operations; determine the methods, means and personnel by which District operations are to be conducted; determine the content of job descriptions and specifications; take all necessary action to carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work; provided, however, that the exercise of such rights does not preclude employees or their representatives from consulting with the Employee Relations Officer about the practical consequences that decisions on these matters may have on wages, hours, and other terms and conditions of employment.

Section 430.4 based on Res. 7525 - August 14, 1973. Section 430.4 repealed and Section 6103 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 6104. Advance Notice to Employee Organizations.

(a) Except in case of emergency, reasonable written notice shall be given to each recognized employee organization affected by any ordinance, resolution, or regulation, or any change in any existing ordinance, resolution, or regulation, relating to matters within the scope of representation that is proposed to be adopted by the Board of Directors or the General Manager. Each such employee organization shall be given the opportunity to meet with the Employee Relations Officer prior to adoption of such ordinance, resolution, or regulation, or adoption of such change in any existing ordinance, resolution, or regulation.

(b) In case of emergency, when an ordinance, resolution, or regulation, or a change in any existing ordinance, resolution, or regulation, must be adopted immediately and without prior notice, recognized employee organizations affected shall be given notice by and opportunity to meet with the Employee Relations Officer at the earliest practicable time following adoption of such ordinance, resolution, or regulation, or such change in any existing ordinance, resolution, or regulation.

Section 430.5 based on Res. 7525 - August 14, 1973. Section 430.5 repealed and Section 6104 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987. Section 6104 paragraphs (a)-(b) amended by M.I. 48418 - September 14, 2010.

Article 2

REPRESENTATION PROCEEDINGS

Sec.
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§ 6105. Filing of Recognition Petition by Employee Organization.

(a) An employee organization that seeks to be formally acknowledged as an exclusively Recognized Employee Organization representing the employees in an appropriate unit shall file a petition with the Employee Relations Officer containing the following information and documentation:

(1) The name and address of the employee organization.

(2) The names and titles of its officers.

(3) A statement that the employee organization has, as one of its primary purposes, representing employees in their employment relations with the District.

(4) Certified copies of the employee organization's constitution and existing by-laws.

(5) The names of employee organization representatives who are authorized to speak on behalf of its members.

(6) A designation of those persons, not exceeding two in number, and their addresses, to whom notices sent by regular United States mail will deemed sufficient notice on the employee organization for any purpose.

(7) A statement whether the employee organization is a chapter or local of or affiliated directly or indirectly in any manner with a regional, state, national or international organization and, if so, the name and address of each such organization.

(8) A statement that the organization has no restriction on membership based upon race, sex (gender or pregnancy), creed, national origin, color, disability (physical or mental), protected veteran status, religion, age, health impairment related to or associated with a

diagnosis of cancer, genetic characteristics or information, marital status, ancestry, sexual orientation, or other characteristic protected by law.

(9) The job classifications or titles of employees in the unit claimed to be appropriate and the approximate number of member employees therein.

(10) A statement that the employee organization has in its possession Proof of Employee Support as herein defined to establish that a majority of the employees in the unit claimed to be appropriate have designated the employee organization to represent them in their employment relations with the District. Such written proof shall be submitted for confirmation to the Employee Relations Officer or to a mutually agreed upon disinterested third party.

(11) A request that the Employee Relations Officer formally acknowledge the petitioner as the Exclusively Recognized Employee Organization representing the employees in the unit claimed to be appropriate for the purpose of meeting and conferring in good faith.

(b) The petition, including the Proof of Employee Support and all accompanying documentation, shall be declared to be true, correct and complete, under penalty of perjury, by the duly authorized officer(s) of the employee organization executing it.

Section 430.6 based on Res. 7525 - August 14, 1973; paragraph (g) [formerly Section 430.6.7] amended by M.I. 35592 - April 9, 1985. Section 430.6 repealed and Section 6105 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987. Section 6105 Title and paragraph (a) amended; former subparagraphs (a)-(i) renumbered as (1)-(10); new paragraphs (10)-(11) added by M.I. 48418 - September 14, 2010.

§ 6106. District Response to Recognition Petition.

(a) Upon receipt of the petition, the Employee Relations Officer shall determine whether:

(1) There has been compliance with the requirements of the recognition petition, and

(2) The proposed representation unit is an appropriate unit in accordance with Section 6110 of this Article 2.

(b) If an affirmative determination is made by the Employee Relations Officer on the foregoing two matters, they shall so inform the petitioning employee organization, shall give written notice of such request for recognition to the employees in the unit and shall take no action on said request for thirty (30) days thereafter. If either of the foregoing matters are not affirmatively determined, the Employee Relations Officer shall offer to consult thereon with such petitioning employee organization and, if such determination thereafter remains unchanged, shall inform that organization of the reasons therefore in writing. The petitioning employee organization may appeal such determination in accordance with Section 6113 of this Chapter.

Section 430.7 based on Res. 7525 - August 14, 1973; paragraph (c)(2) [formerly Section 430.7.3.2] amended by M.I. 34309 - July 13, 1982. Section 430.7 repealed and Section 6106 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (a) and (b) amended by M. I. 44582 – August 20, 2001; paragraph (b) amended by M. I. 46064 – January 11, 2005; paragraph (b) amended by M.I. 46983 - February 13, 2007; paragraph (b) amended by M.I. 48081 – November 10, 2009. Section 6106 Title and paragraphs (a)-(b) amended; paragraphs (a)(1)-(a)-(2) amended; paragraphs (a)(3)-(a)(4) deleted; paragraphs (c)-(d) deleted in entirety; [some of the existing provisions, with amendments, moved to Section 6110] by M.I. 48418 - September 14, 2010; paragraph (b) amended by M.I. 53064 – December 13, 2022.

§ 6107. Open Period for Filing Challenging Petition.

Within thirty (30) days of the date written notice was given to affected employees that a valid recognition petition for an appropriate unit has been filed ("open period"), any other employee organization may file a competing request to be formally acknowledged as the Exclusively Recognized Employee Organization of the employees in the same or in an overlapping unit (one which corresponds with respect to some, but not all the classifications or positions set forth in the recognition petition being challenged), by filing a petition evidencing Proof of Employee Support in the unit claimed to be appropriate of at least thirty (30) percent and otherwise in the same form and manner as set forth in Section 6105 of this Article 2. If such challenging petition seeks establishment of an overlapping unit, the Employee Relations Officer shall call for a hearing on such overlapping petitions for the purpose of ascertaining the more appropriate unit, at which time the petitioning employee organizations shall be heard. Thereafter, the Employee Relations Officer shall determine the appropriate unit or units in accordance with the standards in Section 6110 of this Article 2. The petitioning employee organizations shall have fifteen (15) days from the date notice of such unit determination is communicated to them by the Employee Relations Officer to amend their petitions to conform to such determination or to appeal such determination pursuant to Section 6113 of this Article 2.

Section 430.8 based on Res. 7525 - August 14, 1973. Section 430.8 repealed and Section 6107 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987. Section 6107 amended in entirety and existing provisions, with amendments, moved to Section 6106 and 6108 by M.I. 48418 - September 14, 2010.

§ 6108. Election Procedure.

(a) The Employee Relations Officer shall arrange for a secret ballot election to be conducted by a party agreed to by the Employee Relations Officer and the concerned employee organization(s), in accordance with such party's rules and procedures subject to the provisions of this Chapter. All employee organizations who have duly submitted petitions which have been determined to be in conformance with this Article 2 shall be included on the ballot. The ballot shall also reserve to employees the choice of representing themselves individually in their employment relations with the District. Employees entitled to vote in such election shall be those persons employed in regular permanent positions within the designated appropriate unit who were employed during the pay period immediately prior to the date which ended at least fifteen (15) days before the date the election commences, including those who did not work during such period because of illness, vacation or other authorized leaves of absence, and who are employed by the District in the same unit on the date of the election. An employee organization shall be formally acknowledged as the Exclusively Recognized Employee Organization for the designated appropriate unit following an election or run-off election if it received a numerical majority of all valid votes cast in the election. In an election involving three or more choices, where none of the choices receives a majority of the valid votes cast, a run-off election shall be conducted between the two choices receiving the largest number of valid votes cast; the rules governing an initial election being applicable to a run-off election.

(b) There shall be no more than one valid election under this Chapter pursuant to any petition in a twelve (12) month period affecting the same unit.

(c) In the event that the parties are unable to agree on a third party to conduct an election, the election shall be conducted by the California State Mediation and Conciliation Service.

(d) Costs of conducting elections shall be borne in equal shares by the District and by each employee organization appearing on the ballot.

Section 430.9 based on Res. 7525 - August 14, 1973. Section 430.9 repealed and Section 6108 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (c) amended by M.I. 38304 - June 12, 1990; paragraph (c)(2) amended and paragraph (c)(5) added by M. I. 45943 – October 12, 2004. Section 6108 Title and paragraphs (a)-(c) amended and paragraph (d) added by M.I. 48418 - September 14, 2010.

§ 6109. Procedure for Decertification of Exclusively Recognized Employee Organization.

(a) A Decertification Petition alleging that the incumbent Exclusively Recognized Employee Organization no longer represents a majority of the employees in an established appropriate unit may be filed with the Employee Relations Officer. A Decertification Petition may be filed by two or more employees or their representative, or an employee organization, and shall contain the following information and documentation declared by the duly authorized signatory under penalty of perjury to be true, correct and complete:

(1) The name, address and telephone number of the petitioner and a designated representative authorized to receive notices or requests for further information.

(2) The name of the established appropriate unit and of the incumbent Exclusively Recognized Employee Organization sought to be decertified as a representative of that unit

(3) An allegation that the incumbent Exclusively Recognized Employee Organization no longer represents a majority of the employees in the appropriate unit, and any other relevant and material facts relating thereto.

(4) Proof of Employee Support that at least thirty (30) percent of the employees in the established appropriate unit no longer desire to be represented by the incumbent Exclusively Recognized Employee Organization. Such proof shall be submitted for confirmation to the Employee Relations Officer or to a mutually agreed upon disinterested third party within the time limits specified in the first paragraph of this Section.

(b) An employee organization may, in satisfaction of the Decertification Petition requirements hereunder, file a petition under this Section in the form of a Recognition Petition that evidences Proof of Employee Support of at least thirty (30) percent, that includes the allegation and information required under paragraph (a) of this Section, and otherwise conforms to the requirements of Section 6105 of this Article.

(c) The Employee Relations Officer shall initially determine whether the Petition has been filed in compliance with the applicable provisions of this Article 2. If their determination is in the negative, they shall offer to consult thereon with the representative(s) of such petitioning employees or employee organization and, if such determination thereafter remains unchanged, shall return such petition to the employees or employee organization with a statement of the reasons therefore in writing. The petitioning employees or employee organization may appeal

such determination in accordance with Section 6113 of this Article 2. If the determination of the Employee Relations Officer is in the affirmative, or their negative determination is reversed on appeal, they shall give written notice of such Decertification or Recognition Petition to the incumbent Exclusively Recognized Employee Organization and to unit employees.

(d) The Employee Relations Officer shall thereupon arrange for a secret ballot election to be held on or about twenty (20) days after such notice to determine the wishes of unit employees as to the question of decertification and, if a Recognition Petition was duly filed hereunder, the question of representation. Such election shall be conducted in conformance with Section 6108 of this Article 2.

(e) If, pursuant to this Section, a different employee organization is formally acknowledged as the Exclusively Recognized Employee Organization, such organization shall be bound by all the terms and conditions of any Memorandum of Understanding then in effect for its remaining term.

Section 430.10 based on Res. 7525 - August 14, 1973. Section 430.10 repealed and Section 6109 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987. Section 6109 Title, paragraphs (a), (a)(1)-(a)(2) amended; paragraphs (a)(3)-(a)(4) added; paragraph (b) amended; paragraphs (c)-(e) added by M.I. 48418 - September 14, 2010; amended paragraph (c) by M.I. 53064 – December 13, 2022.

§ 6110. Policy and Standards for Determination of Appropriate Units.

(a) The policy objectives in determining the appropriateness of units shall be the effect of a proposed unit on (1) the efficient operations of the District and its compatibility with the primary responsibility of the District and its employees to effectively and economically serve the public, and (2) providing employees with effective representation based on recognized community of interest considerations. These policy objectives require that the appropriate unit shall be the broadest feasible grouping of positions that share an identifiable community of interest. Factors to be considered shall be:

(1) Similarity of the general kinds of work performed, types of qualifications required, and the general working conditions.

(2) History of representation in the District and similar employment; except however, that no unit shall be deemed to be an appropriate unit solely on the basis of the extent to which employees in the proposed unit have organized.

(3) Consistency with the organizational patterns of the District.

(4) Effect of differing legally mandated impasse resolution procedures.

(5) Number of employees and classifications, and the effect on the administration of employer-employee relations created by the fragmentation of classifications and proliferation of units.

(6) Effect on the classification structure and impact on the stability of the employer-employee relationship of dividing a single or related classifications among two or more units.

(b) Notwithstanding the foregoing provisions of this Section, managerial, supervisory and confidential responsibilities, as defined in Section 6101 of this Chapter, are determining factors in establishing appropriate units hereunder, and therefore managerial, supervisory and confidential employees may only be included in a unit consisting solely of managerial, supervisory and confidential employees respectively. Managerial, supervisory and confidential employees may not represent any employee organization which represents other employees.

Section 430.11 based on Res. 7525 - August 14, 1973. Section 430.11 repealed and Section 6110 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987. Section 6110 Title and paragraph (a) amended; paragraphs (a)(1)-(a)(6) added; paragraph (b) amended; paragraphs (b)(1)-(b)(4) deleted; paragraph (c)-(f) deleted; Section includes provisions in former Section 6106 by M.I. 48418 - September 14, 2010.

§ 6111. Procedures for Modification of Established Appropriate Units.

(a) Requests by employee organizations for modifications of established appropriate units may be considered by the Employee Relations Officer only during the period specified in Section 6109 of this Article 2. Such requests shall be submitted in the form of a Recognition Petition and, in addition to the requirements set forth in Section 6105 of this Article, shall contain a complete statement of all relevant facts and citations in support of the proposed modified unit in terms of the policies and standards set forth in Section 6110 hereof. The Employee Relations Officer shall process such petitions as other Recognition Petitions under this Article 2.

(b) The Employee Relations Officer may by their own motion propose that an established unit be modified. The Employee Relations Officer shall give written notice of the proposed modification(s) to any affected employee organization and shall hold a meeting concerning the proposed modification(s), at which time all affected employee organizations shall be heard. Thereafter the Employee Relations Officer shall determine the composition of the appropriate unit or units in accordance with Section 6110 of this Article 2, and shall give written notice of such determination to the affected employee organizations. The Employee Relations Officer's determination may be appealed as provided in Section 6113 of this Article. If a unit is modified pursuant to the motion of the Employee Relations Officer hereunder, employee organizations may thereafter file Recognition Petitions seeking to become the Exclusively Recognized Employee Organization for such new appropriate unit or units pursuant to Section 6105 hereof.

Section 430.12 based on Res. 7525 - August 14, 1973; paragraph (c)(1) [formerly Section 430.12.3.1] amended by M.I. 32690 - April 10, 1979. Section 430.12 repealed and Section 6111 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (a), (b)(2), (c)(1), and (c)(2) amended by M.I. 44582 – August 20, 2001 paragraphs (b)(2), (c)(1) and (2) amended by M. I. 46064 – January 11, 2005; paragraphs (b)(2), (c)(1)(2) amended by M.I. 46983 - February 13, 2007; paragraph (b)(2) amended, paragraph (c)(1) and (2) amended by M.I. 48081 – November 10, 2009. Section 6111 Title, paragraphs (a)-(b) amended; paragraphs (b)(1)-(b)(2) deleted; paragraph (c) deleted in entirety; section's existing provisions moved to Sections 6117, 6118 and 6119 by M.I. 48418 - September 14, 2010; paragraph (b) amended by M.I. 53064 – December 13, 2022.

§ 6112. Procedure for Processing Severance Requests.

An employee organization may file a request to become the recognized employee organization of a unit alleged to be appropriate that consists of a group of employees who are already a part of a larger established unit represented by another recognized employee

organization. The timing, form and processing of such request shall be as specified in Section 6111 for modification requests.

Section 430.13 based on Res. 7525 - August 14, 1973; paragraph (e) [formerly Section 430.13.5.1] renumbered and amended and paragraph (f) [formerly Section 430.13.5.2] added by M.I. 35166 - June 12, 1984. Section 430.13 repealed and Section 6112 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (d) amended by M. I. 45943 – October 12, 2004. Section 6112 Title amended, paragraphs (a)-(f) deleted in entirety; new paragraph added by M.I. 48418 - September 14, 2010.

§ 6113. Appeals.

(a) An employee organization aggrieved by an appropriate unit determination of the Employee Relations Officer; or an employee organization aggrieved by a determination of the Employee Relations Officer that a Recognition Petition (Section 6105), Challenging Petition (Section 6107), Decertification Petition (Section 6109), Unit Modification Petition (Section 6111) — or employees aggrieved by a determination of the Employee Relations Officer that a Decertification Petition (Section 6109) — has not been filed in compliance with the applicable provisions of this Article, may, within twenty (20) days of notice of the Employee Relations Officer's final decision request to submit the matter to mediation by the State Mediation and Conciliation Service, or may, in lieu thereof or thereafter, appeal such determination to the Organization, Personnel and Effectiveness (OPE) Committee for final decision within fifteen (15) days of notice of the Employee Relations Officer's determination or the termination of mediation proceedings, whichever is later.

(b) Appeals to the OPE Committee shall be filed in writing with the Board's Executive Secretary, and a copy thereof served on the Employee Relations Officer. The said committee shall commence to consider the matter within thirty (30) days of the filing of the appeal. The committee may, in its discretion, refer the dispute to a third-party hearing process. Any decision of the committee on the use of such procedures, and/or any decision of the committee determining the substance of the dispute shall be final and binding.

Section 430.14 based on Res. 7525 - August 14, 1973. Section 430.14 repealed and Section 6113 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (b) amended by M I. 44582 – August 2001; paragraph (b) amended by M. I. _46064 – January 11, 2005; amended by M.I. 46983 - February 13, 2007; paragraph (b) amended by M.I. 48081 – November 10, 2009. Existing Section 6113 repealed and new provisions added; Section 6113 Title, paragraph (a) amended; paragraphs (a)(1)-(a)(5) deleted; paragraph (b) amended by M.I. 48418 - September 14, 2010; paragraphs (a)-(b) amended by M.I. 48800 – September 13, 2011; paragraphs (a) and (b) amended by M.I. 53064 – December 13, 2022; paragraphs (a) and (b) amended by M.I. 53408 - March 11, 2025.

Article 3

ADMINISTRATION

Sec.
6114. Submission of Current Information by Recognized Employee Organization
6115. Employee Organization Activities – Use of District Resources
6116. Administrative Rules and Procedures

§ 6114. Submission of Current Information by Recognized Employee Organization.

All changes in the information filed with the District by an Exclusively Recognized Employee Organization under items (1) through (8) of its Recognized Petition under Section 6105 of this Chapter shall be submitted in writing to the Employee Relations Officer within fourteen (14) days of such change.

Section 430.15 based on Res. 7525 - August 14, 1973. Section 430.15 repealed and Section 6114 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (b) amended by M. I. 44582 – August 20, 2001; paragraph (b) amended by M. I. _46064 – January 11, 2005; paragraph (b) amended by M.I. 46983 - February 13, 2007; paragraph (b) amended by M.I. 48081 – November 10, 2009. Existing Section 6114 repealed and new provision added by M.I. 48418 - September 14, 2010.

§ 6115. Employee Organization Activities – Use of District Resources.

Access to District work locations and use of District paid time, facilities, equipment and other resources by employee organizations and those representing them shall be authorized only to the extent provided for in Memorandum of Understanding and/or administrative procedures, shall be limited to lawful activities consistent with the provisions of this Chapter that pertain directly to the employer-employee relationship and not such internal employee organization business such as soliciting membership and campaigning for office, and shall not interfere with the efficiency, safety and security of District operations.

Section 430.16 based on Res. 7525 - August 14, 1973; paragraph (c) [formerly Section 430.16.3] amended by M.I. 34309 - July 13, 1982. Section 430.16 repealed and Section 6115 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987. Existing Section 6115 repealed and new provision added by M.I. 48418 - September 14, 2010.

§ 6116. Administrative Rules and Procedures.

The General Manager is hereby authorized to establish such rules and procedures as appropriate to implement and administer the provisions of this Chapter after consultation with affected employee organizations.

Section 430.17 based on Res. 7525 - August 14, 1973; paragraph (b) [formerly Section 430.17.2] amended by M.I. 35166 - June 12, 1984. Section 430.17 repealed and Section 6116 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (a) amended by M. I. 44582 – August 20, 2001; paragraph (a) amended by M. I. 46064 – January 11, 2005; paragraph (a) amended by M.I. 46983 - February 13, 2007; paragraph (a) amended by M.I. 48081 – November 10, 2009. Existing Section 6116 is repealed and new provision added by M.I. 48418 - September 14, 2010.

Article 4

IMPASSE PROCEDURES

Sec.
6117. Initiation of Impasse Procedures
6118. Impasse Procedures
6119. Cost of Impasse Procedures

§ 6117. Initiation of Impasse Procedures.

If the meet and confer process has reached impasse as defined in Section 6101 of this Chapter, either party may initiate the impasse procedures by filing with the other party a written request for an impasse meeting, together with a statement of its position on all issues. An impasse meeting with the General Manager shall then be scheduled promptly by the Employee Relations Officer. The purpose of such meeting shall be:

(a) To review the position of the parties in a final effort to reach agreement on a Memorandum of Understanding; and

(b) If the impasse is not resolved, to discuss arrangements for the utilization of the impasse procedures provided herein.

Existing provisions of Section 6117 amended and moved to Section 6120 and new provisions added to Section 6117 by M.I. 48418 - September 14, 2010.

§ 6118. Impasse Procedures.

Impasse procedures are as follows:

(a) If the parties agree to submit the dispute to mediation, and agree on the selection of a mediator, the dispute shall be submitted to mediation. All mediation proceedings shall be private. The parties shall mutually select one mediator. In the event the parties are unable to agree on a mediator, the mediator shall be selected and furnished by the California State Mediation and Conciliation Service. The mediator shall make no public recommendations, nor take any public position at any time concerning the issues. Mediation may be considered to have failed by any party only after that party has given reasonable time and effort to the mediation proceeding.

(b) If the mediator is unable to effect settlement of the controversy within 30 days after their appointment, the Exclusively Recognized Employee Organization may request that the parties' differences be submitted to a fact-finding panel for written findings of fact and recommended terms of settlement pursuant to Government Code sections 3505.4 and 3505.5.

(c) If there is no settlement of the controversy after the mediation and fact-finding procedures have been exhausted, but no earlier than 10 days after the fact-finders' written findings of fact and recommended terms of settlement have been submitted to the parties

pursuant to Government Code Section 3505.5, the Board may, after holding a public hearing regarding the impasse, implement its last, best, and final offer.

(d) If the parties did not agree on mediation, or having so agreed, the impasse has not been resolved, and if the employee organization does not request fact finding, the Board may take such action regarding the impasse as it in its discretion deems appropriate as in the public interest. Any legislative action by the Board on the impasse shall be final and binding.

(e) Any legislative action by the Board on the impasse shall be final and binding.

Existing provisions of Section 6118 moved to Section 6121 and new provisions added to Section 6118 by M.I. 48418 - September 14, 2010; amended paragraph (a), amended and renumbered former paragraph (b) to paragraph (d), added paragraphs (b), (c), and (e) by M.I. 49187 - September 11, 2012; amended paragraph (b) by M.I. 53064 – December 13, 2022.

§ 6119. Costs of Impasse Procedures.

The cost for the services of a mediator, and other mutually incurred costs of mediation, shall be borne equally by the District and the Exclusively Recognized Employee Organization. The costs for the services of the fact-finding panel chairperson and any other mutually incurred costs of fact finding, shall be borne equally by the District and the Exclusively Recognized Employee Organization.

Existing provisions of Section 6119 amended and moved to Section 6122 and new provisions to Section 6119 added by M.I. 48418 - September 14, 2010; amended by M.I. 49187 - September 11, 2012.

Article 5

MISCELLANEOUS PROVISIONS

Sec.
6120. Construction
6121. Interpretation and Administration
6122. Severability

§ 6120. Construction.

(a) Nothing in this Chapter shall be construed to deny any person, employee, organization, the District, or any authorized officer, body or other representative of the District, the rights, powers and authority granted by Federal and State laws and by this Administrative Code.

(b) The rights, powers and authority of the Board of Directors in all matters, including the right to maintain any legal action, shall not be modified or restricted by this Chapter.

(c) The provisions of this Chapter shall be construed in accordance with the provisions of Chapter 10, Division 4, Title 1 of the Government Code of the State of California (Section 3500 et seq.). A complaint alleging any violation of Chapter 10, Division 4, Title 1 of the Government Code of the State of California (Section 3500 et seq.) or any section of this Chapter shall be processed as mandated by state law.

Section 430.18 based on Res. 7525 - August 14, 1973; paragraph (a) [formerly Section 430.18.1] amended by M.I. 32690 - April 10, 1979. Section 430.18 repealed and Section 6117 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M. I. 46838 – October 10, 2006. Old Section 6117 is moved and amended to new Section 6120 by M.I. 48418 - September 14, 2010.

§ 6121. Interpretation and Administration.

The General Manager shall have authority to interpret and administer provisions of this Chapter, subject to appeal to the Organization, Personnel and Effectiveness Committee.

Section 430.19 based on Res. 7525 - August 14, 1973. Section 430.19 repealed and Section 6118 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M. I. 44582 – August 20, 2001; amended by M. I. 46064 – January 11, 2005; amended by M.I. 46983 - February 13, 2007; amended by M.I. 48081 – November 10, 2009. Old Section 6118 is moved to new Section 6121 by M.I. 48418 - September 14, 2010; paragraph amended by M.I. 48800 – September 13, 2011; paragraph amended by M.I. 53064 – December 13, 2022; paragraph amended by M.I. 53408 - March 11, 2025.

§ 6122. Severability.

If any provision of this Chapter, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Chapter, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Section 430.20 based on Res. 7525 - August 14, 1973. Section 430.20 repealed and Section 6119 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987. Old Section 6119 is amended and moved to new Section 6122 by M.I. 48418 - September 14, 2010.

Chapter 2

PERSONNEL REGULATIONS

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§ 6200. Definitions.

(a) "Employee" shall, except as otherwise provided, mean and include all officers and employees of the District.

(b) "Unclassified service" shall mean and include all unrepresented employees, including the officers and positions as listed in Section 6500 of this Code.

Unclassified employees shall mean officers and employees in the unclassified service.

(c) "Classified service" shall mean and include all positions not specifically designated as being in the unclassified service. "Classified employees" shall mean employees in the classified service.

(d) "Exempt employees" shall mean and include all employees holding positions not subject to overtime pay as indicated on the current pay rate schedule approved by the Board or in this Code.

(e) "Hours" shall mean working hours. Unless otherwise specified, the term "hours" shall be construed to include hours of paid leave and exclude hours paid at an overtime pay rate, compensatory time earned, and no pay hours.

(f) Biweekly period of service means any fourteen-day pay period commencing on 12:01 a.m., of alternate Sundays during which an employee works a majority of the scheduled working hours in such period; provided that for the purposes of this section hours of leave with pay shall be considered working hours and scheduled working hours shall mean hours scheduled for the position held by the employee.

(g) "Annual payroll cycle" means 26 biweekly pay periods. The first pay period shall be assumed to have commenced as of January 1, 1984.

(h) The "hourly pay rate" or "hourly rate" as used in this Code with reference to an employee exempt from overtime is the hourly equivalent of an employee's salary, exclusive of any special or premium pay, whether the employee is compensated on an hourly, weekly, monthly or any other basis and is established for the purpose of all salary and benefit computations.

(i) "Workweek" shall mean a fixed and regularly recurring period of 168 hours (seven consecutive 24-hour periods), commencing for each employee or group of employees at a time and on a day designated by the General Manager.

(j) “Regular full-time employees” shall mean employees who are employed to work an average of 40 hours per week for an indefinite period of time.

(k) “Regular part-time employees” shall mean employees who are employed to work a regular schedule of at least 20 hours per week but less than 40 hours per week for an indefinite period of time.

(l) “Temporary full-time employees” shall mean employees whose employment carries a time limitation and who are employed to work an average of 40 hours per week.

(m) “Temporary part-time employees” shall mean employees whose employment carries a time limitation and who are employed to work less than 40 hours per week.

(n) “Recurrent employees” shall mean employees hired for an indefinite period of time on an irregular basis, such as intermittent, emergency, or on-call.

(o) “Promotion” shall mean the movement of an employee to a position in a higher salary grade.

(p) “Demotion” shall mean the movement of an employee to a position in a lower salary grade.

Ords. 113, 114, 120 and 127; repealed by Ord. 145; Section 433.1.1 added, as amended by M.I. 32297 - June 13, 1978; amended by M.I. 32690 - April 10, 1979; M.I. 32869 - August 17, 1979; amended and paragraphs (c) and (h) [formerly Sections 433.1.1.3 and 433.1.1.8] added by M.I. 35166 - June 12, 1984; paragraphs (a) and (b) [formerly Sections 433.1.1.1 and 433.1.1.2] amended by M.I. 35347 - October 9, 1984; paragraph (i) [formerly Section 433.1.1.9] added by M.I. 35726 - July 9, 1985; paragraphs (a) and (b) amended by M.I. 35765 - August 20, 1985, paragraph (b) amended by M.I. 36221 - August 19, 1986. Section 433.1.1 repealed and Section 6200 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (b) amended by M.I. 38750 - February 12, 1991; paragraph (j) added by M.I. 39176 - August 20, 1991; paragraph (b) amended by M.I. 39314 - November 19, 1991; paragraph (b) amended by M.I. 40872 - June 14, 1994; paragraph (b) amended by M.I. 41652 - November 14, 1995; paragraph (b) amended by M.I. 41845 - April 9, 1996; paragraph (a) amended, paragraphs (b)-(i) renumbered and paragraphs (j)-(p) added by M.I. 42500 - July 8, 1997; paragraph (b) amended by M. I. 45943 – October 12, 2004.

§ 6201. Benefits Paid Temporary Employees.

(a) Temporary employees shall be entitled only to be paid an hourly rate determined in accordance with this Code.

(b) An eligible temporary unrepresented employee shall be entitled to personal leave.

(1) A temporary unrepresented full-time employee employed by the District for more than 1,044 hours of current full-time service is eligible for forty-eight (48) hours of personal leave per calendar year.

(2) A temporary unrepresented full-time employee employed by the District for more than 1,044 hours of current full-time service is eligible for forty-eight (48) hours of personal leave per calendar year.

Personal leave must be used in the calendar year in which it is received. Personal leave shall not be carried over into the year following the year in which it is received nor will it be paid upon separation from District employment. The District shall be responsible for scheduling personal leave periods of temporary employees in such a manner as to achieve the most efficient functioning of the District. The District shall determine whether or not a request for personal leave will be granted; however, an employee's timely request for personal leave shall only be denied for good and sufficient business reasons.

(c) All eligible temporary employees shall be entitled to CalPERS pension and medical benefits based on Cal PERS regulations provided for in the Public Employee Retirement Law (PERL) and Public Employee Medical and Hospital Care Act (PEMCHA).

(d) Temporary employees shall not be entitled to any benefits or rights of any nature whatsoever provided for under this Code, except as provided by subsections (a), (b), and (c) above and as specifically required by applicable law.

Section 433.1.2.1 - M.I. 35166 - June 12, 1984. Section 433.1.2.1 repealed and Section 6201 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 42455 - June 10, 1997, effective January 1, 1998; paragraph (b) amended by M.I. 43275 - November 10, 1998; paragraph (b) amended by M.I. 53441 - November 14, 2023; amend paragraph (b), add subparagraph numbers to (b)(1) and (b)(2), amend subparagraph (b)(2), renumber former paragraph (c) to paragraph (d), add new paragraph (c) provision, and amend paragraph (d) by *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§ 6202. Hourly Pay Rate Calculations.

The hourly pay rate at which an employee is paid shall be used for purposes of all pay rate calculations, including but not limited to calculations of pay and leave.

Section 433.1.2.2 - M.I. 35166 - June 12, 1984. Section 433.1.2.2 repealed and Section 6202 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 6203. Leave Accrual and Usage.

Hours of service shall be recorded to the nearest half hour. Leave shall not be used before it is earned. Employees who separate service from Metropolitan and are rehired within twelve (12) months, and employees who are reinstated from a non-cause involuntary separation shall have their Metropolitan service hours and any unpaid leave balances reinstated upon rehire or reinstatement. Employees must be re-employed into a category of employment that is eligible to receive leave accrual for unpaid leave balances to the reinstated.

Section 433.1.2.3 - M.I. 35166 - June 12, 1984. Section 433.1.2.3 repealed and Section 6203 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph amended by M.I. 53441 - November 14, 2023.

§ 6204. Merit System.

All employees in the classified service shall be selected from the available applicants by means of a merit system promulgated by the General Manager, the purpose of which shall be to

determine the fitness of each applicant for the work to be performed. Employees shall be considered probationary until completion of 1,044 hours current service. If a probationary employee uses leave during the period of probation, the probationary period shall be extended by an amount of time equal to the leave used. If a probationary employee is promoted or transferred during the period of probation as a result of competitive job bidding procedures adopted by the General Manager, the probationary period shall recommence. Probationary employees shall serve at the pleasure of the Department Head.

Ords. 113, 114 and 120; repealed by Ord. 145; Section 433.2 added by M.I. 32297 - June 13, 1978; amended by M.I. 33384 - August 19, 1980; amended by M.I. 34309 - July 13, 1982; amended by M.I. 35166 - June 12, 1984. Section 433.2 repealed and Section 6204 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 6205. Eligibility and Qualifications for Employment.

Eligibility for employment shall be limited as follows:

(a) All classified employees shall be selected from available applicants under the merit system outlined below, the purpose of which is to determine the fitness of the applicant to do the work and to comply with Sections 6300 through 6305 of this Code.

(b) An applicant to be given favorable consideration shall be of good habits and, to the extent consistent with Sections 6300 through 6305, of sound health. Preference may be given to ex-service persons. No employee shall serve under the supervision of a relative.

(c) After completing the District's "Application for Employment," with the exception of applicants filling nonsupervisory positions at remote field locations, each applicant shall be interviewed initially in the Human Resources Group unless otherwise specified by the Department Head. The Human Resources Group will make a preliminary evaluation of education and professional qualifications, experience, character, and personality. Applicants selected by the Human Resources Group shall then be interviewed by the supervisor initiating the personnel requisition. In remote locations, the preliminary interviews may be conducted by supervisory personnel.

(d) Prior to accepting any applicant for employment, the Human Resources Group shall:

(1) If applicable, determine the applicant's aptitude to perform the duties of the position, arrange for oral, written or manual examination, including machine or equipment operation, as appropriate.

(2) Perform a reference check with at least two previous employers if applicable, or obtain a military service record for recently separated servicemen.

(3) Obtain a motor vehicle driving record from the State Department of Motor Vehicles if the position involves or could involve the use of a District vehicle.

(4) Arrange for preemployment physical examination to determine physical fitness to perform the duties required. Temporary personnel need not be physically examined.

(e) Upon completion of the processing described in Sections 6205(c) and 6205(d) and approval by the supervisor, the Human Resources Group shall forward the application and all pertinent documents to the Department Head for approval of employment.

(f) Upon authorization by the Department Head, the Human Resources Group will complete processing of the applicant for employment.

Ords. 113, 116, and 130; repealed by Ord. 145; Section 433.3 based on Res. 7246 - February 10, 1970, added, as amended, by M.I. 32297 - June 13, 1978; amended by M.I. 34309 - July 13, 1982; amended by M.I. 35166 - June 12, 1984. Section 433.3 repealed and Section 6205 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (c)-(f) amended by M.I. 41652 - November 14, 1995; paragraphs (c)-(f) amended by M. I. 45943 – October 12, 2004.

§ 6206. Appointments and Removals.

(a) Manner of Maintenance of Records. - All appointments and removals shall be in writing. With respect to Department Heads, the original shall be delivered to the executive officer appointed or removed and a signed copy shall be filed in the office of the Board Executive Secretary. With respect to other employees, the records of appointments and removals shall be maintained by the Director of Human Resources.

(b) Oath or Affirmation. - Before entering upon the duties of the respective office or position, each person appointed to an office or position shall take and subscribe an oath or affirmation conforming to that prescribed by Section 3 of Article XX of the Constitution of California. Each said oath of the Board Executive Secretary, and any other employee's oath or affirmation shall be filed as directed by the General Manager.

(c) Fingerprinting of Employees. - All employees of the District shall be fingerprinted.

Ords. 113, 114 and 120; repealed by Ord. 145; paragraph (c) [formerly 439.1] added by M.I. 13036 - August 25, 1950; paragraphs (a) and (b) [formerly Sections 433.3.7.1 and 433.3.7.2] added, as amended, by M.I. 32690 - April 10, 1979. Sections 439.1 and 433.3.7 repealed and Section 6206 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (a) amended by M. I. 45943 – October 12, 2004.

§ 6207. Positions Authorized.

Positions in the District service are authorized as follows:

(a) Positions in the classified and unclassified service shall be as set forth in pay rate schedules adopted by the Board showing the salary grade, salary range and title. The number of employees in any position may exceed the number authorized for that position provided the total number of employees authorized in the departmental payroll budget is not exceeded. Department Heads are authorized to move a title to a different salary grade in accordance with practices, policies and procedures promulgated by the General Manager.

(b) The General Manager is authorized to employ, for work related to construction, such additional temporary employees as the General Manager deems necessary in positions set forth in the schedules adopted.

(c) For construction work authorized by the Board and performed by District forces, the General Manager is authorized to employ temporary employees in any of the job classifications

named in resolutions adopted from time to time by the Board to ascertain and determine the general prevailing rate of wages under contracts awarded by the Board.

(d) Department Heads are authorized to hire such additional temporary employees as may be necessary to (1) provide substitutes for employees on leave; and (2) perform part-time, periodic or emergency work.

(e) Department Heads are authorized to employ such additional employees, consistent with applicable procedures, as may be necessary to fill positions in advance of termination of the incumbents.

(f) The Department Heads are authorized to employ temporary employees provided the total number of employees authorized in the pay rate schedules is not exceeded and may employ for part-time or short periods persons with special qualifications who cannot be classified under the approved job descriptions.

Ords. 113, 114, 117, 130 and 138; repealed by Ord. 145; Section 433.4 added by M.I. 32297 - June 13, 1978; paragraph (d) [formerly Section 433.4.4] amended and renumbered 433.4.4.1 by M.I. 35166 - June 12, 1984; paragraph (e) [formerly Section 433.4.4.2] added by M.I. 35166 - June 12, 1984; paragraph (f) [formerly Section 433.4.5] amended by M.I. 35166 - June 12, 1984. Section 433.4 repealed and Section 6207 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (a) amended by M. I. 47636 - September 9, 2008.

§ 6208. Pay Rate Administration.

(a) Pay rate schedules, as approved by the Board, shall include pay rate grades and pay rate ranges consisting of minimum and maximum rates of pay for each position. Except by action of the Board, or as provided in Section 6208(d), the hourly pay rate paid each employee shall be at least the minimum but not in excess of the maximum hourly pay rate prescribed for the applicable position. Notwithstanding any other provision of this section, the salaries of the department heads shall be fixed as a flat rate.

(b) Pay rates for Department Heads shall be individually fixed by the Board. Pay rates for all employees shall be fixed by their respective Department Heads within the ranges fixed by the Board for such positions in accordance with practices, policies and procedures promulgated by the General Manager. The Board at its August meeting will review each Department Head's salary and compensation after determining an overall performance rating for each Department Head, and make adjustments as appropriate, if any, based on salary comparisons, pay rate survey and/or performance, with any change to be effective at the beginning of the pay period that includes the prior July 1.

(c) Job descriptions in terms of duties and responsibilities shall be prepared by the Director of Human Resources for each position. Job descriptions for positions requiring appointment or approval of appointment by the Board shall be submitted to the Board for approval. Job descriptions for positions peculiar to the Legal or Audit Departments or Ethics Office shall be subject to approval of the General Counsel, General Auditor, or Ethics Officer as appropriate. It shall be the duty of Human Resources to ensure that all employees are properly classified.

(d) The General Manager is authorized to provide for payment at a "Y" rate to any employee whose position is reclassified to a position in a lower pay rate or the pay rate of whose position is reduced and the General Manager may maintain the employee at a "Y" rate until such time as the General Manager deems the "Y" rate to be no longer justified. As used herein, "Y" rate means a pay rate higher than the highest rate applicable to the employee's position.

(e) New employees, upon entering District service, will be placed by the Director of Human Resources at a salary grade and step within the salary range appropriate for the position available and the applicant's qualifications. Employees who are promoted to a position in a higher range shall be paid at least the minimum of such range but not more than four steps over their prior rate or the fifth step of the higher pay rate range, whichever is higher, but not in excess of the maximum rate specified for the position to which promoted. New employees are eligible for a merit increase after completion of a six-month probationary period. The eligibility date for subsequent merit reviews shall be 12 months from the most recent merit increase, promotion or demotion, whichever is later. Employees at the top step of the pay range will not be eligible for any merit increase. Merit increases will be awarded as provided for by Section 6211.

(f) Pay rates for temporary employees in District service are the rates paid to regular employees in the same classifications.

(g) Subject to Section 6211, the performance of regular employees other than Department Heads, will be annually reviewed by their Department Heads to determine eligibility for merit increases under evaluation procedures, guidelines and rules developed by the General Manager. Changes in pay rate ranges approved by the Board have no effect upon these limitations.

(h) Pay Rate Survey.

(1) As needed, the General Manager has the authority to cause a survey to be made of rates of pay and benefits of employees of other organizations specified by the Board, and may thereafter recommend to the Board revisions in the pay rate structure and benefits for employees. The survey need not include positions for which pay rates are established pursuant to a memorandum of understanding approved by the Board which is in effect for the entire calendar year. Action, if any, on the pay rate survey may be taken at the same meeting the survey information is presented or at a subsequent meeting. The General Counsel, General Auditor and Ethics Officer may also recommend to the Organization, Personnel and Effectiveness Committee revisions regarding positions peculiar to their own departments.

(2) The list of agencies to be used in the District's pay rate survey may include the following:

County of Los Angeles
East Bay Municipal Utility District
Los Angeles Metropolitan Transportation Authority
Los Angeles County Sanitation District
Los Angeles Department of Water & Power
Orange County Water District
San Diego County Water Authority

The nine comparator agencies were selected by comparing the following factors: Industry (type of utility), total number of units managed, population served, total number of employees, total assets, net operating income, gross revenue, and total service area (square miles).

(i) For temporary construction personnel employed under authority of Section 6207(c), the General Manager is authorized to fix the hourly rates of pay at least equal to, but not more than 20 percent higher than, those so determined by the Board to be prevailing in the county in which such personnel primarily will be engaged.

Ords. 113, 114, 117, 127 and 138; repealed by Ord. 145; Section 433.5 added, as amended, by M.I. 32297 - June 13, 1978; paragraphs (a) through (h)(1) [formerly Sections 433.5.1 through 433.5.8.1] amended and paragraph (h)(2) [formerly 433.5.8.3] added by M.I. 35166 - June 12, 1984; paragraph (h)(2) renumbered 433.5.8.2 - January 8, 1985; paragraph (b) [formerly Section 433.5.2.1] amended by M.I. 36132 - June 10, 1986. Section 433.5 repealed and Section 6208 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 37492 - January 10, 1989; paragraphs (c), (e)-(h) amended by M.I. 42500 - July 8, 1997; paragraphs (b) and (h) (1) amended by M.I. 43968 - April 11, 2000; paragraphs (b) – (e), (g), (h)(1), and (i) amended by M. I. 44582 – August 20, 2001; paragraphs (b), (c), (e) and (h) amended by M. I. 45943 – October 12, 2004; paragraph (h) (1) amended by M. I. 46064 – January 11, 2005; paragraph (h)(1) amended by M.I. 46983 - February 13, 2007; paragraph (c), (e), (h)(1)(2) amended by M.I. 47636 - September 9, 2008; paragraph (1) amended by M.I. 48081 – November 10, 2009; paragraph (h) amended by M.I. 48800 – September 13, 2011; paragraph (b) amended by M.I. 50156 - June 9, 2015; paragraph (h) amended by M.I. 53064 – December 13, 2022; paragraph (h)(1) amended by M.I. 53408 - March 11, 2025.

§ 6209. Discharge.

(a) Unclassified employees, other than executive officers and their principal assistants, may be removed by their respective Department Heads, but may appeal such removal to the OPE Committee. The decision of the Committee will be final unless the Committee chooses to refer the appeal to the Board.

(b) Probationary employees serve at the pleasure of their respective Department Heads. Classified employees may be discharged, for cause, immediately by their respective Department Heads. When immediate discharge is not deemed appropriate, written notice shall be given at least 14 calendar days in advance of discharge for probationary employees and at least 30 calendar days in advance of discharge for other classified employees.

(c) Regular non-probationary classified employees who are discharged are afforded the due process rights provided under Section 6218 of this Code or as provided in the applicable memorandum of understanding.

Ords. 113, 114 and 120; repealed by Ord. 145; Section 433.6 added, as amended, by M.I. 32297 - June 13, 1978; paragraphs (b) and (c) [formerly Sections 433.6.2 and 433.6.3] amended by M.I. 33384 - August 19, 1980; paragraph (c) amended by M.I. 33451 - October 14, 1980. Section 433.6 repealed and Section 6209 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (c) amended by M.I. 42500 - July 8, 1997; paragraph (a) amended by M. I. 44582 – August 20, 2001; paragraph (b) amended by M. I. 45943 – October 12, 2004; paragraph (a) amended by M. I. 46064 – January 11, 2005; paragraph (a) amended by M.I. 46983 - February 13, 2007; paragraph (a) amended M.I., 48081 – November 10, 2009; paragraph (a) amended by M.I. 48800 – September 13, 2011; paragraph (a) amended by M.I. 53064 – December 13, 2022; paragraph (a) amended by M.I. 53408 - March 11, 2025.

§ 6210. Employee Evaluation.

(a) Employee evaluation is a continuous process of rating an employee's work performance, based on a supervisor's appraisal of the employee's job performance, including but

not limited to the employee's productivity, quality of work product, values, knowledge, skills, initiative, work habits, adaptability, human relations and communications skills. The employee evaluation form is a permanent record of trends in employee behavior, during a designated period.

(b) District requirements:

(1) Probationary employees. The evaluation process should be completed at least 30 days prior to the end of the employee's six-month probationary period.

(2) Regular employees. The evaluation process should be completed on an annual basis, even if the employee is at the top step of their classification and therefore is ineligible for a merit increase.

(3) Temporary employees. An evaluation should be submitted to the Human Resources Group at the end of the employee's service, if that service is for a period of one month or more.

(4) Department Heads (General Manager, General Counsel, Auditor and Ethics Officer). Each Department Head shall provide a narrative summary and presentation to the Board at its July meeting concerning accomplishments in performance areas deemed relevant by the Board, including but not limited to strategic leadership, operational leadership, Board relationships and results. In July, each member of the Board shall submit an evaluation form for each Department Head. At its August meeting, the Board shall discuss the evaluation results and determine an overall performance rating for each Department Head. Each member of the Board shall properly execute their right and duty to actively participate in the annual evaluation of each Department Head.

(c) An employee must sign the evaluation and note the date received. The signature indicates only that the evaluation form and any accompanying documents were received; it is not a statement that the employee agrees with the ratings. The employee may attach a rebuttal to the evaluation.

M.I. 42500 - July 8, 1997; paragraph (b)(3) and paragraph (c) amended by M. I. 45943 – October 12, 2004; paragraph (b)(4) added by M.I. 50156 - June 9, 2015; amended paragraphs (b)(2) and (b)(4) by M.I. 53064 – December 13, 2022.

§ 6211. Merit Increases.

(a) A merit increase is a salary increase of one or more steps within the salary range of a specified classification. This increase may be awarded to employees who have performed their job duties in an acceptable manner that, in the discretion of their supervisors, justifies such a merit increase.

(b) A regular employee's eligibility date for a merit increase is the first day of the pay period following their satisfactory completion of the six-month probationary period and, thereafter, one year from the date of the previous merit review, merit increase, demotion or promotion, whichever is later.

(c) Determination of Amount:

(1) If the employee receives an evaluation with an overall rating of "Outstanding," a merit increase of three or four steps may be given. A four-step increase requires the approval of the Department Head.

(2) If the employee receives an evaluation with an overall rating of "Exceeds Standards," a merit increase of two or three steps may be given.

(3) If the employee receives an evaluation with an overall rating of "Meets Standards," a merit increase of one or two steps may be given.

(4) If the employee receives an evaluation with an overall rating of "Improvement Needed," no merit increase is given.

(5) If the employee receives an evaluation with an overall rating of "Unsatisfactory," no merit increase is given.

(6) Special merit increases may be awarded for extraordinary job performance within lesser time frames with the approval of the Department Head. A special merit increase will establish a new eligibility date.

(7) A pay increase within the same salary grade may not exceed more than four steps in any six-month period nor more than eight steps in any twelve-month period. Changes in salary range rates approved by the Board have no effect upon these limitations.

M.I. 42500 - July 8, 1997; paragraph (b) amended by M.I. 53064 – December 13, 2022.

[§ 6212 - 6216 reserved for future use]

§ 6217. Disciplinary Procedure.

If a regular employee is to be suspended for forty (40) hours or more, demoted, i.e., moved from one classification to another classification having a lower salary grade, or discharged, the employee shall:

(a) Receive written notice of the proposed action stating the date it is intended to become effective, the specific grounds and the particular facts upon which the action is based.

(b) Receive copies of any known materials, reports or other documents upon which the action is based.

(c) Be accorded the right to respond in writing within 14 days to the proposed charges; or, in the alternative, be accorded the right to meet within a reasonable period of time with the Group Manager or designee who has the authority to recommend modification or elimination of the proposed disciplinary action.

(d) Be given the results of Section 6217(c) above in writing within a reasonable period of time.

(e) Be advised of their appeal rights as provided in Section 6218.

(f) Be advised of the District's rules providing due process rights for non-probationary classified employees who are disciplined.

M.I. 41454 - June 13, 1995; beginning paragraph and paragraph (c) amended by M.I. 45943 – October 12, 2004; paragraph (e) amended by M.I. 53064 – December 13, 2022.

§ 6218. Appeal Procedure.

(a) Any regular non-probationary employee who is suspended for forty (40) hours or more, demoted, i.e., moved from one classification to another classification having a lower salary grade, or discharged shall be entitled to select one of the alternatives listed in Section 6218(b):

(b) Alternatives:

(1) *Hearing* - The Department Head shall select a Hearing Officer from a list of names provided by the State Mediation Service, or from an individual from outside the District, to hear the dispute and present a recommendation to the Department Head.

(2) *Consultation* - The grievant, the grievant's representative, if any, the grievant's second level manager and a representative of the Employee Relations Team of Human Resources Group shall meet in an attempt to resolve the problem.

(3) *Mediation* - The grievant, the grievant's representative, if any, the grievant's second level manager and a representative of the Employee Relations Team Human Resources shall meet with the assistance of a Mediator from the State Department of Industrial Relations Section in an attempt to resolve the problem.

(c) Appeal Process:

(1) A written request specifying one of the alternatives listed in Section 6218(b) must be filed by the employee with the Director of Human Resources within fifteen (15) days of the date of the notice of disciplinary action.

(2) Within ten (10) days of an employee filing a request with the Director of Human Resources, the employee shall receive written notice of the particulars concerning the alternative selected.

(3) The results of the alternative selected by the grievant shall be advisory to the Department Head.

(4) The Department Head shall either accept, reject or modify such result. The Department Head's decision shall be communicated in writing to the parties and shall be final and binding.

M.I. 41454 - June 13, 1995; paragraphs (a), (b)(1)-(b)(3), and (c)(1)-(c)(2) amended by M. I. 45943 – October 12, 2004.

§ 6219. Disciplinary Actions.

(a) Disciplinary actions should be designed to fit the problem and may include warning, demotion, suspension, reduction in pay, discharge, or other appropriate action. The particular action imposed shall depend on the severity of the misconduct and the particular factual circumstances involved.

(b) Misconduct that may result in disciplinary action, up to and including discharge includes, but is not limited to, the following examples:

A. Insubordination, including: (a) refusal to follow a work order; (b) insulting or demeaning the authority of a supervisor or manager; or, (c) foul or abusive language directed at a supervisor or manager

B. Intentional or negligent conduct that damages District property or the property of another employee, a customer, a vendor, or a visitor

Note: property includes, but is not limited to, records, supplies, materials, equipment, land or facilities

C. Intentional or negligent misuse of District property, or the property of another employee, a customer, a vendor, or a visitor

D. Removing from the premises without authorization, the property of the District, a District employee, customer, vendor, or visitor

E. Theft

F. Fighting or provoking a fight on District time or property

G. Engaging in horseplay or other action that endangers District property or disrupts work

H. Harassing, threatening, intimidating, or coercing any other employee, customer or visitor, including any violation of District Harassment Policy

I. Violation of District's Equal Employment Opportunity Policy

J. Failure to work cooperatively with others

K. Bringing or possessing weapons or any other dangerous device onto District property without authorization

L. Violation of the District's Alcohol and Controlled Substance Policy and Testing Program or the Drug Free Workplace Section in the applicable MOU

M. Disregarding any safety, fire prevention or security rule or practice, or engaging in activity that creates a safety, fire, or security hazard

N. Smoking in restricted areas or where "No Smoking" signs are posted or otherwise violating District's "No Smoking" Policy

O. Sleeping during work time

P. Failing to report a work-related accident or injury immediately

Q. Soliciting or accepting reimbursement or gratuities for services from customers or any other person during working hours or while on District premises

R. Unauthorized vending, solicitation or sales of goods or services from customers or any other person during working hours or while on District premises

S. Entering an unauthorized area at any time

T. Excessive tardiness or unscheduled absenteeism for any reason whether or not reported

U. Failing to notify one's supervisor of absence and the reason for absence prior to the start of a shift

V. Leaving District premises or one's assigned work area during working hours without permission

W. Failure to abide by lunch or break periods or working unauthorized overtime

X. Failing to meet acceptable performance standards

Y. Recording another employee's time

Z. Submitting an employment application containing false or misleading information

AA. Falsifying or destroying any District records, including, but not limited to, any timekeeping records or customer records

BB. Failure to perform assigned duties

CC. Unauthorized dissemination of proprietary information

DD. Unauthorized dissemination of employee records or files

EE. Conviction of a felony or conviction of a misdemeanor involving moral turpitude which relates to the employee's ability to perform the duties of their position. For purposes of these rules, a plea of "nolo contendere' or 'no contest" will constitute conviction

FF. Refusing to take or subscribe to any oath or affirmation which is required by law in connection with employment

GG. Failing to obtain or maintain any required license, registration, certifications, or permit

HH. Incompetency

II. Dishonesty

JJ. Abuse of sick leave

KK. Violation of properly adopted rules and regulations set forth in writing by the employee's department/group

LL. Performance of non-District work on work time

MM. Any other misconduct which affects the work environment or the quality customer relations or any other violation of established District policy

M.I. 42500 - July 8, 1997; paragraph KK amended by M. I. 45943 – October 12, 2004; paragraph (b)(EE) amended by M.I. 53064 – December 13, 2022.

§ 6220. Suspension.

(a) The Department Head may temporarily suspend any employee for a maximum of 30 calendar days without pay. Suspensions of classified employees shall be for cause. Other leave with pay may not be applied to time under suspension.

(b) Regular classified employees who are suspended are afforded the due process rights provided under Section 6218 of this Code or as provided in the applicable memorandum of understanding.

Ords. 114 and 120; repealed by Ord. 145; Section 433.7 added, as amended, by M.I. 32297 - June 13, 1978; amended by M.I. 33451 - October 14, 1980; paragraph (b) [formerly Section 433.7.2] amended by M.I. 35166 - June 12, 1984. Section 433.7 repealed and Section 6220 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (b) amended by M.I. 42500 - July 8, 1997.

§ 6221. Demotion.

(a) An employee may be demoted to a lower level position either voluntarily or involuntarily.

(b) Voluntary demotion shall be requested in writing for approval by the Department Head. All forms approving or recording such demotion shall indicate that the demotion is voluntary. When an employee on a "Y" rate takes a voluntary demotion, the employee's salary after such demotion shall be no greater than the maximum salary of the salary range of the new classification.

(c) Unclassified employees, other than Department Heads, may be involuntarily demoted by their respective Department Heads. Classified employees may be involuntarily demoted for cause or in connection with a reduction in force.

(d) Regular classified employees who are demoted are afforded the due process rights provided under Section 6218 of this Code or as provided in the applicable memorandum of understanding.

Ords. 114 and 120; repealed by Ord. 145; Section 433.8 added, as amended, by M.I. 32297 - June 13, 1978; paragraphs (c) and (d) [formerly Sections 433.8.3 and 433.8.4] amended by M.I. 33451 - October 14, 1980; paragraph (a) [formerly Section 433.8.1] amended by M.I. 35166 - June 12, 1984. Section 433.8 repealed and Section 6221 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (b) and (d) amended by M.I. 42500 - July 8, 1997; paragraph (c) amended by M. I. 45943 – October 12, 2004.

§ 6222. Reduction in Force.

Subject to Chapter 1, the General Manager shall adopt rules governing reductions in force. If a layoff due to a reduction in force is found to be necessary by a Department Head, 30 calendar days' notice in writing shall be given each individual to be laid off. Priority shall be given to reemployment of such individual during any subsequent increase in force within the two years following the date the employee was laid off.

Ords. 114 and 120; repealed by Ord. 145; Section 433.9 added by M.I. 32297 - June 13, 1978; amended by M.I. 35166 - June 12, 1984. Section 433.9 repealed and Section 6222 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 6223. Hours of Work.

(a) Except for exempt employees and for employees who have been placed on a work schedule other than the schedule specified in this section pursuant to section 6263, eight hours shall constitute the work day and five days worked followed by two days off shall constitute the work week. Where continuous operations are required, nonexempt employees may be assigned to work schedules providing for the deferment of days off, provided that no more than 10 consecutive working days may be scheduled in any 14-day period and that within any 28-day period such schedules must provide for 20 days worked and eight days off.

(b) Exempt employees shall be paid for 40 hours each week on a biweekly basis without regard to hours worked. Such persons are expected to render such services as may be necessary to meet the tasks assigned to them, and are expected to average at least 40 hours per week. Vacation, sick, special and other leaves shall be recorded if the leave taken is a full workday or more.

Ords. 113 and 120; repealed by Ord. 145; Section 433.10 added by M.I. 32297 - June 13, 1978; amended by M.I. 35166 - June 12, 1984. Section 433.10 repealed and Section 6223 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (a) amended by M.I. 39176 - August 20, 1991; paragraph (b) amended M.I. 42500 - July 8, 1997.

§ 6224. Overtime.

Overtime work shall be subject to the following regulations:

(a) Non-exempt employees shall be paid at the rate of one and one-half times the regular rate for overtime worked or when they are entitled to overtime pay. Overtime shall be paid for work in excess of 40 hours in one workweek, for work in excess of eight hours in one day, for work on scheduled days off, and for work on days observed by the District as Holidays, except that any overtime paid for work in excess of eight hours, on a scheduled day off or on a Holiday, shall be credited to any overtime owed for work in excess of 40 hours in the same workweek.

(b) Temporary employees shall be paid at the rate of one and one-half times the regular rate for overtime worked or when they are entitled to overtime pay. Overtime shall be paid for work in excess of eight hours in one day and in excess of 40 hours (exclusive of work in excess of eight hours in each day) during any workweek established for the individual temporary employee.

(c) The employee's "regular rate" for overtime computation shall be the sum of the compensation paid an employee for hours actually worked at the employee's hourly rate, plus any premium pay, except overtime, earned by the employee, divided by the hours actually worked during the workweek. The regular rate shall be used only for computing overtime due under this Code.

Ords. 113, 114, 118, and 120; repealed by Ord. 145; Section 433.11 added by M.I. 32297 - June 13, 1978; amended M.I. 32401 - August 31, 1978 and M.I. 35166 - June 12, 1984; amended and paragraph (c) [formerly Section 433.11.3] added by M.I. 35726 - July 9, 1985. Section 433.11 repealed and Section 6224 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 6225. Holidays.

(a) Except as provided in Section 6225(b), employees shall be entitled to leave of absence without loss of pay on all Holidays. When a Holiday falls on an employee's scheduled day off, the Holiday shall be deemed to fall on the employee's next scheduled working day if the Holiday is on a Sunday or Monday. Otherwise, the Holiday shall be deemed to fall on the employee's last scheduled working day preceding the Holiday.

(b) When an employee is on leave without pay on both the scheduled working day preceding and the scheduled working day following a Holiday, the employee shall not be entitled to be paid for the Holiday.

Ords. 113, 114, 120, 138 and 142; repealed by Ord. 145; Section 433.12 added, as amended by M.I. 32297 - June 13, 1978; amended by M.I. 32690 - April 10, 1979; amended by M.I. 35166 - June 12, 1984; paragraph (e) [formerly Section 433.12.2] amended by M.I. 35992 - March 11, 1986. Section 433.12 repealed and Section 6225 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (b) amended by M.I. 37218 - July 12, 1988; paragraph (a) amended, paragraphs (b), (c), (d) and (f) deleted, and paragraph (e) renumbered (b) by M. I. 46036 – December 14, 2004.

§ 6226. Annual Leave.

(a) Subject to any applicable memorandum of understanding, or employment agreement, employees shall accumulate annual leave with full pay at the following rates for each hour of total service:

Range of Hours From	Through	Accumulation Factor For Each Hour Within Range	Approximate Vacation Hours
1	8,352	.038625	80
8,353	18,792	.057472	120
18,793	20,880	.061610	128
20,881	22,968	.065288	136
22,969	25,056	.068966	144
25,057	27,144	.073104	152
27,145	39,672	.076782	160
39,673	41,760	.080453	168
41,761	43,848	.084291	176
43,849	45,936	.088123	184
45,937	48,024	.091954	192
48,025	Last hour of total service	.095785	200

Notwithstanding the above, the maximum accumulation for those unrepresented classifications for annual leave that are eligible for annual leave, shall be no greater than 560.51 hours.

(b) Subject to the restrictions contained in subsection (d) and any applicable memorandum of understanding, annual leave usage will be authorized as it is earned up to the maximum permitted by subsection (a). The District shall be responsible for scheduling annual leave periods of employees in such a manner as to achieve the most efficient functioning of the District. The District shall determine whether or not a request for annual leave will be granted. However, an employee's timely request for annual leave shall only be denied for good and sufficient business reasons.

(c) Subject to any applicable memorandum of understanding, if on the last day of the payroll cycles that include May 15 and November 15 of any year, an employee has credit for more than four hundred (400) hours, the employee shall be paid for all hours in between four hundred (400) and the maximum set forth in Section 6226(a) above. Such payment shall be paid at the employee's hourly pay rate in effect for the current pay period, for one hundred percent (100%) of the excess accumulated hours of such annual leave.

(d) No vacation may be granted, or paid for, unless the employee has completed 1,044 hours current service, including military leave. No vacation may be extended past an employee's date of termination.

(e) Employees returning from leave for military service shall earn vacation at the rate appropriate to the total time of District employment plus military service. Employees who separate from Metropolitan and are rehired within twelve (12) months, and employees who are reinstated from a non-cause involuntary separation shall continue to earn vacation at the rate of their total cumulative Metropolitan service hours.

(f) Notwithstanding any provision of this Section 6226 to the contrary, a Department Head may approve the accumulation of annual leave at a rate of .0574720 hours for each hour of service for the first through the fourth year of service or .076782 for each hour of service for the first through the thirteenth (13^{th}) year of service for an employee recruited by that Department Head.

(g) Employees will be paid out their unused annual leave at the time of separation based on the regular hourly base pay. Employees on temporary promotion performing higher level duties in a temporary capacity, upon separation of service will be returned to their regular classification and unpaid leave will paid at their regular hourly base pay.

Ords. 113, 114, 120, 123, 130, 138, and 142; repealed by Ord. 145; Section 433.13 added, as amended, by M.I. 32297 - June 13, 1978; amended by M.I. 34309 - July 13, 1982; and by M.I. 35166 - June 12, 1984; paragraph (c) [formerly Section 433.13.3] amended by M.I. 36119 - June 10, 1986. Section 433.13 repealed and Section 6226 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36719 - July 14, 1987; paragraph (c) amended by M.I. 37218 - July 12, 1988; paragraph (f) amended by M.I. 37405 - November 8, 1988; paragraph (a) amended by M.I. 40545 – November 9, 1993; paragraphs (a), (b), (c), (d) and (f) amended by M.I. 42500 - July 8, 1997; paragraph (c) amended by M.I. 43275 - November 10, 1998; paragraph (a) amended by M.I. 45943 – October 12, 2004; paragraphs (a), (c) and (f) amended by M.I. 52864 – June 14, 2022; paragraphs (a), (b), (c), (e), and (f) amended, and new paragraph (g) added by M.I. 53441 - November 14, 2023.

§ 6227. Sick Leave.

(a) Employees shall accumulate sick leave at the following rates:

(1) Regular and Recurrent employees shall accumulate sick leave with full pay at the rate of .045978 hours for each hour of service.

(2) Temporary employees, excluding Annuitants, shall accumulate sick leave with full rate pay at the rate of .033333 hours for each hour of service effective July 1, 2015.

(b) Such leave may be taken for absences from duty made necessary by:

(1) Incapacity due to illness.

(2) Incapacity due to injury incurred in the line of duty with the District to the extent provided in Section 6244 of this Code, or to injury not incurred in the line of such duty.

(3) A female employee's incapacity due to pregnancy, childbirth, miscarriage, abortion, or a reproductive loss event.

(4) Medical, dental or ocular examination or treatment of an employee, without incapacity, for which appointment cannot be made outside working hours, but limited to four hours for each appointment.

(5) To attend to the illness or injury in the employee's immediate family, other than the employee's own illness, to the extent permitted by Section 6229 of this Code. For the purposes of this section, "immediate family" means spouse, state-registered domestic partner, child, parent, sibling, grandparent, or grandchild, or designated person. A "designated person" for purposes of this section means a person identified by the employee at the time the employee requests special leave with pay and may include any individual related by blood or whose association with the employee is the equivalent of a family relationship. An employee is limited to one (1) designated person per 12-month period for paid sick days.

(6) To seek medical attention for injuries, obtain services from a shelter, program, or crisis center, psychological counseling or to participate in safety planning, including temporary or permanent relocation when an employee is a victim or survivor of domestic violence, sexual assault or stalking to the extent and limitation provided in Section 6229 of this Code.

(c) Physician Certification.

(1) A physician's certification or other proof of incapacity or treatment may be required if an employee's supervisor believes that a medical verification is justified in order for the employee to fulfill their job requirements or if the employee has a leave abuse problem. Notice of this requirement shall be given in advance in all cases of prior leave abuse. A physician's certification shall be required for all sick leave absences exceeding ten (10) working days.

(2) A physician's certification authorizing an employee's return to work from serious illness or injury shall be reviewed by the District's medical support in Human Resources Medical prior to the employee's return to work. An illness or injury may require additional medical examinations/testing in order to determine whether the employee can safely perform their duties, or to determine appropriate work restrictions. Such examination/testing will be done at District expense and on District time if the District requires that it be conducted by District-selected medical personnel.

(3) In the event sick leave is requested while an employee is on vacation, a certification by an attending physician is required for the granting of sick leave.

(d) Accumulation of Sick Leave for Regular and Recurrent Employees.

(1) Accumulation of sick leave as of the pay period of any annual payroll cycle which includes November 15, shall not be in excess of 1,000 hours of sick leave.

(2) If, during any period of any annual payroll cycle which includes November 15, an employee's total of accumulated sick leave exceeds the limitation on accumulation stated in Section 6227(d)(1), the excess accumulated sick leave shall, as soon as practicable after that payroll period, be paid to the employee entitled thereto at the employee's hourly pay rate at the end of said payroll period for 52.2 percent of the excess accumulated hours of such sick leave.

(3) An employee who separates from employment with the District, and has an accumulation of 10,440 hours of service with the District without interruption, will be paid at the employee's hourly rate of 52.2 percent of all accumulated sick leave. If the employee is rehired within twelve (12) months from their separation date, then any unused and unpaid sick leave will be reinstated. Employees will be paid out their unused sick leave at the time of separation based on the regular hourly base pay. Employees on temporary promotion performing higher level duties in a temporary capacity, upon separation of service will be returned to their regular classification and unpaid leave will be paid at their regular hourly base pay.

(4) If an employee retires in accordance with the Public Employees' Retirement Law, as stated in Government Code Section 20965, the employee may elect one of two options: (1) to be paid at the employee's hourly rate for 52.2 percent of the excess accumulated hours of sick leave at the time of separation with the remaining 47.8 percent converted to additional service credit; or (2) to have 100 percent of such accumulated hours converted to additional service credit. If the employee makes no election, the employee will be defaulted to option (1).

(5) Except as provided in Section 6248 and Section 6227, there shall be no cancellation of earned but unused sick leave.

(e) Employees on military leave, either reserve, National Guard, State Guard or extended military service do not lose their accumulated sick leave credit.

(f) Accumulation of Sick Leave for Temporary employees, excluding Annuitants.

(1) A Temporary employee's accumulation of sick leave shall be limited to a total not to exceed sixty (60) hours.

(2) Upon separation from employment with the District, a Temporary employee will not be compensated for unused paid sick time.

(3) A Temporary employee who separates from employment with the District, and is rehired by the District within twelve (12) months from the date of separation, shall have his or her previously accrued and unused paid sick days reinstated.

(g) The unauthorized use of sick leave may result in disciplinary action.

Ords. 113, 114, 118, 120, 130, 132 and 142; repealed by Ord. 145; Section 433.14.1 added, as amended, by M.I. 32297 - June 13, 1978; further amended by M.I. 32343 - July 11, 1978; paragraph (b)(3) [formerly Section 433.14.1.2.3] amended by M.I. 32401 - August 31, 1978; amended and paragraph (d) [formerly Section 433.14.1.4] added by M.I. 32814 - July 10, 1979; paragraphs (d)(1) and (d)(4) [formerly Sections 433.14.1.4.1 and 433.14.1.4.4] amended by M.I. 34309 - July 13, 1982; amended by M.I. 35166 - June 12, 1984; paragraph (d)(5) [formerly Section 433.14.1.4.5] added by M.I. 36119 - June 10, 1986. Section 433.14.1 repealed and Section 6227 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (c) amended, paragraphs (e) and (f) added by M.I. 42500 - July 8, 1997; amended paragraphs (a), (b)(2), (c)(1), (c)(2), (c)(3), (d), (d)(1), and (e), added new paragraphs (a)(1), (a)(2), (b)(5), (b)(6), (d)(3), (d)(4), (f), (f)(1), (f)(2), and (f)(3), deleted paragraphs (d)(2), and (d)(3), renumbered and amended paragraph (d)(2), renumbered paragraph (g) by M.I. 53058 – December 13, 2022; amended paragraphs (c)(1) and (c)(2) by M.I. 53064 – December 13, 2022; amended paragraphs (b)(3), (c)(2), and (d)(3) by M.I. 53569 – March 12, 2024.

§ 6228. Disability Leave.

(a) Subject to the maximum accumulation stated below, employees shall accumulate disability leave with partial pay equal to the number of hours hereinafter indicated.

	Working Hours Credited Not to Exceed the Maximums Hereinafter Stated	
	At 75 Percent of Hourly Pay Rate	At 50 Percent of Hourly Pay Rate
At each of 1,040 hours; 2,080 hours; 4,160 hours and 6,240 hours of total service,	48	48
At 8,320 hours of total service,	88	88
At 10,400 hours at each subsequent 2,080 hours of total service,	40	40

The total number of hours of accumulated disability leave shall not exceed 800 hours at 75 percent of full pay and 800 hours at 50 percent of full pay. Total service shall include all eligible time spent in the employ of the District, excluding time spent on disability leave, leave without pay, and service under categories of employment not eligible for disability leave.

(b) Disability leave may be taken only after exhaustion of all accumulated sick leave and subject to the following conditions:

(1) Disability leave may be taken only in the event of the employee's disability due to illness, injury, pregnancy, childbirth, miscarriage, or abortion.

(2) Except as provided for in Section 6244, an employee shall not be entitled to disability leave until forty (40) hours shall have elapsed following the exhaustion of accumulated sick leave.

(3) Medical or other certification in form acceptable to the employee's Department Head shall be furnished within five (5) working days of the commencement of a period of claimed disability leave and shall be renewed at intervals not exceeding thirty (30) calendar days after the date of the initial or any subsequent certification until termination of the disability leave, or as otherwise determined by the Department Head.

(4) Disability leave shall be taken by first exhausting disability leave payable at the rate of 75 percent of full pay and thereafter exhausting disability leave payable at the rate of 50 percent of full pay; and cannot be taken for intermittent time off.

(5) No added disability leave shall be credited during any period when an employee is on disability leave.

(6) Disability leave shall terminate on the date of retirement or on the date employment is terminated, whichever comes first.

(7) Except as provided for in Section 6244, an employee who is on disability leave shall not be entitled to take annual leave until the exhaustion of disability leave or the termination of disability, whichever comes first.

(c) An employee who has taken less than all the accumulated disability leave and then returns to work, may, after using any accumulated sick leave and subject to the conditions of Section 6228(b), take the remaining disability leave together with any disability leave credited since returning to work for a recurrence of the same disability or for any other disability.

(d) An employee who has taken any part or all of accumulated leave shall, upon returning to work, accumulate disability leave as if the employee's total service, as that term is defined in Section 6228(a), commenced on the date of return to work. In no event shall accumulated disability leave earned either at the rate of 75 percent of the hourly rate or at the rate of 50 percent of the hourly rate exceed the amount of accumulated disability leave in either category determined with regard to an employee's total service from the date of first employment with the District. Nevertheless, in the event that any employee with 4,160 or more hours of total service returns having exhausted all 75 percent and 50 percent disability leave allotment, said employee shall be credited with 48 hours disability leave payable at the rate of 75 percent of the hourly rate and 48 hours disability leave payable at the rate of 50 percent of the hourly rate on the day of returning to work provided such crediting of disability leave occurs only once in any 1,040 hours.

(e) An employee who has been employed by the District and is re-employed shall not be entitled to disability leave prior to completion of 1,040 hours of total service after such reemployment, unless rehired within twelve (12) months from last separation date. The employee shall then be credited with accumulated disability leave corresponding to the employee's total service, and shall thereafter accumulate disability leave corresponding to the employee's total service. In no event shall such employee have accumulated disability leave exceeding that which would have accumulated as determined under Section 6228(d).

(f) An employee who is on annual leave or leave without pay and who is authorized to take sick leave and who thereafter exhausts accumulated sick leave shall be entitled to disability leave in the same manner as if the employee had been on working status at the time sick leave commenced.

(g) An employee who has taken disability leave in excess of thirty (30) calendar days will be required to provide a physician's statement attesting to the employee's fitness, based upon the employee's normal duties stated in the job description, before returning to work, and may be subject to medical examination. Such examination will be done at District expense and on District time if the District requests that it be conducted by District-selected medical personnel.

(h) For the purpose of this Section 6228, a District Holiday falling within any period of disability leave shall be deemed to be a working day.

(i) Annual and sick leave shall not accrue during periods of disability leave, and will not accrue Metropolitan service credit.

Ords. 113, 114, 118, 120, 130, 132 and 142; repealed by Ord. 145; Section 433.14.2 added, as amended, by M.I. 32297 - June 13, 1978; amended by M.I. 32343 - July 11, 1978; paragraph (b)(1) [formerly Section 433.14.2.3.1] amended by M.I. 32401 - August 31, 1978; paragraph (d) [formerly Section 433.14.2.5] amended by M.I. 33823 - July 14, 1981; amended by M.I. 35166 - June 12, 1984. Section 433.14.2 repealed and Section 6228 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (j) repealed by M.I. 36719 - July 14, 1987; paragraphs (a), (b), (d), (e), (f), (g) and (i) amended by M.I. 42500 - July 8, 1997; amended paragraph (a), (b)(2), (b)(3), (b)(4), (d), (e), (g), and (i) by M.I. 53058 – December 13, 2022.

§ 6229. Special Leave.

(a) Special leave with pay may be taken and charged against an employee's sick leave credits, subject to the limitations provided in this section. Such leave shall be permitted for the medical procedure of an employee's immediate family, the birth of the employee's child or the diagnosis, care or treatment of an existing health condition of, or preventative care for, an employee's immediate family member. The total use of such special leave with regard to a medical procedure, birth, or health condition shall not exceed forty-eight (48) hours in a calendar year as defined in California Labor Code Section 233.

(b) For purposes of this section, "immediate family" means a spouse, state-registered domestic partner, child, stepchild, parent, stepparent, parent-in-law, brother or sister, grandparent, grandchild, designated person or any other person meeting the definition of "family member" pursuant to Labor Code Section 245.5(c).

(c) Special leave with pay may also be taken and charged against an employee's sick leave credits, subject to limitations provided in this section, by an employee who is the victim or survivor of domestic violence, sexual assault, or stalking. An employee who is the victim or survivor of domestic violence, sexual assault, or stalking shall be permitted to take special leave to seek medical attention, obtain services from a shelter, program, or crisis center, psychological counseling or to participate in safety planning, including temporary or permanent relocation as defined by Labor Code Sections 230(c) and 230.1(a). The total such special leave in accordance with this paragraph shall not exceed forty-eight (48) hours in a calendar year.

Ords. 113, 114, 118, 120, 130, 132 and 142; repealed by Ord. 145; Section 433.14.3 added, as amended, by M.I. 32297 - June 13, 1978; amended by M.I. 32343 - July 11, 1978; amended by M.I. 35166 - June 12, 1984. Section 433.14.3 repealed and Section 6229 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (a) amended by M.I. 42500 - July 8, 1997; paragraph (a) amended by M.I. 43185 - September 15, 1998; paragraph (a) as amended by M.I. 47998 – August 18, 2009; amended paragraphs (a) and (b), added new paragraph (c), and deleted former paragraph (b) by M.I. 53058 – December 13, 2022.

§ 6230. Employee Leave Transfers.

Employees shall be entitled to voluntarily transfer accrued leave hours to other District employees who may need such leave in certain hardship or emergency situations. The General Manager shall be responsible for establishing administrative procedures to accommodate voluntary transfers of leave time between employees under specified conditions.

M.I. 41164 - December 13, 1994.

§ 6231. Family and Medical Leave.

(a) The District will provide Family and Medical Leave for an employee as required by state and federal law.

(b) For purposes of this section, "employee" shall mean an employee who has at least one (1) year of service with the District and at least 1,250 hours active service during the one year period immediately preceding the commencement of the request for a Family and Medical Leave.

(c) For purposes of this section, per the U.S. Department of Labor definition at 29 USC Sec. 2611(7) and 29 CFR Sec. 825.122(c), "parent" shall mean a biological, adoptive, step or foster father or mother, or any other individual who stood in *loco parentis* to the employee when the employee was a son or daughter. This term does not include any "parents-in law."

(d) For purposes of this section, "designated person" shall mean a person identified by the employee at the time the employee requests Leave with pay and may include any individual related by blood or whose association with the employee is the equivalent of a family relationship. An employee is limited to one (1) designated person per 12-month period for Family and Medical Leave purposes. (Government Code Sec. 12945.2(b)(2).)

(e) The following provisions set forth certain of the rights and obligations with respect to Family and Medical Leave. Rights and obligations which are not specifically set forth or defined below are contained in the U.S. Department of Labor regulations implementing the federal Family and Medical Leave Act of 1993 ("FMLA") and the California Fair Employment and Housing Commission regulations implementing the California Family Rights Act ("CFRA")(Government Code Sec. 12945.2).

(f) Unless otherwise provided by this section, "Family and Medical Leave" and "Leave" shall mean leave pursuant to the FMLA and/or CFRA.

(g) An employee is entitled to a total of twelve (12) weeks of Leave during any 12-month period to care for a newborn child, due to the placement of an adopted or foster child, to care for a son or daughter, parent (as defined by the U.S. Department of Labor in 29 USC Sec. 2611(7); 29 CFR Sec. 825.122(c).), spouse, state-registered domestic partner, grandparent, grandchild, sibling or designated person who has a serious health condition, or because of the employee's own serious health condition that prevents the employee from performing any one or more of the essential functions of the employee's position. The 12-month period for calculating Leave entitlement will be the 12-month period measured backward from the date an employee uses any Leave.

(h) An employee's entitlement to Leave for the birth or placement of a child for adoption or foster care expires twelve (12) months after the birth or placement. Parents who are both employed by the District are each entitled up to twelve (12) weeks of Leave for the birth or adoption of a child or the replacement of a foster care child.

(i) Married employees or state-registered domestic partners, who are both employees of the District, and who have an active-duty service member in their family, shall be entitled to

qualifying exigency Leave, to manage active duty-related family affairs, and to injured service member care Leave, consistent with FMLA. Refer to military Leave at subsection (r)(1) and (r)(2) of this Section 6231 regarding qualifying exigency Leave and injured service member care Leave.

(j) An employee shall provide at least thirty (30) calendar days written advance notice for foreseeable events. For events which are not foreseeable, the employee shall notify the District as soon as the employee learns of the need for the Leave. To be eligible for a Leave, the employee must follow the District's usual and customary call-in procedures for reporting an absence as detailed in Section 6241.

(k) An employee who takes a Leave for their own serious health condition is required to submit a Return to Work / Doctor's Release prior to returning to work.

(l) When the Leave is due to the health condition of the employee, the employee shall utilize Leave in the following order:

(1) All sick leave;

(2) Forty (40) hours of annual leave. If annual leave is exhausted, the employee must choose to use other paid or unpaid leave to complete the forty (40) hours. For regular part-time and Recurrent employees, hours will be adjusted to their standard weekly hours;

(3) The employee has the option of using additional paid leave at full pay. If the employee chooses to use additional paid leave at full pay, it must be used in the following order:

(i) The balance of the employee's annual leave;

(ii) Other paid leave;

(4) If the employee elects to not use additional paid leave at full pay, then the employee shall utilize leave in the following order:

(i) 75% disability;

(ii) 50% disability;

(iii) Annual leave;

(iv) Other paid leave at the employee's option;

(v) Unpaid leave;

(5) The exhaustion of the paid leave shall run concurrently with the Leave.

(m) When the Leave is taken for the birth of a child of the employee, for the placement of a child with the employee for adoption or foster care, or to care for the employee's spouse, state-registered domestic partner, son or daughter, parent (as defined by the U.S. Department of Labor in 29 USC Sec. 2611(7); 29 CFR Sec. 825.122 (c).), grandparent, grandchild, sibling or designated person who has a serious health condition or a military family leave, the employee shall utilize Leave in the following order:

(1) Special leave;

(2) Optionally, to use a maximum of 240 hours of available sick leave;

(3) Optionally, to use annual, personal, compensatory time, exempt time off, or recurrent leave;

(4) Unpaid leave.

The exhaustion of the paid leave shall run concurrently with the Leave. For purposes of this section, leave taken to care for a "designated person" does not apply to military family Leave.

(n) If an employee takes sick leave or partial pay disability leave without requesting Family and Medical Leave, within five (5) days of the employee's return to work and advisement of the District concerning the purpose of the sick leave, the District shall make a determination as to whether the sick leave shall be considered Family and Medical Leave.

(o) The District shall maintain coverage under any group health plan for the duration of the Leave at the level and under conditions that would have been provided had the employee been working. However, the District shall only maintain such group health plan coverage for such employee for up to twelve (12) weeks within a 12-month period commencing with the start of the Leave.

(p) An employee has the right to reinstatement to the same or a comparable position unless the employee is exempted from such right under the provisions of the FMLA or CFRA.

(q) Any leave taken by an employee under the California Fair Employment and Housing Act's provisions applicable to pregnancy-related disabilities cannot be counted against the 12-week limitation on Family and Medical Leaves authorized under CFRA.

(r) Military Family Leave:

The two types of military family Leave available are:

(1) Qualifying Exigency Leave. An employee is entitled to a total of twelve (12) weeks of Leave during any 12-month period to help manage the family affairs of a member who is their spouse, state-registered domestic partner, son, daughter or parent (as defined by the U.S. Department of Labor in 29 USC Sec. 2611 (7); 29 CFR Sec. 825.122(c).) who is on active duty or is being called to active duty status.

(2) Injured Service Member Care Leave. An employee is entitled to a total of twenty-six (26) weeks of Leave during any 12-month period to care for a covered service member with a serious injury or illness incurred in the line of duty or within five (5) years of the date the service member or veteran undergoes medical treatment, recuperation, treatment, or therapy including aggravation of existing or pre-existing injuries while in the line of duty while on active duty. Employees entitled to this Leave are the spouse, state-registered domestic partner, parent (as defined by U.S. Labor in 29 USC Sec. 2611(7); 29 CFR Sec. 825.122(c).), child or next of kin of the injured or ill service member.

Married employees and state-registered domestic partners who are both employees of the District may be subject to a combined twelve (12) weeks or twenty-six (26) weeks of Leave based on specified family and medical reasons pursuant to FMLA.

M.I. 42500 - July 8, 1997; paragraph (b), (c), (e), and (i) amended by M.I. 43275 - November 10, 1998; paragraphs (b), (e) amended, new paragraphs (g) and (i) added; former paragraph (g) renumbered as (h) and amended; former paragraphs (h-m) renumbered as paragraphs (j-o); paragraphs (k-l) amended; paragraph (p)(1) and (2) added by M.I. 47998 - August 18, 2009; amended paragraphs (a), and (b), added new paragraphs (c), (d), and (i), renumbered and amended paragraphs (e), (f), (g), (h), (j), (l), (m), (n), (o), (q), and (r), and renumbered paragraphs (k) and (p) by M.I. 53058 – December 13, 2022; amended paragraph (k) by M.I. 53064 – December 13, 2022; paragraph (m)(3) amended by M.I. 53441- November 14, 2023.

§ 6232. Paid Leave While Caring For A Newly Born Or Newly Adopted Child.

(a) A regular employee who is on family and medical leave pursuant to the Family and Medical Leave Act and/or California Family Rights Act to care for a newly born or newly adopted child may use up to 160 hours of accumulated sick leave subject to the restrictions listed below.

(b) The employee who desires to use sick leave while on family and medical leave to care for a newly born or newly adopted child shall exhaust their leave credits in the following order:

(1) Special leave.
(2) Annual leave.
(3) Personal leave.
(4) Compensatory time off.
(5) Section 6225(b) holiday leave.

(c) The employee, at their option, may use up to 160 hours of accumulated sick leave while on family and medical leave to care for a newly born or newly adopted child after the exhaustion of the leave credits listed in subdivision (b). A request to use sick leave for this purpose shall be accompanied by a medical certification substantiating the need for caring for the newly born or newly adopted child. This provision does not affect the use of sick leave pursuant to Section 6227.

(d) If both parents are District employees, the total amount of paid leave available under this section to both parents is limited to 12-workweeks for caring for a newly born or newly adopted child.

M.I. 42500 - July 8, 1997; paragraph (d) amended by M.I. 43275 - November 10, 1998; paragraphs (b) and (c) amended by M.I. 53064 – December 13, 2022.

§ 6233 Benefits Paid Regular Part-Time Employees

(a) Regular part-time employees shall be entitled to be paid an hourly rate determined in accordance with this Code.

(b) An eligible regular part-time employee shall be entitled to twenty-four (24) hours of personal leave per calendar year. A regular part-time employee employed by the District for more than 1,044 hours of current part-time service is eligible for personal leave. Personal leave must be used in the calendar year in which it is received. Personal leave shall not be carried over

into the year following the year in which it is received nor will it be paid upon separation from District employment. The District shall be responsible for scheduling personal leave periods of regular part-time employees in such a manner as to achieve the most efficient functioning of the District. The District shall determine whether or not a request for personal leave will be granted. However, an employee's timely request for personal leave shall only be denied for good and sufficient business reasons.

(c) All eligible part-time employees shall be entitled to CalPERS pension and medical benefits based on CalPERS regulations provided for in the Public Employee Retirement Law (PERL) and Public Employee Medical and Hospital Care Act (PEMCHA).

(d) Regular part-time employees who are scheduled to work between 20 and 39 hours per week shall be eligible to enroll in dental, vision, life, and disability benefits on a prorated basis and as specifically required by applicable law.

M.I. 42455 - June 10, 1997, effective January 1, 1998; amended paragraph (a), renumbered former paragraph (c) to paragraph (d), add new paragraph (c), and amend paragraph (d) by *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§6234. Domestic Partners

(a) A domestic partnership exists when all of the following occur:

(1) Both persons are involved together in a committed and mutually exclusive relationship with each other;
(2) Both persons are of the age of legal consent (at least age 18);
(3) The two persons are not blood relatives;
(4) Both persons are living together in the same residence;
(5) The two persons are sharing the common necessities of life and have a joint responsibility for each other's welfare and living expenses;
(6) Both persons are not currently married to another person nor involved in another domestic partner relationship;
(7) Both persons have signed a Declaration of Domestic Partnership;
(8) Both persons have not signed a Declaration of Domestic Partnership with another individual within the past six-month period.

(b) A domestic partnership shall terminate when any of the following occurs:

(1) One of the domestic partners dies;
(2) One of the domestic partners marries;
(3) The domestic partners no longer have a common residence
(a) A temporary separation resulting from work, education, or health related requirements shall not constitute the cessation of a common residence.

(c) Upon establishment or termination of the domestic partnership, the employee shall notify the Director of Human Resources by filing a form designated by the Human Resources Group.

(d) A domestic partner shall be considered a family member for the purposes of Section 6229, Special Leave; Section 6231, Family and Medical Leave; and Section 6243, Bereavement Leave.

M.I. 431845 - September 15, 1998; paragraph (c) amended by M. I. 45943 – October 12, 2004.

[§ 6235 - §6239 reserved for future use]

[§ 6240 - repealed by M.I. 40726 - March 8, 1994.]

§ 6241. Notice of Absence.

An employee who is absent because of illness, injury, disability, or special leave shall notify their immediate supervisor, or such other person as department rules may provide, promptly on the first day of absence, of the reason for requiring such leave, and the estimated length of absence. If the length of the absence exceeds the original estimate, the employee shall promptly notify their immediate supervisor, or such other person as department rules may provide, of the need for and length of additional leave. The failure to provide such notice may be grounds for denial of such leave for the period of absence. An employee who intends to be absent from duty on personal leave shall obtain the approval of their immediate supervisor, or such other person as department rules may provide, before beginning personal leave.

Ords. 113, 114, 118, 120, 130, 132 and 142; repealed by Ord. 145; Section 433.14.4 added, as amended, by M.I. 32297 - June 13, 1978; amended by M.I. 32343 - July 11, 1978; renumbered Section 433.14.5 and amended by M.I. 32401 - August 31, 1978; amended by M.I. 35166 - June 12, 1984. Section 433.14.5 repealed and Section 6241 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended M.I. 42500 - July 8, 1997; paragraph amended by M.I. 53064 – December 13, 2022.

§ 6242. Reinstatement Upon Return From Leave Necessitated by Pregnancy, Childbirth, Miscarriage, or Abortion.

An employee returning from leave necessitated by pregnancy, childbirth, miscarriage, abortion, or a reproductive loss event shall be entitled to reinstatement to the employee's position held at the time the leave status began or, if the position has been deleted, to a position of like status in the same geographic area. Except as otherwise specifically provided by this Code or by rule of the District, such an employee shall, while on leave status, accumulate seniority credit for the purpose of determining ranking in the event of a reduction in force, but shall accumulate other benefits only as specifically provided for the type of leave taken by the employee.

Ords. 113, 114, 118, 120, 130, 132 and 142; repealed by Ord. 145; Section 433.14.5 added, as amended, by M.I. 32297 - June 13, 1978; amended by M.I. 32343 - July 11, 1978; renumbered Section 433.14.6 by M.I. 32401 - August 31, 1978; amended by M.I. 35166 - June 12, 1984. Section 433.14.6 repealed and Section 6242 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amend paragraph by M.I. 53569 – March 12, 2024.

§ 6243. Bereavement Leave.

Upon the death of a member of an employee's immediate family, the employee shall be allowed such bereavement leave with pay as is actually necessary to take care of funeral arrangements or to attend the funeral, but not to exceed three (3) working days, or, one work week as determined by the employee's assigned work schedule, if the death occurs 250 miles or more from the employee's place of residence. If the death does not occur 250 miles or more

from the employee's place of residence, then the employee shall be allowed additional bereavement leave without pay not to exceed two (2) working days, except that an employee may use vacation, personal leave, accrued and available sick leave, or compensatory time off that is otherwise available to the employee. For the purposes of this section, "immediate family" means spouse, state-registered domestic partner, or the employee's or spouse's/domestic partner's child, parent, brother, sister, stepparent, stepchild, grandparent, grandchild, aunt or uncle. An employee, if requested by Metropolitan, within thirty (30) days of the first day of the leave, shall provide documentation of the death of the family member. As used in this section, "documentation" includes, but is not limited to, a death certificate, a published obituary, or written verification of death, burial, or memorial services from a mortuary, funeral home, burial society, crematorium, religious institution, or government agency. The bereavement leave shall be completed within three (3) months of the date of death of the family member.

Ords. 114, 120, 130 and 142; repealed by Ord. 145; Section 433.15 added by M.I. 32297 - June 13, 1978; amended by M.I. 33384 - August 19, 1980; amended by M.I. 35166 - June 12, 1984. Section 433.15 repealed and Section 6243 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 43185 - September 15, 1998; paragraph amended by M. I. 45943 – October 12, 2004; paragraph amended by M.I. 53058 – December 13, 2022.

§ 6244. Use of Accumulated Leave - Industrial Injury.

An employee injured in the scope and course of employment with the District may elect to take as much of accumulated sick leave, or accumulated vacation leave, or disability leave, as when added to disability indemnity under Division 4 of the State Labor Code will result in a payment to the employee of not more than the hourly rate for 40 hours each week provided that sick leave shall be applied first, and that the order of application of vacation leave and disability leave shall be at the option of the employee. An employee using disability leave because of such an injury shall not be subject to Section 6228(b)(2). When an employee uses such accumulated leave because of such an injury and the District is reimbursed by a third person for its damages by reason of such use, there shall be granted, for credit to the employee's sick leave, vacation leave, or disability leave, such sick leave, vacation leave, or disability leave equivalent to the amount so used or proportionately if each is reimbursed only in part. If the District does not collect from the third person the full amount of the compensation paid and other damages for which it is liable to the employee and if the amount collected is not itemized so that there may be ascertained the amount collected in reimbursement for the sick leave, vacation leave, or disability leave used, the amount received shall be credited to vacation leave, sick leave, and disability leave in that order.

Ords. 113, 120 and 132; repealed by Ord. 145; Section 433.16 added by M.I. 32297 - June 13, 1978; amended by M.I. 35166 - June 12, 1984. Section 433.16 repealed and Section 6244 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 41652 - November 14, 1995.

§ 6245. Use of Accumulated Leave - Quarantine.

An employee who is quarantined may elect to take as much of the employee's accumulated sick leave or accumulated vacation leave or accumulated compensating time off as is necessary to avoid loss of pay. Should the time lost exceed the sick leave, vacation leave, and accumulated compensating time off, such excess shall be leave without pay.

Ords. 113 and 120; repealed by Ord. 145; Section 433.17 added by M.I. 32297 - June 13, 1978; amended by M.I. 35166 - June 12, 1984. Section 433.17 repealed and Section 6245 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36811 - September 22, 1987.

§ 6246. Military Leave.

(a) Every employee who is a member of the National Guard or Naval Militia, or a member of the reserve corps or force in the Federal military, naval or marine service, or in the State Guard, shall be entitled to military leave in accordance with the applicable provisions of the Military and Veterans Code of the State of California. Metropolitan will also comply with Title 38, Chapter 43 of the United State Code (Uniformed Services Employment and Reemployment Rights Act)("USERRA"). The present law provides, in general, that a person having one (1) year or more of service with the District is entitled to military leave with pay for a period not exceeding thirty (30) calendar days per fiscal year. The military service time of a new employee who comes to the District directly from military service may be applied to the one-year employment requirement necessary to the granting of military leave.

(b) Veterans are entitled, in general, to reemployment if they serve not more than five (5) years in the military, although exceptions allowed by federal law may apply per USERRA. The period a service member has to make a request for reemployment or report back to work after military service is based on time spent on military duty.

(1) For service of less than thirty-one (31) days, the service member must return as the beginning of the next regularly scheduled work period on the first full day after release from service, taking into account safe travel home plus an eight-hour rest period.

(2) For service of more than thirty (30) days but less than 181 days, the service member must submit certification of military service for reemployment within fourteen (14) days or release from service.

(3) For service of more than 180 days, certification of military service for reemployment must be submitted within ninety (90) days of completion of a service member's military service.

Metropolitan may request that an employee who is absent for a period of service of thirty-one (31) days or more provide document showing that their request for reemployment is timely, the employee has not exceeded the five-year service limitation, and the employee's separation from military service was other than disqualifying under federal law. Military documents may include Military Discharge Documents, DD-214, or Certification of Military Service record.

A reemployed employee may not be discharged without cause: (1) for one (1) year after the date of reemployment if the employee's period of military service was for 181 days or more; (2) For 180 days after the date of reemployment if the employee's period of military service was for thirty-one (31) to 180 days.

Cause for discharge may be based on conduct or the application of legitimate nondiscriminatory reasons. Employees who serve for thirty (30) or fewer days are not protected from discharge without cause. However, they are protected from discrimination because of military service or obligation.

(c) Employees on military leave do not lose their accumulated sick leave credits. The District will restore the veteran to employment as though no interruption of District service has occurred. The District will apply all general pay adjustments enacted by the Board to the old base salary as though the veteran had not been absent. The veteran need not be returned to the former position but will be given a position of status and pay equivalent to the former position. Although the veteran earns no leave while absent on military leave, neither does the veteran lose any leave balances while absent on military leave. Military service time is added to the length of District service for purpose of computing the rate at which a returning veteran will earn annual leave.

(d) If the employee returns to work within six (6) months of their active duty discharge date, and the release was not due to a dishonorable discharge, the employee may submit to CalPERS the Military Leave Service Credit application and documentation for review. CalPERS will determine if the military leave of absence service time will be added to the employee's CalPERS service credit, and if it will be at no cost to the employee, or if the employee will have an option to purchase the additional service credit.

(e) Military Spousal Leave. Every employee who has worked at least an average of twenty (20) hours a week in the last six (6) months and is married to a service member is entitled to ten (10) days leave when their spouse returns from active duty. Employees must notify the District of their intention to take this leave within two (2) business days of receiving official notice that the spouse will be on leave from military deployment, and inform their manager if they intend to use annual, personal or no-pay leave.

Ord. 113; repealed by Ord. 145; Section 433.18 added by M.I. 32297 - June 13, 1978; amended by M.I. 35166 - June 12, 1984. Section 433.18 repealed and Section 6246 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (a) amended and paragraph (b) added by M.I. 42500 - July 8, 1997; paragraph (c) added by M.I. 47998 - August 18, 2009; amended paragraph (a), deleted former paragraph (b), added new paragraphs (b) and (d), and renumbered and amended paragraph (e) by M.I. 53058 – December 13, 2022; paragraph (e) amended by M.I. 53064 – December 13, 2022; paragraph (a) amended by M.I. 53441 - November 14, 2023.

§ 6247. Leave Without Pay.

(a) Leave without pay, except when necessitated by illness, injury, pregnancy, childbirth, miscarriage or abortion, may be granted by a Department Head to an employee only after exhaustion of all accumulated vacation leave. The General Manager may promulgate regulations pursuant to Administrative Code Section 6115(c) which permit leave without pay without exhaustion of accumulated vacation leave. Leave without pay granted pursuant to this section may not exceed 120 consecutive calendar days unless authorized by the Board for a longer period. Such leave may be terminated at any time by the employee's returning to work. An employee on such leave is entitled to the benefits of sick leave accumulated prior to their absence.

(b) An employee that qualifies for Military Spousal Leave, as defined by the applicable law and as set forth in Section 6246(c), can take leave without pay for a period of up to 10 days.

(c) Leave without pay, when necessitated by illness, injury, pregnancy, childbirth, miscarriage or abortion, may be granted by a Department Head to an employee for a period which, when added to the period of disability leave and to the interval between the exhaustion of accumulated sick leave and the beginning of disability leave, shall not exceed 3,132 hours,

unless authorized by the Board for a longer period. Such leave shall be granted only after exhaustion of accumulated sick and disability leave, except that disability leave need not be exhausted prior to the taking of leave without pay for the 40 hours specified in Section 6228(b)(2). An employee who, due to illness or injury, has taken leave without pay under this Section 6247(b) in excess of 30 consecutive calendar days will be required to provide a physician's statement attesting to their fitness, based upon their normal duties pursuant to their job description, before returning to work.

(d) Insurance Coverage for Leave Without Pay.

(1) Any employee who is on leave without pay for a period of 30 or more consecutive calendar days will be permitted to continue coverage under a group insurance program if permitted under the terms of the program and if the employee pays the premiums required to maintain coverage for the duration of the absence.

(2) Notwithstanding Section 6247(d)(1), the District shall pay the premiums it would otherwise pay for any employee who is on leave without pay and is receiving temporary disability indemnity under Division 4 of the State Labor Code as a result of an injury incurred in the course and scope of District employment provided, however, said employee continues to pay their portion of said premiums. Any payment of premiums pursuant to this subsection shall terminate 30 calendar days after the final temporary disability indemnity payment is made.

Ords. 113, 117, 120, 123, 132, 138, and 141; repealed by Ord. 145; Section 433.19 added, as amended, by M.I. 32297 - June 13, 1978; paragraphs (a) and (c) [formerly Sections 433.19.1 and 433.19.3] amended by M.I. 32401 - August 31, 1978; amended by M.I. 32814 - July 10, 1979; former Section 433.19.3 renumbered as Section 433.19.3.1 and paragraph (c)(2) [formerly Section 433.19.3.2] added by M.I. 33823 - July 14, 1981; paragraph (a) amended by M.I. 34309 - July 13, 1982; amended by M.I. 35166 - June 12, 1984. Section 433.19 repealed and Section 6247 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; new paragraph (b) added; former paragraph (b-c) renumbered as paragraph (c-d); subparagraph (2) amended by M.I. 47998 - August 18, 2009; paragraphs (a), (c), and (d)(2) amended by M.I. 53064 – December 13, 2022.

§ 6248. Severance Pay.

(a) Any employee who resigns, is laid off for lack of work, is removed for cause, retires under the provisions of the Public Employees' Retirement Law, or enters upon an extended military leave without pay, shall be paid for all of their accumulated vacation leave and earned compensatory time, if any, as soon as practicable after separation from active employment. If the employee should die, their estate shall be entitled to their pay for accumulated vacation and earned compensatory time.

(b) Any employee who resigns, is laid off for lack of work, is removed for cause, or retires under the provisions of the Public Employees' Retirement Law, shall be paid at their hourly pay rate for 52.2 percent of their accumulated hours of sick leave, if any, at the time of separation.

If the employee should die before or after separation from employment, their estate shall be entitled to any unpaid remainder of the severance value of their accumulated sick leave as determined above.

In lieu of the foregoing, effective December 1, 1990, or as soon thereafter as practicable, an employee eligible to obtain service credit under Government Code Section 20862.8 may elect to have all of the accumulated hours of sick leave credited as service for retirement purposes.

(c) If any employee with more than 10,440 hours without an interruption in District service, as defined in Section 6248(e), is laid off from District employment because of a reduction in the work force, the employee shall, in addition to any other payments to which they may be entitled, receive a payment of 40 times their current hourly rate. The amount will be paid as if earned during the payroll period in effect on the last day the employee was employed by the District.

(d) Notwithstanding Section 6227(d) and Section 6248(b), employees employed after January 1, 1983, shall not be eligible for compensation for unused sick leave until they have completed 10,440 hours without an interruption in District service as defined in Section 6248(e).

(e) For purposes of this Section, an interruption in service occurs if an employee is terminated from employment.

Ords. 113, 118, 120 and 134; repealed by Ord. 145; Section 433.20 added by M.I. 32297 - June 13, 1978; paragraph (c) [formerly Section 433.20.3] added by M.I. 32401 - August 31, 1978; paragraphs (a) and (b) [formerly Sections 433.20.1 and 433.20.2] amended by M.I. 32814 - July 10, 1979; paragraph (b) amended by M.I. 33247 - May 13, 1980; paragraphs (a) and (b) amended by M.I. 33384 - August 19, 1980; paragraph (d) [formerly Section 433.20.4] added by M.I. 34309 - July 13, 1982; amended and paragraph (e) [formerly Section 433.20.5] added by M.I. 35166 - June 12, 1984; paragraph (b)(2)(ii) [formerly Section 433.20.2.2.2] amended by M.I. 35853 - November 19, 1985; paragraphs (c) and (d) amended by M.I. 35992 - March 11, 1986. Section 433.20 repealed and Section 6248 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (b) amended by M.I. 38460 - September 11, 1990; paragraph (3) added by M.I. 40545 - November 9, 1993; paragraph (b) amended, paragraph (b)(1) through (2)(i) repealed by M.I. 40726 - March 8, 1994; paragraphs (a), (b) and (c) amended by M.I. 53064 – December 13, 2022.

§ 6249. Jury Duty Leave.

(a) All regular full-time employees are eligible for jury duty leave with pay when required by any legally constituted court to appear for examination or jury service.

(b) In order to qualify for paid jury duty leave, employees are required to furnish proof of attendance in a manner prescribed by the General Manager.

(c) An amount equal to the per diem or fees paid by the court to the employee will be deducted from the employee's pay. No deduction will be made for the value of mileage allowances, meals or lodging furnished by the court.

(d) In the absence of proof of attendance, an employee will be required to use such other leave as is prescribed by their Department Head.

Ords. 113 and 120; repealed by Ord. 145; Section 433.21 added by M.I. 32297 - June 13, 1978; amended by M.I. 35166 - June 12, 1984. Section 433.21 repealed and Section 6249 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (a) amended by M.I. 43275 - November 10, 1998; paragraph (d) amended by M.I. 53064 – December 13, 2022.

[§6250 - 6259 reserved for future use]

§ 6260. Shift Pay and Diving Pay.

(a) In addition to other compensation, differential hourly rates, hereinafter referred to as "shift pay," may be paid to employees who are assigned to work outside normal day shift working hours, and to employees while performing work under water.

(b) Employees indicated on the approved pay rate schedule as being exempt from overtime pay shall be exempt from shift pay and diving pay.

(c) Shift pay may be granted only for actual hours worked and shall not be applied to earned compensatory time, leave or Holidays not worked.

(d) Procedures necessary for the implementation of the foregoing shift pay and diving pay provisions shall be established by the General Manager, provided that in computing hours of diving pay, any fraction of an hour will be deemed to constitute a full hour.

Ords. 113, 120, 123 and 138; repealed by Ord. 145; Section 433.22 added by M.I. 32297 - June 13, 1978; amended by M.I. 35166 - June 12, 1984; paragraph (c) [formerly Section 433.22.3] amended by M.I. 35726 - July 9, 1985. Section 433.22 repealed and Section 6260 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 6261. Time Off for Voting.

The General Manager is authorized to allow employees to absent themselves from duty with pay for not more than two hours during such times as they shall prescribe for the purpose of voting at any statewide election. Employees who do not avail themselves of this privilege shall not thereby become entitled to overtime pay.

Ords. 114 and 120; repealed by Ord. 145; Section 433.23 added by M.I. 32297 - June 13, 1978; amended by M.I. 35166 - June 12, 1984. Section 433.23 repealed and Section 6261 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph amended by M.I. 53064 – December 13, 2022.

§ 6262. Leave for Subpoenaed Employees.

When an employee is served with a subpoena which compels their presence as a witness, unless they are a party or an expert witness, they shall be granted a leave of absence. If the amount the employee receives for their appearance is less per day than their regular pay for that day, such leave shall be with pay in the amount of the difference for each day served.

Ords. 117 and 120; repealed by Ord. 145; Section 433.24 added by M.I. 32297 - June 13, 1978; amended by M.I. 35166 - June 12, 1984. Section 433.24 repealed and Section 6262 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 49187 - September 11, 2012; amended by M.I. 53064 – December 13, 2022.

§ 6263. Modification of Work Schedules.

(a) The General Manager is authorized to establish work schedules in lieu of the schedule set out in Section 6223(a) for such employees as the General Manager shall specify and to make other adjustments in the work schedules of such employees as the General Manager deems appropriate.

(b) The General Manager is authorized to substitute for any Administrative Code provision based on a work schedule complying with Section 6223(a) regulations which provide, to the extent feasible, compensation similar to the compensation based on a work schedule complying with Section 6223(a) for employees assigned to a different work schedule established pursuant to subsection (a).

Section 433.26 - M.I. 32741 - May 8, 1979; amended by M.I. 32814 - July 10, 1979; from Chapter 433 and added, as amended, to Chapter 501 as Section 501.13 - M.I. 32690 - April 10, 1979; renumbered 433.25 and amended by M.I. 35166 - June 12, 1984. Section 433.25 repealed and Section 6263 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 39176 - August 20, 1991.

§ 6264. Retention of Travel Incentives.

Any employee traveling on District business may retain travel incentives made available to them so long as such incentives result in no additional cost to the District.

Section 433.26 - M.I. 35304 - September 11, 1984. Section 433.26 repealed and Section 6264 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph amended by M.I. 53064 – December 13, 2022.

§ 6265. Service Awards.

The General Manager is authorized to provide for a program of service award presentations to employees meeting specified periods of service

Section 439.2 based on M.I. 14257 - August 8, 1952; amended by M.I. 34714 - May 10, 1983. Section 439.2 repealed and Section 6265 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M. I. 45943 – October 12, 2004.

§ 6266. Insurance Pertaining to Employees.

(a) The General Manager is authorized to provide for payroll deductions of premiums payable by employees under group insurance contracts in effect with the District and to provide for the transmittal of such deductions to the appropriate carriers.

(b) The General Manager is authorized to provide for payroll deductions of premiums payable by employees under individual insurance contracts arranged through the District and to provide for the transmittal of such deductions to the appropriate carrier or carriers.

(c) The General Manager of the District is authorized to register the District as an employer for unemployment insurance coverage pursuant to the provisions of Chapter 2, Statutes of 1978 and P.L. 94-566 and to elect the option deemed most advantageous to the District from among the various payment methods available.

(d) For regular full-time employees represented by a District Employee Association, the District shall provide group life insurance pursuant to the applicable Memorandum of Understanding, with the employees having the option at their own expense to obtain additional coverage.

(e) Blanket Employee Dishonesty Coverage. - The District shall purchase blanket employee dishonesty insurance coverage which would protect the District against losses resulting from the dishonest acts of each and every employee.

Section 439.4 based on Res. 7537 - September 18, 1973; paragraph (e) [formerly Section 439.7] based on M.I. 27187 - November 19, 1968; paragraph (d) [formerly Section 439.6] added by M.I. 30958 - July 8, 1975; paragraph (b) [formerly Section 439.4.3] added by M.I. 32115 - January 10, 1978; paragraph (c) [formerly Section 439.4.4] added by M.I. 32172 - February 14, 1978; paragraph (b) amended and paragraphs (c) and (d) renumbered Sections 439.4.5 and 439.4.6 by M.I. 35166 - June 12, 1984. Section 439.4 repealed and Section 6266 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (d) amended by M.I. 37218 - July 12, 1988; paragraph (d) amended by M.I. 40726 - March 8, 1994; paragraph (d) amended by M.I. 43275 - November 10, 1998.

§ 6267. Relocation Expenses for Unrepresented and Officer Employees.

It is the policy of the District to pay all reasonable expenses incurred by new and present unrepresented and officer employees in relocating their residence at the request of the District. The General Manager is authorized to pay up to $40,000 for the relocation of these employees, and all reasonable incidental charges created by the relocations.

M.I. 43692 - August 17, 1999.

§ 6268. Reproductive Loss Leave.

Upon a reproductive loss event of an employee, the employee shall be allowed such reproductive loss leave for up to five (5) days without pay per reproductive loss event (RLE). RLE is defined as the day or, for a multiple day event, the final day of a failed adoption, failed surrogacy (applies to the would-be parent), miscarriage, stillbirth, or an unsuccessful assisted reproduction. If the employee experiences more than one RLE within 12 months, the employee is entitled to a maximum of 20 days of reproductive loss leave ("RLL") within a 12 month period, not to exceed five (5) days per RLE. Employees are required to complete their RLL within three (3) months of the RLE, but if the employee is taking other specified leave (e.g., CFRA, FMLA, pregnancy disability leave, personal leave, sick leave, comp time) prior to or immediately after an RLE, the three (3) months does not start until the other leave completes. RLE need not be taken consecutively. The employee is not required to provide documentation to verify the RLE, but will be required to submit a leave request. Only an employee with thirty (30) days or greater of service is eligible for reproductive loss leave.

M.I. 53569 – March 12, 2024.

Chapter 3

GENERAL EMPLOYEE MATTERS

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Article 1

EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION

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6301. Good Faith Efforts Required
6302. General Manager's Responsibility to Implement Affirmative Action Program
6303. Objectives of Affirmative Action Program
6304. General Manager's Report on Equal Employment Opportunity Policy and Affirmative Action Program
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§ 6300. Statement of Equal Employment Opportunity Policy.

The policy of the District is one of equal employment opportunity for any employee or applicant for employment. The District will not unlawfully discriminate when taking any employment action or making employment decisions, including basing decisions on race, sex (gender or pregnancy), creed, national origin, color, disability (physical or mental), protected veteran status, religion, age, medical condition, genetic information, marital status, ancestry, sexual orientation, or other characteristic protected by law.

Res. 7606 - September 17, 1974; Section 351.1 amended by M.I. 34148 - March 9, 1982; amended by M.I. 35592 - April 9, 1985. Section 351.1 repealed and Section 6300 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 40171 - April 13, 1993; amended by M.I. 48202 - March 9, 2010.

§ 6301. Good Faith Efforts Required.

The Board recognizes that the mere prohibition of unlawful discriminatory practices will not assure equal opportunity in employment and therefore directs that good faith efforts be undertaken to assure that equal treatment is accorded all applicants and employees in all matters affecting employment, including but not limited to, recruitment, selection, transfer, promotion, discipline, demotion, discharge, training, and benefits.

Res. 7606 - September 17, 1974; Section 351.2 amended by M.I. 34148 - March 9, 1982. Section 351.2 repealed and Section 6301 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 6302. General Manager's Responsibility to Implement Affirmative Action Program.

The General Manager shall establish, direct, and monitor a detailed program implementing the affirmative action laws that are applicable to the District, and shall take appropriate steps to cause all personnel within this organization to abide by and affirmatively support said program.

Res. 7606 - September 17, 1974. Section 351.3 repealed and Section 6302 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 48202 - March 9, 2010.

§ 6303. Objectives of Affirmative Action Program.

The detailed affirmative action program to be developed by the General Manager shall provide, through an affirmative action plan, for attainment and maintenance, within a reasonable time frame to be established by the program, of the following minimum objectives:

(a) To ensure equal employment opportunity to individuals covered by affirmative action laws applicable to the District.

(b) To eliminate non-job-related barriers in the terms, conditions, and privileges of employment and to ensure equal consideration of all qualified applicants and employees without regard to characteristics protected by affirmative action laws applicable to the District, except as permitted by law.

(c) To analyze employment data to ensure compliance with any equal employment opportunity and affirmative action requirements imposed by law.

(d) To disseminate information on equal employment opportunity and affirmative action to all District personnel.

(e) To review District personnel practices, including but not limited to recruitment, selection, classification, training, promotion, and career development to ensure equal access is provided to qualified applicants and employees covered by affirmative action laws applicable to the District, without unlawful discrimination.

(f) To promptly resolve questions or complaints arising from this program.

Res. 7606 - September 17, 1974; Section 351.4 amended by M.I. 34148 - March 9, 1982. Section 351.4 repealed and Section 6303 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (a) and (b) amended, paragraphs (c) deleted, former paragraphs (d) – (g) renumbered to paragraphs (c) – (f) by M.I. 48202 – March 9, 2010 .

§ 6304. General Manager's Report on Equal Employment Opportunity Policy and Affirmative Action Program.

Annually, the General Manager shall report to the Community and Workplace Culture Committee on the status of the equal employment opportunity policy and affirmative action program.

Res. 7606 - September 17, 1974; Section 351.5 amended by M.I. 34148 - March 9, 1982. Section 351.5 repealed and Section 6304 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M. I. 44582 – August 20, 2001; amended by M. I. 46064 – January 11, 2005; amended by M.I. 46983 - February 13, 2007; amended by M.I. 48081 –

November 10, 2009, Section title and paragraph amended by M.I. 48202 – March 9, 2010; paragraph amended by M.I. 48800 – September 13, 2011; paragraph amended by M.I. 53064 – December 13, 2022; paragraph amended by M.I. 53408 - March 11, 2025.

§ 6305. Nondiscrimination, Harassment, and Retaliation by Officers and Employees.

Officers and employees shall not, in the performance of their official functions, discriminate against any person on the basis of race, religion, color, creed, age, marital status, national origin, ancestry, sex (gender or pregnancy), sexual orientation, medical condition, genetic information, disability (physical or mental), protected veteran status, or other characteristic protected by law and they shall cooperate in achieving the equal opportunity and affirmative action goals and objectives of Metropolitan. Metropolitan directors, officers, employees, and guests have the right to participate in official Metropolitan functions in an environment free from all forms of discrimination and conduct which can be considered harassing, coercive, or disruptive. Harassment based on any characteristic protected by law will not be sanctioned nor tolerated. Officers and employees also shall not retaliate against any person for reporting discrimination or harassment prohibited by this section. Reports of discrimination or harassment based on a characteristic protected by law, or related retaliation, are taken seriously, and appropriate action will be taken against individuals found to have engaged in such conduct. The prohibition against discrimination, harassment, and retaliation applies to all transactions of Metropolitan's business, whether at a Metropolitan-operated facility or an external site. Allegations regarding officer or employee conduct in violation of this section shall be reported to Metropolitan's Equal Employment Opportunity Investigations staff.

M.I. 52574 - November 9, 2021.

§ 6306. Definitions.

Terms, whenever used in this Article, shall have the meaning provided for in applicable law. In conformance with applicable law, the following terms shall have the meanings indicated herein:

(a) Protected veteran – a disabled veteran, a special disabled veteran, a Vietnam era veteran, a recently separated veteran, an armed forces service medal veteran, or any other protected veteran as defined by law.

(b) Age – 40 and above.

(c) Medical condition - Any health impairment related to or associated with a diagnosis of cancer or a record or history of cancer, or genetic characteristics.

Section 351.6 - M.I. 34148 - March 9, 1982. Section 351.6 repealed and Section 6305 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 40171 - April 13, 1993; first paragraph amended, paragraphs (a) and (b) added, second paragraph numbered as (c) by M.I. 48202 – March 9, 2010; renumbered section by M.I. 52574 - November 9, 2021.

Article 2

EXPENSE ACCOUNT REGULATIONS

Sec.
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6321. Expense Reimbursement Rates
6322. Supervision
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6324. Authorization for Domestic Travel
6325. Authorization for International Travel
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6327. Route and Mode of Travel
6328. Other Expenses
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§ 6320. Policy.

Payment for travel and other expenses incurred by directors and employees shall be allowed only for the purpose of furthering the interests of the District. An expense shall be deemed to be incurred to further the interests of the District when it is incurred for an activity that has a significant and meaningful link to the purposes, policies, and interests of the District. It is the purpose of these regulations to furnish rules, guidelines and procedures to assist directors and employees in claiming reimbursement of all such expenses. Expenditures will be closely scrutinized and only those considered to be necessary will be allowed. Directors and employees shall repay the District for disallowed expenses incurred on their behalf.

Section 435.1 - M.I. 33162 - March 11, 1980. Section 435.1 repealed and Section 6320 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 39019 - June 11, 1991.

§ 6321. Expense Reimbursement Rates.

Expenditures for lodging, meals, transportation and other activities, as authorized in accordance with Sections 6324, 6325 and 6326, should provide for reasonable comfort and convenience. It should be borne in mind, however, that public funds are being spent and that only a reasonable level of expense is warranted. Except as otherwise set forth in an applicable Memorandum of Understanding with a District employee association, all reimbursements of travel expenses are subject to the following limits:

(a) Lodging shall be obtained at government or group rates, when available. For conferences and organized educational activities, lodging costs shall not exceed the maximum group rate published by the sponsor of the conference or activity. If no government or group rate is available the traveler should obtain moderately priced accommodations based on prevailing rates in the area. The traveler may request per diem at IRS-published rates for the area of travel

or, if the traveler is covered by a bargaining unit, then at the rate established pursuant to the applicable Memorandum of Understanding in lieu of reimbursement for actual lodging expense.

(b) Transportation costs and costs associated with transportation will be reimbursed according to the requirements of Section 6326.

(c) Reimbursement for meals is limited to the IRS-published per diem rate for the area of travel or the rate established by an applicable Memorandum of Understanding.

Section 435.2 - M.I. 33162 - March 11, 1980. Section 435.2 repealed and Section 6321 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 39019 - June 11, 1991; Section renamed and opening paragraph amended, paragraphs (a), (b) and (c) added by M. I. 46449 – November 8, 2005; paragraphs (a) and (c) amended by M.I. 49041 – April 10, 2012; paragraph (c) amended by M.I. 49187 - September 11, 2012.

§ 6322. Supervision.

As circumstances vary considerably in those instances where directors and employees must incur expenses, care by those incurring expenses, and supervision by those approving expense accounts are the most effective controls over expenditures. When expenses that might be regarded as out of the ordinary are foreseen, the approving officer's instructions should be sought beforehand.

Section 435.3 - M.I. 33162 - March 11, 1980. Section 435.3 repealed and Section 6322 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 6323. Definitions.

(a) "Employee" shall mean directors and employees unless specifically stated otherwise. Employees within a bargaining unit which has a Memorandum of Understanding with the District shall be governed by its provisions to the extent it provides for reimbursement of expenses or per diem. Where authorization for an employee to travel is required from a "Department Head or group manager," the term shall mean the positions so identified by the organizational chart contained in the most recent annual District budget adopted by the Board. In the case of a director, the terms shall be deemed to mean the Chair of the Board.

(b) "Travel" shall mean attendance at meetings, conferences, or other functions on District business at other than the employee's headquarters or temporary headquarters or, in the case of directors, their residences or places of business, whichever is applicable. Employees shall not be in travel status to the extent that they travel to perform job assignments related to District facilities within designated service or maintenance areas unless it is overnight. A specific headquarters shall be designated for each employee.

(c) "Overnight travel" shall mean travel which prevents employees from spending their usual sleeping hours at their residences.

(d) "Temporary headquarters" shall mean District facilities other than their regular headquarters where employees are instructed by their immediate supervisors to report on a temporary basis.

(e) "Business meal" shall be one in which employees provide non-employees and themselves meals and beverages ordinarily associated with normal eating customs under circumstances which are generally considered to be conducive to furthering the business of the District. A "business meal" unless otherwise justified does not include a meal furnished by an employee to someone in expectation that another meal will be furnished to the employee or in repayment of one previously furnished. A "business meal" shall also include employees' meals at business meetings away from a District facility with non-employees who pay for their own meals, or at a business program sponsored by a business or professional association where the subject matter of the discussion is of importance to the District. Employees (not including directors) ordinarily may not themselves partake in, or provide for others, business meals without prior authorization by their group, assistant group or section manager provided, however, whenever an employee who customarily performs District job assignments at a specific location, or locations, is required to be at a substantial distance from that location on District business during a period when a meal is usually partaken, the employee shall be reimbursed by the District for the expense of meals partaken at such other locations. In addition to the above, a Department Head may authorize meals for employees under special circumstances.

Section 435.4 - M.I. 33162 - March 11, 1980. Section 435.4 repealed and Section 6323 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (a) and (e) amended by M. I. 45943 – October 12, 2004.

§ 6324. Authorization for Domestic Travel.

(a) Directors

(1) Directors are authorized to travel anywhere within Metropolitan's service area on District business, subject to the limitations on travel reimbursements in Section 6326(e)(1).

(2) Other domestic travel on District business by directors shall be undertaken only with the prior approval of the Chair of the Board or, on the Chair's referral, the Executive Committee. In considering whether to give such approval, the criteria set out in Section 6320 shall be applied. The Chair, or the Board Executive Secretary acting at the Chair's direction, shall advise the director in writing in advance that the travel is authorized.

(3) Where a director expects to be absent from the State for personal reasons for more than 60 days, that director shall, in advance of departure, request approval from the Board in order to comply with Government Code Section 1062.

(b) Employees

(1) Employees if authorized by their supervisors may travel anywhere within California, Arizona and Nevada to carry out their job assignments.

(2) Group managers are authorized, and may authorize their staff, to travel anywhere within the United States to carry out a job assignment.

Section 435.5 - M.I. 33162 - March 11, 1980; amended by M.I. 33332 - July 8, 1980; amended by M.I. 33823 - July 14, 1981; amended and paragraph (a)(3) [formerly Section 435.5.1.3] added by M.I. 34627 - March 8, 1983; paragraph (b)(2) [formerly 435.5.2.2] amended by M.I. 34671 - April 12, 1983. Section 435.5 repealed and Section 6324 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 38471 - September 11, 1990; paragraph (a)(2) amended by

M.I. 39019 - June 11, 1991; paragraph (b)(2) amended by M.I. 39314 - November 19, 1991; paragraph (b)(2) amended and paragraph (b)(3) repealed by M.I. 41774 - February 13, 1996; paragraph (b)(2) amended by M.I. 41804 - March 12, 1996; paragraphs (b)(1) and (b)(2) amended by M. I. 45943 – October 12, 2004; paragraph (a)(1) amended by M.I. 49041 – April 10, 2012; paragraph (b)(1) amended by M.I. 51417 – December 11, 2018.

§ 6325. Authorization for International Travel.

(a) The General Manager is authorized to approve travel of District personnel to foreign countries, when necessary as an incident to the evaluation of bids or the administration of contracts, and for participation in conferences, inspection trips, meetings or exchanges of potential benefit to the District. The General Manager shall report all international travel approved pursuant to this section to the Chair of the Board in advance of such travel being taken, together with a written justification for the travel pursuant to the criteria set forth in subpart (c).

(b) All requests for international travel by directors or Department Heads shall be submitted to the Chair of the Board in advance of the travel date for participation in conferences, inspection trips, meetings or exchanges of potential benefit to the District. The Chair of the Board shall authorize the international travel when appropriate pursuant to the criteria set forth in subpart (c). The Chair or the Board Executive Secretary acting at the Chair's direction shall, in advance of such participation, advise, in writing, any director whose participation is authorized.

(c) The Chair, in approving international travel by a director or Department Head, and the General Manager, in approving international travel by a member of the staff, shall consider, among others, the following criteria:

(1) Whether significant personal contacts of direct and significant benefit in the conduct of the District's affairs will be made as the result of such participation;

(2) Whether technical or administrative information to be gained by participation will be of direct and significant benefit in the conduct of the District's affairs;

(3) Whether the cost of participation, including both travel costs and time taken from other District assignments, is warranted by the anticipated benefits to be gained by the District through new knowledge, contacts, or technology; and

(4) Whether dissemination of information about the District to the target audience will significantly contribute to the protection of the District's rights and properties.

(d) The Chair of the Board shall report quarterly to the Executive Committee on all international travel which has been approved pursuant to this section for directors, Department Heads, and staff members.

M.I. 38471 - September 11, 1990; paragraph (b) amended by M.I. 39019 - June 11, 1991; paragraphs (a) & (b) amended and paragraphs (c) and (d) added by M.I. 42559 - August 19, 1997.

§ 6326. Authorized Expenses.

(a) Transportation Costs and Costs Associated with Transportation. - Authorized transportation expenses may include common carrier fares, rental of automobiles, parking fees, and use of personal automobiles at the standard mileage rate provided for in any applicable memorandum of understanding. If no memorandum of understanding is applicable, the rate shall be the standard mileage rate permitted at the time by the Internal Revenue Service in computing a deduction for business mileage; provided, however, that for employees in the classifications listed in Section 6500, mileage for use of personal automobiles on District business shall be reimbursed only as provided in the Operating Policy then in effect which sets forth the vehicle allowances and related benefits for such employees.

(b) Overnight Travel. - In addition to those expenses described in Section 6326(a), authorized expenses while traveling overnight on District business also may include reasonable telephone calls to the employee's family, meals, lodging, baggage handling, tips, and any other reasonable incidental expenses of the trip which are business related rather than personal in nature. If a family member should accompany an employee, subject to the requirements of Section 6321, lodging expense may only be reimbursed at the applicable rate for a single room to be occupied by only one person.

Subject to the requirements of Section 6321(c), the District shall pay lodging, meal and other reasonable incidental expenses incurred at the destination required for business purposes when travel is extended for a time beyond what is normally required for such purposes (i.e., over a weekend), if the extension of time reduces the transportation costs that would otherwise have been incurred, thereby resulting in a net cost savings overall. Whenever such situations occur, they shall be fully described on the expense claim form subsequently prepared to document the travel activity. Notwithstanding the foregoing, the District shall not pay for transportation costs other than to and from the destination required for business purposes.

(c) Business Meal. - Business meal expenses may include the cost of meals and beverages ordinarily associated with normal eating customs, provided that no alcoholic beverages may be provided at District expense. An adequate description of the purpose of the meal and the names of guests and their affiliations shall be provided whenever claiming reimbursement for business meals.

A meal furnished to a fellow employee will only be reimbursed if: (a) both would be entitled to reimbursement; (b) if the meal is in connection with a business discussion with a non-employee; or (c) both employees are in overnight travel status.

An employee while in overnight status or director who provides a business meal to another person at a hotel, where the employee or director is staying on District business, or at a restaurant, when the bill is directly forwarded to the District for payment, must indicate on the expense account or reimbursement request who the guest was and the business reason for the expense.

(d) Transportation. - The type of transportation employed shall be selected on the basis of the lowest overall cost to the District after all costs are considered, including the travel time and

the salary of the employee; provided, however, that travel by common carrier bus shall not be required.

Trips which require travel in excess of 200 miles one way shall be made by commercial airline unless the circumstances dictate otherwise. Reimbursements for any transportation costs for trips over 200 miles one way by any form of transportation shall generally not exceed the standard round-trip airline coach airfare in effect at the time, plus any personal auto mileage and airport parking that would have been incurred and reimbursable if airline transportation had been used. Determination of the standard round-trip coach airfare, for purposes of establishing a reimbursement limit on optional forms of travel, shall be made in advance whenever practicable. All airline travel shall be by airplane coach or economy class except: (1) when coach or economy seats are unavailable at the time of ticketing, or (2) where the Department Head or the Board Chairman finds that some physical problem, essential business, or exceptional circumstance warrants travel in a higher class.

(e) Limitations and Non-Reimbursable Expenses

(1) Directors may attend up to three meetings and conferences related to District purposes per calendar year at District expense (including registration and reasonable travel expenses). Attendance at additional meetings and conferences in a calendar year will not be at the expense of Metropolitan, unless approved in advance by the Chairman of the Board. Reasons for approval of additional meetings include representing Metropolitan in a leadership position for an organization, speaking at a meeting or conference on behalf of Metropolitan, or similar representation of Metropolitan.

(2) Costs of overnight stays for directors attending board and committee meetings will be paid or reimbursed by the District only for directors residing outside of a 35-mile radius of the meeting location or when reasonably required under the circumstances (such as for attendance at evening or early morning meetings, to accommodate director driving restrictions, or other similar situation), and approved by the Chairman of the Board.

(3) The expenses of a director's spouse or other family member who accompanies the director on District business shall not be borne by the District or reimbursable to a director unless specifically authorized in writing by the Chairman of the Board (or Executive Committee) in advance as an expense necessary for the proper representation of the District. Such reimbursements shall be reported as income of the recipient, as required under applicable tax law.

(4) Items of personal benefit, including but not limited to in-room movies, entertainment and mini-bar snacks and beverages are a personal expense and will not be paid or reimbursed by the District. No alcoholic beverages will be paid for or reimbursed by the District.

(5) The expenses of an employee or director shall not be reimbursed by the District to the extent that they are reimbursed by another party.

Section 435.6 - M.I. 33162 - March 11, 1980; paragraph (a) [formerly 435.6.1] amended by M.I. 33332 - July 8, 1980; paragraph (a) amended by M.I. 33823 - July 14, 1981. Section 435.6 repealed and Section 6325 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (e) added by M.I. 36745 - August 18, 1987; amended by M.I. 37492 -

January 10, 1989; paragraph (f) added by M.I. 37571 - March 14, 1989; renumbered to Section 6326 by M.I. 38471 - September 11, 1990; paragraph (a) amended by M.I. 38460 - September 11, 1990; paragraphs (a), (b), (c), (d) and (e) amended by M.I. 39019 - June 11, 1991; paragraph (e) amended by M.I. 40727 - March 8, 1994; paragraph (d) amended by M.I. 41652 - November 14, 1995; paragraph (a) amended by M.I. 43023 - June 9, 1998; paragraphs (a) and (b) amended by M. I. 46449 – November 8, 2005; paragraph (d) amended by M. I. 46838 – October 10, 2006; amended paragraphs (b), (c), and (d), former paragraph (e) renumbered and amended to paragraph (e)(3), added heading title to beginning of paragraph (e), added paragraphs (e)(1), (e)(2), and (e)(4), former paragraph (f) renumbered and amended to paragraph (e)(5) by M.I. 49041 – April 10, 2012.

§ 6327. Route and Mode of Travel.

(a) Travel must be by the most direct route, considering the mode of transportation used. Additional expense resulting from travel by an indirect route for the personal interest of the employee is not chargeable to the District, but is to be reported on claims for reimbursement and identified as chargeable to the employee.

(b) The department head or group manager shall reject or reduce claims for reimbursement of expenses resulting from unauthorized travel or inappropriate selection by the employee of class of transportation, lodging, or meals.

(c) Department heads, assistant department heads, group, assistant group, and section managers are authorized and may authorize other employees to approve transportation orders to check out pool cars from the Los Angeles headquarters garage. Directors requiring the use of District vehicles shall place their requests through the General Manager.

Section 435.7 - M.I. 33162 - March 11, 1980. Section 435.7 repealed and Section 6326 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered to Section 6327 by M.I. 38471 - September 11, 1990; paragraphs (b) and (c) amended by M. I. 45943 – October 12, 2004.

§ 6328. Other Expenses.

Expenses not otherwise covered by these regulations and not exceeding $100 may be approved by the group manager if consistent with the requirements of Sections 6320 and 6321. Those in excess of $100 shall be approved by the department head.

Section 435.8 - M.I. 33162 - March 11, 1980. Section 435.8 repealed and Section 6327 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered to Section 6328 by M.I. 38471 - September 11, 1990; amended by M. I. 45943 – October 12, 2004.

§ 6329. Funds.

(a) Employees on travel status are expected to provide themselves with sufficient funds to cover all out-of-pocket expenses, which will be reimbursed by the District if appropriate.

(b) If necessary, funds will be advanced to employees to be on travel status on a temporary basis upon the employee’s request and in accordance with procedures established by the Controller.

Section 435.9.2 - M.I. 33162 - March 11, 1980. Section 435.9.2 repealed and Section 6329 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered to Section 6330 by M.I. 38471 - September 11, 1990. Renumbered to Section 6329 and paragraph (c) added by M.I. - March 12, 1996. [Previous Section 6329: Section 435.9.1 - M.I. 33162 - March 11, 1980; paragraph (a) [formerly 435.9.1.1] amended by M.I. 34298 - July 13, 1982; paragraph (a) amended by M.I. 35433 - December 11, 1984. Section 435.9.1 repealed and Section 6328 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered to Section 6329 by M.I. 38471 - September 11, 1990; paragraphs (a), (c) and (c)(1)

through (c)(4) amended and paragraph (c)(5) added by M.I. 39019 - June 11, 1991; paragraph (a) amended by M.I. 39358 - December 10, 1991; paragraph (c)(1) amended by M.I. 39359 - December 10, 1991; paragraph (c)(5) amended by M.I. 40976 - August 19, 1994; paragraph (a) amended by M.I. 41652 - November 14, 1995; deleted by M.I. 41815 - March 12, 1996];paragraph (b) amended by M. I. 45943 – October 12, 2004; paragraph (b) amended and paragraph (c) deleted by M. I. 46449 – November 8, 2005.

§ 6330. Lobbying.

Directors or employees incurring expenses on behalf of Metropolitan to influence state legislative or administrative action shall separate such items on their expense account from other expenses and identify the action, the purpose of the expenditures, the name of the beneficiary of the expenditure, if other than the employee or payee, and the state agency, if any, and name of official involved and shall assign expenses incurred to the appropriate chart of accounts flex fields for lobbying. The General Counsel shall provide specific guidance to directors and employees concerning the reporting of lobbying expenses.

Section 435.11 - M.I. 33162 - March 11, 1980. Section 435.11 repealed and Section 6331 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered to Section 6332 by M.I. 38471 - September 11, 1990; renumbered to Section 6330 and amended by M.I. - March 12, 1996. [Previous Section 6332 - Section 435.10 - M.I. 33162 - March 11, 1980. Section 435.10 repealed and Section 6330 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered to Section 6331 by M.I. 38471 - September 11, 1990; paragraph (b) amended by M.I. 39019 - June 11, 1991; paragraph (b) amended by M.I. 40976 - August 19, 1994; deleted by M.I. 41815 - March 12, 1996]

§ 6331. Preparation, Approval and Processing of Claims.

(a) Expense reports shall be prepared and approved using a standard District form for such purpose.

(b) Expense accounts shall be prepared and submitted by directors and employees under the following circumstances in accordance with the schedules outlined herein:

(1) Directors and employees who incur expenses on behalf of the District, or who travel on or engage in District business which requires the expenditure of funds on their behalf, shall prepare an expense claim form to document the purposes and costs of such activities, even if no reimbursement is being requested. Notwithstanding the foregoing, no expense report need be prepared by a director or employee for a function and/or meals sponsored by the District other than for personal expenses charged to the District which must be reimbursed to the District, or for travel or miscellaneous expenses incident thereto which the directors or employee paid and which are reimbursable to said director or employee. As used herein, the term “District sponsored” includes, but is not limited to, meals provided at District facilities, tours for or sponsored by directors, off-site Board workshops, and such other events as may be designated in advance by the Chair of the Board or the General Manager.

(2) Directors’ reimbursement expense claims shall be submitted to the Board Executive Secretary’s office within 90 days of the earliest expense date on the claim being submitted. Expense reports for expenses for which District funds were utilized on the director’s behalf shall be submitted within 60 days of the earliest incurred expense date. Directors’ expense claims that are solely for reimbursement of mileage expenses for use of personal automobiles on District business shall be submitted to the Board

Executive Secretary's office no later than the end of the month following the calendar quarter in which the director incurred the expenses.

(3) Employees' expense reimbursement claims, approved in accordance with the provisions of this section, shall be submitted to the Office of the Chief Financial Officer within 90 days of the earliest expense date on the claim being submitted. Expense reports for which District funds were utilized on the employee's behalf shall be submitted within 60 days of the earliest incurred expense date.

(4) In no event shall the District process claims by a director or employee for any expenses that they incur on the District's behalf if the claim for reimbursement of such expenses is not submitted within 90 days after the expenses were incurred. Extensions of time may be granted by the Department Head in the case of employees, or by the Chair of the Board in the case of directors when the circumstances causing the delinquent filing are exceptional.

(5) Directors and employees who fail to provide a proper and timely accounting of any of their activities which have utilized District funds may be subject to recognition of taxable income on such amounts expended by the District on their behalf in accordance with applicable tax regulations.

(c) The expense reports of all directors shall be reviewed and approved by the Board Executive Secretary. Department Heads' expense reports shall be verified as accurate by their respective executive secretaries. The expense reports of assistant department heads and group managers shall be approved by their department heads. All other employee expense reports shall be approved by the employees' authorizing supervisors up through the group manager level, as applicable.

(d) All approved expense reports shall be submitted to the Controller's Section of the Office of the Chief Financial Officer for review, processing and, if appropriate, reimbursement of amounts due the claimants. Questions if any, on directors' claims shall be referred back to the Board Executive Secretary for resolution. Questions pertaining to employees' claims shall be referred back to the employees or their supervisors, as warranted. Unresolved disputes as to claims submitted by employees shall be forwarded by the Office of the Chief Financial Officer to the General Manager, who after conference with the employee may reduce or disallow any claim and the employee shall reimburse the District.

M.I. 41815 - March 12, 1996; amended by M.I.41845 - April 9, 1996; paragraphs (b)(3), (c), and (d) amended by M. I. 45943 - October 12, 2004; paragraph (b)(2) amended by M. I. 46838 - October 10, 2006; paragraphs (b)(2) – (b)(3) amended by M.I. 51417 – December 11, 2018; paragraph (b)(4) amended by M.I. 53064 – December 13, 2022.

§ 6332. Audit.

(a) All expense reports submitted by directors, department heads other than the General Auditor, and all other employees are subject to audit by the General Auditor's office after they have been processed. The General Auditor's expense reports shall be subject to audit by the Chief Financial Officer.

(b) The General Auditor, or the Chief Financial Officer with regard to any such claim of the General Auditor, shall refer unusual or questionable claims of directors or Department Heads to the Chair of the Board of Directors for review and discussion with the claimant if necessary, except that the General Auditor shall refer any such claim made by the Chair of the Board of Directors to the Secretary of the Board of Directors for review and discussion with the claimant if necessary. If questions regarding the claim cannot be resolved with the claimant, the claim shall be referred to the Executive Committee and the claimant notified. The Executive Committee, after conference with the claimant, may reduce or disallow any claim and the claimant shall reimburse the District.

(c) Questionable claims of assistant department heads or group managers shall be referred by the General Auditor to the General Manager for resolution. Questionable claims of other employees shall be referred to the appropriate level of management or supervision for resolution. The General Manager, or their designee, in consultation with the General Counsel's office, shall have the authority to make final determinations on audit issues involving the expense reports of all employees below the level of department head.

M.I. 41815 - March 12, 1996; paragraphs (a), (b), and (c) amended by M.I. 43968 - April 11, 2000; paragraphs (b) and (c) amended by M. I. 44582 – August 20, 2001; paragraph (c) amended by M. I. 45943 – October 12, 2004; paragraph (b) amended by M. I. 46064 – January 11, 2005; paragraphs (b) and (c) amended by M. I. 46838 – October 10, 2006; paragraph (c) amended by M.I. 53064 – December 13, 2022.

Article 3

EMPLOYEE TOURS

Sec.
6340. Colorado River Aqueduct
6341. Tours for District Remote Field Workers

§ 6340. Colorado River Aqueduct.

A program has been approved under which the General Manager will be authorized to sponsor two Colorado River Aqueduct tours each year for employees. Subject tours will be made by bus and will start from the Los Angeles Headquarters Building. Each tour group will be limited to one bus load, and the dates for such Aqueduct tours for employees will be established only after District-sponsored tours have been given dates. With the exception of those employees assigned to the tours as part of their work, no employee participating in the recommended tours shall be away from regular assignment more than one day while on a District-sponsored tour.

Section 437.1 - M.I. 27499 - May 13, 1969. Section 437.1 repealed and Section 6340 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; editorial gender bias changes made - October 1993.

§ 6341. Tours for District Remote Field Workers.

Appropriate inspection tours shall be arranged for employees working in areas remote from Los Angeles area to visit the District's Headquarters Building, related distribution facilities, and construction work in progress.

Section 437.2 - M.I. 27500 - May 13, 1969. Section 437.2 repealed and Section 6341 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

Article 4

MISCELLANEOUS

Sec.
6350. No Tipping
6351. Deputies
[6352 repealed]

§ 6350. No Tipping.

The General Manager is instructed to notify the employees in the camps that it is against the policy of the District to accept tips from guests or visitors, and that signs be posted in all appropriate places to this effect.

Section 439.3 - M.I. 14518 - August 19, 1952. Section 439.3 repealed and Section 6350 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 6351. Deputies.

Whenever a power is granted to or a duty is imposed upon an officer or employee of the District, whether by statute, ordinance, resolution, or order of the Board, the power may be exercised or the duty may be performed by a deputy, assistant, or employee authorized by such officer or employee unless the statute, ordinance, resolution, or order of the Board expressly provides otherwise.

Ords. 113, 114, 117, 130 and 138; repealed by Ord. 146; Section 501.12 added, as amended, by M.I. 32690 - April 10, 1979; renumbered Section 501.10 - June 3, 1985. Section 501.10 repealed and Section 6351 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

[§ 6352 repealed by M. I. 45943 – October 12, 2004.]

Chapter 4

OFFICERS

Article		Sec.
1	Officers	6400
2	**General Manager**	**6410**
3	**General Counsel**	**6430**
4	**General Auditor**	**6450**
5	**Ethics Officer**	**6470**

Article 1

OFFICERS

Sec.
6400. Creation of Offices
6401. Method of Appointment and Removal

§ 6400. Creation of Offices.

The following offices are hereby created:

(a) Executive Offices:
General Manager
General Counsel
General Auditor
Ethics Officer

(b) Principal assistants within the executive offices, with number as authorized from time to time by the Board.

(1) Principal assistants to the General Manager:
Assistant General Manager(s) and/or Chief Operating Officer
Chief Administrative Officer and Chief Financial Officer
Deputy General Manager(s)

(2) Principal assistants to the General Counsel:
Assistant(s) General Counsel

(3) Principal assistants to the General Auditor:
Assistant(s) General Auditor

(4) Principal assistants to the Ethics Officer:
Principal Assistant(s) Ethics Officer

(c) Other Offices:

Controller
Treasurer
Board Executive Secretary
Deputies General Counsel, with number as authorized from time to time by the Board.

Ords. 64, 82, 86, 102, 103, 107, 108, 109, 110, 113, 115, 120 and 127; repealed by Ord. 146; Section 410.1 added, as amended, by M.I. 32690 - April 10, 1979; paragraph (b)(3) [formerly Section 410.1.2.3] added by M.I. 34620 - June 8, 1982; paragraph (b)(1) [formerly Section 410.1.2.1] amended by M.I. 35433 - December 11, 1984. Section 410.1 repealed and Section 6400 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (b)(1) amended by M.I. 40872 - June 14, 1994; paragraph (b)(1) amended by M.I. 41652 - November 14, 1995; paragraph (b)(1) amended by M.I. 42559 - August 19, 1997; paragraphs (a) and (b)(3) amended by M.I. 43968 - April 11, 2000; paragraph (a) amended by M. I. 45285 - April 8, 2003; paragraphs (b)(1)(2)(3) amended by M.I. 45943 – October 12, 2004; paragraphs (a), (b) (1) amended by M. I. 46838 – October 10, 2006; paragraphs (b)(1) and (c) amended by M. I. 47636 - September 9, 2008; added new paragraph (b)(4) by *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§ 6401. Method of Appointment and Removal.

Officers and employees shall be appointed and removed in the following manner:

(a) Executive Officers. - Executive officers shall be appointed by, and shall hold office at the pleasure of, the Board.

(b) Principal Assistants to Executive Officers. - The principal assistants to the executive officers shall be appointed and may be removed by such executive officers, subject to Board notification. In the event the Board determines that an executive officer is unable for any reason to appoint or remove a principal assistant, the Board may appoint and remove such assistant.

(c) Other Officers

(1) The Board Executive Secretary shall be appointed and may be removed by the General Manager, subject to approval by the Board.

(2) The Controller and the Treasurer shall be appointed and may be removed by the General Manager.

(3) Deputies General Counsel shall be appointed and may be removed by the General Counsel.

Ords. 29, 113, 127 and 130; repealed by Ord. 146; Section 410.2 added, as amended, by M.I. 32690 - April 10, 1979. Section 410.2 repealed and Section 6401 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (b) amended by M. I. 45943 – October 12, 2004.

Article 2

GENERAL MANAGER

Sec.
6410. Powers and Duties
6411. Principal Assistants
6412. Delegation of Executive and Administrative Powers
6413. Insurance Program
6414. Use of District Automobile
[6415. Repealed]
6416. Annual Report to Executive Committee

§ 6410. Powers and Duties.

The General Manager shall be the chief executive of the District and shall exercise all executive, administrative, and ministerial powers not specifically reserved to the Board, General Counsel, General Auditor, or Ethics Officer by law, this Code or by order of the Board, or by law to any other officer.

Ords. 29, 101, 113, 121 and 127; repealed by Ord. 146; Section 412.1 added, as amended, by M.I. 32690 - April 10, 1979. Section 412.1 repealed and Section 6410 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 43968 - April 11, 2000; amended by M.I. 52941 - August 16, 2022.

§ 6411. Principal Assistants.

The powers and duties of the principal assistants to the General Manager are as follows:

(a) The Assistant General Manager(s), Chief Operating Officer, Chief Administrative Officer, and Chief Financial Officer shall perform such duties and render such services as may be assigned to them by the General Manager with like effect as though such duties or services were performed or rendered in person by the General Manager. The General Manager shall designate in writing by office and name principal assistants to act in the General Manager's place in the event the General Manager is absent, unable to act in person, or until the appointment and qualification of the General Manager's successor, and shall specify the order in which such principal assistants shall assume the powers and duties of the General Manager in any such event. The designation may be changed by the General Manager at any time and for any reason, but a designation shall be kept on file at all times. The original of the designation shall be filed in the office of the Board Executive Secretary, and a signed copy shall be delivered to the principal assistants named therein.

(b) The Assistant General Manager(s), Chief Operating Officer, Chief Administrative Officer, and Chief Financial Officer shall act in the name of the General Manager, except when empowered by law or in writing by the Board or the General Manager to act in their own names, and their acts shall be equally effective whether done in their own names or in the name of their principal.

Ords. 29, 101, 113, 121 and 127; repealed by Ord. 146; Section 412.2 added, as amended, by M.I. 32690 - April 10, 1979; amended by M.I. 35433 - December 11, 1984. Section 412.2 repealed and Section 6411 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (a) and (b) amended by M.I. 40872 - June 14, 1994; paragraphs (a) and (b) amended by M.I. 41652 - November 14, 1995; paragraphs (a) and (b) amended by M. I. 45943 – October 12, 2004; paragraphs (a) and (b) amended by M. I. 46838 – October 10, 2006; paragraphs (a) and (b) amended by M.I. 47636 - September 9, 2008.

§ 6412. Delegation of Executive and Administrative Powers.

The Board intended, when it adopted Section 6410 of this Administrative Code, to delegate to the General Manager all powers which could lawfully be delegated to the General Manager, including, without limiting the foregoing delegation, the power to establish operating policies deemed necessary for the efficient and effective operation of the District, the only limitation being that the General Manager may not interfere with the specific powers or functions reserved to the other executive officers by specifically directing them as to the manner in which they are to perform the functions within their professional responsibilities as provided by statute, the Code or by Order of the Board.

Res. 7416 - May 9, 1972; Section 501.1 amended by M.I. 32690 - April 10, 1979. Section 501.1 repealed and Section 6412 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 42500 - July 8, 1997.

§ 6413. Insurance Program.

The General Manager is directed to review in May each year the insurance program of the District calling attention to any changes advisable. The policy of the Board is to call for bids on insurance.

Section 501.3 based on M.I. 14317 - May 13, 1952. Section 501.3 repealed and Section 6413 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 6414. Use of District Automobile.

The General Manager is authorized to use the General Manager's District automobile for such purposes other than District business as may be necessary.

Section 501.4 based on M.I. 6167 - May 7, 1937. Section 501.4 repealed and Section 6414 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

[§ 6415 Repealed by M.I. 37448 - December 13, 1988.]

§ 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.

M.I. 43692 - August 17, 1999 amended by M.I. 43968 - April 11, 2000; amended by M. I. 44582 – August 20, 2001; amended by M. I. 46064 - January 11, 2005; amended by M. I. 46838 – October 10, 2006; amended by M.I. 46983 - February 13, 2007; amended by M.I. 48081 – November 10, 2009; amended by M.I. 49187 - September 11, 2012; amended by M.I. 51391 - November 6, 2018; Paragraph amended by M.I. 53441 - November 14, 2023; Paragraph amended by M.I. 53528 – February 13, 2024; paragraph amended by M.I. 53408 - March 11, 2025; paragraph amended by M.I. 53438 – April 8, 2025.

Article 3

GENERAL COUNSEL

Sec.
6430. Powers and Duties
6431. Authority to Obtain Expert Assistance
6432. Authority to Obtain Court Fees and Deposits
6433. Authority to Litigate, Compromise and Settle Claims By and Against the District
6434. Writing off Uncollectible Claims
6435. Applicability of Section 1094.6 of the Code of Civil Procedure
6436. Annual and Quarterly Reports to Legal and Claims Committee
6437. Use of District Automobile
6438. Assistant General Counsel and Deputies General Counsel

§ 6430. Powers and Duties.

The powers and duties of the General Counsel shall be as follows:

(a) The General Counsel shall be the attorney for the District and shall represent said District and the Board, or any officer of said District, in all actions at law or in equity, and special proceedings, for or against said District, or in which it may be legally interested, or for or against said Board or any officer of said District, in their official capacity.

(b) The General Counsel shall be legal advisor to the Board and to all officers of said District in their official capacity, and shall give advice or opinions in writing to said Board or to any such officer, when requested so to do by said Board or officer.

(c) The General Counsel shall keep on file in their office copies of all written communications given to the Board or to any officer or employee of the District; copies of all papers, briefs, and transcripts used in causes wherein they appear, and a register of all actions or proceedings in their charge in which the District or the Board or any officer of the District, in their official capacity, is a party or is interested.

(d) The General Counsel may, when authorized so to do by the Board, employ attorneys and other persons to render special and temporary services in assisting in the performance of their duties and upon such compensation as the Board may determine.

(e) The General Counsel shall cooperate with the General Manager.

Ords. 6, 18, 113, 114 and 130; repealed by Ord. 146; Section 414.1 added, as amended, by M.I. 32690 - April 10, 1979. Section 414.1 repealed and Section 6430 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (f) added by M. I. 46338 - August 16, 2005; paragraph (f) deleted by M.I. 49648 - January 14, 2014; amended paragraphs (a)-(d) by M.I. 50990 - October 10 ,2017; amended paragraphs (a), (c), and (d) by M.I. 53064 – December 13, 2022.

§ 6431. Authority to Obtain Expert Assistance.

The General Counsel is authorized to employ special counsel and investigators to advise or assist them in representing the District, and such technical experts as necessary for proper preparation and presentation of the District's interest in any court action, special proceedings, legislative hearings, or other proceedings whether in or out of court where the assistance of technical experts may be necessary in order to represent the District adequately, so long as the amount to be expended in fees, costs, and expenses in any one year in connection with any assignment will not exceed $250,000.

Section 481.3 based on former Section 451.24; amended by M.I. 33494 - November 18, 1980. Section 481.3 repealed and Section 6431 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 40777 - April 12, 1994; amended by M.I. 50990 - October 10, 2017; paragraph amended by M.I. 53064 – December 13, 2022; paragraph amended by M.I. 53442 – November 14, 2023.

§ 6432. Authority to Obtain Court Fees and Deposits.

When the General Counsel pursuant to this Code exercises authority to commence or defend or is directed by the Board to commence or defend judicial or administrative proceedings, such authority shall include authority to request the drawing of checks for various fees, costs related to discovery, for deposits required in connection therewith, and other expenses related to such proceedings, and the Controller is authorized and directed to approve vouchers therefor based only on the signed request of the General Counsel.

Section 481.4 based on former Section 461.16; amended by M.I. 33494 - November 18, 1980. Section 481.4 repealed and Section 6432 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 6433. Authority to Litigate, Compromise and Settle Claims By and Against the District.

(a) Settlement of Claims or Suits Generally. – The General Manager, with the approval of the General Counsel, is authorized to allow, compromise or settle any claim or suit, by or against the District, not provided for elsewhere in this Code if the amount to be paid does not exceed $125,000. The General Manager or the General Counsel may perform any functions placed on the Board by Part 3 of Division 3.6 of Title 1 of the Government Code. The General Manager, with the approval of the General Counsel, may delegate the authority to settle claims involving payment of an amount not exceeding $1,000 to an independent contractor.

(b) Settlement of Labor Claims or Suits. - The General Manager, with the approval of the General Counsel, is authorized to compromise and settle any claim brought against the District under Division 4 of the Labor Code and any suit arising out of proceedings against the District under Division 4, provided the amount to be paid pursuant to any such compromise and settlement shall not exceed the sum of $125,000.

(c) Claims under Capital Construction Contracts. – The General Manager, with the approval of the General Counsel, is authorized to compromise or settle any claim under a capital construction contract if the amount paid under the contract, including change orders, together with the amount payable pursuant to the compromise or settlement, does not exceed the authorized contract maximum.

(d) Authority to Contest Matters by or Before Administrative Agencies. - The General Manager is authorized to initiate a contest of any claim, order, finding or decision made, charge, citation, or penalty assessed or proposed by an administrative agency against the District. The General Counsel is authorized, upon request of the General Manager, to represent the District in such contest and, if they deem it appropriate, to seek review by a court of law; and is further authorized to do all things they deem necessary or proper in the conduct of any such contest or action including, without limitation, to conduct ancillary proceedings, to compromise and settle, to dismiss, or to appeal a decision or judgment rendered in any such contest or action.

(e) Prosecution of Claims. - The General Manager is authorized to do all things they deem necessary or proper to obtain payment of a claim of the District. For that purpose they may themself, with the approval of the General Counsel, institute an action within the jurisdictional limits of the small claims court and may request the General Counsel, who is hereby authorized to do so, to institute an action in the superior court or federal district court to recover damages in any amount arising out of injury to person or property and to institute other actions in which the amount sought to be recovered does not exceed $125,000. In the case of small claims court actions, the General Manager, with the approval of the General Counsel, may, in connection with any such action, compromise, settle or dismiss such action, conduct ancillary proceedings, or appeal a judgment rendered in such action. In other actions brought under authority of this Section, the General Counsel, with the approval of the General Manager, may compromise, settle or dismiss such action, conduct ancillary proceedings, or appeal a judgment rendered in such action, provided that the amount to be paid by the District as a result of any compromise or settlement shall not exceed $125,000.

(f) Litigation - Leases - Encroachments. - The General Counsel is authorized, upon request of the General Manager, to bring an action to enforce the terms of District written and oral leases or to remove unauthorized encroachments upon District property and is authorized to do all things they deem necessary or proper in the conduct of any such action including, without limitation, to conduct ancillary proceedings, to settle or dismiss the action, or to appeal a judgment.

(g) Representation of Employees. - The General Counsel is authorized to represent an employee or former employee of the District who requests a defense by the District in any civil or criminal action or proceeding brought against such employee arising out of an act or omission in the scope of they employment. They may refuse to represent such employee in any civil action for any reason stated in Section 995.2 or Section 995.4 of the Government Code.

(h) Litigation actions subject to Board Ratification – Subject to subsequent ratification by the Board, the General Counsel, with the approval of the General Manager, is authorized to initiate litigation or respond to or participate in litigation otherwise requiring Board approval, if circumstances require action by Metropolitan before such Board approval can be obtained. Board ratification of such actions shall be requested at the next regularly scheduled Board meeting. If ratification of any such action is denied, the General Counsel shall take all steps necessary to comply with the Board's directions regarding the litigation.

Section 481.1 based on Res. 7186 - June 17, 1969. Section 481.1 repealed and Section 9200 adopted by M.I. 36464 - January 13, 1987; Section 9200 renumbered to Section 6433 (previous Section 6433 renumbered to

6436) and paragraphs (a), (b) and (d) amended by M.I. 41615 - October 10, 1995; paragraphs (d), (e), (f) and (g) amended by M.I. 53064 – December 13, 2022.

Paragraph (a) [formerly Section 481.1.1] amended by M.I. 33318, July 8, 1980; amended by M.I. 33494 - November 18, 1980 and M.I. 34060 - January 12, 1982; also based on former Section 481.6 - M.I. 33318 - July 8, 1982; amended by M.I. 35595 - April 9, 1985; amended by M.I. 38304 - June 12, 1990; amended by M.I. 41615 - October 10, 1995; amended by M. I. 44582 – August 20, 2001;

Paragraph (b) [formerly Section 481.1.2] amended by M.I. 32033 - November 8, 1977; amended by M.I. 33494 - November 18, 1980; amended by M.I. 38304 - June 12, 1990; amended by M.I. 41615 - October 10, 1995; amended by M. I. 44582 – August 20, 2001;

Paragraph (c) [formerly Section 481.1.3] based on former Section 481.5 - M.I. 32993 - November 13, 1979; amended by M.I. 33494 - November 18, 1980; amended by M.I. 35992 - March 11, 1986; amended by M. I. 44582 – August 20, 2001; new paragraph (c) added and paragraphs renumbered by M.I. 47286 - November 20, 2007.

Paragraph (d) [formerly Section 481.1.4] based on former Sections 481.2.1 and 481.2.2 Res. 7146 - January 14, 1969; amended by M.I. 33124 - February 12, 1980; amended by M.I. 33494 - November 18, 1980; amended by M.I. 35683 - June 11, 1985; amended by M.I. 35992 - March 11, 1986; amended by M.I. 38304 - June 12, 1990; amended by M.I. 41615 - October 10, 1995; amended by M. I. 44582 – August 20, 2001; renumbered to (e) by M.I. 47286- November 20, 2007;

Paragraph (e) [formerly Section 481.1.5] based on former Section 461.15; amended by M.I. 33494 - November 18, 1980; amended by M I. 44582 – August 20, 2001; renumbered to (f) by M.I.47286 - November 20, 2007

Paragraph (f) [formerly Section 481.1.6] M.I. 34223 - May 11, 1982; renumbered to (g) by M.I. 47286 - November 20, 2007;

Paragraph (g) added by M. I. 44582 – August 20, 2001; renumbered to (h) and amended by M. I. 47286 - November 20, 2007; Paragraph (e) amended by M.I. 49596 - November 19, 2013; paragraphs (f) and (g) amended by M.I. 50990 - October 10, 2017; amended paragraphs (d), (e), (f) and (g) by M.I. 53064 – December 13, 2022.

§ 6434. Writing Off Uncollectible Claims.

The General Manager, after receiving the advice of the General Counsel, is authorized to determine that claims and accounts receivable of the District are not collectible and to direct the writing off of such items in order to adjust District accounts provided that such action with respect to items in excess of $125,000 shall be subject to approval by the Board.

Section 481.3 based on Res. 6646 - January 12, 1965; renumbered by M.I. 33494 - November 18, 1980. Section 481.2 repealed and Section 9201 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; Section 9201 renumbered to Section 6434 (previous Section 6434 renumbered to 6437) by M.I. 41615 - October 10, 1995; amended M.I. 42500 - July 8, 1997.

§ 6435. Applicability of Section 1094.6 of Code of Civil Procedure.

Code of Civil Procedure Section 1094.6 is applicable to the District.

Res. 7969 - M.I. 34719 - May 10, 1983. Section 481.6 repealed and Section 9202 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; Section 9202 renumbered to Section 6435 by M.I. 41615 - October 10, 1995.

§ 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 Audit Committee, and the Community and Workplace Culture Committee.

Section 481.5 based on former Section 481.1.3; amended by M.I. 33494 - November 18, 1980. Section 481.5 repealed and Section 6433 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered to Section 6436 and amended by M.I. 41615 - October 10, 1995; paragraph (b) added by M.I. 43692 - August 17, 1999; amended by M.I. 43968 - April 11, 2000; paragraphs (a) and (b) amended by M. I. 44582 – August 20, 2001; paragraphs (a) and (b) amended by M. I. 46064 – January 11, 2005; paragraph (b) amended by M. I. 46148 - March 8, 2005; paragraphs (a) and (b) amended by M.I. 46983 - February 13, 2007; paragraphs (a) and (b) amended by M.I. 48081 – November 10, 2009; paragraph (b) amended by M.I. 49187 - September 11, 2012; paragraph (b) amended by M.I. 51391 - November 6, 2018; paragraph (a) amended by M.I. 53064 – December 13, 2022; paragraph amended by M.I. 53441 - November 14, 2023; paragraph (b) amended by M.I. 53528 – February 13, 2024; paragraph (b) amended by M.I. 53408 - March 11, 2025; paragraph (b) amended by M.I. 53438 – April 8, 2025.

§ 6437. Use of District Automobile.

The General Counsel is authorized to use the General Counsel's District automobile for such purposes other than District business as may be necessary.

M.I. 45943 – October 12, 2004.

§ 6438. Assistants General Counsel and Deputies General Counsel.

(a) The Assistants General Counsel and Deputies General Counsel shall perform such duties and render such services to the District as may be prescribed and assigned to them by the General Counsel, with like effect as though such duties or services were performed or rendered in person by the General Counsel. During the absence or disability of the General Counsel, or inability for any reason to act in person, or in case of their death, resignation or removal, until the appointment and qualification of a successor, the Assistants General Counsel shall perform all of the duties and exercise all of the powers of the General Counsel. The Assistants General Counsel and Deputies General Counsel shall act in the name of the General Counsel, except when directed by the latter to act in their own names, and their acts shall be equally effective whether done in the name of the General Counsel or in their own names.

(b) The General Counsel may designate a Deputy General Counsel, who during the absence or disability of the General Counsel and of the Assistant General Counsel, or the inability of both of them for any reason to act in person, or in case of the death, resignation or removal of all of them, until the appointment and qualification of their successors, shall perform all duties and exercise all of the powers of the General Counsel. Such designation shall be made in writing, the original to be delivered to the Deputy General Counsel, a signed copy to be filed in the office of the Secretary of the Board. Each Deputy General Counsel shall act in the name of the General Counsel except when directed by the latter to act in their own name.

Ords. 64 and 113; repealed by Ord. 146; Section 414.2 added, as amended, by M.I. 32690 - April 10, 1979. Section 414.2 repealed and Section 6434 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered to Section 6437 by M.I. 41615 - October 10, 1995; paragraph renumbered and name amended, and paragraphs (a) and (b) amended by M. I. 45943 – October 12, 2004; paragraph (a) amended by M.I. 50990 - October, 10, 2017; paragraphs (a) and (b) amended by M.I. 53064 – December 13, 2022.

Article 4

GENERAL AUDITOR

Sec.
6450. Powers and Duties
6451. Audit Department Charter
6452. Assistant General Auditor
6453. Authority to Obtain Professional Services
6454. Use of District Automobile

§ 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 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 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 Audit Committee. The General Auditor shall have the discretion to determine the form and content of such audit reports, subject to guidance by the 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 Audit Committee shall be submitted to the General Manager and General Counsel for review and comment simultaneously to their submittal to the Audit Committee.

(e) The General Auditor shall transmit all reports issued by the District's external auditors to the 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, advise, and recommendation. 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.

Ords. 127 and 143; repealed by Ord. 146; Section 418.1 added, as amended, by M.I. 32690 - April 10, 1979; amended by M.I. 32815 - July 10, 1979; paragraph (c) [formerly Section 418.1.3] added by M.I. 33340 - July 8, 1980; paragraph (c) amended by M.I. 33729 - May 12, 1981. Section 418.1 repealed and Section 6450 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (a)-(c) amended by M.I. 39358 - December 10, 1991; paragraphs (a) - (e) amended and paragraphs (f) and (g) added by M. I. 41600 - October 10, 1995; paragraph (c) amended by M.I. 43692 - August 17, 1999; paragraphs (b)–(g) amended by M.I. 43968 - April 11, 2000; paragraphs (a), (c) – (g) amended by M. I. 44582 – August 20, 2001; paragraphs (a) – (f) amended, paragraph (b)(1) – (7) repealed, and original paragraphs (c) – (f) renumbered (d) – (f) by M. I. 45293 - April 8, 2003; paragraphs (a), (b), (d), (e) and (f) amended by M. I. 46064 – January 11, 2005; paragraphs (a)-(f) amended by M.I. 46983 - February 13, 2007; paragraphs (a)–(f) amended and paragraph (g) added by M. I. 47259 - October 9, 2007; paragraphs (a), (b), (d), (e), and (f) amended by M. I. 47636 - September 9, 2008; paragraph (b) amended by M.I. 48081 – November 10, 2009; paragraph (b) amended by M.I. 49187 - September 11, 2012; paragraphs (a), (b), (d), (e), and (f) amended by M.I. 51391 - November 6, 2018; paragraphs (a), (b), (d), (e) and (f) amended by M.I. 53064 – December 13, 2022; amended paragraph (f) by M.I. 53220 – April 11, 2023; paragraphs (a), (b), (d), (e) and (f) amended by M.I. 53528 – February 13, 2024; paragraphs (b) and (f) amended by M.I. 53408 - March 11, 2025; paragraphs (a), (b), (d), (e), and (f) amended by M.I. 53438 – April 8, 2025.

§ 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 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 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 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 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 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 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 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 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 Audit Committee and Board of Directors.

M. I. 47252 - October 9, 2007; paragraphs (b), (c) (1) (2), (4)(5), (11), (d)(2) amended by M.I. 47636 - September 9, 2008; added paragraph (c), renumbered paragraphs (d) and (e), deleted paragraph (d)(7), renumbered paragraphs (d)(7) - (d)(12), and amended paragraph (d)(3) by M.I. 49211 - October 9, 2012; paragraphs (b), (d)(1), (d)(2), (d)(4), (d)(5), (d)(10), (d)(11), (e)(2), and final unnumbered paragraph amended by M.I. 51391 - November 6, 2018; paragraphs (b), (d)(1), (d)(2), (d)(4), (d)(5), (d)(10), (d)(11), (e)(2) and final paragraph amended by M.I. 53064 – December 13, 2022; paragraphs (b), (d)(1), (d)(2), (d)(4), (d)(5), (d)(10), (d)(11) and (e)(2) amended by M.I. 53528 – February 13, 2024; amend paragraphs (a), (a)(6), (a)(7), (a)(8), (b)(1), (b)(2), (b)(3), (c), (d), (d)(1), (d)(2), (d)(3), (d)(4), (d)(5), (d)(6), (d)(7), (d)(8), (d)(9), (d)(10), (d)(11), (e)(3), (e)(4), amend unnumbered paragraph subsequent to paragraph (e) and amend paragraphs (1), (2), and (3), delete former paragraph (d)(3), and renumber paragraphs (d)(3) – (d)(11) by M.I. 53876 – November 20, 2024; paragraphs (b)(1), (b)(2), (b)(3), (b)(4), (b)(9), (b)(10), (e)(2), and final paragraph by M.I. 53438 – April 8, 2025.

§ 6452. Assistant General Auditor.

(a) The General Auditor may designate an Assistant General Auditor who shall perform such duties and render such services to the District as may be prescribed and assigned to them by the General Auditor, with like effect as though such duties or services were performed or rendered in person by the General Auditor.

(b) During the absence of the General Auditor, or their inability for any reason to act in person, or in case of their death, resignation or removal, until the appointment and qualification

of their successor, the Assistant General Auditor shall perform all of the duties and exercise all of the powers of the General Auditor.

(c) The Assistant General Auditor shall act in the name of the General Auditor, except when directed by the latter to act in his own name, and his acts shall be equally effective whether done in the name of the General Auditor or in his own name. In case of the death, resignation or removal of the General Auditor, the Assistant General Auditor shall act in his own name.

Ord. 139; repealed by Ord. 146; Section 418.2 added, as amended, by M.I. 32690 - April 10, 1979. Section 418.2 repealed and Section 6451 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (a)-(c) amended by M.I. 43968- April 11, 2000; paragraph (a) amended by M. I. 45293 - April 8, 2003; paragraphs (a) and (b) amended by M.I. 53064 – December 13, 2022.

§ 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. and thereafter shall report periodically on such agreements to the committee.

M.I. 40603 - December 14, 1994; amended by M.I. 43968 - April 11, 2000; amended by M. I. 44582 – August 20, 2001; amended by M. I. 45207 - February 11, 2003; amended by M. I. 46064 – January 11, 2005; amended by M.I. 46983 - February 13, 2007; amended by M. I. 47252 - October 9, 2007; amended by M.I. 47636 - September 9, 2008; amended by M.I. 48081 – November 10, 2009; amended by M.I. 51391 - November 6, 2018; paragraph amended by M.I. 53064 – December 13, 2022; paragraph amended by M.I. 53442 – November 14, 2023; paragraph amended by M.I. 53528 – February 13, 2024; paragraph amended by M.I. 53438 – April 8, 2025.

§ 6454. Use of District Automobiles.

The General Auditor is authorized to use the General Auditor's District automobile for such purposes other than District business as may be necessary.

M. I. 45943 – October 12, 2004.

Article 5

ETHICS OFFICER

Sec.
6470. Powers and Duties
6471. Authority to Obtain Professional Services
6472. Reports to Community and Workplace Culture Committee
6473. Principal Assistant Ethics Officer

§6470. Powers and Duties.

The powers and duties of the Ethics Officer shall be as follows:

(a) The Ethics Officer shall report to the Board, through the CWC Committee.

(b) The Ethics Officer shall oversee an Ethics Office staffed with professional, qualified persons.

(c) The Ethics Officer shall be free from political interference in fulfilling the responsibilities detailed in this article and in Division VII.

(d) The Ethics Officer shall have sole authority to interpret Metropolitan's ethics rules.

(e) The Ethics Officer shall propose amendments to the Administrative Code to the CWC Committee for approval and adoption by the Board, relating to:

(1) Regulation of lobbying activities;
(2) Conflicts of interest and financial disclosure;
(3) Public notice and approval procedures for contracts of $50,000 or more;
(4) Disclosure of campaign contributions related to potential conflicts of interest;
(5) Such other ethics rules for application to board members, officers, employees, lobbyists, lobbying firms, and contractors as deemed appropriate.

(f) The Ethics Officer shall educate, train, provide advice and seek compliance from board members, officers, applicable employees, lobbyist, lobbying firms, and Metropolitan contractors and subcontractors concerning:

(1) The rules prescribed in Division VII;
(2) The Political Reform Act of 1974, as amended and applicable regulations;
(3) The conflict of interest rules of Government Code section 1090.

(g) The Ethics Officer shall investigate potential violations of ethics rules in Division VII by board members, officers, applicable staff, lobbyists, lobbying firms, and contractors consistent with the rules specified in Division VII. The Ethics Officer shall prepare status reports of pending investigations on a bi-monthly basis. The reports shall include the general nature and status of the investigation, how long the investigation has been pending, when the investigation is expected to be completed and, when completed, the resolution of the investigation.

(h) The Ethics Officer shall be the filing officer on behalf of the District to receive and file Statements of Economic Interest pursuant to the California Government Code and Section 7501 of this Administrative Code.

(i) The Ethics Officer shall have the authority to confer with the Chair of the Board and the Chair and Vice Chair of the CWC Committee for the purpose of seeking advice and feedback on any policy and operational matters, or feedback on investigative matters, subject to the confidentiality requirements in section 7412 of the Administrative Code.

(j) The Ethics Officer shall have the authority to obtain, and have unrestricted access to all functions, documents, records, property, personnel and other information requested as part of an Ethics Office complaint or investigation without waiving any privileges that may apply.

M. I. 45285 - April 8, 2003; paragraph (e) deleted by M. I. 46338 - August 16, 2005; paragraph (e) added by M.I. 49648 - January 14, 2014; amended paragraphs (a), (b), (c) and (d), added paragraphs (e), (f) and (g), and renumbered former paragraph (e) to paragraph (h) and amended same by M.I. 51391 - November 6, 2018; amended paragraphs (e), (f), (g), and (h), and added new paragraph (i) by M.I. 52574 - November 9, 2021; amended paragraphs (c), (d). (g), and (i), and added new paragraph (j) by M.I. 52941- August 16, 2022; amended paragraphs (a), (c), (e) and (i) by M.I. 53064 – December 13, 2022; amended paragraphs (a), (e), and (i) by M.I. 53408 - March 11, 2025.

§6471. Authority to Obtain Professional Services.

(a) The Ethics Officer is authorized to contract for independent legal counsel as they deem necessary in fulfilling duties and responsibilities of the Ethics Office. The Ethics Officer may contract with one or more attorneys or law firms depending on the areas of expertise needed. The amount to be expended in fees, costs and expenses under any one contract in any one-year period shall not exceed $100,000. The General Counsel shall review such contracts solely for consistency with Metropolitan's contract requirements. The General Counsel shall not have the authority to deny the Ethics Officer's ability to contract with any given party.

(b) The Ethics Officer is authorized to contract for professional services of outside investigators and investigation firms to conduct investigations under the Ethics Officer's purview. The amount to be expended in fees, costs, and expenses under any one contract in any one-year period shall not exceed $250,000.

(c) The Ethics Officer is authorized to employ the services of other professional or technical consultants for advice and assistance in performing the duties assigned as may be required or as deemed necessary, provided that the amount to be expended in fees, costs and expenses under any one contract in any one year shall not exceed $50,000.

(d) The Ethics Officer shall inform the CWC Committee whenever the authority granted under this section is exercised, and shall further report quarterly on activities concerning any agreements entered into under this section. Any such contracts shall be consistent with Metropolitan contract requirements and shall be reviewed by the General Counsel.

M. I. 45285 - April 8, 2003; amended by M. I. 46064 – January 11, 2005; amended by M.I. 46983 - February 13, 2007; amended by M. I. 47636 - September 9, 2008; renumbered from Section 6472 to 6471 and amended same by M.I. 51391 - November 6, 2018; added paragraph numbering to Section, added new paragraph (a) by M.I. 52941- August 16, 2022; amended paragraph (a) by M.I. 53014 – October 11, 2022; amended paragraphs (a) and (c) by M.I. 53064 – December 13, 2022; added new paragraph (b), and renumbered paragraphs (c) – (d) by M.I. 53185 - March 14,

2023; amended paragraph (b) by M.I. 53351 – August 15, 2023; amended paragraph (d) by M.I. 53408 - March 11, 2025.

§6472. Reports to Community and Workplace Culture Committee.

(a) The Ethics Officer shall annually, in advance of the July Board meetings, submit to the Community and Workplace Culture (CWC) Committee a business plan for the Ethics Office containing key priorities for the coming year for review and approval.

(b) The Ethics Officer shall prepare quarterly reports to the CWC Committee on activities concerning agreements executed pursuant to the authority given to the Ethics Officer in Section 6471, and bi-monthly reports related to pending investigations as specified in Section 6470.

M. I. 45285 - April 8, 2003; Section title and paragraph amended by M. I. 46064 – January 11, 2005; amended by M.I. 46983 - February 13, 2007; Section title and paragraph amended by M.I. 47636 - September 9, 2008; amended by M.I. 49187 - September 11, 2012; changed section number from 6473 to 6472, added numbering (a) to first paragraph, and added new paragraphs (b) and (c) by M.I. 51391 - November 6, 2018; amended paragraph (b) and deleted paragraph (c) by M.I. 52941- August 16, 2022; amended paragraphs (a) and (b) by M.I. 53064 – December 13, 2022; amended Section title by M.I. 53441 - November 14, 2023; amended section title and paragraphs (a) and (b) by M.I. 53408 - March 11, 2025.

§6473. Principal Assistant Ethics Officer.

(a) The Ethics Officer may designate a Principal Assistant Ethics Officer who shall perform such duties and render such services to the District as may be prescribed and assigned by the Ethics Officer, with the same authority and effect as if performed by the Ethics Officer personally.

(b) During the Ethics Officer's absence, recusal, or inability to act in the event of vacancy due to death, resignation, or removal, the Principal Assistant shall perform all duties and exercise all powers of the Ethics Officer until a successor is appointed and qualified.

(c) The Principal Assistant Ethics Officer may act in the name of the Ethics Officer or in their own name, as directed, and such acts shall be equally valid and effective. In the event of a permanent vacancy, the Principal Assistant shall act in their own name.

*M.I. ____ (*M.I. to be Determined) - July 8, 2025

[Former Section 6471 (Authority to Investigate) repealed by M.I. 51391 - November 6, 2018]

[Section 6474 (Ethics Training Required by Government Code) repealed by M.I. 51391 - November 6, 2018]

Chapter 5

UNREPRESENTED CLASSIFICATIONS

(INCLUDING MANAGEMENT AND CONFIDENTIAL)

Article		Sec.
1	Salaries	6500
2	**Benefits**	**6520**
3	**Grievances**	**6540**
4	**Miscellaneous**	**6560**

Article 1

SALARIES

Sec.
6500. Hourly Pay Rate Schedule
6501. Provisions Related to Unrepresented Positions
[6502 repealed]
[6503 repealed]
[6504 repealed]
[6505 repealed]
[6506 repealed]

§ 6500. Hourly Pay Rate Schedule.

(a) The hourly pay rate (as that term is defined in subdivision (h) of Section 6200) and schedule of positions occupied by unclassified service employees not in an appropriate unit recognized pursuant to Section 6108 shall be as follows:

Grade	Range	Title
14	$14.77-20.16 ($30,722-41,933)	*Student Youth Intern
22	$18.43-25.06 ($38,334-52,125)	*Student Intern
66	$61.18-83.42 ($127,254-173,514)	Principal Administrative Analyst
67	$62.75-85.70 ($130,520-178,256)	Executive Office Manager
68	$64.47-88.05 ($134,098-183,144)	Program Manager I

71	$69.83-95.46 ($145,246-198,557)	Program Manager II
72	$71.73-98.01 ($149,198-203,861)	Board Executive Secretary Special Assistant to the GM Staff Assistant to General Manager
73	$73.70-100.65 ($153,296-209,352)	Senior Audit Manager
74	$75.74-103.33 ($157,539-214,926)	Program Manager III
75	$77.72-106.23 ($161,658-220,958)	Human Resources Manager I
77	$82.07-112.16 ($170,706-233,293)	Deputy General Auditor
78	$84.31-115.21 ($175,365-239,637)	Human Resources Manager II
79	$86.64-118.43 ($180,211-246,334)	Sr. Deputy General Counsel-Labor Relations
80	$89.01-121.67 ($185,141-253,074)	Chief Deputy DE&I Officer Deputy Chief EEO Officer Human Resources Section Manager Manager of Colorado River Resources
81	$91.51-125.03 ($190,341-260,062)	Assistant General Auditor Budget and Treasury Manager Executive Legislative Representative Human Resources Manager III Strategic Comm. & Policy Advisor Principal Assistant Ethics Officer
82	$93.96-128.42 ($195,437-267,114)	Manager of Bay-Delta Programs Manager of Bay-Delta Science & Regulatory Strategy
85	$101.98-139.31 ($212,118-289,765)	Assistant Group Manager Bay-Delta Initiatives Policy Manager Chief EEO Officer Chief Diversity, Equity & Inclusion Officer Chief Safety, Security & Protection Officer Chief Sustainability, Resiliency & Innovation Officer Principal Deputy General Counsel-Labor Relations

86	$104.78-143.14 ($217,942-297,731)	Assistant General Counsel Executive Advisor: Water Resources & Capital Improvements Group Manager Group Manager – Bay Delta Initiatives Group Manager—External Affairs Group Manager – Finance Group Manager—Human Resources Group Manager—Real Property Manager of Colorado River Resources
88	$110.62-151.13 ($230,090-314,350)	Board Executive Officer Group Manager – Conveyance & Distribution Group Manager—Info Technology Group Manager – Water Resources Management Group Manager – Treatment & Water Quality Group Manager—Water Resources Management
89	$113.62-155.33 ($236,330-323,086)	Group Manager—Engineering Services Group Manager—Water System Operations
93	$126.71-173.11 ($263,557-360,069)	Assistant General Manager – Chief Administrative Officer Assistant General Manager—Chief External Affairs Officer Assistant General Manager – Chief Financial Officer Assistant General Manager – Strategic Water Initiatives
94	$130.15-177.89 ($270,712-370,011)	Assistant General Manager—Chief Operating Officer
97	$141.25-192.98 ($293,800-$401,398)	Executive Officer & Assistant General Manager – Water & Technology Resources

( ) Shows approximate annual salary range for convenience; Board approved rates are hourly. Asterisk * positions are Fair Labor Standards (FLSA) "non-exempt" (i.e., eligible for overtime).

(b) Unrepresented FLSA "exempt" employees are eligible to receive a monthly transportation allowance. Transportation allowance amounts are to be administered by the General Manager consistent with District policy.

(c) Unrepresented FLSA "exempt" employees are eligible to participate in a pay-for-performance incentive program promulgated by the General Manager. The Board shall establish the total expenditure for the program.

(d) Unless otherwise directed by the Board, the range of base hourly pay rates for the employees in the positions identified in Section 6500(a) will be adjusted to correspond with the across-the-board salary adjustments provided to the District's management bargaining unit 04.

Actual pay rates for these employees will be based on merit pursuant to employee evaluations. Department Heads are authorized to move a position to a different salary grade in accordance with practices, policies and procedures promulgated by the General Manager.

Section 441.1 - M.I. 31870 - July 12, 1977; amended by M.I 32401 - August 31, 1978; amended by M.I. 32652 - March 13, 1979, and M.I. 32814 - July 10, 1979; amended by M.I. 33332 - July 8, 1980; M.I. 33636 - March 10, 1981 and M.I. 33823 - July 14, 1981 and M.I. 33985 - November 17, 1981 and revised effective January 1, 1982; amended by M.I. 34309 and M.I. 34313 -July 13, 1982; M.I. 34496 - December 7, 1982; M.I. 34771 - July 12, 1983; M.I. 34743 - July 12, 1983; M.I. 35073 - March 13, 1984, effective March 14, 1984; M.I. 35111 - April 10, 1984; M.I. 35131 - May 8, 1984, effective July 1, 1984; M.I. 35166 - June 17, 1984, effective July 1, 1984; M.I. 35248 - August 21, 1984; amended by M.I. 35433 - December 11, 1984; amended by M.I. 35466 - January 8, 1985; amended by M.I. 35726 - July 9, 1985; amended by M.I. 35765 - August 20, 1985; amended by M.I. 35790 - September 10, 1985; amended by M.I. 35994 - March 11, 1986; amended by M.I. 36120 and M.I. 36134 - June 10, 1986; amended by M.I. 36331, M.I. 36332 and M.I. 36335 - October 14, 1986. Section 441.1.1 repealed and Section 6500 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; Section 6500, all grades, reflect an across-the-board 3 1!4% adjustment effective June 28, 1987 as adopted by M.I. 36719 - July 14, 1987, department head positions reflect salary adjustments effective June 28, 1987 as adopted by M.I. 36726, M.I. 36727 and M.I. 36728 - July 14, 1987, and finally, shown are special wage adjustments to salaries of certain positions effective September 6, 1987 as adopted by M.I. 36718 - July 14, 1987; amended by M.I. 36780 - August 18, 1987; amended by M.I. 37097 - April 12, 1988; changes reflect an across-the-board 4% adjustment plus additional adjustments effective June 26, 1988 as adopted by M.I. 37218 - July 12, 1988, two department head positions reflect salary adjustments effective June 26, 1988 as adopted by M.I. 37215 - July 12, 1988; amended by M.I. 37277 - August 23, 1988; Grade 62 amended by M.I. 37576 and Grade 65 amended by M.I. 37578 - March 14, 1989; changes reflect an across-the-board 5% adjustment effective June 25, 1989 as adopted by M.I. 37729 - June 13, 1989, three department head positions reflect salary adjustments effective June 25, 1989 as adopted by M.I. 37724 - June 13, 1989; Grade 57 amended by M.I. 37760 - July 11, 1989; amended by M.I. 37912 - October 17, 1989; amended and new position added by M.I. 38041 and M.I. 38042 - January 9, 1990, effective January 10, 1990; amended by M.I. 38302 - June 12, 1990, effective June 24, 1990; amended by M.I. 38358 - July 10, 1990, effective June 24, 1990; amended by M.I. 38458 - September 11, 1990, effective September 2, 1990; amended by M.I. 38750 - February 12, 1991; amended by M.I. 39026 - June 11, 1991, three department head positions reflect salary adjustments effective June 23, 1991 as adopted by M.I. 39119 - July 9, 1991; amended by M.I. 39732 and 39733 - July 14, 1992; one new position added by M.I. 40089 - February 9, 1993; seven positions reflect salary grade adjustments by M.I. 40090 - February 9, 1993; grades 46, 52, 56 and portion of 58 repealed and General Counsel and General Manager positions reflect salary adjustments by M.I. 40545 - November 9, 1993; General Counsel position reflects salary adjustment effective January 1, 1994 as adopted by M.I. 40576 - December 14, 1993, and General Manager position reflects salary adjustments effective January 1, 1994 as adopted by M.I. 40575 - December 14, 1993; 2 Assistant General Manager positions deleted, 4 division head positions deleted, and titles of position amended by M.I. 40872 - June 14, 1994; department head positions reflect salary adjustments, title of positions amended, and salary adjustments effective July 3, 1994 adopted by M.I. 40963 and M.I. 40995 - August 19, 1994; title amended and Grade 62 positions added by M.I. 41122 - November 8, 1994; amended by M.I. 41844 - April 9, 1996; Auditor position reflects salary adjustment effective July 1, 1996 amended by M.I. 41924 - June 11, 1996; amended by M.I. 42288 - February 11, 1997; department head positions reflect salary adjustment effective June 29, 1997 as adopted by M.I.42441 - June 10, 1997; positions added and deleted by M.I. 42474 - June 10, 1997; Chief of Communications position added and a position deleted by M.I. 42553 - August 19, 1997 and position deleted by M.I. 42559 - August 19, 1997; Grade 58 repealed and Grades 62 and 74 amended by M.I. 42948 - May 12, 1998; and, Grade 62 repealed and Grade 65 amended by M..I. 42958 - May 12, 1998; Grade 60 repealed and Asst. Auditor position moved to Grade 65 by M.I. 43001 - June 9, 1998; Grade 68 amended and Dir. of Info. Technology added by M.I. 43023 - June 9, 1998; Grade 80 salary adjustment and position of Asst. Gen. Manager added by M.I. 43516 - April 13, 1999; Grade 65 amended by M.I. 43968 - April 11, 2000; Grades 63, 65, old 68, 71, 74, 76, 80 repealed, and Grades 54, new 68, 73, 74, 78, 79, 83, 84, 85, 86, 91 added by M. I. 45943 – October 12, 2004; Grades 54, 68, 73, 78, 79, 83, 84, and 91 amended, Grade 64, Board Exec. Secretary added, Grade 74 repealed by M. I. 46838 – October 10, 2006; Grade 54 Legislative Rep. title added by M.I. 46946 - January 9, 2007; paragraph amended by M. I. 47286 - November 20, 2007; paragraphs (a) and (d) amended and new positions/salary adjustments made by M. I. 47636 - September 9, 2008; [Correction to typographical error: Grade 91,in Board Letter, made October 21, 2008]; Grades 66, 69, 72, 74 and 76 added, Grades 71and 75 deleted, Grades 79 and 91 amended, Section (d) amended by M.I. 47998 - August 18, 2009; Grades 2, 25, 57, 60 and 71 added, Grades 54, 64, 66, 68-70, 72- 74, 76, 78, 79, 83, 84, and 91 amended by M.I. 49187 - September 11, 2012; Grade 74 added, Grades 54, 57, 60, 64, 69 and 83 deleted, Grades 2, 21, 66, 68, 70, 71, 72, 73, 75, 78, 80, 81, 86, and 93 amended by M.I. 49596 - November 19, 2013; added Grades 5, 77, 83, 85, 88, 89, and 94, deleted Grades 2, 70, amended Grades 21, 66, 68, 71-75, 78, 80, 81, 86, and 93 by M.I. 50498 – June 14, 2016; amended Grades 14, 21, 66, 68, 71, 72, 73, 74, 75, 77, 78, 80, 81, 85, 86, 88, 89, 96, and 94, added Grade 79, deleted Grade 83, amended paragraphs (a) – (c) by M.I. 51417 – December 11, 2018; amend paragraph (a) by M.I. 53251 - May 9, 2023; amend pay rate schedule in paragraph (a), add Grades 67, 82 and 97, and amend paragraph (d) by M.I. 53569 – March 12, 2024; amended paragraphs (b) and (d), and amended Grade 81 within paragraph (a) by *M.I. ____ (*M.I. to be Determined)- July 8, 2025.

§ 6501. Provisions Related to Unrepresented Positions.

(a) The General Manager may designate titles other than those identified in Section 6500 to be unrepresented positions when the following criteria are met:

(1) The incumbent employee performs duties determined by the applicable Department Head as having significant responsibilities for formulating and administering District policies or programs at the executive level, or as having significant responsibilities for administering employer-employee relations matters at the executive level.

(2) The title is provided for, and the employee is to be paid at the same grade as and within the same range of an identical position included in another salary schedule approved by the Board.

(b) Any titles designated pursuant to Section 6501(a) shall be deleted as an unrepresented position if not included by the Board when it next amends Section 6500 or approves a related memorandum of understanding pursuant to Section 6110(e).

(c) The General Manager may eliminate titles designated as unrepresented when the title is included in another schedule approved by the Board, and if the General Manager determines the incumbent holding the title no longer has significant responsibilities for formulating and administering District policies or programs at the executive level, or as having significant responsibilities for administering employer-employee relations matters at the executive level.

Sections 441.1.2 and 441.1.3 added by M.I. 33332 - July 8, 1980; amended by M.I. 34313 - July 13, 1982, effective January 1, 1983; deleted by M.I. 34771 - July 12, 1983; former Sections 441.1.4 through 441.1.6 added by M.I. 34496 - December 7, 1982 renumbered as Sections 441.1.2 through 441.1.4 by M.I. 34771 - July 12, 1983. Section 441.1.2 and 441.1.4 repealed and Section 6501 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 37912 - October 17, 1989; paragraphs (a), (a)(1), (b) and (c) amended by M. I. 45943 – October 12, 2004; paragraph (a)(1) amended by M.I. 47636 - September 9, 2008.

[§§ 6502 through 6506 repealed by M. I. 45943 – October 12, 2004.]

Article 2

BENEFITS

Sec.
6520. General
6521. Retirement
6522. Medical Insurance
6523. Dental Insurance
6524. Tuition Reimbursement
6525. Term Life Insurance
[6526 repealed]
[6527 repealed]
6528. Personal Leave
6529. Part-Time Disability Leave
6530. Bereavement Leave
6531. Long-Term Disability Insurance
6532. Professional Development and Productivity Enhancement
6533. Deferred Compensation
6534. Vision Plan
6535. Wellness Enhancement Program
6536. Exempt Time Off

§ 6520. General.

Unclassified service employees and officers who are unrepresented, and are in positions listed in Section 6500, and not otherwise in a unit recognized pursuant to Section 6108, shall be entitled to the following benefits effective June 28, 1987. Unless specified otherwise, this section shall not apply to temporary or less than part-time employees or to annuitants.

Further, unless otherwise directed by the Board, benefits and pay for the employees in the positions referenced in Section 6500(a) shall be provided to correspond with the across-the-board salary and benefits adjustments provided to the District's management bargaining unit 04.

Section 441.3 - M.I. 31870 - July 12, 1977; amended by M.I. 32401 - August 31, 1978; amended by M.I. 32814 - July 10, 1979; amended by M.I. 33332 - July 8, 1980; M.I. 33823 - July 14, 1981; amended by M.I. 34313 - July 13, 1982; amended by M.I. 34771 - July 12, 1983; amended by M.I. 35131 - May 8, 1984 effective July 1, 1984; amended by M.I. 35726 - July 9, 1985. Section 441.3 repealed and Section 6520 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36719 - July 14, 1987; paragraph amended by M. I. 45943 – October 12, 2004; amended paragraph by M.I. 53569 – March 12, 2024; add new opening paragraph, and amend second paragraph by *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§ 6521. Retirement.

The District shall pay to the California Public Employees' Retirement System (CalPERS) on behalf of each employee an amount equal to the required employee contribution to CalPERS, not to exceed seven percent (7%) of each employee's salary for employees deemed Classic Members by CalPERS. Employees deemed as New Members are subject to the Public Employees' Pension Reform Act (PEPRA) and shall pay their own employee contributions.

The contribution shall be treated as an employer contribution made pursuant to Section 414(h)(2) of the Internal Revenue Code in determining the tax treatment of the contribution. Such contributions shall be treated for all purposes other than taxation in the same manner and to the same extent as contributions made by employees prior to June 30, 1985. Such contributions shall be paid from the same source of funds as used in paying wages to the affected employees. The employee does not have the option to receive the District-contributed amount paid pursuant to this section directly instead of having it paid to CalPERS.

Notwithstanding any provision in this Code to the contrary, the wages of each unrepresented employee shall be reduced by the indicated percentage of the amount of such employee's contribution paid by the District pursuant to the provisions of this section:

For such employees employed prior to January 1, 1981: 64.3%

For such employees employed on or after January 1, 1981: 100.0%

This section shall be operative only so long as the District pickup of the retirement contribution continues to be excluded from the gross income of the employee under the provisions of the Internal Revenue Code.

Section 441.3.1 adopted by M.I. 32401 - August 31, 1978; amended by M.I. 33384 - August 19, 1980; amended by M.I. 35726 - July 9, 1985; amended by M.I. 36134 - June 10, 1986. Section 441.3.1 repealed and Section 6521 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M. I. 45943 – October 12, 2004; amended by M.I.53569 – March 12, 2024.

§ 6522. Medical Insurance.

Metropolitan's monthly contribution for employees in classifications referenced in Section 6500 and related annuitants to the medical plans maintained by CalPERS shall be established by Board resolution pursuant to the provisions of the Public Employees' Medical and Hospital Care Act.

Section 441.3.2 adopted by M.I. 32401 - August 31, 1978; amended by M.I. 32814 - July 10, 1979; amended by M.I. 33384 - August 19, 1980; amended by M.I. 33823 - July 14, 1981; amended by M.I. 34313 - July 13, 1982; amended by M.I. 34771 - July 12, 1983; amended by M.I. 35131 - May 8, 1984 effective July 1, 1984; amended by M.I. 35726 - July 9, 1985; amended by M.I. 36220 - August 19, 1986. Section 441.3.2 repealed and Section 6522 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36719 - July 14, 1987; amended by M.I. 37218 - July 12, 1988, effective August 1, 1988; amended by M.I. 37912 - October 17, 1989; amended by M.I. 38303 - June 12, 1990; amended by M.I. 39027 - June 11, 1991; amended by M.I. 39181 - August 20, 1991; amended by M.I. 39731 and 39733 - July 14, 1992; amended by M.I. 40456 - September 21, 1993 and amended by M.I. 40545 - November 9, 1993; amended by M.I. 41062 - October 11, 1994; amended by M.I. 41447 - June 13, 1995; amended by M.I. 42711 - November 18, 1997; amended by M.I. 43219 - October 13, 1998; amended by M. I. 45959 – October 12, 2004; amended by M. I. 50560 – August 16, 2016; amended by M.I. 53569 – March 12, 2024.

§ 6523. Dental Insurance.

The District shall fully pay premiums for employees in unrepresented classifications referenced in Section 6500 and their qualified dependents under the group dental insurance provided by Delta Dental Company. Any reserve funds developed under the policy may be applied towards paying the premium of any policy obtained pursuant to this section.

During the policy year beginning with September 1, 1992, the District shall amend its policy to provide for an increase in orthodontic coverage under the prior terms of the policy to

$2,000 lifetime maximum per covered participant; and to increase the prophylaxis (cleaning) benefit by providing for such cleaning once every four (4) months. In addition, the District shall amend its policy to provide for an increase in the maximum payable for diagnostic and preventative care per calendar year per eligible person to $2,500 a year; and to provide for sealant treatment for dependent children.

Section 441.3.3 - M.I. 32401 - August 31, 1978; amended by M.I. 32814 - July 10, 1979; amended by M.I. 33384 - August 19, 1980; M.I. 33823 - July 14, 1981; M.I. 34313 - July 13, 1982; M.I. 34771 - July 12, 1983 and M.I. 35131 - May 8, 1984, effective July 1, 1984; amended by M.I. 35726 - July 9, 1985. Section 441.3.3 repealed and Section 6523 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36719 - July 14, 1987; amended by M.I. 37218 - July 12, 1988; amended by M.I. 37912 - October 17, 1989; amended by M.I. 39734 - July 14, 1992; amended by M.I. 53569 – March 12, 2024; amended by *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§ 6524. Tuition Reimbursement.

Tuition reimbursement for employees in unrepresented classifications referenced in Section 6500 shall be one-hundred (100%) of tuition, registration fees, books, and laboratory fees for up to twelve (12) units per quarter or semester; provided however, that employees who receive tuition reimbursement approval for a course or curriculum on or after August 1, 1992 shall be eligible for tuition reimbursement at the rate of one hundred percent (100 %), to a maximum of $9,000 per calendar year, and up to an additional $2,000 per calendar year for graduate or doctorate degrees.

Section 441.3.4 - M.I. 32401 - August 31, 1978. Section 441.3.4 repealed and Section 6524 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 39734 - July 14, 1992; amended by M.I. 40726 - March 8, 1994; amended by M.I. 48816 – September 27, 2011; amended by M.I. 53569 – March 12, 2024; amended by *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§ 6525. Term Life Insurance.

Employees in unrepresented classifications referenced in Section 6500 will be provided with District-paid term life insurance affording coverage in an amount equal to 2,080 times the employee's hourly rate rounded off to the next higher thousand dollars, with employees having the option at their own expense to obtain additional coverage not to exceed a maximum combined coverage of four hundred thousand dollars ($400,000).

Section 441.3.5 - M.I. 31870 - July 12, 1977; amended by M.I. 32367 - August 8, 1978; renumbered by M.I. 32401 - August 31, 1978; amended by M.I. 33490 - November 18, 1980; amended by M.I. 35166 - June 12, 1984. Section 441.3.5 repealed and Section 6525 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 37912 - October 17, 1989; amended by M.I. 42500 - July 8, 1997; amend section title and paragraph by M.I. 53569 – March 12, 2024 amended first paragraph by M.I. ____ - July 8, 2025.

[§ 6526 repealed by M.I. 36719 - July 14, 1987.]
[§ 6527 repealed by M.I. 36719 - November 9, 1993.]

§ 6528. Personal Leave.

Employees in unrepresented classifications referenced in Section 6500 who are exempt from overtime pay and have been employed by the District for more than 1,044 hours of current service, including military leave during the period of current service, may take personal leave with pay up to twenty-four (24) hours each annual payroll cycle which shall not be charged against accumulated sick leave. Such personal leave may be taken for any personal reason, so long as such leave does not interfere with the mission of the District.

Section 441.10 - M.I. 32814 - July 10, 1979; amended by M.I. 32960 - October 9, 1979; amended by M.I. 33332 - July 8, 1980; amended by M.I. 34313 - July 13, 1982; amended by M.I. 35131 - May 8, 1984; effective July 1, 1984. Section 441.10 repealed and Section 6528 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 40726 - March 8, 199; amended by M. I. 45943 – October 12, 2004; amended by M.I. 53569 – March 12, 2024; amended by *M.I. ____ (*M.I. to be Determined)- July 8, 2025.

§ 6529. Part-Time Disability Leave.

An unrepresented employee in a classification referenced in Section 6500 otherwise eligible for disability leave pursuant to Section 6228, may be permitted by the employee's Department Head to work for a period, subject to termination by the Department Head, on a part-time basis if a physician's statement is furnished, satisfactory to and accepted by the District, stating the employee is physically able to work on a part-time basis. The Department Head may not re-delegate the authority provided by this section. Notwithstanding any provision to the contrary in Sections 6200 through 6268, the employee shall be permitted to accrue leave in accordance with District regulation for those hours not on disability leave, but shall not be allowed to use leave until returning to work on a full-time basis and a physician's statement, satisfactory to and accepted by the District, is received stating the employee is physically able to return to work on a full-time basis for an indefinite time. For all other purposes of Section 6228, an employee on part-time disability leave shall be considered to be on full-time disability leave and shall not be considered as having returned to work.

Section 441.12 - M.I. 35131 - May 8, 1984; effective July 1, 1984. Section 441.12 repealed and Section 6529 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M. I. 45943 – October 12, 2004; amended by M.I. 53569 – March 12, 2024; amended by *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§ 6530. Bereavement Leave.

An unrepresented employee in a classification referenced in Section 6500 shall be allowed to take bereavement leave, as provided by this section, upon the death of a member of the employee’s immediate family.

(a) If the death occurs less than 250 miles from the employee’s place of residence, the employee may take up to three (3) paid working days of bereavement leave, as is necessary, to take care of funeral arrangements or to attend the funeral. The employee may take additional bereavement leave, without pay, not to exceed two (2) working days.

(b) If the death occurs 250 miles or more from the employee’s place of residence, the paid bereavement leave provided by this section shall not exceed one workweek, as determined by the employee’s assigned work schedule.

(c) If requested by Metropolitan, an employee who takes bereavement leave pursuant to this section shall provide documentation of the death of the immediate family member within thirty (30) days of the first day of the leave.

(d) The bereavement leave shall be completed within three (3) months of the date of death of the family member.

(e) Irrespective of the leave limits provided in this section, an employee may use vacation, personal leave, accrued and available sick leave, or compensatory time off that is otherwise available to the employee.

For the purposes of this section, "immediate family" means spouse, state-registered domestic partner, or the employee's or spouse's/domestic partner's child, parent, brother, sister, stepparent, stepchild, grandparent, grandchild, aunt or uncle. As used in this section, "documentation" includes, but is not limited to, a death certificate, a published obituary, or written verification of death, burial, or memorial services from a mortuary, funeral home, burial society, crematorium, religious institution, or governmental agency.

M.I. 37912 - October 17, 1989; amended by M. I. 45943 – October 12, 2004; amended by M.I. 53058 – December 13, 2022; amended by M.I. 53569 – March 12, 2024; amend first paragraph and split first paragraph into two separate paragraphs (the second half paragraph portion relocated to the final unnumbered paragraph in this section, add new subparagraphs (a) – (e), amend final paragraph by *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§ 6531. Long-Term Disability Insurance.

The District shall provide long-term disability (LTD) insurance to unrepresented employees in a classification referenced in Section 6500. Commencing July 1, 1998, or as soon thereafter as practical, the insurance shall provide a benefit of $8,000 per month, but not to exceed sixty-six percent (66%) of the employee's monthly salary. The benefit shall commence ninety (90) days after the employee's disability commences. Benefit payments are paid after the employee first exhausts all sick leave, exhausting disability leave payable at the rate of 75 percent (75%) of full pay, and exhausting disability leave at the rate of 50 percent (50%) of full pay, in that order. Benefit payments shall expire at age 65, unless the employee's disability terminates sooner. If the employee applies for LTD benefits at age 65 or older, payments will expire within twelve (12) to twenty-four (24) months depending on age when the first payment begins. The District's insurance carrier shall determine eligibility including whether an employee is disabled. Preexisting conditions shall be excluded from coverage. The District shall have the right to change carriers and coverage so long as the replacement insurance is at least as advantageous.

M.I. 37912 - October 17, 1989; amended by M.I. 43023 - June 9, 1998; amended by M.I. 53569 – March 12, 2024; amended by *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§ 6532. Professional Development and Productivity Enhancement.

An unrepresented employee in a classification referenced in Section 6500 shall be reimbursed for professional development and productivity enhancement expenses, as follows:

(a) The District shall reimburse employees for state-mandated licenses for certification fees.

(b) The District shall reimburse unrepresented employees, to correspond with adjustments provided to the District's management unit, for the costs incurred for professional development,

certifications, licenses, or other costs incurred for professional development or productivity enhancement including seminars, journals, periodicals, books, travel expenses, professional association dues, pre-approved electronic equipment software and hardware, computing or communication devices, and other equipment pursuant to authorization by the employee's Department Head, to a specified annual maximum, when related to their job duties and/or to the fulfillment of the District's purposes. Any unused monies will roll over for one and only one subsequent year, from odd calendar years to even years, and unused monies during even years will be neither rolled over nor paid out.

M.I. 37912 - October 17, 1979; amended by M.I. 39026 - June 11, 1991; amended by M.I. 39314 - November 19, 1991; amended by M. I. 45943 – October 12, 2004; amended section title and first paragraph, and added new paragraphs (a) and (b) by M.I. 53569 – March 12, 2024; first paragraph amended, and subparagraph (a) amended by *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§ 6533. Deferred Compensation.

The District shall provide a matching contribution, to each unrepresented employee in a classification referenced in Section 6500 who is a participant in the 401(k) Plan provided for in Division VI, Chapter 8, Article 1 of this Code, in the amount of one (1) dollar for each dollar contributed by the employee in accordance with a compensation-reduction election made by the participant pursuant to the 401(k) Plan Section 3.2. Commencing July 1, 2004, or as soon thereafter as practical, the maximum District matching contribution shall not exceed four and one-half percent (4.5%) of the employee's total cash compensation and salary reductions permitted under Sections 401(k), 414(b) and 457 of the Internal Revenue Code during that time period. This section shall only be operative to the extent that the District can make matching contributions and maintain compliance with the Internal Revenue Code.

MI 37912 - October 17, 1989; amended by M.I. 43023 - June 9, 1998; amended by M. I. 45943 – October 12, 2004; amended by M.I. 53058 – December 13, 2022; amended by M.I. 53569 – March 12, 2024; amended by *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§ 6534. Vision Plan.

The District shall provide to each unrepresented employee in a classification referenced in Section 6500 a vision care program through a District-approved vision plan insurance provider. The vision care program shall provide benefits for standard ophthalmic materials when necessary for the eligible employee's visual welfare. The program shall provide a benefit for eye examinations, lenses, and frames. The District shall fully pay the employee-only premium rate. Employees will, however, be permitted to purchase additional family coverage through the program.

M.I. 39734 - July 14, 1992; amended section title and paragraph by M.I. 53569 – March 12, 2024; amended by *M.I. ____ (*M.I. to be Determined) - July 8, 2025.

§ 6535. Wellness Enhancement Program.

The District shall provide to each unrepresented employee in a classification referenced in Section 6500 a wellness enhancement reimbursement benefit for common health and fitness

services not to exceed four hundred dollars ($400) annually. The benefit shall only be paid for District-approved activities, services, equipment and products that promote physical activity, wellness and work-life balance. A submission for reimbursement must be submitted by January 31 for the prior year. The benefit is annual and any unused remainder shall not be carried over to subsequent years.

M.I. 53569 – March 12, 2024; amended by *M.I. ____ (*M.I. to be Determined)- July 8, 2025.

§ 6536. Exempt Time Off

(a) Effective January 1, 2024, and each calendar year thereafter, all full-time FLSA-exempt unrepresented employees in a classification referenced in Section 6500 are eligible for an annual allotment of forty (40) hours Exempt Time Off (ETO) to be used within the calendar year it is allotted. The annual allotment of ETO becomes available for use on the first District business day of the calendar year and shall not roll over into the following calendar year. Employees hired after the annual allotment in January, and existing employees who are promoted or transferred into an applicable classification after the annual allotment in January, are not eligible to receive ETO until the following calendar year. Existing employees with an ETO allotment or balance from a previous classification will retain their unused ETO for that calendar year. Any unused portion of ETO will be automatically cashed out by the District to the employee on the first paycheck following December 1 of each calendar year.

(b) Effective January 1, 2025 and each calendar year thereafter, all eligible employees under this section with a current overall annual evaluation rating of Meets Standards and above for the prior evaluation year, shall receive an additional annual allotment of forty (40) hours of ETO to be used within the calendar year it is allotted. This additional annual allotment of ETO becomes available for use on the first District business day of the calendar year and shall not roll over into the following calendar year. Only persons who are actively employed by the District at the time of the annual allotment in January will be eligible for the allotment. Any unused portion of ETO will be automatically cashed out by the District to the employee on the paycheck following December 1 of each calendar year.

(c) Eligible employees shall make a request to use ETO to their direct supervisor. The District shall determine whether a request for ETO shall be granted. However, an eligible employee's timely request to use ETO hours under this provision shall only be denied for good and sufficient business reasons.

(d) Any ETO hours not used by an employee prior to separation of service will be automatically cashed out by the District at separation.

(e) Effective July 1, 2022 through December 31, 2022, all employees eligible under this section, who were employed by the District during that timeframe, shall receive a retroactive payment equivalent to an allotment of twenty-four (24) hours of ETO for that timeframe.

(f) Effective January 1, 2023 through December 31, 2023, all employees eligible under this section who were employed by the District during that timeframe shall receive a retroactive payment equivalent to an allotment of forty (40) hours of ETO for that timeframe.

(g) Eligible employees who received an overall annual evaluation rating of Meets Standards and above for the 2022-2023 evaluation year shall receive an additional allotment of 40 hours of ETO for that evaluation period. Any unused portion of ETO awarded under this provision will be automatically cashed out by the District to the employee the payroll cycle that includes November 15.

(h) Only persons employed by the District at the time this section becomes effective may be awarded retroactive allotments and/or retroactive payments, as set forth above.

M.I. 53569 – March 12, 2024; amended paragraphs (a) and (g) by M.I. ____ - July 8, 2025.

Article 3

GRIEVANCES

Sec.
6540. Procedure
6541. Definitions
6542. Informal Level
6543. Formal Level
6544. General

§ 6540. Procedure.

The grievance procedure applicable to employees represented by Management and Professional Employees Association and those classifications listed in Section 6500 shall be as set forth in this Article.

Section 441.4 - M.I. 31904 - August 19, 1977. Section 441.4 repealed and Section 6540 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 40545 - November 9, 1993.

§ 6541. Definitions.

(a) A "grievance" is an allegation by a grievant that the grievant has been adversely affected by a violation of the written policies, rules and regulations of the District. Actions to challenge or change the general policies of the District as set forth in the rules and regulations or administrative regulations and procedures must be undertaken under separate legal processes. Other matters for which a specific method of review is provided by law or by the administrative regulations and procedures of the District are not within the scope of this procedure.

(b) A "grievant" may be any employee or group of employees of the District.

(c) A "day" is any day in which the Headquarters of the District is open for business.

(d) The "immediate supervisor" is the lowest level administrator having immediate jurisdiction over the grievant who has been designated to administer grievances.

Section 441.4.1 - M.I. 31904 - August 19, 1977. Section 441.4.1 repealed and Section 6541 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 6542. Informal Level.

Before filing a formal grievance, the grievant shall attempt to resolve the problem by an informal conference with the immediate supervisor.

Section 441.4.2 - M.I. 31904 - August 19, 1977. Section 441.4.2 repealed and Section 6542 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 6543. Formal Level.

(a) Level I

(1) Within ten working days after the occurrence of the act or omission giving rise to the grievance, the grievant shall present the grievance in writing on the District's form entitled "Grievance Form" to the immediate supervisor. This statement shall be a clear, concise statement of the grievance, the specific written policy or regulation alleged to have been violated (citing the source), the circumstances involved, the decision rendered at the informal conference, and the specific remedy sought. Said form, as so completed, will hereinafter be referred to as the original form entitled "Grievance Form."

(2) The immediate supervisor shall attempt to resolve the grievance and shall communicate a decision to the grievant in writing within five working days after receiving the grievance. If the immediate supervisor does not respond within the foregoing time limit, the grievant may appeal to the next level.

(3) Either the grievant or the immediate supervisor may request one personal conference to be held within the above time limit.

(b) Level II

(1) In the event the grievant is not satisfied with the decision at Level I, the grievant may appeal the decision to the section manager within five working days by submitting to the section manager the original form entitled "Grievance Form" and including with it the decision previously rendered and a clear, concise statement of the reasons for the appeal.

(2) The section manager shall attempt to resolve the grievance and shall communicate a decision to the grievant in writing within five working days after receiving the appeal.

(3) Either the grievant or the section manager may request one personal conference to be held within the above time limit, and if the group manager deems it appropriate, the group manager may participate in such conference.

(c) Level III

(1) If the grievant is not satisfied with the decision at Level II, the grievant may within five working days appeal the decision to the appropriate Department Head by submitting to the Department Head the original form entitled "Grievance Form" and including with it the decisions previously rendered and a clear, concise statement of the reasons for the appeal.

(2) The Department Head shall resolve the grievance, shall summarize the presentation in writing, prepare written conclusions, and communicate a decision to the grievant in writing within five working days after receiving the appeal.

(3) Either the grievant or the Department Head may request one personal conference to be held within the above time limits.

(4) The decision of the Department Head shall be final and binding on the grievant and on the District.

Section 441.4.3 - M.I. 31904 - August 19, 1977. Section 441.4.3 repealed and Section 6543 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (b)(1)-(3) amended by M. I. 45943 – October 12, 2004.

§ 6544. General.

(a) The grievant may, at the informal level or at any of the three steps in the formal procedure, be assisted or represented in written or oral presentations by an employee selected by the grievant. The grievant and such employee will be allowed such time off during working hours as may be required to present the grievance, subject to the prior approval of the Department Head.

(b) Time limits may be extended at any level by mutual agreement between the grievant and the supervisor or Department Head considering the grievance, but if the grievant allows a time limit to lapse at any step, it will be assumed that the grievant has accepted the decision at the previous step.

(c) A grievant shall be bound by the statement of the grievance on the original form entitled "Grievance Form." Nonrelated issues shall not be considered on appeal.

Section 441.4.4 - M.I. 31904 - August 19, 1977. Section 441.4.4 repealed and Section 6544 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

Article 4

MISCELLANEOUS

Sec.
[6560 repealed]
[6561 repealed]
[6562 repealed]
6563. District Housing
6564. Benefits and Rights for Persons Temporarily Reclassified as Management or Confidential

[§ 6560 repealed by M.I. 45943 - October 12, 2004.]

[§ 6561 repealed by M.I. 36719 - July 14, 1987]

[§ 6562 repealed by M.I. 36719 - July 14, 1987]

§ 6563. District Housing.

Employees renting District-owned residences or garages shall pay the rental rate set forth in the applicable Memorandum of Understanding. To the extent any value is bestowed on an employee by the provision of housing under this Section, that value shall not be considered compensation for purposes of the Federal Fair Labor Standards Act.

Section 441.8 - M.I. 31870 - July 12, 1977; renumbered by M.I. 32401 - August 31, 1978; amended by M.I. 34313 - July 13, 1982; amended by M.I. 35131 - May 8, 1984 effective July 1, 1984; amended by M.I. 35726 - July 9, 1985; amended by M.I. 35764 - August 20, 1985. Section 441.8 repealed and Section 6563 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36719 - July 14, 1987; amended by M.I. 50155 - June 9, 2015.

§ 6564. Benefits and Rights for Persons Temporarily Reclassified as Management or Confidential.

Employees reclassified as management or confidential for a temporary period of time shall be entitled to the appropriate rate for the position the temporary reclassification is made to, but shall not be entitled to the benefits or rights provided management and confidential employees until such time, if any, as the reclassification is made permanent or until such time as the employee has been temporarily reclassified for a continuous period of 1,044 hours. A temporary reclassified employee not eligible for the benefits or rights provided management and confidential employees shall remain eligible for all benefits and rights provided the class from which the employee was reclassified.

Section 441.13 - M.I. 35166 - June 12, 1984. Section 441.13 repealed and Section 6564 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

Chapter 6 - repealed

Sec.
[**§§** 6600-6624 repealed - by M.I. 40545]

Chapter 7 – repealed by M.I. 51416 – December 11, 2018

Chapter 8

EMPLOYEE DEFERRED COMPENSATION AND SAVINGS PLANS

Article 1

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA 457(b) DEFERRED COMPENSATION PLAN AND THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA 401(k) SAVINGS PLAN

6810. Official Names.
6811. Establishment of the Plans.
6812. Purposes.
6813. Administration by the General Manager.
6814. Immunities.
6815. Indemnification.
6816. Amendment, Termination or Merger.
6817. Definitions.
6818. Deferred Compensation Investment Committee
6819. Effective Dates.

§ 6810. Official Names.

(a) The official name of the District's 401(k) defined contribution profit-sharing plan is "The Metropolitan Water District of Southern California 401(k) Savings Plan" ("401(k) Plan").

(b) The official name of the District's 457(b) deferred compensation plan is "The Metropolitan Water District of Southern California Deferred Compensation Plan" ("457(b) Plan").

M.I. 51416 – December 11, 2018

§ 6811. Establishment of the Plans.

(a) The Board of Director's established a profit-sharing plan with a cash or deferral arrangement known as "The Metropolitan Water District of Southern California Savings Plan" ("Savings Plan I") effective July 1, 1985 (M.I. 35632). The Board of Director's also established another profit-sharing plan with a cash or deferral arrangement known as "Savings Plan II" applicable to a separate group of employees effective October 1, 1985 (M.I. 35816). As a result, the Board of Director's merged "Savings Plan I" into "Savings Plan II" and renamed it "The Metropolitan Water District of Southern California Consolidated Savings Plan" effective January 1, 2006 (M.I. 46592)("Consolidated Plan") and incorporated it into Division VI, Chapter 7, Article 6 of this code. The Consolidated Plan has been amended and restated from time

to time. It was restated and renamed “The Metropolitan Water District of Southern California 401(k) Savings Plan” (the "401(k) Plan") effective August 1, 2018. It was most recently restated effective January 1, 2024.

(b) The Board of Director's established the “Deferred Compensation Plan” effective November 1, 1976 (Reso. No. 7683)(“the Plan”). The Plan was restated by Board of Director's effective April 1, 1983 (M.I. 34625). Board of Director's caused the Plan to be codified in Division VI, Chapter 7, Article 8 of this code and named the "Metropolitan Water District of Southern California 1997 Deferred Compensation Plan" (“1997 Plan”) effective November 18, 1997 (M.I. 42712). The 1997 Plan has been amended from time to time. The plan was restated and renamed “The Metropolitan Water District of Southern California 457(b) Deferred Compensation Plan” (the “457(b) Plan”) effective August 1, 2018. It was most recently restated effective January 1, 2024.

(c) The District is authorized to and shall establish the governing terms and specifications of the 401(k) Plan in a written plan document outside the Administrative Code. A copy of the 401(k) Plan is retained by the General Manager and will be made available upon request to Employees and other interested parties.

(d) The District is authorized to and shall establish the governing terms and specifications of the 457(b) Plan in a written plan document outside the Administrative Code. A copy of the 457(b) Plan is retained by the General Manager and will be made available upon request to Employees and other interested parties.

M.I. 51416 – December 11, 2018; paragraphs (a) and (b) amended by M.I. 53529 – February 13, 2024.

§ 6812. Purposes.

(a) The 401(k) Plan is a tax-qualified governmental defined contribution plan under Internal Revenue Code ("IRC") Sections 401(a) and 414(d). The 401(k) Plan is a profit sharing plan pursuant to IRC Section 401(a)(27) that has a grandfathered cash or deferral arrangement under Code § 401(k).

(b) The 457(b) Plan was established, and is maintained, as an eligible governmental deferred compensation plan meeting the requirements of IRC Sections 457(b) and 457(e)(1)(A) and Treas. Reg. Sections 1.457-3 through 1.457-10. Further, the Plan meets the definition of "qualified plan" under Code Section 409A(d)(2)(A), and is therefore exempt from the nonqualified deferred compensation requirements of Code Section 409A.

(c) The purpose of the 401(k) Plan and the 457(b) Plan (referred to herein after as “the 401(k) and 457(b) Plans” or “the 401(k) or 457(b) Plans”) is to attract and retain officers and employees by permitting them to enter into agreements with the District which will provide benefits on retirement, death, disability, separation from service or as otherwise permitted by law.

M.I. 51416 – December 11, 2018

§ 6813. Administration by General Manager.

The District is the Administrator of the 401(k) and 457(b) Plans and has designated the General Manager to carry out the powers, duties and responsibilities of the Plan Administrator. The General Manager shall represent the District in all matters concerning administration of the 401(k) and 457(b) Plans. Further, the General Manager shall have full power and authority: 1) to adopt rules and regulations for the administration of the 401(k) and 457(b) Plans provided they are not inconsistent with either plan, respectively; 2) to interpret , alter, amend or revoke any rules and regulations so adopted; 3) to appoint such administrative agents, or persons as they deem advisable or desirable to carry out the terms and conditions of the 401(k) and 457 (b) Plans, as applicable; and, 4) to exercise any other powers, duties and responsibilities as are provided in the 401(k) and 457(b) Plans, respectively, for purposes of their orderly administration. However, the exercise of such power and authority does not preclude employees or their representatives from either consulting or meeting and conferring with the Employee Relations Officer, as appropriate, about the practical consequences that the exercise of such power or authority may have on wages, hours, and other terms and conditions of employment subject to Section 6102 (Employee Rights).

M.I. 51416 – December 11, 2018; amended by M.I. 53064 – December 13, 2022.

§ 6814. Immunities.

(a) Neither the District, its Directors, nor its Employees shall be liable: 1) for any action taken or not taken with respect to the 401(k) or 457(b) Plans, except for its or their own gross negligence or willful misconduct;

(b) Neither the District, nor its Directors, nor its Employees shall be personally liable upon any contract, agreement or other instrument made or executed for administration of the 401(k) or 457(b) Plans.

The District, its Board of Directors, each Employee thereof, specifically including the General Manager, and any other persons to whom the General Manager delegates or assigns any duty with respect to the 401(k) or 457(b) Plans, may rely and shall be fully protected in acting in good faith upon: 1) the advice of counsel, who may be counsel for the District; 2) the records of the District; 3) the opinion, certificate, valuation, report, recommendation, or determination of the Investment Advisor, the Deferred Compensation Investment Committee or any member thereof, or the District's General Auditor; or, 4) any certificate, statement or other representation made by or any information furnished by an Employee, Participant, Beneficiary, Alternate Payee, the Deferred Compensation Investment Committee or any member thereof, or Investment Advisor, concerning any fact required to be determined under any of the provisions of the 401(k) or 457(b) Plans.

M.I. 51416 – December 11, 2018; amended final paragraph by M.I. 53529 – February 13, 2024.

§ 6815. Indemnification.

The District will indemnify, defend and hold harmless members of the Board of Directors, the General Manager, the Plan Administrator, or any Employees who have administrative responsibility under the 401(k) or 457(b) Plans, and the Deferred Compensation Investment Committee or any member thereof, with respect to any liability, loss, damage or expense resulting from any act or omission, except willful misconduct or gross negligence, in their official capacities in the administration or management of the assets of the 401(k) or 457(b) Plans, including attorney, accountant and advisory fees and all other expenses reasonably incurred in their defense.

M.I. 51416 – December 11, 2018; paragraph amended by M.I. 53529 – February 13, 2024.

§ 6816. Amendment, Termination or Merger.

(a) The District reserves the right at any time to terminate the 401(k) or 457(b) Plans, in whole or in part, or as to any designated group of Employees, Participants, Beneficiaries, or to amend the 401(k) or 457(b) Plans, in whole or in part. Any termination of the 401(k) Plan or 457(b) Plan shall be expressed in an instrument executed by the District on the order of its Board of Directors and filed with the Plan Administrator, and shall become effective as of the date designated in such instrument or, if no date is so designated, on its execution. If either of the 401(k) Plan or 457(b) Plan is terminated by the District, accounts in the terminating plan shall be distributed, to Participants, Beneficiaries, and Alternate Payees, as applicable. Distributions will be made in accordance with the applicable tax law. However, the exercise of such right to terminate the 401(k) or 457(b) Plans does not preclude employees or their representatives from either consulting or meeting and conferring with the Employee Relations Officer, as appropriate, about the practical consequences that the exercise of such power or authority may have on wages, hours, and other terms and conditions of employment subject to Section 6102 (Employee Rights).

(b) The General Manager may, at any time and from time to time, amend the Plans in whole or in part to ensure compliance with applicable laws and regulations and further the administration of the Plans. However, no Plan amendment may authorize or permit any portion of the assets held under the Plans to be used for or diverted to a purpose other than the exclusive benefit of Participants or Beneficiaries, except to the extent such assets are used to pay taxes or administrative expenses of the Plans. An amendment also may not cause or permit any portion of the assets held under the Plans to revert to or become property of the District. Nor may the General Manager amend the Plans to effectuate a termination.

(c) In the case of any merger or consolidation with, or transfer of assets or liabilities to, any other plan, each Participant, Beneficiary, or Alternate Payee in the 401(k) or 457(b) Plans, as applicable, will receive a benefit immediately after the merger, consolidation, or transfer which is equal to or greater than the benefit the Participant, Beneficiary, or Alternate Payee would have been entitled to receive immediately before the merger, consolidation, or transfer.

M.I. 51416 – December 11, 2018; paragraph (a) amended by M.I. 53529 – February 13, 2024.

§ 6817. Definitions.

In the event of any inconsistencies between the provisions of this Chapter 8 and the IRS Code of the 401(k) and 457(b) Plans, the terms of the IRS Code and the 401(k) and 457(b) Plans shall govern and control.

M.I. 51416 – December 11, 2018

§ 6818. Deferred Compensation Investment Committee.

A Deferred Compensation Investment Committee may be established to manage the assets of the 401(k) and 457(b) Plans and when reasonable and appropriate, may advise the General Manager concerning policies and guidelines relating to the administration of the 401(k) and 457(b) Plans and provide input on 401(k) Plan and 457 (b) Plan amendments. Representatives on the Deferred Compensation Investment Committee so qualified shall be allowed time off without loss of compensation or benefits when they are participating in committee meetings. The General Manager shall give due consideration to said advice, but shall not be bound by any such advice. Members of the Deferred Compensation Investment Committee shall serve without compensation.

M.I. 51416 – December 11, 2018; amended section title and paragraph by M.I. 53529 – February 13, 2024.

§ 6819. Effective Dates.

The effective date of the 401(k) Plan restatement shall be January 1, 2024.
The effective date of the 457(b) Plan restatement shall be January 1, 2024.

M.I. 51416 – December 11, 2018; amended paragraph by M.I. 53529 – February 13, 2024.

[Note: The following sections pertaining to Deferred Compensation were repealed by M.I. 51416 on December 11, 2018. Reference to repealed sections is for historical purposes only]

EMPLOYEE DEFERRED COMPENSATION AND SAVINGS PLANS

Article 6

ARTICLES OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA CONSOLIDATED SAVINGS PLAN

§ 6780. Article I - Name.

Section 439.11.1 - M.I. 35816 - October 8, 1985. Section 439.11.1 repealed and Section 6780 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 37404 - November 8, 1988; amended by M. I. 46592 - March 14, 2006; repealed by M.I. 51416 – December 11, 2018.

§ 6781. Article II - Purpose.

Section 439.11.2 - M.I. 35816 - October 8, 1985. Section 439.11.2 repealed and Section 6781 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 37404 - November 8, 1988; amended by M.I. 39315 - November 19, 1991; amended by M. I. 46592 - March 14, 2006; repealed by M.I. 51416 – December 11, 2018.

§ 6782. Article III - Definitions.

Section 439.11.3 - M.I. 35816 - October 8, 1985; paragraph (n) [formerly Section 439.11.3.14] amended by M.I. 35854 - November 19, 1985. Section 439.11.3 repealed and Section 6782 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; amended by M.I. 37404 – November 8, 1988; amended by M.I. 38202 - April 17, 1990; amended, paragraph (n) added by M.I. 39315 - November 19, 1991; paragraph (d) amended and paragraph (k) repealed by M.I. 42902 - April 14, 1998; old paragraph (d) deleted and new paragraph (d) added by M.I. 44690 - November 20, 2001 to be effective January 1, 1995, and paragraph (e) amended by M.I. 44690 - November 20, 2001 to be effective January 1, 1995; paragraph (d) amended by M. I. 44973 - August 20, 2002; paragraph (j) amended by M. I. 45747 – May 11, 2004; paragraphs (b) (1)-(3), (i), (j), (m)-(p), (r)-(u) amended by M. I. 46592 - March 14, 2006; new paragraph (r) added and paragraphs (s) through (w) renumbered by M. I. 47323 - December 11, 2007; paragraph (d) and (r) amended by M.I. 48662 – May 10, 2011; repealed by M.I. 51416 – December 11, 2018.

§ 6783. Article IV - Administration.

Section 439.11.4 - M.I. 35816 - October 8, 1985. Section 439.11.4 repealed and Section 6783 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 37404 - November 8, 1988; paragraphs (a) and (b) amended by M. I. 46592 - March 14, 2006; repealed by M.I. 51416 – December 11, 2018.

§ 6784. Article V - Participation in Savings Plan II.

Section 439.11.5 - M.I. 35816 - October 8, 1985; paragraph (a) [formerly Section 439.11.5.1] amended by M.I. 35854 - November 19, 1985. Section 439.11.5 repealed and Section 6784 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 37404 - November 8, 1988; heading amended by M.I. 38202 - April 17, 1990; paragraphs (a) and (c) amended by M.I. 39315 - November 19, 1991; paragraph (c) amended by M. I. 45747 – May 11, 2004; paragraphs (a), (b), (b) (1) (2) amended and paragraph (c) repealed by M. I. 46592 - March 14, 2006; repealed by M.I. 51416 – December 11, 2018.

§ 6785. Article VI - Contribution and Allocation.

Section 439.11.6 - M.I. 35816 - October 8, 1985; paragraph (a)(3) [formerly Section 439.11.6.1.3] amended by M.I. 35854 - November 19, 1985; paragraph (c) originally part of Section 439.11.6.2.3, renumbered 439.11.6.3 and amended by M.I. 35854 - November 19, 1985; paragraph (c)(1) formerly Section 439.11.6.2.3, renumbered 439.11.6.3.1 and amended by M.I. 35854 - November 19, 1985; paragraph (c)(2) formerly part of Section 439.11.6.2.3, renumbered 439.11.6.3.2 and amended by M.I. 35854 - November 19, 1985; paragraph (d) formerly Section 439.11.6.2.4, renumbered 439.11.6.4 by M.I. 35854 - November 19, 1985. Section 439.11.6 repealed and Section 6785 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; amended by M.I. 37404 – November 8, 1988; amended by M.I. 38202 - April 17, 1990; amended and paragraphs (b), (f) and (g) added by M.I. 39315 - November 19, 1991; paragraphs (a) (1) and (b) (1) amended, paragraphs (d) (1) through (d) (6), (f) (1) through (f) (4), and (g) repealed by M.I. 42902 - April 14, 1998**;** paragraphs (c)(1) and (c)(2) amended by M. I. 44690 - November 20, 2001 to be effective as of January 1, 1997, and new paragraph (f) added by M.I. 44690 - November 20, 2001 to be effective January 1, 1997; paragraphs (a)(1), (c)(1)(A) and (B), and (c)(2) amended, and new paragraph (g) added by M. I. 44973 - August 20, 2002; paragraphs (e) and (g) amended by M. I. 45249 - March 11, 2003; paragraph (h)(1),(2),(3) added by M. I. 45747 – May 11, 2004; paragraph (b)(1) amended by M. I. 45943 – October 12, 2004; paragraphs (a) (1), (3), (4), (b) (1), (c) (1) (A) (B), (c) (2), (e), (g), and (h) (1) (2) amended by M. I. 46592 - March 14, 2006; paragraphs (c)(1)(A) -(c)(1)(B) amended, paragraph (c)(1)(C) added, paragraph (c)(2) added, paragraph (e)-(g) amended by M.I. 48662 – May 10, 2011; repealed by M.I. 51416 – December 11, 2018.

§ 6786. Article VII - Investments.

Section 439.11.7 - M.I. 35816 - October 8, 1985; paragraphs (a)(d)(e) and (f) [formerly Sections 439.11.7.1 and 439.11.7.4 through 439.11.7.6] amended by M.I. 35854 - November 19,

1985. Section 439.11.7 repealed and Section 6786 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; amended by M.I. 37404 – November 8, 1988; amended by M.I. 39315 - November 19, 1991; paragraph (b) amended by M. I. 45747 – May 11, 2004; paragraphs (a) (1), (c), (e), and (f) (1) amended by M. I. 46592 - March 14, 2006; repealed by M.I. 51416 – December 11, 2018.

§ 6787. Article VIII - Distributions and Withdrawals.

Section 439.11.8 - M.I. 35816 - October 8, 1985; paragraphs (c) and (d)(2) [formerly Sections 439.11.8.3 and 439.11.8.4.2] amended by M.I. 35854 - November 19, 1985; paragraph (f) [formerly Section 439.11.8.6] amended by M.I. 35922 – March 11, 1986. Section 439.11.8 repealed and Section 6787 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; amended by M.I. 37404 – November 8, 1988; amended by M.I. 38202 - April 17, 1990; amended by M.I. 39315 - November 19, 1991; paragraph (e)(2),(3) and (5) amended by M.I. 40677 - February 8, 1994; paragraph (e) (4) amended by M.I. 42902 - April 14, 1998**;** paragraphs (g) and (h) added by M.I. 44690 - November 20, 2001; paragraphs (d)(2), (g)(2) amended, and paragraph (i) added by M. I. 44973 - August 20, 2002; paragraph (d)(2) amended by M. I. 45249 - March 11, 2003; paragraphs (e)(3) and (e)(4) amended and new paragraph (j) added by M. I. 45604 - December 9, 2003; paragraph (k)(1)-(5) added by M. I. 45747 – May 11, 2004; paragraph (e)(2) sub (5) amended by M. I. 45943 – October 12, 2004; paragraphs (b), (d) (2), (e) (1)(2), (e) (4)(5), (e) (7)-(9), and (f) amended by M. I. 46592 - March 14, 2006; new paragraph (d)(3) added, (g)(2) amended, and new paragraphs (l) & (m) added by M. I. 47323 - December 11, 2007; paragraph (a) amended, paragraph (d)(2) amended, paragraph (d)(3) deleted by M.I. 48662 – May 10, 2011; repealed by M.I. 51416 – December 11, 2018.

§ 6788. Article IX - Administration of Savings Plan and Trust Agreement.

Section 439.11.9 - M.I. 35816 - October 8, 1985; paragraph (g) [formerly Section 439.11.9.7]; amended by M.I. 35854 - November 19, 1985. Section 439.11.9 repealed and Section 6788 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; amended by M.I. 37404 – November 8, 1988; amended by M.I. 38202 - April 17, 1990; paragraphs (a) and (i) amended by M.I. 39315 - November 19, 1991; paragraphs (a) thru (i) amended by M. I. 46592 - March 14, 2006; repealed by M.I. 51416 – December 11, 2018.

§ 6789. Article X - Responsibility of the District and its Employees.

Section 439.11.10 - M.I. 35816 - October 8, 1985. Section 439.11.10 repealed and Section 6789 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 37404 - November 8, 1988; amended by M.I. 38202 - April 17, 1990; paragraph (a)(4) amended by M.I. 43968 - April 11, 2000; paragraphs (a) (1) thru (a) (4), (a) (6) and paragraph (b) amended by M. I. 46592 - March 14, 2006; repealed by M.I. 51416 – December 11, 2018.

§ 6790. Article XI - Miscellaneous.

Section 439.11.11 - M.I. 35816 - October 8, 1985. Section 439.11.11 repealed and Section 6790 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; amended by

M.I. 37404 - November 8, 1988; paragraphs (h) and (l) amended by M.I. 39315 - November 19, 1991; paragraph (c) (1) amended and paragraph (3) added by M.I. 42902 - April 14, 1998; paragraph (m) added by M. I. 45747 – May 11, 2004; paragraphs (a), (b), (c) (2)(3), (d), (f)-(h), (j), (l), and (m) amended by M. I. 46592 - March 14, 2006; repealed by M.I. 51416 – December 11, 2018.

§ 6791. Article XII - Amendment, Termination or Merger.

Section 439.11.12 - M.I. 35816 - October 8, 1985; paragraph (c) [formerly Section 439.11.12.3] amended by M.I. 35854 - November 19, 1985. Section 439.11.12 repealed and Section 6791 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 37404 - November 8, 1988; amended by M.I. 38202 - April 17, 1990; paragraphs (a) thru (e) amended by M. I. 6791 - March 14, 2006; repealed by M.I. 51416 – December 11, 2018.

§ 6792. Article XIII - Effective Date.

Section 439.11.13 - M.I. 35816 - October 8, 1985. Section 439.11.13 repealed and Section 6792 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M. I. 46592 - March 14, 2006; repealed by M.I. 51416 – December 11, 2018.

Article 7

ARTICLES OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA 1997 DEFERRED COMPENSATION PLAN

§ 6800. Article I - Name.

M.I. 42712 - November 18, 1997; repealed by M.I. 51416 – December 11, 2018.

§ 6801. Article II - Purposes.

M.I. 42712 - November 18, 1997; repealed by M.I. 51416 – December 11, 2018.

§ 6802. Article III - Definitions.

M.I. 42712 - November 18, 1997; paragraph (i) amended by M. I. 45249 - March 11, 2003; paragraph (a) amended by M. I. 46838 – October 10, 2006; paragraph (j) amended by M. I. 47323 - December 11, 2007; paragraph (a) amended by M.I. 48201 – March 9, 2010; repealed by M.I. 51416 – December 11, 2018.

§ 6803. Article IV - General Provisions.

M.I. 42712 - November 18, 1997; repealed by M.I. 51416 – December 11, 2018.

§ 6804. Article V - Administration.

M.I. 42712 - November 18, 1997; repealed by M.I. 51416 – December 11, 2018.

§ 6805. Article VI - Eligibility.

M.I. 42712 - November 18, 1997; repealed by M.I. 51416 – December 11, 2018.

§ 6806. Article VII - Enrollment.

M.I 42712 - November 18, 1997; amended by M. I. 45747 – May 11, 2004; amended by M. I. 46148 - March 8, 2005; amended by M. I. 46838 – October 10, 2006; repealed by M.I. 51416 – December 11, 2018.

§ 6807. Article VIII - Plan Ceiling.

M.I. 42712 - November 18, 1997; amended by M. I. 44973 – August 20, 2002; amended by M. I. 45747 – May 11, 2004; repealed by M.I. 51416 – December 11, 2018.

§ 6808. Article IX - Catch-up Provisions.

M.I. 42712 - November 18, 1997; old paragraph deleted and new paragraphs (a)(i)(ii) and (b) added by M. I. 44973 – August 20, 2002; beginning paragraph amended by M. I. 45747 – May 11, 2004; repealed by M.I. 51416 – December 11, 2018.

§ 6809. Article X - Availability of Amounts Deferred.

M.I. 42712 - November 18, 1997; repealed by M.I. 51416 – December 11, 2018.

§ 6810. Article XI - Payments to Participant.

M.I. 42712 - November 18, 1997; old paragraphs (a)-(c)(1)-(3) deleted and new paragraphs (a)-(d) added by M. I. 44973 – August 20, 2002; paragraph (a) amended by M. I. 45249 – March 11, 2003; paragraph (c) amended, paragraphs (e)-(h) added by M.I. 48201 – March 9, 2010; repealed by M.I. 51416 – December 11, 2018.

§ 6811. Article XII - Payments to Beneficiary.

M.I. 42712 - November 18, 1997; amended by M. I. 45249 – March 11, 2003; repealed by M.I. 51416 – December 11, 2018.

§ 6812. Article XIII - Payments to Surviving Spouse.

M.I. 42712 - November 18, 1997; repealed by M.I. 51416 – December 11, 2018.

§ 6813. Article XIV - Minimum Rate of Periodic Payments.

M.I. 42712 - November 18, 1997; repealed by M.I. 51416 – December 11, 2018.

§ 6814. Article XV - Payments for Unforeseeable Emergencies.

M.I. 42712 - November 18, 1997; second paragraph beginning with "Effective as of January 1, 2008,…" added by M. I. 47323 - December 11, 2007; first paragraph amended by M.I. 48201 – March 9, 2010; repealed by M.I. 51416 – December 11, 2018.

§ 6815. Article XVI - QDRO's.

M.I. 42712 - November 18, 1997; amended by M. I. 44973 – August 20, 2002; repealed by M.I. 51416 – December 11, 2018.

§ 6816. Article XVII - Participant's Accounts.

MI 42712 - November 18, 1997; repealed by M.I. 51416 – December 11, 2018.

§ 6817. Article XVIII - District's Obligations.

M.I. 42712 - November 18, 1997; repealed by M.I. 51416 – December 11, 2018.

§ 6818. Article XIX - Ownership and Investment.

MI 42712 - November 18, 1997; repealed by M.I. 51416 – December 11, 2018.

§ 6819. Article XX - Participant's Risk of Loss.

M.I. 42712 - November 18, 1997; repealed by M.I. 51416 – December 11, 2018.

§ 6820. Article XXI - Participant's Rights.

M.I. 42712 - November 18, 1997; repealed by M.I. 51416 – December 11, 2018.

§ 6821. Article XXII - Administrative Cost.

M.I. 42712 - November 18, 1997; repealed by M.I. 51416 – December 11, 2018.

§ 6822. Article XXIII - Amendment or Termination of 1997 Plan.

M.I. 42712 - November 18, 1997; repealed by M.I. 51416 – December 11, 2018.

§ 6823. Article XXIV - Leave of Absence

MI 42712 - November 18, 1997; repealed by M.I. 51416 – December 11, 2018.

§ 6824. Article XXV – Return of Excess Deferrals.

M.I. 42712 - November 18, 1997; Section title changed and old paragraph deleted, new title and new paragraph added by M. I. 44973 - August 20, 2002; repealed by M.I. 51416 – December 11, 2018.

§ 6825. Article XXVI - Advisory Committee.

M.I. 42712 - November 18, 1997; repealed by M.I. 51416 – December 11, 2018.

§ 6826. Article XXVII - Transfers Between Plans.

M.I. 42712 - November 18, 1997; paragraphs (c) and (d) added by M. I. 44973 – August 20, 2002; repealed by M.I. 51416 – December 11, 2018.

§ 6827. Article XXVIII – Direct Rollover of Eligible Rollover Distributions.

M. I. 44973 – August 20, 2002; paragraph (a)(2) amended and new paragraph (e) added by M.I. 47323 - December 11, 2007; repealed by M.I. 51416 – December 11, 2018.

§ 6828. Article XXIX – Acceptance of Rollovers From Other Plans.

M. I. 44973 – August 20, 2002; paragraphs (a) and (b) amended by M. I. 45747 – May 11, 2004; repealed by M.I. 51416 – December 11, 2018.

§ 6829. Article XXX – Participant Loans.

M. I. 45747 – May 11, 2004; repealed by M.I. 51416 – December 11, 2018.

§ 6830. Article XXXI –Purchase of Service Credits.

M. I. 45747 – May 11, 2004; repealed by M.I. 51416 – December 11, 2018.

§ 6831. Article XXXII – Employee Plans Compliance Resolution System.

M. I. 45747 – May 11, 2004; repealed by M.I. 51416 – December 11, 2018.

Division VII

GOVERNMENTAL ETHICS

Chapter		Sec.
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Chapter 1

ETHICS RULES FOR METROPOLITAN OFFICIALS

Article		
1	Purposes and Principles	7100
2	**State Ethics Laws Incorporated into Administrative Code**	**7110**
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Article 1

PURPOSES AND PRINCIPLES

Sec.
7100. Purpose and Scope
7101. Purposes, Policy, and Values
7102. Ethics Officer Jurisdiction
7103. Definition of Terms

§7100. Purpose and Scope.

Metropolitan is subject to the Political Reform Act of 1974, as amended (the "Political Reform Act"), and regulations of the California Fair Political Practices Commission. The purposes of this Chapter are to incorporate specific applicable provisions of the Political Reform Act and related laws into the Administrative Code, to impose additional ethics requirements on Metropolitan officials as permitted by Section 81013 of the Political Reform Act, and to implement the District's statutory obligations with respect to Metropolitan Act Section 126.7 (SB 60, Chapter 415, Statutes of 1999). These obligations require compliance with applicable state government ethics laws and additional Metropolitan ethics requirements as specified in the Administrative Code.

[Former Sec. 7100 – Incorporation of the Title 2, CA Code of Regulations, renumbered 7200 and new Sec. 7100 created by M. I. 46109 – February 8, 2005; amended by M.I. 52574 - November 9, 2021.

§ 7101. Purposes, Policy, and Values.

The policy of Metropolitan is to maintain the highest standards of ethics from Metropolitan officials. Metropolitan is a public agency that shall conduct its business with integrity in an honest and ethical manner. The proper operation of Metropolitan requires

decisions and policy to be made in the proper channels of governmental structure, that public office not be used for unauthorized personal gain, and that all individuals associated with Metropolitan remain impartial and responsible towards the public. Accordingly, it is the policy of Metropolitan that Metropolitan officials shall strive to maintain the highest standard of personal honesty and fairness in carrying out their duties. Metropolitan officials shall conduct Metropolitan's business in compliance with the law, this Chapter, and other Metropolitan policies, and shall exercise good judgment based on Metropolitan's values and goals. In carrying out their duties, Metropolitan officials should exercise fairness, impartiality, and avoid behavior that is likely to create an appearance of impropriety. This policy sets forth the minimal ethical standards to be followed by Metropolitan officials. Strict compliance with this Chapter is not necessarily sufficient, and any attempt to evade or circumvent any requirements of the Chapter is improper.

M.I. 41598 - October 10, 1995; amended by M.I. 43915 - March 14, 2000; former Sec. 7300 – Purpose & Scope, renumbered 7101 and renamed by M. I. 46109 – February 8, 2005; amended section title and paragraph by M.I. 52574 - November 9, 2021.

§ 7102. Ethics Officer Jurisdiction.

The Ethics Officer's jurisdiction to provide education and training, issue advice, ensure compliance, and conduct investigations shall be limited to specific state ethics laws incorporated into the Administrative Code in Article 2 of this Chapter, specific Metropolitan ethics requirements specified in Article 3 of this Chapter and the ethics rules for Metropolitan contractors, lobbying firms, and lobbyists specified in Chapter 2 of this Division.

M. I. 41598- October 10, 1995; amended by M.I. 43915 – March 14, 2000; former Sec. 7301-Responsibilities of Public Office, renumbered 7102 by M.I. 46109 – February 8, 2005; amended by M.I. 49648 - January 14, 2014; amended section title and paragraph by M.I. 52574 - November 9, 2021.

§ 7103. Definition of Terms.

The terms defined in this section shall apply throughout this Division.

(a) "Complaint" means any communication to the Ethics Officer alleging violations of Metropolitan ethics rules.

(b) "Complainant" means the individual who files a complaint with the Ethics Officer alleging violations of Metropolitan ethics rules.

(c) "Conflict of interest code" means the Code required by Government Code Section 87300 and approved by the Fair Political Practices Commission on a biennial basis.

(d) "Contractor" means any non-governmental individual or entity providing goods, services, or other consideration through a contract with Metropolitan, or any non-governmental individual or entity seeking such a contract. For purposes of Division VII only, "Contractor" includes subcontractors and subconsultants.

(e) "Designated employee" means a Metropolitan employee or consultant who must file Statements of Economic Interest pursuant to Government Code Section 87300 and Metropolitan's Conflict of Interest Code.

(f) “Disclosure category” means the types of financial interests that a Designated Employee must disclose on their Statement of Economic Interests.

(g) “Formal complaint” means a complaint made in writing where the complainant is identified with contact information.

(h) “FPPC” means the California Fair Political Practices Commission.

(i) “Gift” shall have the same meaning as that in Government Code Section 82028 and regulations of the FPPC, or any succession statute or regulation.

(j) “Informal complaint” means a complaint where the complainant is not identified or lacks sufficient contact information.

(k) “Lobbying firm” means 1) any business entity, including an individual contract lobbyist, which receives compensation for the purpose of influencing a specific decision of any Metropolitan official including a decision to enter into a contract, and 2) any owner or employee of the business entity is a lobbyist.

(l) “Lobbyist” means any individual who receives or is entitled to receive $2,000 or more in economic consideration in a calendar month, other than reimbursement for reasonable travel expenses, to communicate directly with a Metropolitan official for the purpose of influencing a specific decision of any Metropolitan official, including a decision to enter into a contract. For purposes of this definition, oral statements made during a public hearing or written statements made as part of the public record shall not be considered communications for the purpose of influencing a decision of any Metropolitan official. Individuals employed by, retained by, or holding office with other governmental agencies and individual employees of private entities, other than lobbying firms, seeking to influence a Metropolitan decision are not lobbyists. Decisions involving ministerial acts, personnel matters, and collective bargaining shall not be considered “decisions” for purposes of this definition.

(m) “Metropolitan ethics rules” means the rules contained in Articles 2 and 3 of Chapter 1 of this Division commencing with Section 7110, and in Articles 2 and 3 of Chapter 2 of this Division commencing with Section 7210.

(n) “Metropolitan official” means a public official as that term is defined by Government Code Section 82048, or any successor statute, and includes Metropolitan directors, officers, and all employees.

(o) “Office” means the Office of Ethics.

(p) “Political contribution” shall have the same meaning as that in Government Code Section 82015 and interpretative regulations of the FPPC, or any successor statute or regulation.

(q) “Restricted source” means 1) any non-governmental individual or entity that seeks or receives financial support from Metropolitan and 2) any contractor, as that term is defined in subdivision (d).

(r) “Subject of the complaint” means a Metropolitan official, lobbyist, lobbying firm, or contractor against whom a complaint has been filed, a Metropolitan official, lobbyist, lobbying firm, or contractor referred from a Metropolitan department to the Ethics Officer regarding possible violations of Metropolitan ethics rules, or a Metropolitan official, lobbyist, lobbying firm or contractor who is the subject of an investigation initiated by the Ethics Officer.

M.I. 52574 - November 9, 2021; amended paragraph (f) by M.I. 53064 – December 13, 2022.

[§ 7103. (Fair and Equal Treatment) Repealed by M.I. 52574 - November 9, 2021]

[§ 7104. (Misuse of Position or Authority) Repealed by M.I. 52574 - November 9, 2021]

[§ 7105. (Contracts and Grants With Metropolitan) Repealed by M.I. 52574 - November 9, 2021]

[§ 7106. (Communications on Procurements) Repealed by M.I. 52574 - November 9, 2021]

[§ 7107. (Use of Confidential Information) Repealed by M.I. 52574 - November 9, 2021]

[§ 7108. (Soliciting Political Contributions) Repealed by M.I. 52574 - November 9, 2021]

[§ 7109. (Improper Activities and the Reporting of Such Activities) Repealed by M.I. 52574 - November 9, 2021]

[§ 7110. (Protection of “Whistleblowers”) Repealed by M.I. 52574 - November 9, 2021]

[§ 7111. (Nondiscrimination and Harassment) Repealed by M.I. 52574 - November 9, 2021]

[§ 7112. (Limitation on Associations) Repealed by M.I. 52574 - November 9, 2021]

[§ 7113. (Ethics Advice) Repealed by M.I. 52574 - November 9, 2021]

Article 2

STATE ETHICS LAWS INCORPORATED INTO ADMINISTRATIVE CODE

Sec.
7110. Incorporation of State Ethics Laws into the Administrative Code
7111. Conflicts of Interest Regarding Contracts
7112. Conflicts of Interest Regarding Governmental Decisions
7113. Campaign Contributions
7114. Influencing Prospective Employment
7115. Honoraria
7116. Gift Limitations
7117. Loans to Public Officials
7118. Statement of Economic Interests

§ 7110. Incorporation of State Ethics Laws into the Administrative Code.

The purpose of this Article is to incorporate specific state ethics laws into this Administrative Code. The state ethics laws incorporated herein shall include any relevant state laws defining or limiting the application of the incorporated law, state regulations, or formal opinions interpreting these laws, as well as any successor laws and regulations or opinions. As a result of such incorporation, the Ethics Officer shall have the jurisdiction to investigate alleged violations as well as a duty to educate, advise and train Metropolitan officials, and seek compliance by such officials. Metropolitan officials shall have an obligation to abide by these incorporated rules and are subject to the provisions of Article 4 of Chapter 4 of this Division for any violations.

M.I. 52574 - November 9, 2021.

§ 7111. Conflicts of Interest Regarding Contracts.

Government Code Section 1090 is incorporated by reference into this section. Any violation of this section shall be considered a violation of this Code.

M.I. 46109 – February 8, 2005; title and paragraph amended former Section 7121 by M. I. 52574 – November 9, 2021.

§ 7112. Conflicts of Interest Regarding Governmental Decisions.

Government Code Section 87100 is incorporated by reference into this section. Any violation of this section shall be considered a violation of this Code.

Section 7305 renamed and adopted by M.I. 43915 – March 14, 2000; paragraph A, A2, and paragraph D repealed by M.I. 45085 – November 19, 2002; former Sec. 7305 – Revolving Door Policy renumbered 7122, renamed, and amended by M.I. 46109 – February 8, 2005; title and paragraph amended former Section 7122 by M. I. 52574 – November 9, 2021.

§ 7113. Campaign Contributions.

Government Code Section 84308 is incorporated by reference into this section. Any violation of this section shall be considered a violation of this Code.

M. I. 52574 – November 9, 2021.

§ 7114. Influencing Prospective Employment.

Government Code Section 87407 is incorporated by reference into this section. Any violation of this section shall be considered a violation of this Code.

M. I. 52574 – November 9, 2021.

§ 7115. Honoraria.

Government Code Section 89502 is incorporated by reference into this section. Any violation of this section shall be considered a violation of this Code.

M. I. 52574 – November 9, 2021.

§ 7116. Gift Limitations.

Government Code Section 89503 is incorporated by reference into this section. Any violation of this section shall be considered a violation of this Code. (As of the time of the initial adoption of this section the limit is $520 per calendar year per source. See Section 7122 for additional limits on gifts from restricted sources).

M. I. 52574 – November 9, 2021.

§ 7117. Loans to Public Officials.

Government Code Section 87460(b) is incorporated by reference into this section. Any violation of this section shall be considered a violation of this Code.

M. I. 52574 – November 9, 2021.

§ 7118. Statement of Economic Interests.

Metropolitan officials shall file complete and accurate Statements of Economic Interests pursuant to Government Code Section 87200 or 87300, as applicable, consistent with the requirements of the Political Reform Act. Any failure to file complete and accurate Statements of Economic Interest shall be considered a violation of this Code.

M. I. 52574 – November 9, 2021.

[§ 7120. (Conflict of Interest; Method of Recusal) Repealed by M.I. 52574 - November 9, 2021]

[§ 7121. (Recusal Due to Bias) Repealed by M.I. 52574 - November 9, 2021]

[§ 7122. ("Revolving Door"; Additional Requirements) Repealed by M.I. 52574 - November 9, 2021]

Article 3

METROPOLITAN ETHICS REQUIREMENTS

Sec.

7120. Application of Metropolitan Ethics Requirements
7121. Misuse of Position or Authority
7122. Additional Gift Limits and Compensation Restrictions
7123. Political Contributions and Activities
7124. Limits on Contracts and Grants with Former Directors
7125. Prohibited Director Communications
7126. Use of Confidential Information
7127. Duty to Report
7128. Retaliation, Whistleblower, and Witness Protection
7129. Failure to Cooperate with Ethics Officer Investigation
7130. Employment with Persons Doing Business with Metropolitan
7131. Compliance with Metropolitan Contracting Procedures and Guidelines
7132. Public Reporting for Contracts of $50,000 or More
7133. Restrictions on Misleading Associations

§ 7120. Application of Metropolitan Ethics Requirements.

Metropolitan officials shall have an obligation to abide by the rules listed in this Article and are subject to the provisions of Article 4 of Chapter 4 of this Division for any violations.

M.I. 52574 – November 9, 2021.

§ 7121. Misuse of Position or Authority.

Metropolitan officials shall not misuse their governmental position or authority to obtain, or attempt to obtain, a private benefit, or advantage for themselves or any other individual or entity, or a disadvantage for any other individual or entity.

M. I. 52574 – November 9, 2021.

§ 7122. Additional Gift Limits and Compensation Restrictions.

(a) Metropolitan employees shall not accept any gift from a donor who the employee knows is a restricted source. This limitation shall not apply to modest food or beverages provided during a work-related event or items of nominal intrinsic value, so long as the total value does not exceed $50 in a calendar year from a single source.

(b) Metropolitan employees shall not receive, directly or indirectly, any compensation from any source, except from Metropolitan, for performance of their duties as Metropolitan employees.

M.I. 52574 – November 9, 2021; paragraph (a) amended by M.I. 52941 - August 16, 2022.

§ 7123. Political Contributions and Activities.

(a) Metropolitan officials shall not solicit or receive political contributions at any Metropolitan facility or on any District property.

(b) Metropolitan officials shall not use Metropolitan's seal, trademark, stationary, or other indicia of Metropolitan's identity, or facsimile thereof, in any solicitation for political contributions.

(c) Directors shall not solicit political contributions from Metropolitan employees.

(d) Metropolitan employees shall not solicit political contributions from other employees over whom they exercise authority or otherwise supervise.

(e) At the time of their election to any elective public office, the Metropolitan employee shall disclose the office elected to and the term of office to the Ethics Officer and General Manager.

(f) Metropolitan officials shall not use Metropolitan assets, property, equipment, or other resources to engage in political activities.

(1) For purposes of this subdivision, Metropolitan resources include, but are not limited to, computers, e-mail systems, Internet services, telephones, photocopying and fax machines, office supplies, postage, vehicles, office spaces, open spaces, facilities, staff, and field sites owned, leased, or controlled by Metropolitan.

(2) Sending emails or otherwise using Metropolitan resources to support or oppose a candidate or ballot measure, or to solicit political contributions for a candidate or ballot measure is prohibited.

(g) Metropolitan employees shall not engage in political activities during their work hours with Metropolitan.

M.I. 52574 – November 9, 2021; amended paragraph (e) by M.I. 53064 – December 13, 2022.

§ 7124. Limits on Contracts and Grants with Former Directors.

(a) Directors shall not contract for professional services with Metropolitan during the Director's term of office and for a period of one year thereafter.

(b) For a period of one year after a Director leaves office, Metropolitan shall not contract with any for-profit entity in which a former Director is an officer, partner, or shareholder who holds more than ten percent (10%) of the stock in the for-profit entity.

(c) These restrictions on contracting after leaving office may be waived by a two-thirds vote of the Board of Directors.

M.I. 52574 – November 9, 2021.

§ 7125. Prohibited Director Communications.

Except for statements on the record at a public meeting, Directors shall not use their position of authority to communicate directly or indirectly with Metropolitan employees to influence: (1) the selection of a specific vendor, contractor, consultant, or other entity for a specific contract or procurement; (2) any hiring or employment decisions other than Department Heads; or (3) real property transaction.

The requirements of this section shall in no way restrict Directors from communicating with Metropolitan employees about Metropolitan procurement policies, procedures or other general matters, including requesting or receiving information about matters to be considered by Directors at public meetings.

M.I. 52574 – November 9, 2021.

§ 7126. Use of Confidential Information.

(a) Metropolitan officials shall not willfully or knowingly disclose or use any confidential or privileged information unless authorized to do so or required to do so by law or Metropolitan policy.

(b) "Confidential or privileged information" as used in this section shall mean information, whether contained in a document, recorded, or communicated in another manner, which is maintained confidentially at or by Metropolitan and if contained in a writing, would not be subject to disclosure under the California Public Records Act.

M.I. 52574 – November 9, 2021.

§ 7127. Duty to Report.

Each Metropolitan Management Employee shall report to the Ethics Officer any facts made known to the Management Employee which would indicate that a Metropolitan official, lobbyist, lobbying firm, or contractor has engaged in activities which appear to violate any provisions of Chapters 1 or 2 of this Division. For purposes of this section, "Management Employee" shall have the same meaning as used in Section 6101(i) of this Code.

M.I. 52574 – November 9, 2021.

§ 7128. Retaliation, Whistleblower, and Witness Protections.

Metropolitan officials shall not (1) engage in retaliation or threaten to engage in retaliation as a reprisal for or (2) prevent, discourage, or interfere with a person from:

(a) Reporting in good faith to a Metropolitan Management Employee, the Ethics Office, or other appropriate department or government agency information (other than information about a disagreement with a policy decision within the lawful discretion of a Metropolitan official) the person reasonably believes indicates:

(1) A work-related violation of any law or Metropolitan policy, other than an equal opportunity-related law or policy,

(2) A gross waste or abuse of Metropolitan resources,

(3) A workplace safety concern, or

(4) A public health or safety danger.

(b) Cooperating with investigations of matters reported pursuant to subdivision (a).

Definitions and Examples

For purposes of this section, a "Covered Individual" is an official who engages in one or both of the protected activities described in subsections (a) and (b) above.

For purposes of this section, "Retaliation" is when a Covered Individual is subjected to an adverse employment action because they engaged in one or both of the protected activities described in subsections (a) and (b) above).

For purposes of this section, examples of an adverse employment action include, but are not limited to: demotion; suspension; reduction in pay; denial of a merit salary increase; failure to hire or consider for hire; refusing to promote or consider for promotion; harassing an employee; denying employment opportunities; changing work assignments; treating people differently, such as denying an accommodation; not talking to an employee when otherwise required by job duties; singling a Covered Individual out for harsher treatment; lowering a performance evaluation; removing a Covered Individual from projects, standby, or other work assignments; withholding pay increases or assigning more onerous work, eliminating a position, or taking a form of disciplinary action; filing bad faith complaints against someone; spreading rumors about a complaint or a complainant; or otherwise excluding the Covered Individual from job-related activities.

M.I. 52574 – November 9, 2021; amended Section title, amended opening paragraph, amended paragraph (a)(3), added paragraph (a)(4), added new paragraphs titled "Definitions and Examples" by M.I. 52941 - August 16, 2022.

§ 7129. Cooperation with Ethics Officer Investigations.

(a) Metropolitan officials, lobbyists, lobbying firms, and contractors shall cooperate with the Ethics Office during an investigation. Conduct including, but not limited to, intentionally destroying relevant documents, refusing to be interviewed, refusing to provide documents or information, or obstructing an investigation shall be deemed a failure to cooperate.

(b) Metropolitan officials, lobbyists, lobbying firms, and contractors shall not provide false or misleading information to the Ethics Officer during an investigation.

(c) Metropolitan officials shall not participate in any Ethics Office complaint or investigation process except when necessary to provide information or otherwise respond to allegations.

(d) Metropolitan officials shall not interfere in any way with an Ethics Office complaint or investigation.

(e) Metropolitan officials shall provide to the Ethics Officer any documents or other information requested in connection with an Ethics Office complaint or investigation.

M.I. 52574 – November 9, 2021; amended Section title, amended paragraph (a) and added new paragraphs (c), (d), and (e) by M.I. 52941 - August 16, 2022.

§ 7130. Employment with Persons Doing Business with Metropolitan.

(a) Metropolitan employees shall not accept, solicit, or apply for employment with, or be compensated by, any individual or entity while that individual or entity is doing business with or engaged in negotiations with Metropolitan concerning a matter within the employee's areas of responsibility or upon which the employee must act or make a recommendation.

(b) Metropolitan employees shall not recommend the employment or hiring of a relative to a Metropolitan contractor known by the employee to be dealing with Metropolitan on matters within the employee's area of responsibility or upon which the employee must act or make a recommendation.

M.I. 52574 – November 9, 2021.

§ 7131. Compliance with Metropolitan Contracting Procedures and Guidelines.

Metropolitan officials shall not intentionally fail to comply with Metropolitan contracting procedures and guidelines, including public notice procedures and contract approval procedures, as contained in this Administrative Code or any Metropolitan Operating Policy.

M.I. 52574– November 9, 2021.

§ 7132. Public Reporting for Contracts of $50,000 or More.

Metropolitan shall post information about all existing contracts of $50,000 or more in a centralized location on its website.

M.I. 52574 – November 9, 2021.

§ 7133. Restrictions on Misleading Associations.

(a) No Metropolitan official shall authorize, direct, or otherwise cause Metropolitan to participate in, or provide Metropolitan resources to, any association if its structure or identification is likely to mislead the public as to the association's true identity, its source of funding, or its purpose.

(b) In order to avoid the potential of misleading the public about any aspect of Metropolitan's participation in associations, Metropolitan's General Manager shall disclose on its public website all associations to which it provides funding or in-kind support, along with a description of the support provided and a link to that association's website, if any.

M.I. 52574 – November 9, 2021.

[§ 7130. (Gifts; Additional Requirements) Repealed by M.I. 52574 - November 9, 2021]

[§ 7131. (Honoraria; Additional Requirements) Repealed by M.I. 52574 - November 9, 2021]

[§ 7132. (Ticket Distribution Policy) Repealed by M.I. 52574 - November 9, 2021]

Chapter 2

ETHICS RULES FOR METROPOLITAN CONTRACTORS AND LOBBYISTS

Article

1	Policy	7200
2	**Metropolitan Contractors**	**7210**
3	**Lobbyists**	**7220**

Article 1

POLICY

Sec.

§ 7200. Policy

The policy of Metropolitan is to maintain the highest standards of conduct from persons doing business with Metropolitan. Accordingly, it is the policy of Metropolitan that contractors and those attempting to influence Metropolitan decisions shall maintain the highest standard of personal honesty and fairness in dealing with Metropolitan and in carrying out duties on behalf of Metropolitan. This policy sets forth the minimal ethical standards to be followed by Metropolitan contractors, lobbying firms, and lobbyists.

M.I. 52574 – November 9, 2021.

Article 2

METROPOLITAN CONTRACTORS

Sec.
7210. Contractor Code of Conduct
7211. Contractor Code of Conduct Provisions

§ 7210. Contractor Code of Conduct.

(a) All Metropolitan contractors shall be subject to a Contractor Code of Conduct.

(b) This Contractor Code of Conduct shall be included in all written contracts with Metropolitan and shall be posted on Metropolitan's public website.

M.I. 52574 – November 9, 2021 (repeals and replaces former Section 7210).

§ 7211. Contractor Code of Conduct Provisions.

The General Manager, Ethics Officer, and General Counsel shall jointly approve the terms of the Contractor Code of Conduct. This Contractor Code of Conduct shall include, but not be limited to, the following provisions:

(a) Contractors shall abide by all Metropolitan ethics rules and policies applicable to contractors.

(b) Contractors shall timely cooperate with any investigation by the Ethics Officer, which includes permitting access to their books, records and accounts, and responding to inquiries as may be necessary to complete any investigation at no additional charge to Metropolitan.

(c) Failure to comply with the Contractor Code of Conduct shall be a basis for termination of existing contracts and debarment from future contracts as provided in Section 8170.

(d) Contractors shall not provide political contributions to Metropolitan board members in violation of Government Code Section 84308 nor cause any Metropolitan official to violate Section 7123.

(e) Notice and a requirement that a contractor providing consulting services, including an employee of the contractor, comply with the conflict of interest and disclosure requirements of the Political Reform Act and Government Code Section 1090 if the contractor qualifies as a public official.

M.I. 52574 – November 9, 2021 (repeals and replaces former Section 7211).

[§ 7212. (Public Officials Who Manage Public Investments) Repealed by M.I. 52574 - November 9, 2021]

[§ 7213. (Consultants and New Positions) Repealed by M.I. 52574 - November 9, 2021]

Article 3

LOBBYISTS

Sec.
7220. Lobbyist and Lobbying Firm Registration and Reporting Requirements
7221. Revolving Door Restrictions on Former Metropolitan Officials

§ 7220. Lobbyist and Lobbying Firm Registration and Reporting Requirements.

The Ethics Officer shall prescribe forms to comply with the requirements of this section and shall make all information listed on any registration statement and all quarterly disclosures publicly available on the Metropolitan public website within 14 calendar days of filing.

(a) Lobbyists shall file a registration statement with the Ethics Officer prior to communicating with a Metropolitan official for the purpose of influencing a decision of a Metropolitan official. The registration statement shall include the lobbyist's full name, business address, email address, telephone number and name of lobbying firm owned by the lobbyist or employing lobbyist.

(b) Lobbyists shall file quarterly reports with the Ethics Officer disclosing all topics they attempted to influence, the name of the lobbyist employer for whom they were engaged for the purpose of influencing, and whether they communicated with board members and/or staff members. Reports shall be due on or before the last day of the month following each calendar quarter.

(c) Lobbying firms shall file a registration statement with the Ethics Officer at the same time the firm's lobbyist registers. The registration statement shall include the lobbying firm's name, business address, email address, telephone number, lobbyist employed by or who owns the firm, and name of the entity compensating the lobbying firm.

(d) Lobbying firms shall file quarterly reports with the Ethics Officer disclosing the names of lobbyists who own or are employed by the firm, all topics the firm's lobbyists attempted to influence, and the name of the entity for whom the firm is compensated for the purpose of influencing. Reports shall be due on or before the last day of the month following each calendar quarter.

(e) Lobbyists and lobbying firms which have ceased lobbying Metropolitan officials shall file a termination statement with the Ethics Officer.

M.I. 52574 – November 9, 2021.

§ 7221. Revolving Door Restrictions on Former Metropolitan Officials.

(a) For a period of one year after leaving office or employment with Metropolitan:

(1) Directors shall not represent for compensation non-governmental entities before Metropolitan.

(2) All other Metropolitan officials shall not represent for compensation non-governmental entities before Metropolitan with regard to any issues over which they had decision-making authority during the three years prior to leaving office or employment.

(b) For purposes of this section, “represent” shall mean being compensated to communicate directly with a Metropolitan official for the purpose of influencing a Metropolitan decision.

(c) These restrictions shall not apply to representation of not-for-profit charitable entities before Metropolitan.

M.I. 52574 – November 9, 2021.

Chapter 3

TICKET DISTRIBUTION POLICY

Article
1 Ticket Distribution Policy 7300

Article 1

TICKET DISTRIBUTION POLICY

Sec.
7300. Definition
7301. Purposes of Ticket Distribution Policy
7302. Ticket Distribution Policy

§7300. Definition.

"Ticket" or "pass" shall mean and refer to a ticket or pass as these terms are defined in FPPC Regulation 18946, as amended from time to time.

M.I. 52574 - November 9, 2021.

§7301. Purpose of Ticket Distribution Policy.

The purpose of this Policy is to ensure that all tickets and/or passes Metropolitan receives from public and private entities and individuals, which Metropolitan purchases or which Metropolitan owns because of its control of the event or facility, are distributed in furtherance of a public purpose of Metropolitan. This ticket distribution policy shall only apply to Metropolitan's distribution of tickets and/or passes to, or at the request of, a Metropolitan official.

M.I. 52574 - November 9, 2021.

§7302. Ticket Distribution Policy.

(a) Ticket Distribution Public Purposes. Metropolitan may accomplish one or more public purposes of Metropolitan through the distribution of tickets and/or passes to, or at the request of, a Metropolitan official. The following list is illustrative rather than exhaustive of the public purposes of Metropolitan that may be served by Metropolitan officials attending events using tickets and/or passes distributed to them by Metropolitan:

(1) Support of general employee morale, retention or to reward public service.

(2) Promotion of water conservation within Metropolitan's service area and the State of California.

(3) Promotion of the quality of the water served by Metropolitan and the water service provided by Metropolitan.

(4) Promotion of Metropolitan recognition, visibility, and/or profile on a local, state, national or international scale.

(5) Recognition of a Metropolitan program or purpose.

(6) Promotion of Metropolitan issues and interests.

(b) Public Purpose Requirement. The distribution of any ticket and/or pass by Metropolitan to, or at the request of, a Metropolitan official shall accomplish one or more public purposes of Metropolitan.

(c) Transfer Prohibition. The transfer by any Metropolitan official of any ticket and/or passes distributed to that official pursuant to this ticket distribution policy to any other individual is prohibited except to members of the official's immediate family for their personal use, or to no more than one guest solely for their attendance at the event.

(d) Metropolitan shall not disproportionately distribute tickets and/or passes to Directors, Executive Officers, or other senior management.

(e) Designation of Agency Head. For the purpose of implementing and posting this ticket distribution policy, and completing and posting the required FPPC form for distribution of tickets and/or passes, Metropolitan's General Manager, or their designee, is the responsible official.

(f) Website Posting. This ticket distribution policy shall be posted on Metropolitan's public website in prominent fashion and the link to this website shall be submitted to the FPPC for posting on the FPPC website.

(g) The distribution of a ticket and/or passes pursuant to this ticket distribution policy shall be posted on Metropolitan's website in a prominent fashion within forty-five (45) days after the ticket distribution. Such posting shall use the required FPPC form.

M.I. 52574 - November 9, 2021 amended paragraph (e) by M.I. 53064 – December 13, 2022.

Chapter 4

INVESTIGATION BY THE ETHICS OFFICER

Article

1 Authority to Investigate and Jurisdiction 7400
2 **Procedures for Investigations** **7410**
3 **Procedures for Making Investigations Public** **7420**
4 **Penalties for Violation of Metropolitan Ethics Rules** **7430**

Article 1

AUTHORITY TO INVESTIGATE AND JURISDICTION

Sec.

7400. Jurisdiction to Investigate
7401. Discretion to Investigate
7402. Concurrent Investigations
7403. Referrals to the Ethics Officer
7404. Determinations to Not Investigate
7405. Investigations of Directors, General Manager, General Counsel, General Auditor, or Ethics Officer
7406. Scope of Investigation
7407. Consultation with the General Counsel
7408. Requirements for Investigations

§7400. Jurisdiction to Investigate.

(a) The Ethics Officer shall investigate all formal and informal complaints if the alleged actions would, if true, constitute a violation of a Metropolitan ethics rule.

(1) The Ethics Officer shall provide written acknowledgement of the receipt of a formal complaint to the complainant, request that the complainant keep the complaint confidential, and inform the complainant that no additional updates regarding the complaint will be provided.

(2) If the Ethics Officer determines that the complaint does not involve a Metropolitan official, lobbyist, lobbying firm, or contractor, does not involve Metropolitan ethics rules, or lacks sufficient information to establish a potential violation, then the Ethics Officer shall not conduct an investigation. The complainant shall be so notified in writing of any such determination by the Ethics Officer. Nothing in this section shall preclude a complainant from filing a subsequent complaint.

(b) The Ethics Officer may initiate investigations involving potential violations of Metropolitan ethics rules without a formal or informal complaint or referral from another Metropolitan department.

(c) The Ethics Officer shall not commence an investigation of alleged violations more than five years after the date on which the violation occurred. If the subject of the complaint concealed information underlying the alleged violation, the five-year period shall be tolled for the period of the concealment.

M.I. 52574 - November 9, 2021.

§7401. Discretion to Investigate.

The Ethics Officer shall have the sole discretion to determine if the Office lacks jurisdiction or the complaint lacks sufficient information to establish a potential violation.

M.I. 52574 - November 9, 2021.

§7402. Concurrent Investigations.

The Ethics Officer may conduct an investigation concurrently and in coordination with other Metropolitan departments regarding matters over which the Ethics Officer and other Metropolitan departments have jurisdiction.

M.I. 52574 - November 9, 2021.

§7403. Referrals to the Ethics Officer.

Metropolitan departments shall refer any alleged violation of Metropolitan ethics rules to the Ethics Officer.

M.I. 52574 - November 9, 2021.

§7404. Determinations to Not Investigate.

An initial determination by the Ethics Officer to not open an investigation shall not preclude a future investigation based upon additional or further information.

M.I. 52574 - November 9, 2021.

§7405. Investigations of Directors, General Manager, General Counsel, General Auditor, or Ethics Officer.

(a) The Ethics Officer shall retain an outside counsel or investigator to conduct any investigation of alleged violations of Metropolitan ethics rules by a Director, General Manager, General Counsel or General Auditor. The investigation shall be conducted in consultation with the Ethics Officer. The Ethics Officer shall, based on the results of the investigation, make the final determination as to whether a violation has occurred. Prior to retaining the outside counsel or investigator, the Ethics Officer shall notify the Community and Workplace Culture (CWC) Committee Chair, unless the Chair is the subject of the investigation, in which case the Vice Chair shall be notified.

(b) The Ethics Officer shall refer to the General Counsel any complaint of alleged violations of Metropolitan ethics rules by the Ethics Officer or any member of the Office staff.

The General Counsel shall retain an outside counsel or investigator to conduct the investigation in consultation with the General Counsel. The General Counsel shall, based on the results of the investigation, make the final determination as to whether a violation has occurred. Prior to retaining the outside counsel or investigator, the General Counsel shall notify the CWC Committee Chair.

(c) The General Counsel shall review any contract with an outside counsel or investigator to ensure compliance with Metropolitan contracting requirements.

M.I. 52574 - November 9, 2021; paragraphs (a) and (b) amended by M.I. 53441 - November 14, 2023; paragraphs (a) and (b) amended by M.I. 53408 - March 11, 2025.

§7406. Scope of Investigation.

The Ethics Officer may during the course of an investigation investigate potential violations of Metropolitan ethics rules beyond those identified in any complaint or referral received by the Ethics Officer or identified in the notification to the subject of the complaint made pursuant to section 7410.

M.I. 52574 - November 9, 2021.

§7407. Consultation with the General Counsel.

The Ethics Officer may consult the General Counsel at the Ethics Officer's discretion.

M.I. 52574 - November 9, 2021; amended by M.I. 52941 - August 16, 2022.

§7408. Requirements for Investigations.

The Ethics Officer shall abide by the requirements set forth in this Chapter for conducting any investigation.

M.I. 52574 - November 9, 2021.

Article 2

PROCEDURES FOR INVESTIGATIONS

Sec.
7410. Notice to Subject of Investigation
7411. Investigation Timeframe
7412. Confidentiality of Investigations
7413. Access to Metropolitan Records
7414. Opportunity for Subject to Respond
7415. Preponderance of the Evidence Standard
7416. Ethics Officer Report

§7410. Notice to Subject of Investigation.

(a) Upon receipt of a complaint, referral from a Metropolitan department, or determination by the Ethics Officer to conduct an investigation pursuant section 7400(b), the Ethics Officer shall notify the subject of the complaint in writing within 30 calendar days: provided, however, if the integrity of the investigation may be compromised by notifying the subject, then the Ethics Officer may withhold notice until an appropriate time. No notice need be given to the subject of the complaint if the Ethics Officer determines that an investigation is not warranted.

(b) As a part of the notice provided in subdivision (a) of this section, the Ethics Officer shall provide the nature of the allegations, advise the subject of the investigation regarding Metropolitan's rules against retaliation, and advise the subject of their obligation to cooperate with the investigation and that the failure to cooperate may lead to disciplinary action, regardless of the outcome of the investigation.

M.I. 52574 - November 9, 2021.

§7411. Investigation Timeframe.

(a) Investigations shall be conducted expeditiously and completed within 180 calendar days, except as provided in subparagraph (b). An investigation commences upon the Ethics Officer's determination to open an investigation, but in no event later than 30 calendar days from receipt of the complaint or referral.

(b) For good cause, an investigation may extend beyond 180 calendar days; provided, however, the Ethics Officer shall provide written notice to the subject of the investigation with an expected completion date. The Ethics Officer shall also notify the CWC Committee Chair whenever an investigation extends beyond 180 calendar days and provide periodic updates on the status of the investigation thereafter.

(c) For purposes of the 180 calendar day period specified in this section, an investigation terminates upon service of the Ethics Officer's report upon the subject of the investigation, or upon notice of no violation given to the subject of the investigation, pursuant to Section 7416.

M.I. 52574 - November 9, 2021; paragraph (b) amended by M.I. 53441 - November 14, 2023.

§7412. Confidentiality of Investigations.

(a) Investigations by the Ethics Officer shall be confidential to the fullest extent possible.

(b) The Ethics Officer has the discretion to disclose information related to investigations for significant operational or safety reasons.

(c) The Ethics Officer shall not unnecessarily disclose the identity of the subject of a complaint, except as needed in furtherance of the investigation or otherwise provided by Article 3 of this chapter.

(d) During the investigation, the Ethics Officer shall advise the subject of the investigation, the complainant, and any witnesses of the confidentiality of the investigation.

(e) The Ethics Officer may confer with the Chair of the Board and the Chair and Vice Chair of the CWC Committee on any investigative matter subject to the following:

(1) The communications shall be for the purpose of feedback.

(2) The communications shall be confidential.

(3) The restrictions on interference with investigations in section 7129(d).

(f) The Ethics Officer shall, to the extent possible, protect the identity of any complainant.

M.I. 52574 - November 9, 2021; amended paragraph (e), including (e)(1) and added new (e)(3) by M.I. 52941 - August 16, 2022; paragraph (e) amended by M.I. 53441 - November 14, 2023; paragraph (e) amended by M.I. 53408 - March 11, 2025.

§7413. Access to Records, Information, and other Resources.

(a) The Ethics Officer shall have access to all Metropolitan functions, documents, records, property, personnel and other information deemed relevant by the Ethics Officer to an Ethics Office complaint or investigation, including information protected by the attorney-client privilege. Providing privileged information to the Ethics Office shall not constitute a waiver of the privilege.

(b) If the Ethics Office determines that waiver of the attorney-client privilege is necessary, the Ethics Officer shall present the matter to the Board, as a majority of the Board is required to waive Metropolitan's attorney-client privilege.

M.I. 52574 - November 9, 2021; amended Section title, amended paragraph (a) and (b), and repealed prior paragraph (b) by M.I. 52941- August 16, 2022.

§7414. Opportunity for Subject to Respond.

The subject of the complaint shall be afforded a reasonable opportunity to present any facts, legal arguments, or other relevant information to the Ethics Officer concerning an investigation and alleged violations prior to completion of the investigation.

M.I. 52574 - November 9, 2021.

§7415. Preponderance of the Evidence Standard.

The Ethics Officer shall use the preponderance of the evidence standard for making any determination of a violation of Metropolitan ethics rules.

M.I. 52574 - November 9, 2021.

§7416. Ethics Officer Report.

(a) Upon the completion of an investigation, the Ethics Officer shall prepare a written report that summarizes the evidence considered, any exculpatory evidence, a legal analysis if necessary, and a determination as to whether a violation has occurred.

(b) If the Ethics Officer determines by a preponderance of the evidence that the subject of the complaint has committed an ethics violation, the Ethics Officer shall provide the subject of the complaint, the written report specified in subdivision (a) of this section, along with any relevant evidence considered by the Ethics Officer. The subject shall have 14 calendar days from receipt of the report to file any response with the Ethics Officer. The Ethics Officer may grant an extension for good cause. The Ethics Officer shall consider the response and make any final changes to the written report as deemed appropriate by the Ethics Officer within 14 calendar days of receipt of the response, if any, unless the Ethics Officer determines additional time is required. The Ethics Officer shall provide a copy of any revised written report to the subject of the complaint.

(c) If the Ethics Officer determines after an investigation that there has been no violation, the Ethics Officer shall notify the subject of the complaint within 14 calendar days of such determination.

(d) Any referral to a local or state agency, an appropriate Metropolitan department or the Executive Committee pursuant to Article 4 of Chapter 4 of this Division, shall include the written report prepared by the Ethics Officer, relevant documents as determined by the Ethics Officer, and any response to the written report submitted by the subject of the complaint.

M.I. 52574 - November 9, 2021; amended paragraphs (a) and (b) and repealed prior paragraph (d) by M.I. 52941 - August 16, 2022.

Article 3

PROCEDURES FOR MAKING INVESTIGATIONS PUBLIC

Sec.
7420. Public Information on Investigations
7421. Confidential Investigation Files

§7420. Public Information on Investigations.

(a) At the conclusion of an investigation, the Ethics Officer shall post on Metropolitan's website the results of the investigation that describe: (1) the general nature of any alleged violations, (2) the conclusions reached by the Ethics Officer, and (3) any referral made to another Metropolitan department, the Executive Committee, or a local or state agency. The published results of the investigation shall not reveal the identity of the subject of the investigation. The Ethics Officer's report specified in Section 7416(a) shall not be posted on Metropolitan's public website or otherwise be publicly disseminated.

(b) If the Ethics Officer determines that a Director has violated Metropolitan ethics rules, nothing in this Division prevents the Director's identity from becoming public in a board proceeding to address that violation.

(c) Nothing in this Division prevents a state or local agency to which a referral has been made by the Ethics Officer pursuant to Section 7438(a) from revealing the identity of the subject of an investigation in accordance with the agency's policies.

M.I. 52574 - November 9, 2021.

§7421. Confidential Investigation Files.

The investigation files of the Ethics Officer, including the complaint and materials and information obtained by the Ethics Officer during the course of the investigation, are confidential and shall be subject to release only as required by law and as appropriate and necessary.

M.I. 52574 - November 9, 2021.

Article 4

PENALTIES FOR VIOLATION OF METROPOLITAN ETHICS RULES

Sec.
7430. Schedule of Penalties
7431. Levels of Violations
7432. Penalties for Violations
7433. Serious Violations of the Political Reform Act or Government Code Section 1090

§7430. Schedule of Penalties.

Penalties for violations of Metropolitan ethics rules shall be administered according to the penalties schedule in this article. Only Metropolitan officials, lobbyists, lobbying firms and contractors shall be subject to the penalties specified in this Article.

M.I. 52574 - November 9, 2021.

§7431. Levels of Violations.

In any Ethics Officer Report that finds a violation, the finding shall include a conclusion about the severity of the violation. This conclusion shall be based upon the severity of the underlying offense, along with any relevant mitigating or extenuating circumstances.

(a) Levels of violations:

(1) Level I (Severe Violation): One or more violations that seriously undermine or threaten the integrity of Metropolitan's governmental decision-making processes.

(2) Level II (Significant Violation): One or more violations that undermine or threaten the integrity of Metropolitan's governmental decision-making processes.

(3) Level III (Violation): One or more violations that are isolated or limited in nature, and that provide no more than a minimal personal benefit.

(4) Level IV (Incidental Violation): A minor infraction that is technical in nature and does not constitute a Level III violation. Multiple or repeated Level IV infractions collectively may constitute a Level III violation.

(b) Mitigating and aggravating factors.

In determining the appropriate level for a specific violation, the Ethics Officer Report shall include any applicable mitigating or aggravating factors including, but not limited to, the following:

(1) The nature and seriousness of the offense, and its relationship to the employee's duties and responsibilities.

(2) The official position of the subject, including its responsibilities, prominence, or fiduciary role.

(3) Acceptance of responsibility by the subject.

(4) The degree to which the subject cooperated in the investigation.

(5) Whether the subject had notice of the rules that were violated, or had been warned about the conduct in question.

(6) Whether the offense was intentional, technical, negligent, or inadvertent, or was frequent.

M.I. 52574 - November 9, 2021.

§7432. Penalties for Violations.

(a) Whenever the Ethics Officer finds a violation of a Metropolitan ethics rule, the Ethics Officer shall determine the level of violation pursuant Section 7431.

(b) Whenever the Ethics Officer finds a violation of a Metropolitan ethics rule, the Ethics Officer shall refer the Ethics Officer report and the accompanying determination of level of violation as follows:

(1) Violations by Directors shall be referred to the Executive Committee for review and consideration of further action if appropriate under the circumstances which may include counseling, training, a private warning letter, public censure, temporary or permanent removal from committee assignments, or referral to the Director's appointing authority requesting appropriate action.

(2) Violations by the Executive Officers shall be referred to the Executive Committee for review and the consideration of further action including counseling, performance review, or the imposition of discipline as deemed appropriate under the circumstances.

(3) Violations by employees, other than the Executive Officers, shall be referred to the Human Resources Group and the appropriate Department Head or Group Manager for review and the consideration of further action which may include counseling, performance review, or the imposition of discipline as deemed appropriate under the circumstances.

(4) Violations by Metropolitan contractors shall be referred to the General Manager or designee for review and the consideration of further action which may include counseling, warning, termination of a contract, monetary penalties as specified in the contract, any other remedy available by contract, or debarment from future contracts pursuant to Article 5 of Chapter 1 of Division VIII as deemed appropriate under the circumstances.

(5) Violations by Metropolitan lobbyists and lobbying firms shall be referred to the General Manager or designee for review and the consideration of further action which may include counseling, warning, suspension of the Metropolitan registration of the lobbyist and lobbying firm, or publication of the violation on Metropolitan's webpage as deemed appropriate under the circumstances.

M.I. 52574 - November 9, 2021.

§7433. Serious Violations of the Political Reform Act or Government Code Section 1090.

(a) In addition to the disciplinary penalties in this Article, the Ethics Officer shall refer serious violations to the FPPC, Attorney General, or a District Attorney as determined by the Ethics Officer.

(b) Serious violations, as used in this section, shall include any of the following violations:

(1) Intentional and knowing violations of Sections 7114 (influencing prospective employment), 7115 (honoraria ban), 7116 (gift limitations), 7117 (loans to public officials) and 7118 (Form 700).

(2) Violations of sections 7111 (conflicts of interest regarding contracts) and 7112 (conflicts of interest regarding governmental decisions).

(3) Any violation for failing to disclose reportable financial interests pursuant to Section 7118 (Form 700) where a violation of Section 7111 (conflicts of interest regarding contracts) or 7112 (conflicts of interest regarding governmental decisions) is also found.

(4) Violations of Section 7113 (campaign contributions).

(5) Any violation of Section 7116 (gift limitations) where the unlawful gift is from an individual or entity under contract with, otherwise engaged in doing business with, or is seeking to do business with, Metropolitan.

(6) At the discretion of the Ethics Officer, violations where the Metropolitan official has a prior serious violation.

M.I. 52574 - November 9, 2021.

Chapter 5

CONFLICT OF INTEREST CODE

Article
1 Conflict of Interest Code 7500

Article 1

CONFLICT OF INTEREST CODE

Sec.
7500. Metropolitan's Conflict of Interest Code
7501. Biennial Amendments to Conflict of Interest Code
7502. Filing of Statements of Economic Interest

§7500. Metropolitan's Conflict of Interest Code.

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes and biennial amendments thereto. The FPPC has sole authority to approve Metropolitan's conflict of interest code and amendments thereto. After final approval from the FPPC, Metropolitan's conflict of interest has the force and effect of law.

M.I. 52574 - November 9, 2021 (amends former Section 7200).

§7501. Biennial Amendments Conflict of Interest Code.

The Ethics Officer has sole authority to formulate and propose biennial and other amendments to Metropolitan's conflict of interest code to the FPPC. Upon the FPPC's final review and approval of the proposed amendments to the conflict of interest code, the conflict of interest code shall be deemed promulgated and incorporated by reference into this Article of the Administrative Code. The Ethics Officer shall maintain a copy of Metropolitan's approved conflict of interest code and post it to Metropolitan's internal and external websites.

M.I. 52574 - November 9, 2021.

§7502. Filing Statements of Economic Interests.

Individuals holding designated positions in the conflict of interest code shall file their statements of economic interests with the Office of Ethics, which will make copies of the statements available for public inspection and reproduction. Metropolitan officials whom the FPPC designates as public officials who manage public investments, including members of the Board of Directors, shall file their statements of economic interests with the FPPC. The Office of Ethics shall make copies of the statements available for public inspection and reproduction.

M.I. 52574 - November 9, 2021 (amends former Section 7205).

Chapter 6

EDUCATION, ADVICE, AND COMPLIANCE

Article

1 Education and Training 7600
2 Ethics Advice 7610
3 Compliance 7620

Article 1

EDUCATION AND TRAINING

Sec.

7600. Education on Metropolitan Ethics Rules
7601. Ethics Education and Training Materials
7602. Ethics Training for the Board of Directors
7603. Ethics Training for Employees
7604. Ethics Training for Oversight of Contractors
7605. Additional Training for Statements of Economic Interest Filers

§7600. Education on Metropolitan Ethics Rules.

It shall be the policy of Metropolitan that its officials, lobbyists, lobbying firms, and contractors be held to the highest ethical standards. To achieve that policy goal, it shall be the responsibility of the Ethics Officer to educate and train Metropolitan officials, lobbyists, lobbying firms, and contractors regarding Metropolitan ethics rules to ensure compliance with applicable state government ethics laws and additional Metropolitan ethics requirements as specified in this Division.

M.I. 52574 - November 9, 2021.

§7601. Ethics Education and Training Materials.

(a) The Ethics Officer shall prepare materials for use in educating and training Metropolitan officials, lobbyists, lobbying firms, and contractors, including a guide to Metropolitan ethics rules.

(b) The Ethics Officer shall prepare training materials for use by Metropolitan officials, lobbyists, lobbying firms, and contractors on Metropolitan's Intramet or any successor system, or Metropolitan's webpage.

M.I. 52574 - November 9, 2021.

§7602. Ethics Training for the Board of Directors.

(a) The Ethics Officer shall provide an orientation ethics training for all newly appointed board members

(b) The Ethics Officer shall provide periodic in-person ethics training at meetings of the Board of Directors or committees thereof.

(c) The Ethics Officer shall provide regular written updates on changes in state ethics laws to the Board of Directors.

(d) The Ethics Officer shall certify Directors' compliance with mandatory state ethics training required by AB 1234.

M.I. 52574 - November 9, 2021.

§7603. Ethics Training for Employees.

All employees shall receive training on Metropolitan's ethics provisions at least once every two years. In addition, all designated employees shall receive training on Statements of Economic Interest and disclosure categories at least once every two years. This training may be either in-person or online. The Ethics Officer shall certify that all employees have completed this training.

M.I. 52574 - November 9, 2021.

§7604. Ethics Training for Oversight of Contractors.

All employees whose duties include substantive oversight of contractors shall receive training on the Contractor Code of Conduct at least once every two years. These trainings may be either in-person or online. The Ethics Officer shall certify that all employees have completed this training.

M.I. 52574 - November 9, 2021.

§7605. Additional Training for Statements of Economic Interest Filers.

The Ethics Officer shall provide trainings to Metropolitan officials and consultants required to file Statements of Economic Interest pursuant to Section 87200 of the Government Code and sections 7118, 7511, 7512 and 7513 of this Division.

M.I. 52574 - November 9, 2021.

Article 2

ETHICS ADVICE

Sec.
7610. Ethics Advice
7611. Requirements for Ethics Advice
7612. Advice Immunity
7613. Confidentiality of Ethics Advice

§7610. Ethics Advice.

Metropolitan officials, lobbyists, lobbying firms and contractors may request advice from the Ethics Officer related to their duties and Metropolitan ethics rules under this Division.

M.I. 52574 - November 9, 2021.

§7611. Requirements for Ethics Advice.

(a) The Ethics Officer shall provide advice in writing to the requestor or in a memorandum to file, if the requestor declines a written response.

(b) The Ethics Officer shall only provide advice regarding questions concerning prospective acts, and not for prior conduct.

(c) Requests for advice may be declined in any of the following circumstances:

(1) The requestor is seeking advice relating to past conduct.

(2) The requestor is seeking advice regarding a third party.

(3) Relevant and material information provided in the request is inaccurate or incomplete.

(4) The request does not present a question under the Ethics Officer's jurisdiction.

M.I. 52574 - November 9, 2021.

§7612. Advice Immunity.

(a) Written advice by the Ethics Officer shall provide the requestor immunity from Metropolitan penalties or referral to a state or local agency by the Ethics Officer, as provided in Article 4 of Chapter 4 of this Division, if all of the following conditions are met.

(1) The request for advice was in writing and provides all material facts for the Ethics Officer to conduct a complete analysis, and

(2) The requestor complied with any guidance or recommendations contained within the written advice.

(b) Advice in response to a written request shall not provide immunity to any individual other than the requestor.

(c) Advice by the Ethics Officer does not provide immunity from enforcement by any state regulatory agency, including the FPPC, or any law enforcement agency.

M.I. 52574 - November 9, 2021.

§7613. Confidentiality of Ethics Advice.

(a) The Ethics Officer shall treat all ethics advice as confidential, but shall notify, in advance, the recipient of advice that:

(1) The communications associated with the advice and the advice itself are not protected by the attorney-client privilege.

(2) The advice is not necessarily confidential and exempt from disclosure under the Public Records Act or other legal process such as an internal investigation, subpoena, or production request.

(3) The advice will be provided for prospective conduct only and that information provided regarding past conduct could result in an investigation.

(b) The Ethics Officer shall keep confidential any communications regarding advice for prospective conduct, to the extent possible.

M.I. 52574 - November 9, 2021.

Article 3

COMPLIANCE

Sec.
7620. Ethics Training Required by Government Code
7621. Filing Officer Duties
7622. Additional Review of Statements of Economic Interest
7623. Compliance with Government Code Section 84308

§7620. Ethics Training Required by Government Code.

The Ethics Officer shall monitor and maintain the records of compliance for Directors and employees designated by the Board to participate in mandatory state ethics training requirements imposed by AB 1234. The Ethics Officer shall notify Metropolitan officials that are not in compliance with this section and seek their compliance.

M.I. 52574 - November 9, 2021.

§7621. Filing Officer Duties.

(a) The Ethics Officer shall comply with the Duties of Filing Officers as required by Section 18115 of Title 2 of Division 6 of the California Code of Regulations or any superseding law or regulations.

(b) The Ethics Officer shall provide reminders regarding the filing deadline for Statements of Economic Interests required to be filed.

(c) The Ethics Officer shall assist persons with technical and substantive compliance questions related to their Statements of Economic Interests.

(d) The Ethics Officer shall track the status of Assuming Office, Annual, and Leaving Office Statements of Economic Interests of Metropolitan officials and shall notify non-filers of their obligation to file. After the Ethics Officer sends two written communications following the filing deadline, non-filers shall be referred to the FPPC for further action.

M.I. 52574 - November 9, 2021.

§7622. Additional Review of Statement of Economic Interests.

(a) The Ethics Officer shall review all Statements of Economic Interests required to be filed pursuant to Section 87200 of the Government Code. This review shall include:

(1) Evaluating internal consistency and consistency with prior filings;

(2) Reviewing individual filers' declared financial interests; and

(3) Advising whether to file an amendment, if necessary.

(b) If the Ethics Officer has reason to believe a filer's official duties could potentially affect a declared financial interest, the Ethics Officer shall contact the filer and offer to provide advice to ensure no inadvertent conflict of interest arises.

M.I. 52574 - November 9, 2021.

§7623. Compliance with Government Code Section 84308.

The Ethics Officer shall implement procedures to assist Directors with complying with Government Code Section 84308, including alerting Directors to matters on meeting agendas that may require recusal.

M.I. 52574 - November 9, 2021.

Division VIII

CONTRACTS/DISTRICT PROPERTY

Chapter		Sec.
1	Contracts	8100
2	**District Property**	**8200**
3	**Business Outreach**	**8300**

Chapter 1

CONTRACTS

Article		
1	General Provisions	8100
2	**Authority to Contract**	**8120**
3	**Award of Contracts**	**8140**
4	**Contract Terms and Conditions**	**8160**
5	**Contractor Debarment**	**8170**

Article 1

GENERAL PROVISIONS

Sec.
8100. Definitions
8101. Contract Documents
8102. Requisitions and Purchase Orders
8103. Delegation of Authority
8104. Approval by General Counsel

§ 8100. Definitions.

The definitions contained in this section govern the interpretation of this chapter:

(a) Best Value – "Best value" means a value determined by evaluation of objective criteria that relate to price, features, functions, life-cycle costs, experience, and past performance.

(b) Best Value Procurement – "Best value procurement" means a competitive procurement method where factors in addition to price are considered in order to award a contract that provides the best overall value to the District.

(c) Change Order – "Change order" means an amendment modifying the terms of an existing contract.

(d) Construction Manager/General Contractor – "Construction manager/general contractor" means a project delivery method for a public works project in which a construction

manager is procured to provide preconstruction services during the design phase of the project and construction services during the construction phase of the project.

(e) Contract – “Contract” means any written agreement, including purchase orders, to which the District is a party.

(f) Construction – “Construction” includes erection, demolition, alteration, repair, and relocation.

(g) Design-Build – “Design-build” means a project delivery method for a public works project in which both the design and construction of a project are procured from a single entity selected through a process involving both a request for qualifications and a request for proposals at the earliest feasible stage of the project.

(h) Design-Build Entity – “Design-build entity” means a corporation, limited liability company, partnership, joint venture, or other legal entity that is able to provide appropriately licensed contracting, architectural, and engineering services as needed pursuant to a design-build contract.

(i) Form of Agreement – “Form of agreement” is the document evidencing the contractual relationship of the District and the successful bidder.

(j) Guaranteed Maximum Price – “Guaranteed maximum price” means the maximum payment amount agreed upon by the District and the design-build entity or the construction manager/general contractor for the design-build entity or the construction manager/general contractor for the design-build entity or the construction manager/general contractor to finish all remaining design, preconstruction, and/or construction activities to complete and close out the project.

(k) Notice Inviting Bids. - "Notice inviting bids" means a notice inviting proposals for entering into a contract upon the terms of contract documents incorporated in said notice by reference.

(l) Professional and Technical Services – “Professional and technical services” mean a specialized personal service rendered by an independent contractor who has specialized knowledge, skill and expertise in an area generally recognized to be practiced exclusively by such contractors.

(m) Progressive Design-Build – “Progressive design-build” means a project delivery method utilizing design-build for a public work project in which both the design and construction of a project are procured from a single design-build entity that is selected through a qualifications-based process at the earliest feasible stage of the project.

(n) Proposal. – “Proposal” means the prospective contractor’s offer to enter into a contract upon the terms set forth therein or in the contract documents.

(o) Public Works – “Public works” mean contracting for the erection, construction, alteration, repair, or improvement, including demolition and installation work, of any public

structure, building, road, or other public improvement of any kind. Public works does not include work done by the District's force account, work not paid for out of public funds, or contracting for the purchase of finished products, materials, or supplies.

(p) Purchase Order – "Purchase order" means an authorization under which the party designated therein as contractor is to provide materials or services for which the District agrees to pay pursuant to the terms contained thereon or in a separate contract.

(q) Purchasing – "Purchasing" means the procurement of goods or services other than Professional and Technical Services.

(r) Request for Proposals – "Request for proposals" means documents, whether attached or incorporated by reference, used for soliciting technical proposals.

(s) Request for Qualifications – "Request for qualifications" means all documents, whether attached or incorporated by reference, used for soliciting qualifications statements for the purpose of evaluating and pre-qualifying prospective contractors for a proposed contract or specified kinds of work or, where appropriate, selecting the most qualified contractor for a particular contract.

Ords. 114 and 144; repealed by Ord. 146; Section 451.1, Section 451.6 and Section 451.4 added, as amended, by M.I. 32690 - April 10, 1979. Section 451.1 repealed and Section 8100 adopted, Section 451.6 repealed and Section 8100(d) adopted, Section 451.4 repealed and Section 8100(h) adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; New paragraphs (a), (b), (i) added, old paragraph (f) deleted, and remaining paragraphs renumbered and amended by M. I. 46371 - September 13, 2005; added new paragraph (k), renumbered and amended paragraph (l), and renumbered paragraph (m) by M.I. 51930 – March 10, 2020; added new paragraphs (a), (d), (g), (h), (j), and (m), and renumbered paragraphs (a) through (s) by M.I. 53188 - March 14, 2023.

§ 8101. Contract Documents.

(a) General. - The contract documents shall consist of such documents as an Executive Officer may deem desirable in addition to those required by law.

(b) Documents Included. - The contract documents may include, among others, a notice inviting bids, proposal, bidder's bond, form of agreement, performance bond, payment bond, specifications and drawings.

(c) Authority to Carry out Power. - Whenever award is made by the Board, such award shall constitute approval of the contract documents and the Executive Officer authorized to enter into the contract shall be authorized to carry out the powers described in the contract documents.

Ords. 114 and 144; repealed by Ord. 146; Section 451.2 added, as amended, by M.I. 32690 - April 10, 1979. Section 451.2 repealed and Section 8101 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (a) and (c) amended by M. I. 46371 - September 13, 2005.

§ 8102. Requisitions and Purchase Orders.

(a) All requests for purchases must be signed by an Executive Officer or someone designated in writing by an Executive Officer to sign such requests for purchases.

(b) All purchase orders must be signed by an Executive Officer or someone designated by an Executive Officer in writing to sign such purchase orders.

Ords. 29 and 113; repealed by Ord. 146; Section 451.24 added, as amended, by M.I. 32690 - April 10, 1979; renumbered Section 451.23 - June 3, 1985. Section 451.23 repealed and Section 8102 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (b) amended by M. I. 46371 - September 13, 2005.

§ 8103. Delegation of Authority.

Any power delegated to an Executive Office under this Chapter may be re-delegated by that officer in writing to any District employee designated by that officer.

[Former §8103 – Competitive Bids renumbered §8140 and renamed Competitive Procurement.] New §8103 – M. I. 46371 – September 13, 2005.

§ 8104. Approval by General Counsel.

The General Counsel shall approve, in writing, the following:

(a) Drafts of all contracts involving an expenditure in excess of $250,000 before the same are entered into by or on behalf of the District.

(b) Indemnification agreements as provided in Section 8120.

(c) Relocation agreements as provided in Section 8122(c).

[FORMER §8116] Ords. 130 and 136; repealed by Ord. 146; Section 451.16 added, as amended by M.I. 32690 – April 10, 1979; amended by M.I. 33286 – June 10, 1980; amended by M.I. 35716 – July 9, 1985. Section 451.16 repealed and Section 8116 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; amended by M.I. 39036 – June 11, 1991; former Section 8116 Approval by General Counsel renumbered Section 8104, paragraph (a) amended and paragraphs (b) and (c) added by M. I. 46371 - September 13, 2005.

Article 2

AUTHORITY TO CONTRACT

Sec.
8120. Indemnification Agreements
8121. General Authority of the General Manager to Enter Contracts
8122. General Manager's Contracting Authority in Specified Circumstances
8123. Authority of the General Manager to Amend Contracts
8124. Contracting Authority of Executive Officers Other Than The General Manager

§ 8120. Indemnification Agreements.

An Executive Officer is authorized to bind the Metropolitan Water District to indemnify, hold harmless, and defend another party whenever the Executive Officer, in their judgment, determines that such commitment will assist the District in carrying out its purposes and functions and such commitment is incidental to an agreement which the Executive Officer is otherwise authorized to execute. Any such agreement shall be subject to approval by the General Counsel.

[FORMER §8109] Res. 7226 - November 13, 1969; Section 451.2.4 renumbered Section 451.26 by M.I. 32690 - April 10, 1979; renumbered Section 451.25 - June 3, 1985. Section 451.25 repealed and Section 8109 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; former Section 8109 renumbered 8120 and the paragraph amended by M.I. 46371 - September 13, 2005; paragraph amended by M.I. 53064 – December 13, 2022.

§ 8121. General Authority of the General Manager to Enter Contracts.

(a) Contracts Over $250,000. - Except as provided in Section 8122, if the amount payable or expected to be paid by the District under the terms of the contract is in excess of $250,000, the contract shall be executed only upon prior approval of the Board, provided that the Board may designate an officer of the District to negotiate and execute classes of contracts without prior approval of the Board.

(b) Contracts of $250,000 or less. – If the amount payable or expected to be paid by the District under the terms of a contract is $250,000 or less the contract may be executed by the General Manager except as provided in Section 8122 or otherwise directed by the Board.

(c) Professional and Technical consultants. – The General Manager may exercise without restriction the contractual powers conferred by Section 8121(b) regardless of subject matter, provided that the amount payable under any one contract for professional and technical services during any one year shall not exceed $250,000.

[FORMER §8117] Professional and Technical Consultants. Section 451.428000 – February 10, 1970; amended and renumbered 451.20 by M.I. 32690 – April 10, 1979; amended by M.I. 33286 – June 10, 1980; paragraph (b) [formerly Sec. 451.20.2] amended by M.I. 34807 – August 17, 1983; paragraph (a) [formerly Sec. 451.20.1] amended by M.I. 35716 – July 9, 1985; paragraph (b) amended by M.I. 35992 – March 11, 1986. Sec. 451.20 repealed and Sec. 8117 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; amended and paragraph (d) repealed by M.I. 39036 – June 11, 1991. Moved to Section 8121 and renumbered paragraph (c) by M.I. 46371 - September 13, 2005.

[FORMER §8115] Negotiated Contracts. Ords. 29, 113, 114 and 136; repealed by Ord. 146; Section 451.15 added, as amended, by M.I. 32690 - April 10, 1979; amended by M.I. 33286 - June 10, 1980; paragraph (d) [formerly Section 451.15.4] added by M.I. 35350 - October 9, 1984; amended by M.I. 35716 - July 9, 1985. Section 451.15 repealed and Section 8115

adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (a) through (d) amended by M.I. 39036 - June 11, 1991; paragraph (d) amended by M.I. 39926 - November 10, 1992; paragraph (b) amended by M.I. 41209 - January 10, 1995; paragraphs (a), (b), (b)(1), (b)(3), (c) and (d) amended by M. I. 44582 – August 20, 2001.

Former Section 8115 renumbered Section 8121 and renamed General Authority of the Chief Executive Officer to Enter Contracts, paragraph (a) amended, paragraph (b) moved to §8122, paragraph (c) renumbered (b) and amended. Former §8117 Professional and Technical Consultants renumbered paragraph (c) and amended. And former §8115 paragraph (d) moved to §8123 by M.I. 46371 - September 13, 2005.

§ 8122. General Manager's Contracting Authority in Specified Circumstances.

(a) Grants and Receipt of Funds. – The General Manager is authorized to negotiate and execute contracts in which the District receives funds of any amount, provided Board approval is not otherwise required.

(b) Emergency Contracts. – In cases of an emergency the General Manager is delegated the authority to waive competitive bid requirements and, notwithstanding Section 8121(a), execute contract over the amount of $250,000 for the construction of works or structures, for the purchase of equipment, materials or supplies, or performance of labor or services and take any directly related and immediate action required by that emergency when such construction, purchase of equipment, materials or supplies is determined by the General Manager to be for an emergency, subject to the following requirements:

(1) The General Manager shall report to the Board not later than 7 days after the emergency action or at its next regularly scheduled meeting if that meeting will occur not later than 14 days after the action, the details of the emergency and reasons justifying the actions taken.

(2) For contracts exceeding the General Manager's authority under Section 8121, at each regularly scheduled meeting following the emergency action, the Board shall determine by four-fifths vote whether there is a need to continue the action or terminate action at the earliest possible date that conditions warrant so that the remainder of the emergency action may be completed through competitive bid procedures.

(3) Such contracts shall not be binding on the District in an amount exceeding $250,000 unless the General Manager obtains ratification of such contract by a four-fifths vote of the Board.

(4) An "emergency," as used herein, means a sudden, unexpected occurrence that requires immediate action to prevent or mitigate the loss or substantial impairment of life, health, property, or essential public services.

(c) Relocation Agreements

(1) The General Manager is authorized to execute any agreement involving an amount not exceeding $500,000 under which the District is to pay the cost of relocation or protection, or both, of facilities owned by others whenever the General Manager deems that such action is necessary to the construction of District facilities.

(2) The General Manager is authorized to issue all appropriate orders necessary to implement any such agreement, and, in the General Manager's discretion, to advance funds therefore.

(3) The General Manager is authorized to execute and to perform any agreement involving an amount not exceeding $500,000 for the relocation or protection, or both, of District-owned facilities to accommodate the improvement of facilities owned by others and to determine whether a deposit shall be made prior to the commencement of work, and if so, in what amount.

(4) The General Manager shall report quarterly to the Engineering, Operations and Technology Committee the General Manager's execution under the authority of this Section of any agreements involving an amount in excess of $100,000.

(5) All such agreements shall be subject to the approval of the General Counsel.

(d) Contracts for Utility Services. - The General Manager is authorized to negotiate and execute contracts for utility services, other than electrical energy for the pumping of Colorado River water, to facilities owned or operated by the District without limitation as to amount.

(e) Power and Transmission Contracts.

(1) General Authorization. - The General Manager is authorized to negotiate and execute contracts of up to 24 months duration from the end of the current month to furnish power or transmission capability to the District or dispose of power or transmission capability available to the District. Such contracts for power or transmission capability may not exceed a total payment obligation of $50 million within any 24-month period unless authorized by the Board.

(2) Reporting. - The General Manager shall report at the next regular meeting of the Board the execution of any contract authorized by this Section 8122(e).

(3) Risk management. – The General Manager shall maintain a risk management policy to provide guidance and management oversight for the purchase of supplemental energy for the Colorado River Aqueduct operations. The risk management policy shall address market and credit risks associated with the purchase of supplemental energy.

(f) Insurance Pertaining to Employees

The General Manager is authorized to negotiate, renegotiate and enter into contracts with various insurance carriers for current plans of coverage or replacement plans of coverage consistent with the system of insurance for various types of employee group insurance plans heretofore approved or to be approved in the future by the Board.

(g) Contracts for Equipment, Materials, Supplies, and Routine Services.

(1) The General Manager may execute contracts for the purchase or lease of operating equipment, regardless of dollar value, which is specifically identified in the

budget provided that the amount of any contract does not exceed 110 percent of the amount identified in the budget for that operating equipment and that sufficient funds are available within the adopted budget.

(2) The General Manager may execute contracts for the purchase of materials, supplies, other consumable items such as fuels, water treatment chemicals, materials for construction projects and other bulk items, and for routine services such as waste disposal and maintenance services, which are generally identified in the budget, regardless of dollar value, provided that sufficient funds are available within the adopted budget for such materials, supplies and routine services.

(3) All contracts under this section shall be awarded after competitive procurement unless otherwise exempted by this Code.

(h) Travel – The General Manager may execute contracts for the handling of District airline ticketing, lodging, automobile rental reservations, and miscellaneous travel-related services.

[FORMER §8120] Insurance Pertaining to Employees. Sec 439.4.1 based on Res. 7537 – September 18, 1973. Sec. 439.4.1 repealed and Sec.8120 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987.
[FORMER §8121] Contracts for Equipment, Materials, Supplies, and Routine Services. M.I. 39036 – June 11, 1991; paragraph (a)(b)(c) added by M.I. 43275 – November 10, 1998; Sec. Title, paragraphs (a) and (b) amended by M.I. 44582 – August 20, 2001.
[FORMER §8118] Contracts in Excess of $250,000 Not Requiring Prior Board Approval. Section 451.3 based on Res. 7163 – April 15, 1969; renumbered Sections 451.19.1 through 451.19.5 by M.I. 32690 – April 10, 1979; renumbered Sections 451.19.1.1 through 451.19.1.5 and paragraph (b) [formerly Section 451.19.2] added by M.I. 35341 – October 9, 1984; paragraph (a)(4) [formerly 451.19.1.4] amended by M.I. 36065 - May 13, 1986. Section 451.19 repealed and Section 8118 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (c) added by M.I. 36681 - June 9, 1987; paragraph (c)(1) amended, paragraphs (c)(2) and (c)(3) added by M.I. 37096 – April 12, 1988; paragraph (a) amended by M.I. 39036 - June 11, 1991; all paragraphs amended by M I. 44582 – August 2001; paragraph (c)(1) amended, paragraph (c)(2) deleted, paragraph (c)(3) renumbered, and new paragraph (c)(3) added by M. I. 45033 – October 8, 2002.

Section 8122 M.I. 46371 - September 13, 2005. Former §8115(a), and Emergency Contracts (b) (1)(2)(3) renumbered, amended and moved to new §8122, Former §8118(a) Relocation Agreements renumbered (c), 8118(b) Contracts for Utility Services renumbered (d), 8118(c)(1)(2)(3) Power & Transmission Contracts renumbered (e)(1)(2)(3) amended and moved to new §8122, Former §8120 renumbered paragraph (f) amended and moved to new §8122, Former §8121(a)(b)(c) renumbered paragraph (g) (1) (2) (3) and amended and moved to new §8122, and Former §8103(k) renumbered (h) and moved to new §8122, by same M.I. 46371 - September 13, 2005; paragraph (c)(4) amended by M.I. 46983 - February 13, 2007; paragraph (c)(4) amended by M.I. 47998 - August 18, 2009; paragraph (e)(1) amended by M.I. 48592 – March 8, 2011 paragraphs (c)(4) and (g)(1)-(g)(2) amended by M.I. 48800 – September 13, 2011; amended paragraphs (b) and (b)(2), and added paragraph (b)(4) by M.I. 51930 – March 10, 2020; paragraph (c)(4) amended by M.I. 53064 – December 13, 2022.

§8123. Authority of the General Manager to Amend Contracts.

(a) The General Manager may authorize change orders for Public Works Contracts awarded pursuant to Section 8142 or Section 8148, or Purchasing Contracts associated with a Public Works Contract, without Board approval to increase the amount payable of the initial contract by the greater of (i) an aggregate amount of $250,000 per contract or (ii) an aggregate amount not to exceed 5 percent of the initial amount of the contract.

(b) The General Manager may authorize change orders for Purchasing Contracts without Board approval to increase the amount payable of the initial contract by an aggregate amount of $250,000 per contract.

(c) Change orders for Professional and Technical Services Contracts may not be executed by the General Manager in an amount that would increase the total payable amount under the initial contract to an amount exceeding $250,000 without prior Board approval.

Former §8115(d) Change Orders – moved to new §8123 renumbered paragraphs (a) and (b) and amended by M.I. 46371 – September 13, 2005; paragraphs (a) and (b) amended by M. I. 46838 – October 10, 2006; deleted former paragraph (a), renumbered and amended paragraph (a), and added new paragraphs (b) and (c) by M.I. 51930 – March 10, 2020; amended paragraph (a) by M.I. 53188 - March 14, 2023.

§8124. Contracting Authority of Executive Officers Other Than The General Manager.

(a) General Counsel – The contracting authority of the General Counsel is as provided in Section 6430 *et seq*.

(b) General Auditor – The contracting authority of the General Auditor is as provided in Section 6450 *et seq*.

(c) Ethics Officer – The contracting authority of the Ethics Office is as provided in Section 6470 *et seq*.

M.I. 46371 - September 13, 2005.

Article 3

AWARD OF CONTRACTS

Sec.
8140. Competitive Procurement
8141. Competitive Sealed Bidding
8142. Public Works Contracting
8143. Specifications and Drawings for Competitive Sealed Bidding
8144. Posting and Advertising for Competitive Sealed Bidding
8145. Evaluation of Bids
8146. Rejection of Bids
8147. Execution
8148. Alternate Project Delivery
8149. Delegation of Hearing Power
8150. Best Value Procurement
8151. Protests

§8140. Competitive Procurement

1. All Purchasing Contracts and Professional and Technical Services Contracts in the amount of $75,000 or more shall be made upon a competitive procurement method of either competitive sealed bidding or best value procurement as provided in this Chapter, except:

(a) Contracts for miscellaneous services, such as telephone, telegraph, light, power and water, where rates or prices are fixed by legislation or by federal, state, county or municipal regulations.

(b) Contracts deemed to be for an emergency under the procedures set forth in §8122(b) and in accordance with Public Contract Code Section 21567.

(c) Contracts executed in lieu of bringing an action in eminent domain, to reimburse an owner for the owner's costs of relocating or protecting facilities affected by District construction projects.

(d) If competitive procurement could not produce an advantage, or it is impracticable to obtain what is required subject to the competitive procurement provisions because of the unique, exploratory, or experimental nature of the work. Prior to award of contract, the General Manager’s designee proposing such contract shall certify that the contract is exempt from competitive procurement and shall set forth in the certificate reasons for that determination.

(e) If, within six months previous to the date of execution of a proposed contract, advertising or posting for identical articles, or articles of the same general character, has failed to secure responsive proposals and, in the opinion of the General Manager, further advertising or posting will not alter this result.

(f) If the purchase is of used equipment which, in the opinion of the General Manager, is satisfactory for the work of the District.

(g) If the contract is with any governmental agency.

(h) Contracts for insurance or for services of a professional, artistic, scientific, or technical character.

(i) Change orders.

(j) Contracts for the handling of District airline ticketing, lodging, automobile rental reservations, and miscellaneous travel-related services.

(k) Contracts to buy or sell non-firm power on an hour-to- hour basis and other contracts of durations up to one year to furnish power or transmission capability to the District or dispose of power or transmission capability available to the District.

(l) Transactions pursuant to contracts secured by other public corporations which, in the opinion of the General Counsel, substantially comply with the competitive procurement requirements of this Chapter.

(m) Procurement of equipment or materials by a design-build entity or construction manager/general contractor pursuant to Section 8148(d)(1).

2. A designated product, material, thing, or service by a specific brand or trade name may be exclusively requested, either as a sole source or for competitive procurement, for any of the following purposes:

(a) If the articles wanted are patented, copyrighted, or otherwise unique.

(b) In order that a field test or experiment may be made to determine the designated product's suitability for future use.

(c) For replacement parts or for equipment where replacement parts or components from another supplier could compromise the safety or reliability of the product, or would void or invalidate a manufacturer’s warranty or guarantee, as set forth in the certificate provided below.

(d) For replacement parts or components of equipment, where parts or components obtained from another supplier, if available, will not perform the same function in the equipment as the part or component to be replaced, as set forth in the certificate provided below.

(e) For upgrades, enhancement or additions to hardware or for enhancements or additions to software, where equipment or software from different manufacturers or developers will not be as compatible as equipment or software from the original manufacturer(s) or developer(s), as set forth in the certificate provided below.

When such an article is to be purchased, the General Manager’s designee preparing the request for bids or proposals shall certify that the particular article will best serve the purpose of the District, and reasons for such conclusion shall be set forth.

[FORMER §8103 Competitive Bids] Ords. 29, 113, 114 and 144; repealed by Ord. 146; Section 451.9 added, as amended, by M.I. 32690 - April 10, 1979; paragraph (j) [formerly Section 451.9.10] amended by M.I. 33286 - June 10, 1980; paragraph

(f) [formerly Section 451.9.6] amended by M.I. 34180 - April 13, 1982; paragraph (g) [formerly Section 451.9.7] amended by M.I. 34493 - December 7, 1982; paragraph (j) amended by M.I. 35350 - October 9, 1984; paragraph (k) [formerly Section 451.25] added by M.I. 34303 - July 13, 1982 and renumbered Section 451.24 - June 3, 1985; paragraph (b) [formerly Section 451.9.2] amended by M.I. 35992 - March 11, 1986. Sections 451.9 and 451.24 repealed and Section 8103 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (l) added by M.I. 36681 - June 9, 1987; paragraph (1) amended by M.I. 37096 - April 12, 1988; amended by M.I. 37575 - March 14, 1989.; paragraphs (b), (f), (g), and (k) amended and paragraph (m) added by M. I. 44582 – August 20, 2001.

Former §8103 renumbered and renamed §8140 Competitive Procurement, paragraphs (b) (d) (e) (k) and (m) amended by M.I. 46371 - September 13, 2005; Numbered the first introductory paragraph as 1, repealed paragraph (d), renumbered paragraphs (e) through (m), added paragraph 2 by M.I. 48877 – November 8, 2011; amended paragraph 1 by M.I. 50322 - December 8, 2015; amended paragraph 1 by M.I. 51930 – March 10, 2020; added paragraph 1.(m) by M.I. 53188 - March 14, 2023.

§8141. Competitive Sealed Bidding.

(a) Except as otherwise provided in Sections 8140 and 8148, all contracts for public works estimated to cost $25,000 or more shall be made upon competitive sealed bidding.

(b) For contracts other than public works contracts and for contracts estimated to cost less than $75,000, the General Manager may prescribe the procedure for contracting, which may include competitive bidding as provided in this Article or as modified in the General Manager’s discretion.

M.I. 46371 - September 13, 2005. Former §8110(c) Contracts Estimated to Cost Less Than $25,000 remembered (b) amended and moved to new §8141 by M. I. 46371 - September 13, 2005; amended paragraph (b) by M.I. 50322 - December 8, 2015; amended paragraph (a) by M.I. 53188 - March 14, 2023.

§8142. Public Works Contracting

(a) As used in this Section 8142, the term "bidders" includes prospective bidders and lower-tier contractors for contracts to be performed for the District.

(b) The notice inviting bids for a Public Works Contract shall provide for the District's right to reject any and all proposals.

(c) The contracting procedure may provide one or more of the following:

(1) That, the General Manager shall determine the responsibility of bidders in advance of receipt of bids and that bidding shall be restricted to bidders determined by the General Manager to be responsible. In determining responsibility, the General Manager may consider:

(i) A bidder's experience in the design, construction, fabrication, assembly, or manufacture of works or materials similar to what will be called for under the contract documents;

(ii) The experience of others with the bidder in the construction, fabrication, assembly, or operation of similar works or materials designed, constructed, fabricated, or assembled by the applicant;

(iii) The physical plant, facilities, and equipment the bidder proposes to employ in the performance of a proposed contract or lower-tier contract;

(iv) The experience and expertise of a bidder's responsible managing personnel, key staff members, and other employees who would be assigned to the work if the bidder were awarded the contract or lower-tier contract;

(v) As to prospective bidders, the extent to which any part of the contract is to be performed by lower-tier contractors or suppliers;

(vi) The financial capability and resources of the bidder to perform the proposed contract or lower-tier contract; and

(vii) Any other factor bearing on the responsibility of a bidder

(2) That, subject to standards to be set forth in the contract documents, each bidder shall submit a technical proposal to the District and the responsiveness to the specifications of such proposal shall be determined by the General Manager in advance of receipt of bids and bidding shall be restricted to bidders determined by the General Manager to have furnished a technical proposal determined by the General Manager to be responsive.

Provisions implementing this Section 8142(c)(2) shall not be included in the contract documents unless the General Manager finds the following conditions to be true:

(i) There are no sufficiently definite or complete specifications or purchase descriptions available to permit free competition without engineering evaluation and discussion of the technical aspects of the procurement;

(ii) Criteria do exist for evaluating technical proposals, such as design, manufacturing, testing, and performance requirements; and special requirements for operational suitability and ease of maintenance; and

(iii) It is expected that more than one technically qualified source will be available, both initially and after technical evaluation.

(3) That, as a condition to submitting a bid or performing a specified portion of the proposed contract, a bidder shall comply with any and all conditions precedent determined by the General Manager to be necessary to enable the bidder to submit a bid to the District or to any other bidder, as the case may be, which takes into account all factors affecting performance of the work or portion of the work to be performed by the bidder.

(4) The General Manager may determine that a bidder is responsible to perform more than one contract for which notices inviting bids are to be posted and advertised after the date of the General Manager's determination. In the event of such prior determination, the General Manager may, at any time thereafter:

(i) Determine that bidder is no longer responsible, or

(ii) Advertise and post additional notices requesting pre-qualification information and determine that additional bidders are responsible to perform contracts subsequent to the contract for which pre-qualification information is initially requested.

(d) In the event that the General Manager determines that (i) a bidder is not responsible or no longer responsible after previously having been determined responsible, (ii) a bidder's proposal is not responsive to the contract documents, or (iii) a bidder has failed to comply with a condition precedent, the General Manager shall set forth the determination in writing together with the reasons therefore and shall serve a copy of the determination and reasons on the bidder or applicant.

[FORMER §8104 Prebid Procedures] Ords. 114, 136 and 144; repealed by Ord. 146; Section 451.3 added by M.I. 32690 - April 10, 1979; [former Section 451.3.6 amended by M.I. 34494 - December 7, 1982; former Section 451.3.5 and 451.3.6 renumbered 451.17.1.1 and 451.17.1.2 and amended by M.I. 36365 - November 18, 1986]; paragraph (e) [formerly Section 451.3.5] amended by M.I. 36365 - November 18, 1986. Section 451.3 repealed and Section 8104 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (d) and (g) amended by M.I. 40004 - January 12, 1993.

Former §8104 renumber and renamed §8142 Prebid Procedures for Competitive Sealed Bidding, paragraphs (a), (c)(2), (c)(4)(i), (d), (e), and (g) amended by M.I. 46371 - September 13, 2005; paragraphs (c)(1)(vii), (d), and (e) amended by M.I. 48877 – November 8, 2011; amended section title, paragraphs (a) – (d), paragraphs (2) – (4), and deleted paragraphs (e) – (g) by M.I. 51930 – March 10, 2020.

§8143. Specifications and Drawings for Competitive Sealed Bidding.

(a) Specifications and necessary drawings for the construction of public works shall be prepared by, or under the direction of, the General Manager or designee responsible for seeing the work performed.

(b) Specifications, including drawings, if any, shall be sufficient to clearly describe the work required to be done, the quality and properties of materials to be furnished, the results and performance required, and the method of payment for the work done and materials and equipment furnished.

[FORMER §8106 Specifications and Drawings] Ords. 113 and 114; repealed by Ord. 146; Section 451.8 added by M.I. 32690 - April 10,1979. Section 451.8 repealed and Section 8106 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; former §8106 renumbered §8143 and renamed, and paragraph (a) amended by M.I. 46371 - September 13, 2005.

§8144. Posting and Advertising for Competitive Sealed Bidding.

(a) General. - No notice inviting bids for any contract required to be let upon competitive bidding shall be posted or advertised unless there is first prepared a complete set of contract documents detailing the terms of the agreement and the work to be performed, which set shall be available to any interested party.

(b) Public Works Contracts Estimated to Cost $25,000 or More. - Whenever a contract required to be let upon competitive bidding is estimated to cost $25,000 or more, a notice inviting bids shall published no less than once within an online bidding platform designated by the General Manager at least five days, exclusive of Saturday, Sunday and holidays, before the time for opening bids; provided, however, that the foregoing requirement shall not apply when bids will be considered only from bidders determined to be pre-qualified or whose technical

proposal is determined to be responsive to the District's specifications, as determined under the procedure set forth in Section 8142.

(c) Other Notices. - A notice requesting pre-qualification information or a notice inviting technical proposals pursuant to Section 8142 shall be posted and advertised in the manner required for the notice inviting bids for the proposed contract for which prospective bidders or prospective lower-tier contractors will be required to be pre-qualified or for which a technical proposal is requested; provided, however, that a notice inviting technical proposals need not be posted or advertised where bidding is restricted to bidders determined to be pre-qualified under the procedure set forth in Section 8142. Posting and advertising shall take place sufficiently in advance of the date of posting and advertising of the notice inviting bids to permit the General Manager to fully evaluate the information submitted in response thereto and to make a determination.

[FORMER §8110 Posting and Advertising] Ords. 23, 113, 114 and 144; repealed by Ord. 146; Section 451.10 added, as amended, by M.I. 32690 - April 10, 1979; paragraphs (b), (c) and (d) [formerly Sections 451.10.2 through 451.10.4] amended by M.I. 34619 - March 8, 1983. Section 451.10 repealed and Section 8110 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (b) and (d) amended, paragraphs (c)(1) and (c)(2) deleted, and paragraph (c)(3) renumbered and amended by M.I. 44582 – August 20, 2001.

Former §8110 renumbered and renamed §8144, paragraph (b) amended, paragraph (c) moved to §8141, and paragraph (d) renumbered (c) and amended by M.I. 46371 - September 13, 2005; amended paragraph (b) by M.I. 51930 – March 10, 2020; amended paragraph (c) by M.I. 53188 - March 14, 2023.

§8145. Evaluation of Bids.

(a) Unless otherwise directed by the Board, the General Manager shall compare all bids received pursuant to any notice inviting bids or other solicitation for compliance with the terms of the notice inviting bids or solicitation and shall determine the lowest responsive, responsible bid of all those received and, when award of contract is to be made by the Board, make a recommendation in writing to the Board.

(b) As permitted by law, the bids may be adjusted as stated in the notice requesting bids to include bid preference in furtherance of the District’s Business Outreach goals.

[FORMER §8111 Evaluation] Ord. 114; repealed by Ord. 146; Section 451.11 added, as amended, by M.I. 32690 - April 10, 1979. Section 451.11 repealed and Section 8111 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; Former §8111 renumber §8145 and renamed, paragraph (a) amended and paragraph (b) added by M.I. 46371 - September 13, 2005.

§8146. Rejection of Bids.

The General Manager may reject all bids received, regardless of amount, but shall, whenever the lowest bid that is rejected is $250,000 or more and the contract is recommended for award to another, report such action in the recommendation to the Board.

[FORMER §8112 Rejection of Bids] Ord. 136; repealed by Ord. 146; Section 451.12 added, as amended, by M.I. 32690 - April 10, 1979; amended by M.I. 33286 - June 10, 1980; amended by M.I. 35716 - July 9, 1985. Section 451.12 repealed and Section 8112 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 39036 - June 11, 1991; amended by M. I. 44582 – August 20, 2001; Former §8112 renumbered §8146 amended by M.I. 46371 - September 13, 2005.

[§8113 – Award. Repealed by M.I. 46371 - September 13, 2005]

§8147. Execution.

After award, all contracts required to be let upon competitive bidding shall be executed on behalf of the District by the General Manager unless otherwise directed by the Board.

[FORMER §8114 Execution.] Ords. 114 and 136; repealed by Ord. 146; Section 451.14 added, as amended, by M.I. 32690 - April 10, 1979. Section 451.14 repealed and Section 8114 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; Former §8114 renumber §8147 by M.I. 46371 - September 13, 2005.

§8148. Alternative Project Delivery

In lieu of the public works procurement process described in Section 8142, the District may utilize the following three alternative project delivery methods for a public works project: design-build, progressive design-build, or construction manager/general contractor.

(a) The design-build procurement process shall proceed as follows:

(1) The District shall prepare documents setting forth the scope and estimated price of the project. The documents shall indicate the size, type, and desired design character of the project and the performance specifications covering the quality of project materials, equipment, workmanship, preliminary plans, or building layouts, along with other information deemed necessary to describe adequately the District's needs.

(2) The District shall issue a request for qualifications containing, at a minimum, the following elements:

i. A thorough description of the project, including an expected cost range and the procurement process to be utilized;

ii. A listing of significant factors that the District will consider in evaluating qualifications, including technical design and construction expertise, as well as the relative importance or weight of each factor; and

iii. A template requiring respondents to demonstrate relevant experience, an acceptable safety record and program, and the necessary licenses, registrations, credentials, financial and bonding capacity, and insurance coverage to complete the project.

(3) The District shall shortlist the respondents meeting the qualification standards established in the request for qualifications.

(4) Based on the documents prepared pursuant to (a)(1) above, the District shall prepare a request for proposals that invites shortlisted entities to submit competitive sealed proposals in the manner prescribed by the District. The request for proposals shall identify the scope of the project and its estimated cost, whether the contract will be awarded on the basis of low bid or best value, significant factors that the District expects to consider in evaluating proposals, and the relative importance or weight assigned to each factor.

(5) For those projects utilizing low bid, the competitive bidding process shall result in lump-sum bids by shortlisted design-build entities, and contract award shall be made to the design-build entity that is the lowest responsible bidder. For those projects utilizing best value, the selection process shall proceed as follows:

i. Competitive proposals shall be evaluated by the criteria specified in the request for proposals, including price, technical design, construction expertise, and life-cycle costs over 15 years or more.

ii. The District may hold discussions or negotiations with respondents utilizing a process described in the request for proposals.

iii. When the District's evaluation is complete, respondents shall be ranked based on a determination of value provided.

iv. Contract award shall be made to the responsible design-build entity whose proposal is determined by the District to offer the best value to the public.

(b) The progressive design-build procurement process shall proceed as follows:

(1) The District shall select a design-build entity based solely on qualifications following the issuance of a request for qualifications containing, at a minimum, the elements listed in subsection (a)(2).

(2) The District may enter into a contract with the most-qualified design-build entity to begin design and preconstruction activities sufficient to establish a guaranteed maximum price for remaining project work.

(3) If the District and the design-build entity agree on a guaranteed maximum price, the District may, at its sole discretion, amend the contract to permit the design-build entity to complete the remaining design, preconstruction, and construction activities necessary to complete the project.

(4) If the costs for completing the remaining design, preconstruction, and construction activities exceed the guaranteed maximum price, the excess costs shall be the responsibility of the design-build entity. If the costs for these activities are less than the guaranteed maximum price, the design-build entity shall not be entitled to the differential between the costs and the guaranteed maximum price unless there is a prior written agreement concerning the sharing of these proceeds.

(5) If the District and the design-build entity do not agree on a guaranteed maximum price, or the District otherwise elects not to amend the contract to complete the remaining work, the District may (i) select another design-build entity to complete all remaining work, (ii) complete the remaining design work utilizing District forces or a design consultant and award a construction contract pursuant to Section 8142, (iii) require the original design-build entity to complete the

remaining design work at a negotiated price and award a construction project pursuant to Section 8142, or (iv) complete all remaining work utilizing District forces.

(c) The construction manager/general contractor procurement process shall proceed as follows:

(1) The District shall select a construction manager based solely on qualifications following the issuance of a request for qualifications containing, at a minimum, the elements listed in subsection (a)(2), and soliciting the following information:

i. Any prior serious or willful violations of the California Occupational Safety and Health Act of 1973 or the federal Occupational Safety and Health Act of 1970, settled against the construction manager or any of its member;

ii. Debarment, disqualification, or removal from a federal, state, or local government public works project, as well as any instance in which a construction manager, or any of its members, submitted a bid on a public works project and was found to be not responsive or not responsible by an awarding body;

iii. Any instance in which the construction manager, or any of its members, defaulted on a construction contract;

iv. Any violations of the Contractors State License Law, excluding alleged violations of federal or state laws including the payment of wages, benefits, apprenticeship requirements, or personal income tax withholding, or of the Federal Insurance Contributions Act withholding requirements against the construction manager, or any of its members;

v. Bankruptcy or receiving by the construction manager, or any of its members, including information concerning any work completed by a surety; and

vi. All settled adverse claims, disputes, or lawsuits between the owner of a public works project and the construction manager, or any of its members, during the five years preceding submission of a bid pursuant to this section, in which the claim, settlement, or judgment exceeds fifty thousand dollars ($50,000).

(2) The District shall enter into negotiations for a contract for preconstruction services with the highest qualified construction manager for each contract identified in the request for qualifications. If the District is unable to negotiate a satisfactory contract with the highest qualified construction manager, the District shall terminate negotiations and undertake negotiations with the next most qualified construction manager in sequence until an agreement is reached or a determination is made to reject all construction managers.

(3) A contract for construction services shall be awarded to the construction manager/general contractor after construction documents have been sufficiently developed and either a fixed price or a guaranteed maximum price has been successfully negotiated. In the event a fixed price or a guaranteed maximum price is not negotiated, the District shall not award the contract for construction services to the construction manager/general contractor and may either award a construction contract pursuant to Section 8142 or complete all remaining work utilizing District forces.

(d) For projects utilizing the progressive design-build or construction manager/general contractor method, the District may elect to do any or all of the following in order to expedite project delivery and/or facilitate contract negotiations:

(1) Permit the design-build entity or construction manager/general contractor to procure equipment or materials prior to the establishment of a fixed price or guaranteed maximum price, provided that the equipment or materials are identified in an existing contract, their cost is within the contract amount, and the design-build entity or construction manager/general contractor utilizes a low bid or best value procurement process as provided in the contract.

(2) Include terms and conditions in the initial contract that pertain to design, preconstruction, or construction activities not covered by the contract amount, provided that the District has the authority to terminate the contract prior to the initiation of such activities if the parties do not negotiate a fixed price or guaranteed maximum price covering the activities or the District elects to terminate the contract for other reasons.

(3) Require the design-build entity or construction manager/general contractor to submit fee proposals for design, preconstruction, or construction activities in response to the request for qualifications, provided that such proposals are not factored into the selection process.

(e) For design-build and progressive design-build projects, the District may identify specific types of subcontractors that shall be listed in the design-build entity's statement of qualifications. Following the award of any contract pursuant to this section, except for those construction subcontractors previously listed in response to a request for qualifications, all construction subcontracts with a value exceeding one-half of one percent of the contract price allocable to construction work shall be awarded either on a best value basis or to the lowest responsible bidder, as determined by the District.

(f) In the event that the General Manager determines that a design-build entity or construction manager/general contractor (i) is not responsible or no longer responsible after previously having been determined responsible, (ii) has submitted a statement of qualifications, proposal, or bid that is not responsive to the contract documents, or (iii) has failed to comply with a condition precedent, the General Manager shall serve a copy of the determination and reasons on the design-build entity or construction manager/general contractor.

§8149. Hearings on Substitution of Subcontractors.

(a) A prime contractor, design-build entity, or construction manager/general contractor may request that the General Manager consent to substitution of a subcontractor listed in the original bid or statement or qualifications or selected pursuant to Section 8148(e) if it believes that the subcontractor is not, or is no longer, a responsible contractor.

(b) Prior to giving consent for a substitution, the General Manager shall give written notice to the listed subcontractor of the prime contractor's, design-build entity's, or construction manager/general contractor's request.

(c) The listed subcontractor shall have five business days to object in writing to the requested substitution and request a hearing. If the subcontractor does not object to the substitution in a timely manner, the General Manager may consent to the requested substitution upon determining that one or more of the nine grounds for substitution listed in Public Contracts Code Section 4107(a) has been established.

(d) If the listed subcontractor objects to the substitution in a timely manner, the General Manager shall give notice of a hearing, conduct the hearing, and issue a decision in accordance with Public Contract Code Section 4107. The decision of the General Manager made pursuant to this section shall be final.

(e) Any power delegated to the General Manager pursuant to this section may be re-delegated by the General Manager to any officer or employee of the District.

[FORMER §8119 Delegation of Hearing Power.] Section 451.17 based on Res. 7656 - December 9, 1975; renumbered Section 451.17.1 through 451.17.3 by M.I. 32690 - April 10, 1979; paragraph (a) renumbered [formerly Sections 451.3.5 and 451.3.6, renumbered 451.17.1.1 and 451.17.1.2] and amended and paragraph (b) renumbered [formerly Sections 451.17.1 through 451.17.3, renumbered 451.17.2.1 through 451.17.2.3] by M.I. 36365 - November 18, 1986. Section 451.17 repealed and Section 8119 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (a)(2) amended by M.I. 39314 - November 19, 1991; paragraphs (a)(1) and (2) deleted and remainder of section renumbered by M.I. 40004 - January 12, 1993; paragraphs (a) and (b) amended by M.I. 41652 - November 14, 1995; Former §8119 renumbered §8148, and paragraph (c) amended by M.I. 46371 - September 13, 2005; Renamed section title, amended paragraphs (a) – (c), and added paragraphs (d) and (e) by M.I. 51930 – March 10, 2020; Renumbered section, and amended paragraphs (a) and (b) by M.I. 53188 - March 14, 2023.

§8150. Best Value Procurement.

(a) Application – Whenever a contract other than a contract for public works is required to be competitively procured, but it is considered impractical or not advantageous to use the competitive sealed bidding method, a contract may be awarded by the best value method of procurement as provided in this Section. The Executive Officer or designee shall determine in writing that the best value method of procurement is practical or advantageous for a particular procurement prior to using this method.

(b) Posting and Advertising – Proposals shall be solicited through a request for proposals which shall be posted and advertised in a manner that provides adequate public notice of the request as determined by the Executive Officer.

(c) Evaluation Factors – The evaluation factors to be used in the determination of award and the numerical weighting for each factor shall be stated in the request for proposals.

(1) Contract cost must be a factor in the determination of the award.

(2) Evaluation factors may be defined to include, but are not limited to, the following:

(i) Operational and other future costs and risks that the District would incur if the proposal is accepted;

(ii) Quality and benefits of the product or service or its technical competency;

(iii) Quality and effectiveness of management approach and controls;

(iv) Qualifications of personnel and management team;

(v) Financial stability of the prospective contractor;

(vi) Past performance and past experience; and

(vii) Furtherance of the District's Business Outreach Program goals.

(d) Evaluation of Proposals

(1) Proposals shall be evaluated on the basis of the criteria stated in the request for proposals and by adhering to the weighting as assigned. Award will be made to the bidder whose proposal is determined to be the most advantageous to the District, except that the Executive Officer may reject all proposals received.

(2) Where the best value proposal is not the lowest price proposal from a responsive, responsible bidder, that selection shall be based on a written determination, applying the criteria provided in the request for proposals, by the Executive Officer or designee that the selected proposal is most advantageous to Metropolitan.

M.I. 46371 - September 13, 2005; amended paragraph (d)(2) by M.I. 51930 – March 10, 2020; Renumbered section by M.I. 53188 - March 14, 2023.

§8151. Protests.

(a) Public Works Contracts. – Within five days after service of the General Manager's determination under Section 8142(d) or 8148(f), or within five days of a bid opening or determination made pursuant to a request for qualification or request for proposals, a bidder or respondent may file a protest with the General Manager pursuant to procedures developed and administered by the Chief Engineer. If the General Manager denies the protest, in whole or in part, the bidder may file a notice of appeal of the protest denial with the Board Executive Secretary within five days of such denial. A hearing on the appeal by the Engineering, Operations and Technology Committee shall be conducted in accordance with Section 2431(b).

(b) Purchasing and Professional and Technical Services Contracts – Within five days after the occurrence of an event subject to a protest under procedures developed and administered by the Contracting Services Manager, a respondent, or potential respondent, to a solicitation may file a protest with the General Manager pursuant to those procedures. Upon the General Manager's final determination on the protest, the respondent, or potential respondent, may file a notice of appeal of the determination with the Board Executive Secretary within five days of such determination. A hearing on the appeal by the Executive Committee shall be conducted in accordance with Section 2416(f)(3).

(c) Any hearing body that conducts a protest hearing pursuant to this section shall give proper notice thereof, receive evidence and rule upon its admissibility, prepare a record of the proceedings, submit a written decision setting forth the bases for the decision, and cause a copy of the decision to be served upon the appellant.

(d) In the event that a decision on a protest is made less than 20 days before the date set for bid opening or submittal of a proposal or statement of qualifications, such opening or submittal shall be postponed to a date not less than 20 days after the date of decision.

(e) There shall be no right to protest an approval or ratification of a contract by the Executive Committee pursuant to Section 2416(f)(1).

(f) Any power delegated to the General Manager pursuant to this section may be re-delegated by the General Manager to any officer or employee of the District.

M.I. 51930 – March 10, 2020; paragraph (a) amended by M.I. 53064 – December 13, 2022; Renumbered section, and amended paragraphs (a) and (d) by M.I. 53188 - March 14, 2023.

Article 4

CONTRACT TERMS AND CONDITIONS

Sec.
8160. Bonds
8161. Non-Discrimination Practices in District Contracts
8162. Payment of Prevailing Wages

§ 8160. Bonds.

(a) Every contract involving in excess of $25,000 for the construction of public works shall be accompanied by a payment bond executed by a corporate surety authorized to do business in California, approved by the General Manager. The payment bond shall contain the provisions required by Title 15 of Part 4 of Division 3 of the Civil Code.

(b) Every contract involving in excess of $100,000 for the construction of public works or for the purchase of equipment, materials or supplies specially made or fabricated to District plans and specifications must be accompanied by a performance bond in an amount fixed by the General Manager and executed by a corporate surety authorized to do business in California, approved by the General Manager, or by a cash guarantee deposit in like amount. The General Manager may require performance bonds for contracts of $100,000 or less.

(c) Bidder's Bond. - Whenever a performance bond is required under Section 8160(b), the General Manager may require bids with respect to such work or purchase to be accompanied by either a certified or cashier's check, or bidder's bond executed by a corporate surety authorized to engage in such business in California, made payable to the District. Such check or bond shall be in an amount not less than specified in the notice inviting bids or, if no amount be so specified, then in an amount not less than 10 percent of the aggregate amount of the bid, and shall guarantee that the successful bidder will enter into a contract with the District on the terms stated in their proposal within the time specified in the contract documents.

[FORMER §8105 Bonds.] Ords. 29, 113, 114, 122 and 130; repealed by Ord. 146; Section 451.7 and Section 451.5 added, as amended, by M.I. 32690 - April 10, 1979; paragraphs (a) and (b) [formerly Sections 451.7.1 and 451.7.2] amended by M.I. 33481 - November 18, 1980. Sections 451.7 and 451.5 repealed and Section 8105 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraphs (a)-(c) amended by M. I. 44582 – August 20, 2001; Former §8105 renumbered §8160 and paragraphs (a) (b) and (c) amended by M.I. 46371 - September 13, 2005; paragraph (c) amended by M.I. 53064 – December 13, 2022.

§ 8161. Non-Discrimination Practices in District Contracts.

The General Manager is authorized to adopt a program to promote equal employment opportunities and non-discrimination practices in all District contracts involving an estimated cost exceeding $25,000.

[FORMER §8107.] Section 451.6 - M.I. 30757 - March 11, 1975; renumbered Section 451.22 by M.I. 32690 - April 10, 1979; renumbered Section 451.21 - June 3, 1985. Section 451.21 repealed and Section 8107 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M. I. 44582 – August 20, 2001; Former §8107 renumbered §8161 by M.I. 46371 - September 13, 2005.

§ 8162. Payment of Prevailing Wages.

If not otherwise required, the General Manager is authorized to include provisions relating to the payment of prevailing wages in service contracts at their discretion.

[FORMER §8108] Section 451.6 - M.I. 30867 - May 13, 1975; renumbered 451.23 by M.I. 32690 - April 10, 1979; renumbered Section 451.22 - June 3, 1985. Section 451.22 repealed and Section 8108 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; Former §8108 renumbered §8162 by M.I. 46371 - September 13, 2005; paragraph amended by M.I. 53064 – December 13, 2022.

Article 5

CONTRACTOR DEBARMENT

Sec.
8170. Definitions
8171. Purpose of Debarment
8172. Bases of Debarment
8173. Initiation of Debarment Actions
8174. Respondent Request for a Hearing
8175. Conduct of the Hearing
8176. Rights of Parties
8177. Evidence
8178. Decision
8179. Early Termination of Debarment

§ 8170. Definitions.

(a) "Affiliate" means one of two entities and/or persons that, directly or indirectly, controls the other or has the power to control the other, or a third person or entity that has the power to control both.

(b) "Civil Judgment" means a decision in a civil action at the trial or appellate level by any court of competent jurisdiction, whether entered by verdict, settlement, stipulation, or any other means that creates a civil liability for the wrongful acts complained of.

(c) "Contractor" means persons, partnerships, corporations, joint ventures and their constituent parties, and other entities, including such entities' officers, principals, employees, and agents, that contract directly or indirectly (e.g. as a subcontractor or through an Affiliate) with, or are seeking to contract with, the District to provide goods and services for, or on behalf of, the District pursuant to this Chapter. Contractor does not include persons, partnerships, corporations, joint ventures, or other entities contracting with the District to provide professional and technical services pursuant to this Chapter.

(d) "Debarment" means an exclusion from bidding in response to a District solicitation for the procurement of goods and services, from being awarded a public work contract pursuant to this Chapter, or from working on a public work contract awarded pursuant to this Chapter.

(e) "Debarring Official" means the Chair of the Board of Directors of the District, who is responsible for establishing debarment proceedings and making final determinations with respect to debarment actions.

(f) "District" means the Metropolitan Water District of Southern California, acting through its Board of Directors or through any officer with powers delegated by the Board of Directors. "Executive Review Panel" means a three-member panel consisting of present members of the Board of Directors designated by the Debarring Official to preside over contractor debarment hearings. Members of the panel shall not have been involved in the

investigation of the grounds for debarment or have a financial interest in the matters giving rise to the debarment action or a financial relationship with the Respondent.

(g) "Ex Parte Communication" means any communication with a decision-maker, whether direct or indirect, oral or written, concerning the merits of a pending proceeding which is made by one party in the absence of the other party.

(h) "Hearing Officer" means a member of the Executive Review Panel designated by the Debarring Official to preside over the debarment proceedings.

(i) "Initiating Official" means the General Manager, or their designee, who is responsible for initiating and prosecuting debarment actions. "Preponderance of the Evidence" means evidence which is of greater weight or more convincing than the evidence offered against it.

(j) "Respondent" means any Contractor that has been served a written notice of proposed debarment pursuant to these regulations.

M.I. 48877 – November 8, 2011; paragraph (i) amended by M.I. 53064 – December 13, 2022.

§ 8171. Purpose of Debarment.

The purpose of debarment from contracting with the District is two-fold: to protect the District and its rate-payers from the financial, legal, and operational consequences of doing business with dishonest, unethical, or otherwise irresponsible contractors and to ensure Contractor compliance with District regulations and generally applicable law. The District shall have the authority to debar a Contractor through the procedures described in this Article.

M.I. 48877 – November 8, 2011.

§ 8172. Bases for Debarment.

The District may debar a Contractor upon a finding of non-responsibility based on one or more of the following:

(a) A criminal conviction of the Contractor in connection with obtaining, attempting to obtain, or performing a public contract or transaction;

(b) A civil judgment involving fraud, the commission of a criminal offense, or a violation of the False Claims Act (California Government Code §§ 12650 et seq.), unfair competition laws, contractor licensing laws, or subcontractor listing laws, in connection with obtaining, attempting to obtain, or performing a public contract or transaction;

(c) A violation by the Contractor of state or federal regulations pertaining to any aspect of the performance of a public contract or transaction resulting in a threat to the health or safety of the contractor's employees, any other persons involved with the contract or transaction, or the general public;

(d) A violation by the Contractor of state or federal antitrust statutes or of any law, regulation, or agreement relating to conflict of interest, including but not limited to price fixing, bid rigging, or bid collusion, with respect to government-funded procurement.

(e) Noncompliance by the Contractor with state or federal laws or regulations pertaining to labor and employment standards, including those involving workplace safety and prevailing wages;

(f) Falsification of any document relating to a bid in response to a District solicitation for the procurement of goods and services or a public work contract entered into pursuant to this Chapter;

(g) Concealment, withholding, and/or destruction by the Contractor of records it is required by law or contract to maintain;

(h) A pattern or practice by the Contractor of false claims, certifications, or statements or fraud in performance or billing;

(i) A pattern or practice by the Contractor of submitting frivolous or overstated contract claims;

(j) A pattern or practice by the Contractor of seeking or knowingly accepting non-public information relating to a solicitation in advance of the District's public disclosure of the information, in violation of the terms of that solicitation and in an attempt to gain a competitive advantage in the District's solicitation process;

(k) Willful failure by the Contractor to perform in accordance with the terms and conditions of one or more public contracts with the District;

(l) Gross negligence by the Contractor in its performance under one or more public contracts with the District; or

(m) Debarment of the Contractor by any other governmental agency.

M.I. 48877 – November 8, 2011.

§ 8173. Initiation of Debarment Actions.

The Initiating Official shall initiate a debarment proceeding by serving upon the Respondent a written notice of proposed debarment by certified mail or personal service. The notice shall include the following:

(a) A statement that debarment is being considered;

(b) A listing of the bases for the proposed debarment, a detailed discussion of the facts underlying each basis, and documentary evidence supporting those facts;

(c) The proposed period of debarment and the proposed effective date;

(d) A statement regarding whether, upon good cause shown, the Respondent shall be temporarily excluded from bidding in response to District solicitations for the procurement of goods and services, pending the outcome of the debarment action;

(e) A statement that the debarment will not become effective until after a hearing if such hearing is requested within thirty (30) days by the Respondent following receipt of the notice; and

(f) A statement that, if no hearing is requested within thirty (30) days following receipt of the notice, an Executive Review Panel shall render a recommended decision to the Debarring Official based on the submissions of the Initiating Officer and the Respondent.

M.I. 48877 – November 8, 2011; amended paragraph (f) by M.I. 50498 – June 14, 2016.

§ 8174. Respondent Request for a Hearing.

(a) The Respondent may file a written response and, if desired, request a hearing before an Executive Review Panel. The written response shall be served within 30 days following receipt of a notice of proposed debarment, and shall include a concise statement admitting, denying, or explaining each of the allegations set forth in the notice. The Respondent may also include copies of any supporting documentary evidence pertinent to the proposed debarment and may also include a request for discovery that concisely identifies information sought from the District. For good cause shown, the Debarring Official shall permit limited discovery within prescribed time limits and /or a supplemental response to the Notice of Proposed Debarment. The written response shall be addressed to the Debarring Official, delivered by certified mail or personal service to the Chair of the Board of Directors, Metropolitan Water District of Southern California, Box 54143, Los Angeles, California 90054-0153. A copy of the written response shall be served upon the Initiating Official by certified mail or personal service at the address indicated on the Initiating Official's Notice of Proposed Debarment.

(b) Not more than 15 days following service of the Respondent's written response, the Initiating Official may submit to the Hearing Officer and the Respondent a reply to the materials submitted by the Respondent in its response to the Notice of Proposed Debarment, and may request a hearing before an Executive Review Panel.

(c) Within 15 days of a timely request seeking a hearing, the Debarring Official shall issue an order granting the request, appointing an Executive Review Panel and a hearing officer, establishing the date, time and location of the hearing, and stating that the hearing will proceed and debarment may result even if the Respondent does not appear. The hearing date shall be no less than 30 days and no more than 60 days from the date of the issuance of the order granting the request for a hearing.

(d) If the Respondent does not serve a timely written response to the Notice of Proposed Debarment, the Executive Review Panel shall render a recommended decision to the Debarring Official based upon the submission of the Initiating Officer within 45 days following service of the Notice of Proposed Debarment on the Contractor. If the Respondent serves a timely written response to the Notice of Proposed Debarment, the Executive Review Panel shall render a recommended decision to the Debarring Official within 30 days after receipt of all timely written submissions, or within 30 days after completion of the scheduled hearing, whichever last occurs.

M.I. 48877 – November 8, 2011.

§ 8175. Conduct of the Hearing.

The Hearing Officer shall have authority to:

(a) Regulate the course of the hearing and the conduct of the parties;

(b) Administer oaths and affirmations;

(c) Receive evidence and examine witnesses;

(d) Rule upon offers of proof, admissibility of evidence, and matters of procedure;

(e) Maintain discipline and decorum and exclude from the hearing any person acting in an indecorous manner;

(f) Render, on behalf of the Executive Review Panel, a final recommended decision to the Debarring Official; and

(g) Take any further action as may be necessary to properly preside over the debarment proceeding and render a final recommended decision.

M.I. 48877 – November 8, 2011.

§ 8176. Rights of Parties.

All parties to the proceeding shall have the right to do any or all of the following:

(a) Present evidence, orally or through the submission of documents, relevant to the issues;

(b) Cross examine opposing witnesses on any matter relevant to the issues;

(c) Impeach any witness irrespective of which party first called the witness to testify; and

(d) Rebut evidence submitted by the other party.

M.I. 48877 – November 8, 2011.

§ 8177. Evidence.

(a) Oral testimony shall be taken only on oath or affirmation.

(b) Evidence presented at the hearing shall be limited to the bases for debarment stated in the Initiating Official's notice of proposed debarment.

(c) The parties shall exchange, and provide copies to the Executive Review Panel, all exhibits each party intends to offer at the hearing (other than exhibits exclusively used for impeachment or rebuttal) and a list of all witnesses to be called at least five (5) days in advance of the hearing.

(d) Unless otherwise ordered by the Hearing Officer, parties must provide the Hearing Officer four (4) copies of all documentary evidence presented at the hearing.

(e) The hearing need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence, including hearsay, shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs. The rules of privilege shall be effective to the same extent that they are recognized in civil actions, and irrelevant and unduly repetitious evidence shall be excluded.

(f) Ex parte communications with the Executive Review Panel and the Debarring Official are prohibited throughout the debarment proceedings.

M.I. 48877 – November 8, 2011.

§ 8178. Decision.

(a) The Executive Review Panel shall review all evidence submitted in the proceeding and determine, by majority vote, whether debarment of the Respondent is appropriate and the period of such debarment. The period of debarment shall not exceed ten (10) years.

(b) The standard of proof to be employed by the Executive Review Panel is Preponderance of the Evidence. The Initiating Official has the burden of proving that one or more bases for debarment exist. If the alleged basis for debarment is a criminal conviction or a Civil Judgment under Section 8172(a) or (b), the Initiating Official's burden will be met by submitting evidence of the criminal conviction or civil judgment.

(c) The Hearing Officer shall, on behalf of the Executive Review Panel and within fifteen (15) days after the conclusion of the hearing, submit a final recommended decision to Debarring Official. Such decision shall include a summary of the evidence, a determination with respect to debarment, and the conclusions underlying the decision.

(d) Within thirty (30) days of receiving the final recommended decision of the Executive Review Panel, the Debarring Official shall review the recommendation and affirm, reject, or modify it. Debarment may only be imposed upon a finding that a (1) cause for debarment exists and (2) debarment is necessary to protect the District's interests. The Debarring Official's decision shall be in writing, signed by the Debarring Official, and transmitted by to the Respondent by certified mail.

(e) The period of debarment shall be based upon (1) the actual or potential harm that resulted or may result from the Contractor's actions or inactions, (2) the frequency, number, and duration of the incidents giving rise to the debarment, and (3) whether the Contractor's conduct involve gross negligence, willful misconduct, or a reckless disregard for the consequences of that conduct.

M.I. 48877 – November 8, 2011.

§ 8179. Early Termination of Debarment

Anytime after two (2) years from the date a Contractor has been debarred from doing business with the District, the Contractor may request to be removed from the list of debarred contractors. The request to terminate debarment must be submitted to the Debarring Official and must detail corrective actions the Contractor has taken to address the conduct leading to its debarment. Evidence of these corrective actions must be submitted with the request and must establish that the corrective actions taken by the Contractor has adequately remedied the problems leading to the debarment and that the Contractor has, since its debarment, satisfactorily performed for other entities the same type of services for which it was originally debarred. Upon receipt of the request to terminate debarment, the Debarring Official shall appoint a three-member panel, consisting of present members of the Board of Directors, to review the request and determine by majority vote if a termination of the debarment is in the best interests of the District. The Debarring Official shall provide the Contractor with written notice of the decision of the panel within sixty (60) days of the receipt of the request to terminate debarment.

M.I. 48877 – November 8, 2011.

Chapter 2

DISTRICT PROPERTY

Article		Sec.
1	General Provisions	8200
2	**Acquisition of Real Property**	**8220**
3	**Management of Real Property**	**8230**
4	**Disposition of Real Property**	**8240**
5	**Disposal of Surplus Personal Property**	**8270**

Article 1

GENERAL PROVISIONS

Sec.
8200. Definitions
8201. Authorization to General Manager
8202. Restriction on District Directors and Employees

§ 8200. Definitions.

As used in this Chapter 2:

(a) Real property means the fee estate in land, including improvements or minerals therein, the fee estate in minerals in land, or any real property interest as defined in Section 8200(b).

(b) Real property interest means the interest created by an easement in, or a lease or license or permit to use, real property.

(c) Personal property means property upon but severed from, or otherwise not affixed to, real property.

(d) Acquisition price means the amount paid by the District for the acquisition of real property.

(e) Disposal price means the amount received by the District for the disposal of District real property.

(f) Annual payment means (1) the amount paid annually by the District for the grant of any real property interest to the District; or (2) the amount received annually by the District for the grant of any real property interest.

(g) Qualified appraiser means a professional appraiser who is either an independent appraiser or an employee of the District, and who has been determined by the General Manager to be qualified to appraise real property after demonstrating to the General Manager's satisfaction a relevant and acceptable combination of training, experience, common sense, professional designation, license, if legally required, and, in the case of an independent appraiser, reputation and availability.

Section 461.1 based on Res. 7313 - January 12, 1971; amended by M.I. 32671 - April 10, 1979 and M.I. 32690 - April 10, 1979; paragraphs (b)(1) through (b)(4) [formerly 461.1.3.1 - 461.1.3.4] amended by M.I. 34433 - October 12, 1982. [Former Section 461.1.1 - repealed by M.I. 35951 - February 11, 1986] Section 461.1 repealed and Section 8200 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36758 - August 18, 1987; paragraph (b)(4) amended by M.I. 39355 - December 10, 1991; former Section 8200 repealed (paragraph (b)(1) became part of Section 8220; paragraph (b)(2), (3) and (4) became part of Section 8221 (a), (b) and (c)) and new Section 8200 adopted by M.I. 39982 - December 8, 1992.

§ 8201. Authorization to General Manager.

The General Manager is authorized to acquire, manage, and dispose of real property on behalf of the District in accordance with Articles 2, 3, and 4, and to dispose of District surplus personal property in accordance with Article 4, of this Chapter 2, or any action by the Board, by documents which shall be approved as to legality by the General Counsel.

Res. 6615 - November 17, 1964. Section 461.3 repealed and Section 8201 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (b) added by M.I. 36758 - August 18, 1987; former Section 8201 repealed (paragraph 8201 (b) became part of new Section 8224) and new Section 8201 adopted by M.I. 39982 - December 8, 1992.

§ 8202. Restriction on District Directors and Employees.

District directors and employees, their spouses and dependent children may not acquire real or personal property owned by the District, or make exchange for any such property, or represent in any manner a prospective lessee, licensee, permittee, or purchaser of, or party seeking to make exchange for, any such property.

M.I. 36758 - August 18, 1987; former Section 8202 amended and renumbered to Section 8226, and new Section 8202 derived and amended from Section 8272 adopted by M.I. 39982 - December 8, 1992.

Article 2

ACQUISITION OF REAL PROPERTY

Sec.
8220. Authority to Procure Options
8221. Authority to Acquire Real Property; Appraisal
8222. Terms and Conditions of Acquisition Documents
8223. Payment of Expenses for Acquisitions
8224. Recordation of Notices of Public Easements
8225. Adoption of Resolutions of Necessity
8226. Relocation Assistance Programs

§ 8220. Authority to Procure Options.

The General Manager is authorized to procure options for the purchase of any real property which the General Manager determines to be required for District purposes at a price not more than the lesser of $250,000 or the appraised market value for an option to purchase contract which shall have been determined by a qualified appraiser who may be either an employee of the District or an independent appraiser.

Section 461.8 based on Res. 6931 - February 14, 1967. Section 461.8 repealed and Section 8220 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; former Section 8220 replaced by Section 8240 and new Section 8220 derived and amended from former Section 8200(b)(1) adopted by M.I. 39982 - December 8, 1992.

§ 8221. Authority to Acquire Real Property; Appraisal.

The General Manager is authorized to acquire any real property which the General Manager determines to be required for District purposes as provided herein:

(a) When the acquisition price or the annual payment therefor is less than $10,000, it shall have been determined by a qualified appraiser to be the fair market value thereof. If the acquisition price, including any option price paid, or annual payment is $10,000 or more but less than $500,000, the real property shall have been appraised prior to acquisition by a qualified appraiser.

(b) If the acquisition price or annual payment for any real property is $500,000 or more, the real property shall have been appraised prior to acquisition by a qualified appraiser who shall be an independent appraiser, and, if deemed appropriate by the General Manager, by a second qualified appraiser.

(c) The acquisition price or annual payment shall not exceed the lesser of 110 percent of or $250,000 over the appraised value of the property established by the single appraisal if only one appraisal is obtained, or by the higher of the two appraisals if two appraisals are obtained, unless otherwise approved by the Board. In addition, if an action has been filed by the District to acquire the property by eminent domain, then either the General Manager, by contract to purchase the property upon payment of the acquisition price as provided above, or the General Counsel, by stipulated judgment in an action to acquire the property upon such payment, may

pay an amount equal to interest thereon that would be required to be paid if the property were otherwise acquired by judgment in condemnation under the California Eminent Domain Law.

(d) If the General Manager recommends adoption by the Board pursuant to Section 8225 of a resolution of necessity to acquire real property by eminent domain, the General Manager shall first make the offer required by law to purchase the real property. Such offer to purchase shall be made for a price not less than the highest appraised value established by appraisal(s) prepared for, and approved by, the General Manager.

(e) In any action in eminent domain filed by the District, or any inverse condemnation action filed against the District alleging a taking of real property, the General Counsel is authorized to acquire the property by stipulated judgment providing for payment of not more than the acquisition price which the General Manager is authorized to pay by Section 8221(c), unless otherwise authorized by the Board, together with interest thereon as provided in Section 8221(c).

(f) The General Manager, and the General Counsel in the event of litigation, is authorized to acquire any remainder, or portion of a remainder, in connection with acquisition of real property for District purposes whenever any appraisal obtained by the District of the required property establishes that the remainder or portion thereof will be left in such size, shape or condition as to be of little market value. The acquisition price of the real property, including the remainder, shall not exceed the limit set forth in paragraph (c) without prior approval by the Board.

(g) The General Manager is authorized pursuant to Government Code Section 27281 to accept deeds or grants of any real property acquired pursuant to this Section 8221 and cause the same to be recorded on behalf of the District.

Section 461.9 based on Res. 4315 - September 15, 1953. Section 461.9 repealed and Section 8221 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; former Section 8221 replaced by new Section 8243 and new Section 8221 derived and amended from former Section 8200 (b)(2), (3) and (4) adopted by M.I. 39982 - December 8, 1992; paragraph (e) amended by M.I. 40174 - April 13, 1993; paragraph (e) amended by M.I. 41633 - November.14, 1995; paragraph (e) amended by M. I. 45943 – October 12, 2004; paragraph (d) amended by M. I. 47286 - November 20, 2007.

§ 8222. Terms and Conditions of Acquisition Documents.

The documents by which any real property is acquired for District purposes shall contain such terms and conditions as the General Manager deems to be reasonable and proper.

Section 461.11 based on Res. 7135 - November 19, 1968; paragraph (b) [formerly Section 416.11.2] amended by M.I. 32690 - April 10, 1979; paragraph (c) [formerly Section 416.11.3] amended by M.I. 34174 - April 13, 1982; paragraph (a) [formerly Section 416.11.1] amended by M.I. 35592 - April 9, 1985; paragraph (a) amended by M.I. 36034 - April 8, 1986.
Section 461.11 repealed and Section 8222 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; former Section 8222 replaced by new Section 8240 and new Section 8222 adopted by M.I. 39982 - December 8, 1992.

§ 8223. Payment of Expenses for Acquisitions.

The General Manager is authorized to pay the following expenses, where applicable, connected with the acquisition of real property, provided that such expenses do not exceed $250,000 for each acquisition:

(a) All fees charged by an escrow holder for services rendered.

(b) The charge made for a reconveyance.

(c) Any premium payable for a policy of title insurance.

(d) The cost of obtaining copies of documents referred to in title reports and records relating thereto.

(e) Any documentary tax lawfully payable by the seller.

(f) Any cost for an independent appraisal ordered by the property owner up to the amount required by, and in accordance with, the provisions of the Eminent Domain Law.

(g) Any other expenses required to eliminate or minimize potential risks or liabilities associated with the acquisition of real property.

Ords. 29, 113 and 124; repealed by Ord. 146; Section 461.12 added, as amended, by M.I. 32690 - April 10, 1979. Section 461.12 repealed and Section 8223 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (a) amended by M.I. 36758 - August 18, 1987; former Section 8223 replaced by new Section 8242 and new Section 8223 adopted by M.I. 39982 - December 8, 1992; new paragraph (f) added and renumbered by M. I. 47286 - November 20, 2007.

§ 8224. Recordation of Notices of Public Easements.

The General Manager is authorized to comply with the Streets and Highway Code in order to cause to be recorded in the name of the District a document in the form of a notice of public easement for District facilities in the event of the vacation of any public street or highway in which the facilities are installed pursuant to Section 142 of the Metropolitan Water District Act.

Section 451.2 based on Res. 7178 - May 13, 1969; amended and renumbered Section 451.18 by M.I. 32690 - April 10, 1979. Section 451.18 repealed and Section 8224 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; former Section 8224 replaced by new Section 8242 and new Section 8224 derived and amended from former Section 8201 (b) by M.I. 39982 - December 8, 1992.

§ 8225. Adoption of Resolutions of Necessity.

The General Manager shall give the notice and the Board of Directors shall hold the hearing required of the Board by Code of Civil Procedure Section 1245.235(c). The hearing shall be attended by not less than a quorum of the Board.

Section 461.17 based on M.I. 22279 - July 24, 1962; renumbered Section 461.18 by M.I. 32690 - April 10, 1979; renumbered Section 461.16 - June 3, 1985. Section 461.16 repealed and Section 8225 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; former Section 8225 replaced by new Section 8242 and new Section 8225 previously Section 8207 (Derivation of Section 8207: Section 461.19 - M.I. 36326 - October 14, 1986. Section 461.19 repealed and Section 8207 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; former Section 8225 replaced by new Section 8242 and new Section 8225 previously Section 8207 adopted by M.I. 39982 - December 8, 1992; paragraphs (a) and (b) amended by M.I. 42193 - December 10, 1996; paragraphs (a) and (b) amended by M.I. 43692 - August 17, 1999; paragraph (a) amended and paragraph (b) deleted by M. I. 44582 – August 20, 2001.

§ 8226. Relocation Assistance Program.

The General Manager is authorized to implement a relocation assistance program, including a relocation assistance appeals procedure where required, in connection with the acquisition of real property, in accordance with Government Code Section 7260 et seq., and California Code of Regulations, Title 25, Article 1, Section 6000, et seq., and Article 5, Section 6150, et seq.

Section 461.18 based on Res. 7002 - August 8, 1967; renumbered Section 461.19 by M.I. 32690 - April 10, 1979; renumbered Section 461.17 - June 3, 1985. Section 461.17 repealed and Section 8226 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36758 - August 18, 1987; former Section 8226 replaced by new Section 8241 and new Section 8226 derived and amended from former Section 8202 adopted by M.I. 39982 - December 8, 1992.

Article 3

MANAGEMENT OF REAL PROPERTY

Sec.
8230. Grants of Real Property Interests
8231. Appraisal of Real Property Interests
8232. Terms and Conditions of Management Documents
8233. Consent to Subdivision

§ 8230. Grants of Real Property Interests.

(a) The General Manager is authorized to grant to public entities, public utilities, private persons and private entities, any real property interests in District real property that will not interfere with the District's operations; provided, however, that: (1) any such grant to a public entity or public utility is required for its operations; (2) the consideration for any one such grant (annual payment in the case of any lease, license or permit) to a private person or private entity is less than $250,000; and (3) if it will be necessary for District facilities to be relocated or protected in order to avoid interference from the use of the real property interest, the General Manager shall obtain approval of a relocation or protection agreement by the Board prior to granting such real property interest, except as to any agreement which the General Manager is authorized to execute pursuant to Section 8122(c).

(b) Prior to granting any authorization to use District real property, the General Manager shall determine that the proposed use shall not damage, delay, hinder, or otherwise obstruct, the safe and effective use, operation or maintenance of the District's rights of way, conveyance, distribution, treatment or other facilities and equipment, or any activities associated with the operation and protection of the District's system. The General Manager shall further determine that the proposed use will be compatible with the District's existing and planned operations, and District objectives related to sustainability, and stewardship of publicly-owned property, rights-of-way, and facilities.

(c) The following real property transactions shall require Board approval: (i) a purchase or sale; (ii) a grant of any interest or partial interest having a duration greater than five years; and (iii) all term extensions having a duration greater than five years.

Section 8240 derived and amended from former Section 8220 and 8222 adopted by M.I. 39982 - December 8, 1992; Section reference 8118(a)(3) amended to read Section 8122(c) by M. I. 46371 – September 15, 2005; former paragraph numbered as paragraph (a), paragraphs (b) and (c) added by M.I. 48766 - August 16, 2011; paragraph (c) amended by M.I. 49187 - September 11, 2012.

§ 8231. Appraisals of Real Property Interests.

(a) The General Manager shall have any real property interest proposed to be granted appraised as follows:

(i) When the value of the property to be granted is less than $10,000, the value shall be based on the opinion of a qualified appraiser;

(ii) When the value of the property to be granted is greater than $10,000, but less than $250,000, the fair market value of the property shall have been appraised by a qualified appraiser;

(iii) When the value of the property to be granted is greater than $250,000, the fair market value of the property shall have been appraised by a qualified appraiser who shall be an independent appraiser, and, if deemed appropriate by the General Manager, by a second qualified appraiser. The grant of any real property interest exceeding $250,000 in fair market value shall require approval of the Board.

(b) The grant of any real property interest by the General Manager shall be at fair market value, as determined by the appraisal, unless the General Manager determines that the grant will directly benefit or enhance the District's interests, operations, facilities, or property. Direct benefit or enhancement is defined as a benefit that increases the value of, or reduces the cost to maintain or operate, the District's real property, water storage, conveyance, and distribution systems, the District's transmission and electrical systems, the District's environmental reserves and mitigation properties, or other interests or activities related to the purposes and authority of the District.

(c) In the event that the grant of any real property interest by the General Manager is to a nonprofit entity, a direct benefit may be shown if the purposes for which the entity promotes, educates, researches, or develops water protection, water conservation, environmental conservation, or other similar purpose. Notwithstanding the foregoing, unless a mutual benefit can be determined, if such nonprofit entity engages in commercial activities on the District's real property under a lease, license, permit or other authorization, the grant shall be conditioned upon payment to Metropolitan of additional consideration based on the proposed use and profitability of the activity to take place on the property.

Section 8241 derived and amended from former Section 8226 adopted by M.I. 39982 - December 8, 1992; Former paragraphs renumbered from (a)-(c) to (i)-(iii), paragraphs (a)- (c) added, paragraph (d) deleted by M.I. 48766 - August 16, 2011.

§ 8232. Terms and Conditions of Management Documents.

Documents conveying real property interests which the General Manager is authorized to grant by this Article 3, shall contain such terms and conditions, as the General Manager deems to be reasonable and proper, but shall include, as a minimum, the following:

(a) Any lease, permit or license to use District real property, other than a lease to a public entity or a public utility or for telecommunication purposes, shall be subject to cancellation upon order of either the Board or the General Manager upon no more than one year's written notice to the lessee, permittee or licensee.

(b) Any lease, permit or license to use District real property shall contain insurance and indemnification, defense, and hold harmless provisions protecting the District against liability arising from use of such property thereunder.

(c) The District may charge reasonable fees, including recovery of administrative and operational costs associated with the processing of documents conveying real property interests.

Section 8242 replaced former Sections 8223, 8224, and 8225, adopted by M.I. 39982 - December 8, 1992; paragraph (a) amended by M.I. 42407 - May, 13, 1997; Paragraph (a) amended by M.I. 43006 - June 9, 1998; Paragraph (a) amended, paragraph (c) added by M.I. 48766 - August 16, 2011.

§ 8233. Consent to Subdivision.

The General Manager is authorized to consent on behalf of the District to the subdivision of real property owned by a subdivider, subject to any easement owned by the District, and to consent to recordation of the subdivision map provided that the certification expressing such consent shall reserve to the District any such easement in the property so subdivided.

Section 8243 derived and amended from former Section 8221 adopted by M.I. 39982 - December 8, 1992.

Article 4

DISPOSITION OF REAL PROPERTY

Sec.
8240. Disposal of Real Property
8241. Public Sale Requirements
8242. Auction of Surplus Real Property by District Staff
8243. Auction by Professional Auctioneers
8244. Open Listing of Surplus Real Property
8245. Exclusive Listing of Surplus Real Property
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8250. Zoning
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8254. Exceptions to Public Sale Requirements
8255. Reservation of Oil, Gas and Mineral Rights
8256. Retention of Oil and Mineral Rights
8257. Quarterly Reports
8258. Statement re Encumbering of Property

§ 8240. Disposal of Real Property.

The General Manager shall establish a procedure for the continuous review of real property owned by the District for the purpose of determining which of such property may be surplus to the District's needs. The General Manager shall report such property to the Board and the Board may declare the property to be surplus land or exempt surplus land, and not necessary for the District's use and subject to disposal consistent with the District's policies and procedures.

(a) The General Manager shall comply with the California Environmental Quality Act and the legal requirements pertaining to the disposition of property in cities or counties which have a general plan. If upon such compliance, any official body objects to the proposed sale, the Board of Directors shall first expressly uphold or reject the objections. There being no objections, or the objections having been rejected, and the appraisal or appraisals having been completed, the General Manager may then sell or lease the surplus property under the provisions of this Article 4.

(b) The General Manager is authorized to pay a real estate commission to the licensed real estate broker that assists with the sale or lease of the surplus real property in an amount not to exceed the prevailing rate in the area in which the sold or leased surplus real property is located, unless a different amount is authorized for specific types of disposal in this Article.

Section 461.10.1 based on Res. 7647 - July 8, 1975. Section 461.10.1 repealed and Section 8240 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36758 - August 18, 1987; amended by M.I. 37311 - September 20, 1988; paragraph (a)(1) amended by M.I. 42193 - December 10, 1996; paragraphs (a), (a)(1), (b) and (c) amended by M. I. 44582 – August 20, 2001; paragraphs (a) (1), (b), and (c) amended by M. I. 46838 – October 10, 2006; paragraphs (a) and (a)(1) amended by M.I.46983 - February 13, 2007; paragraphs (a)(1) amended by M.I. 48534 - January 11, 2011; paragraphs (a) and (a) (1) amended by M.I. 48624 - April 12, 2011; amended section title and opening paragraph, repealed prior paragraphs (a) and (b), renumbered prior paragraph (c) to new paragraph (a), and added new paragraph (b) by M.I. 52335 – April 13, 2021.

§ 8241. Public Sale Requirements.

Prior to the disposal of surplus real property, the General Manager shall send a written notice of availability of such property to entities listed in the state surplus land laws. If after entering into good faith negotiations with those entities, and price or terms cannot be agreed upon in accordance with Government Code Section 54223, the General Manager may dispose of the property by any or all methods provided in this Article, and including, but not limited to the following methods or combination thereof: negotiated sale, exchange, lease or request for proposal.

Section 461.10.1 based on Res. 7647 - July 8, 1975; amended by M.I. 32123 - January 10, 1978; amended by M.I. 33362 - August 19, 1980; amended by M.I. 33479 - November 18, 1980. Section 461.10.2 repealed and Section 8241 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36758 - August 18, 1987; amended by M.I. 52335 – April 13, 2021.

§ 8242. Auction of Surplus Real Property by District Staff.

(a) If the General Manager elects to sell the property by public auction, the General Manager shall do so at such time and place as the General Manager may fix, with or without sealed bids having been first submitted.

(b) Regardless of whether the General Manager determines that the sale shall be at public auction with or without sealed bids, no bid at the auction shall be considered unless the bidder shall, prior to the holding of the auction, deposit with the person designated by the General Manager to conduct such sale an amount of not less than the percentage indicated in Section 8246 of the amount specified in the Notice of Sale as the minimum bid, in cash, cashier's check or check certified by a responsible bank, as a guarantee that the person making the bid will purchase the property under the terms specified in the Notice of Sale. The property shall be sold to the highest responsible bidder and the deposits of all other bidders returned forthwith.

(c) At a public auction with sealed bids, the person designated by the General Manager to conduct such sale shall open the bids submitted first. Thereafter, any responsible person shall be eligible to bid at the auction; provided, however, that any oral bid shall be ignored unless it exceeds by at least 5 percent the highest sealed bid made by a responsible person. No oral bid at such sale not preceded by a sealed bid from the same party shall be considered unless accompanied by a cash deposit, cashier's check or check certified by a responsible bank in an amount of not less than the percentage indicated in Section 8246 of the amount specified in the Notice of Sale as the minimum bid, as a guarantee that the person making the bid will purchase the property upon the terms and conditions specified in the Notice of Sale.

(d) The General Manager shall cause a Notice of Sale to be posted on an online or other marketplace. It shall specify the minimum bid which will be accepted for the property, which shall not be less than 90 percent of the appraised value of the property established by a single

appraisal if only one appraisal is obtained, or by the lower of the two appraisals if two appraisals are obtained, unless otherwise approved by the Board, and shall also state the terms of the sale which shall be in conformity with this Article 4.

Paragraphs (a) and (b) [formerly Sections 461.2.1 through 461.2.2] based on Res. 7499 - May 8, 1973; paragraphs (c) [formerly Section 461.2.3] based on Res. 7626 - February 11, 1975. Section 461.2 repealed and Section 8242 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (d) added by M.I. 36758 - August 18, 1987; amended section title and repealed all prior paragraphs, added new paragraphs (a) – (d) (previous section 8244) by M.I. 52335 – April 13, 2021.

§ 8243. Auction by Professional Auctioneers.

The General Manager may sell the property by using the services of a professional auctioneer and may in connection therewith pay the reasonable expense of advertising the auction, and agree to pay a commission to the auctioneer not in excess of the prevailing rate in the area upon the consummation of the sale.

Section 461.6 based on Res. 6748 - November 9, 1965. Section 461.6 repealed and Section 8243 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (b) amended by M.I. 42193 - December 10, 1996; paragraphs (a) and (b) amended by M. I. 44582 – August 20, 2001; paragraphs (a) and (b) amended by M. I. 46838 – October 10, 2006; paragraph (b) amended by M.I. 46983 - February 13, 2007; paragraph (b) amended by M.I. 48534 - January 11, 2011; paragraph (b) amended by M.I. 48624 - April 12, 2011; repealed prior paragraphs (a) and (b), and added new opening paragraph (previous section 8247) by M.I. 52335 – April 13, 2021.

§ 8244. Open Listing of Surplus Real Property.

If the General Manager elects to sell the property by using the services of licensed real estate brokers, the General Manager shall do so by offering it for sale by advertising in an online or other marketplace that the property is being offered for sale with courtesy to licensed real estate brokers and agents. The initial offer for sale shall be for no less than the highest appraised valuation of the property. The General Manager is authorized to sell the property for the highest price obtainable; provided, however, that the property shall not be sold for less than 90 percent of the appraised value of the property established by a single appraisal if only one appraisal is obtained, or by the lower of two appraisals if two appraisals are obtained, unless otherwise approved by the Board.

Section 461.10.3 based on Res. 7647 - July 8, 1975. Section 461.10.3 repealed and Section 8244 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (c) amended by M.I. 40872 - June 14, 1994; repealed prior paragraphs (a) – (e), added new paragraph (previous section 8245) by M.I. 52335 – April 13, 2021.

§ 8245. Exclusive Listing of Surplus Real Property.

The General Manager may give an exclusive listing to an individual licensed real estate broker; provided, however, that the property shall not be sold for less than 90 percent of the appraised value of the property established by a single appraisal if only one appraisal is obtained, or by the lower of two appraisals if two appraisals are obtained, unless otherwise approved by the Board.

Section 461.10.4 based on Res. 7647 - July 8, 1975. Section 461.10.4 repealed and Section 8245 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 42193 - December 10, 1996; amended by M. I. 44582 – August 20, 2001; amended by M. I. 46838 – October 10, 2006; amended by M.I. 46983 - February 13, 2007; paragraph amended by M.I. 48534 - January 11, 2011; paragraph amended by M.I. 48624 - April 12, 2011; paragraph amended (previous section 8246) by M.I. 52335 – April 13, 2021.

§ 8246. Required Deposit for Sale of Surplus Real Property.

No bid or offer made pursuant to Sections 8242, 8244, and 8245 above shall be considered unless the bidder or offeror deposits with the person designated by the General Manager at least one percentage (1%) of the sales price in cash, cashier's check or check certified by a responsible bank.

Section 461.10.5 based on Res. 7647 - July 8, 1975. Section 461.10.5 repealed and Section 8246 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 42193 - December 10, 1996; amended by M. I. 44582 – August 20, 2001; amended by M. I. 46838 – October 10, 2006; amended by M.I. 46983 - February 13, 2007; paragraph amended by M.I. 48534 - January 11, 2011; paragraph amended by M.I. 48624 - April 12, 2011; paragraph amended (previous section 8248) by M.I. 52335 – April 13, 2021.

§ 8247. Quitclaims.

(a) The General Manager is authorized to quitclaim, in form approved by the General Counsel, any temporary easement or lease to which the District is a party and which has expired by its own terms.

(b) The General Manager is authorized to quitclaim, in form approved by the General Counsel, any temporary easement or lease prior to its expiration

(1) Upon the recording of a Notice of Completion of the construction contract for which the easement or lease was acquired; or

(2) If no such notice has been recorded, then upon the release of the temporary easement area by the contractor in form approved by the General Counsel; provided, however, that if a Notice of Completion has not been recorded, consideration shall be required in such amount as the General Manager deems proper under the circumstances.

(c) The General Manager is authorized to quitclaim, in form approved by the General Counsel, any easement for access to a District facility over adjoining lands at such times as the General Manager may determine that adequate access thereto from a dedicated public street is available.

(d) Notwithstanding any other provisions of Article 4, the General Manager is authorized to quitclaim to the United States of America, in form approved by the General Counsel, any property acquired by the District under and pursuant to the Act of Congress approved June 18, 1932 (47 Stats. 324), when the General Manager determines that the property is no longer required for the District's needs.

Section 461.10.6 based on Res. 7647 - July 8, 1975. Section 461.10.6 repealed and Section 8247 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended section to include paragraphs (a) – (d) (previous section 8242) by M.I. 52335 – April 13,2021.

§ 8248. Disposal of Unnecessary Improvements.

(a) The General Manager is authorized to dispose of, in the manner the General Manager deems to be in the best interest of the District, any improvements that must be removed to make land acquired for District operations suitable for District use.

(b) The General Manager shall report quarterly to the Finance, Affordability, Asset Management, and Efficiency (FAAME) Committee the details of any transactions during the preceding quarter in which an improvement was disposed of in such a manner as to make the improvement available for subsequent use by a party other than the District.

Section 461.10.7 based on Res. 7647 - July 8, 1975. Section 461.10.7 repealed and Section 8248 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M. I. 46838 – October 10, 2006; amended section to include paragraphs (a) and (b) (previous section 8243) by M.I. 52335 – April 13, 2021; paragraph (b) amended by M.I. 53064 – December 13, 2022; paragraph (b) amended by M.I. 53528 – February 13, 2024; paragraph (b) amended by M.I. 53408- March 11, 2025.

§ 8249. Terms for Disposal of Surplus Real Property.

Any sale shall be for cash or on the following minimum terms:

20 percent down payment with balance amortized over 10 years at an interest rate equal to the prevailing rate charged by financial institutions in the area in which the property is located, and to be secured by a deed of trust on the property sold. No prepayment penalty shall be required.

Section 461.10.8 based on Res. 7647 – July 8, 1975. Section 461.10.8 repealed and Section 8249 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended section title by M.I. 52335 – April 13, 2021.

§ 8250. Zoning.

Where the property was appraised on the basis of a different zoning on the property than the existing zoning, the sale may be made contingent upon the bidder or offeror's obtaining a rezoning of the property within a reasonable time to be determined by the General Manager.

Section 461.10.9 based on Res. 7647 – July 8, 1975. Section 461.10.9 repealed and Section 8250 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 8251. Policy of Title Insurance.

The General Manager may furnish the successful bidder or offeror with a policy of title insurance, if possible, and open an escrow to complete the sale, paying the usual seller's charges in connection therewith; provided, however, that if it subsequently develops that the title company is unwilling to issue a policy insuring title to the bidder or offeror in the manner indicated by the General Manager prior to the sale, the General Manager shall not be required to furnish such a policy and the bidder or offeror may cancel the sale; whereupon money previously deposited shall be refunded promptly and there shall be no further obligation on the part of either the bidder or offeror or the General Manager in connection with the sale; provided, further, that if under such circumstances the bidder or offeror elects not to cancel the transaction, the General Manager shall furnish such title insurance as the title company will then issue, and shall be released from liability on any representation relating to title theretofore made and not covered by the title insurance policy.

Section 461.10.10 based on Res. 7647 – July 8, 1975. Section 461.10.10 repealed and Section 8251 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 52335 – April 13, 2021.

§ 8252. Completion of Sale.

Execution and Delivery of Deed -- The General Manager shall apply the deposit made by the successful bidder, or offeror, on the purchase price or down payment if the sale is on terms, and, upon completion of the sale either directly or through an escrow, the General Manager is authorized to execute and deliver on behalf of the District a grant deed conveying the property to such bidder or offeror. In the case of a sale for cash (1) without an escrow, the successful bidder or offeror must pay the balance of the purchase price to the General Manager within thirty days after the auction or acceptance of the offer or (2) with an escrow, upon the closing thereof; provided, however, that the General Manager may give the successful bidder or offeror extensions of time in which to make the payment.

Section 461.10.11 based on Res. 7647 – July 8, 1975. Section 461.10.11 repealed and Section 8252 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 8253. Forfeiture of Deposits.

Any deposit made by a successful bidder or offeror shall be retained by the District as liquidated damages if the bidder or offeror shall fail to complete the purchase in accordance with the terms and conditions of the Notice of Sale or offer. If there is such failure, a licensed real estate broker, may be paid as a commission, an amount not to exceed one-half of the deposit so retained after deducting title and escrow expenses, if any; but in no event shall it exceed the commission which the broker would have received in the absence of such failure. If the successful bidder or offeror does not complete the sale as required by this Article 4 the property may be sold to the next highest bidder or offeror who wishes to buy.

Section 461.10.12 based on Res. 7647 - July 8, 1975. Section 461.10.12 repealed and Section 8253 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 8254. Exceptions to Public Sale Requirements.

The requirements of Sections 8241 above do not apply to the disposal of exempt surplus land as defined in Government Code Section 54220 et seq. and in the case of:

(a) A sale of real property or interest therein to the United States, the State, the County or any city, school district, flood control, or other special district within the State; any such sale shall be for the fair market value as determined by the General Manager after review of any or all appraisals of the property.

(b) A sale to an adjoining property owner when the General Manager determines that the particular parcel is probably incapable of being developed independently.

(c) With respect to sales under Sections 8254(b) and 8254(c), the General Manager shall make a determination of the reasonable amount for which the property shall be sold.

Section 461.10.13 based on Res. 7647 – July 8, 1975; paragraphs (a) and (b) [formerly Sections 461.10.13.1 and 461.10.13.2] amended by M.I. 33479 – November 18, 1980]. Section 461.10.13 repealed and Section 8254 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended opening paragraph, deleted former paragraph (b) and renumbered former paragraphs (c) and (d) by M.I. 52335 – April 13, 2021.

§ 8255. Reservation of Oil, Gas and Mineral Rights.

The right to extract all oil, gas hydrocarbons or other minerals without the right of surface entry for the development thereof, shall be reserved in the sale of any real property under the provisions of this Article 4 provided, however, that there shall be no such extraction within 500 feet of the surface.

Section 461.10.14 based on Res. 7647 – July 8, 1975. Section 461.10.14 repealed and Section 8255 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M. I. 44582 – August 20, 2001.

§ 8256. Retention of Oil and Mineral Rights.

It shall be the general policy that oil and mineral rights shall be retained on any real property sold by the District.

Section 461.16 - M.I. 21432 - May 23, 1961; renumbered Section 461.17 by M.I. 32690 - April 10, 1979; renumbered Section 461.15 - June 3, 1985. Section 461.15 repealed and Section 8256 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 52335 – April 13, 2021.

§ 8257. Quarterly Reports.

The General Manager shall report to the FAAME Committee quarterly on any real property sold pursuant to this Article.

Section 461.10.15 based on Res. 7647 - July 8, 1975. Section 461.10.15 repealed and Section 8257 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 42193 - December 10, 1996; amended by M. I. 44582 – August 20, 2001; amended by M. I. 46838 – October 10, 2006; amended by M.I. 46983 - February 13, 2007; paragraph amended by M.I. 48534 - January 11, 2011; paragraph amended by M.I. 48624 - April 12, 2011; amended by M.I. 52335 – April 13, 2021; paragraph amended by M.I. 53064 – December 13, 2022; paragraph amended by M.I. 53528 – February 13, 2024; paragraph amended by M.I. 53408- March 11, 2025.

§ 8258. Statement regarding Encumbering of Property.

The General Manager shall incorporate in letter of recommendation involving the disposal or the encumbering of property or rights of the District a statement declaring that the property or rights will not be required by the District nor adversely affect its operations.

Section 461.13 - M.I. 11000 – January 24, 1947; renumbered Section 461.14 by M.I. 32690 – April 10, 1979. Section 461.14 repealed and Section 8258 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended section title by M.I. 52335 – April 13, 2021.

Article 5

DISPOSAL OF SURPLUS PERSONAL PROPERTY

Sec.
8270. Disposal of Excavated Materials
8271. Disposal of Surplus Personal Property
8272. Acceptable Bidders on Disposal of Surplus Property

§ 8270. Disposal of Excavated Materials.

The General Manager is authorized to dispose of surplus excavated materials, or other materials, from Metropolitan's construction projects, with or without monetary consideration, in a manner to accomplish the purposes herein recited and determined by them best to serve the interests of Metropolitan.

Section 501.2 based on Res. 6825 - May 10, 1966. Section 501.2 repealed and Section 8270 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 53064 – December 13, 2022.

§ 8271. Disposal of Surplus Personal Property.

Any personal property belonging to the District and which, in the opinion of the General Manager, is no longer required for the use of the District may be sold, or exchanged as part payment for the purchase of new equipment of like kind and nature, such sale or exchange to be made under such procedure, at such prices and upon such terms and conditions, as the General Manager may prescribe.

Ords. 38 and 113; repealed by Ord. 146; Section 501.10 added, as amended, by M.I. 32690 - April 10, 1979; renumbered Section 501.8 - June 3, 1985. Section 501.8 repealed and Section 8271 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 8272. Acceptable Bidders on Disposal of Surplus Personal Property.

District directors and employees, their spouses and dependent children may not make exchange for or purchase surplus personal property from the District under any terms and conditions for the disposal of surplus personal property prescribed by the General Manager under the authority delegated to them by Section 8271.

Section 461.20 - M.I. 32123 - January 10, 1978; amended and renumbered by M.I. 32690 - April 10, 1979; renumbered Section 461.18 - June 3, 1985. Section 461.18 repealed and Section 8272 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 53064 – December 13, 2022.

Chapter 3

BUSINESS OUTREACH

Sec.
8300. Statement of Policy
8301. General Manager's Responsibility to Implement Business Outreach Policy

§ 8300. Statement of Policy.

(a) The Metropolitan Water District of Southern is committed to create an environment which affords all individuals open access to the business opportunities available within the regional service area in a manner that reflects the diversity of its service area.

(b) Therefore, it is the policy of the District to solicit participation in the performance of all construction, professional services, procurement contracts, supplies, and equipment procured by the District by all individuals and businesses, including but not limited to small business, locally owned businesses, women minorities, and economically disadvantaged business enterprises.

M.I. 39828 - September 15, 1992; original paragraph deleted and paragraphs (a) and (b) added by M. I. 44582 – August 20, 2001.

§ 8301. General Manager's Responsibility to Implement Business Outreach Policy.

The General Manager shall establish, direct and monitor a detailed program implementing the Business Outreach Policy herein expressed and shall take appropriate steps to cause all personnel within the organization to abide by and affirmatively support said policy.

M.I. 39828 - September 15, 1992; amended by M. I. 44582 – August 20, 2001.

Division IX

RISK MANAGEMENT AND CLAIMS

Chapter		Sec.
1	Risk Management	9100
[2	Repealed. See Section 6433	9200]
3	Claims by Local Public Entities	9300

Chapter 1

RISK MANAGEMENT

Sec.
9100. Objectives
9101. Risk Retention and Procurements of Insurance

§ 9100. Objectives.

The District's policy with respect to management of risks of loss shall have as its objectives, to the extent physically and financially practicable:

(a) The establishment and maintenance of a suitable work and service environment in which District personnel and the public can enjoy safety and security in the course of their daily pursuits.

(b) The security and preservation of District assets and service capabilities from loss, destruction, or depletion.

Section 335.1 - M.I. 33858 - August 19, 1981. Section 335.1 repealed and Section 9100 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 9101. Risk Retention and Procurements of Insurance.

(a) To the extent risks of loss involving a combination of District property damage and third party claims exceed the reserves for emergency repairs and claims prescribed by Section 5201 of this Code, the District policy shall be to procure insurance for such losses to the extent it determines insurance is available at a reasonable cost.

(b) With respect to other risks of loss, the District policy shall be to self-insure in whole or in part as the best interests of the District warrant.

(c) To the extent practicable and financially feasible, the District shall transfer risks to third parties through appropriate contractual provisions.

Section 335.2 - M.I. 33858 - August 19, 1981. Section 335.2 repealed and Section 9101 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 38304 - June 12, 1990; amended paragraph (a) by M.I. 50155 - June 9, 2015.

Chapter 2

LITIGATION AND RELATED MATTERS

Sec.

[9200. Repealed. See Section 6433]
[9201. Repealed. See Section 6434]
[9202. Repealed. See Section 6435]

[Sections 9200 - 9202 repealed by M.I. 41615 - October 10, 1995.]

Chapter 3

CLAIMS BY LOCAL PUBLIC ENTITIES

Sec.
9300. Definition
9301. Necessity of Claim
9302. Contents of Claim
9303. Notice of Insufficiency of Claim
9304. Waiver of Defects in Claim
9305. Presentation of Claim to District
9306. Time for Presentation of Claims
9307. Grant or Denial of Application by Board
9308. Notice of Claim
9309. Contract Procedure for Presenting Claims
9310. Application of Chapter

§ 9300. Definition.

As used in this chapter, "local public entity" includes any county or city and any district, local authority or other political subdivision of the State but does not include the State or any office, officer, department, division, bureau, board, commission or agency thereof, claims against which are paid by warrants drawn by the Controller of the State of California. "Local public entity" shall include any chartered county, chartered city and county, and chartered city.

Based on former Section 481.4, Ords. 95, 113 and 122; repealed by Ord. 146; added, as amended, by M.I. 32690 - April 10, 1979; repealed and reenacted as Chapter 482, M.I. 33494 - November 18, 1980. Section 482.1 repealed and Section 9300 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 9301. Necessity of Claim.

No suit for money or damages shall be brought against the District by or on behalf of any local public entity on a cause of action until a written claim therefor has been presented in conformity with the provisions of this chapter.

Based on former Section 481.4, Ords. 95, 113 and 122; repealed by Ord. 146; added, as amended, by M.I. 32690 - April 10, 1979; repealed and reenacted as Chapter 482, M.I. 33494 - November 18, 1980. Section 482.2 repealed and Section 9301 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 9302. Contents of Claim.

A claim shall be presented by the local public entity and shall show:

(a) The name and post office address of the local public entity;

(b) The post office address to which the local public entity presenting the claim desires notices to sent;

(c) The date, place and other circumstances of the occurrence or transaction which gave rise to the claim asserted;

(d) A general description of the indebtedness, obligation, injury, damage or loss incurred so far as it may be known at the time of the presentation of the claim; and

(e) The amount claimed as of the date of presentation of the claim, together with the basis of computation thereof. The claim shall be signed by a duly authorized officer on behalf of the local public entity. A claim may be amended at any time, and the amendment shall be considered a part of the original claim for all purposes.

Based on former Section 481.4, Ords. 95, 113 and 122; repealed by Ord. 146; added, as amended, by M.I. 32690 - April 10, 1979; repealed and reenacted as Chapter 482, M.I. 33494 - November 18, 1980. Section 482.3 repealed and Section 9302 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 9303. Notice of Insufficiency of Claim.

(a) If in the opinion of the Board a claim as presented fails to comply substantially with the requirements of Section 9302 the Board may, at any time within 20 days after the claim is presented, give written notice of its insufficiency, stating with particularity the defects or omissions therein.

(b) Such notice may be given by mailing it to the address, if any, stated in the claim as the address to which the local public entity presenting the claim desires notices to be sent. If no such address is stated in the claim the notice may be mailed to the address, if any, of the local public entity as stated in the claim.

(c) The Board will not take action on the claim for a period of 20 days after such notice is given. A failure or refusal to amend the claim shall not constitute a defense to any action brought upon the cause of action for which the claim was presented if the court finds that the claim as presented complied substantially with Section 9302.

Based on former Section 481.4, Ords. 95, 113 and 122; repealed by Ord. 146; added, as amended, by M.I. 32690 - April 10, 1979; repealed and reenacted as Chapter 482, M.I. 33494 - November 18, 1980. Section 482.4 repealed and Section 9303 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 9304. Waiver of Defects in Claim.

Any defense based upon a defect or omission in a claim as presented is waived by failure of the Board to mail notice of insufficiency with respect to such defect or omission as provided in Section 9303.

Based on former Section 481.4, Ords. 95, 113 and 122; repealed by Ord. 146; added, as amended, by M.I. 32690 - April 10, 1979; repealed and reenacted as Chapter 482, M.I. 33494 - November 18, 1980. Section 482.5 repealed and Section 9304 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 9305. Presentation of Claim to District.

A claim may be presented to the District (1) by delivering the claim to the Secretary of the Board or the Board Executive Secretary within the time prescribed by Section 9306 or (2) by mailing the claim to such Secretary or Board Executive Secretary or to the Board at its principal office not later than the last day of such period. A claim shall be deemed to have been presented in compliance with this section even though it is not delivered or mailed as provided herein if it is actually received by the Secretary or Board Executive Secretary or Board within the time prescribed.

Based on former Section 481.4, Ords. 95, 113 and 122; repealed by Ord. 146; added, as amended, by M.I. 32690 - April 10, 1979; repealed and reenacted as Chapter 482, M.I. 33494 - November 18, 1980. Section 482.6 repealed and Section 9305 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 9306. Time for Presentation of Claims.

(a) A claim relating to a cause of action for death or for physical injury to the person or to personal property or growing crops shall be presented as provided in Section 9305 not later than six months after the accrual of the cause of action. A claim relating to any other cause of action shall be presented as provided in Section 9305 not later than one year after the accrual of the cause of action.

(b) For the purpose of computing the time limit prescribed by this section, the date of accrual of a cause of action to which a claim relates is the date upon which the cause of action accrued within the meaning of the applicable statute of limitations.

Based on former Section 481.4, Ords. 95, 113 and 122; repealed by Ord. 146; added, as amended, by M.I. 32690 - April 10, 1979; repealed and reenacted as Chapter 482, M.I. 33494 - November 18, 1980. Section 482.7 repealed and Section 9306 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (a) amended by M.I. 40976 - August 19, 1994.

§ 9307. Grant or Denial of Application by Board.

(a) The Board shall grant or deny the application within 45 days after it is presented to the Board. If the Board does not act upon the application within 45 days after the application is presented, the application shall be deemed to have been denied on the 45th day.

(b) If the Board acts on a claim, it will do so in one of the following ways:

(1) If the Board finds that the claim is not a proper charge against the District, it shall reject the claim;

(2) If the Board finds the claim is a proper charge against the District and is for an amount justly due, it shall allow the claim;

(3) If the Board finds the claim is a proper charge against the District but is for an amount greater than is justly due, it shall either reject the claim or allow it in the amount justly due and reject it as to the balance. If the Board allows the claim in part and rejects it in part it may require the local public entity if it accepts the amount allowed, to accept it in settlement of the entire claim.

Based on former Section 481.4, Ords. 95, 113 and 122; repealed by Ord. 146; added, as amended, by M.I. 32690 - April 10, 1979; repealed and reenacted as Chapter 482, M.I. 33494 - November 18, 1980. Section 482.8 repealed and Section 9307 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 9308. Notice of Claim.

Written notice of the action taken under Section 9307(b) or the inaction which is deemed rejection under Section 9307(a) shall be given in writing by the General Manager or General Counsel to the local public entity which presented the claim.

Based on former Section 481.4, Ords. 95, 113 and 122; repealed by Ord. 146; added, as amended, by M.I. 32690 - April 10, 1979; repealed and reenacted as Chapter 482, M.I. 33494 - November 18, 1980; amended by M.I. 35592 - April 9, 1985. Section 482.9 repealed and Section 9208 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 9309. Contract Procedure for Presenting Claims.

The Board may include in any written agreement to which the District and other local public entities are parties provisions governing the presentation, by or on behalf of such local public entities, of any or all claims arising out of or related to the agreement and the consideration and payment of such claims. The written agreement may incorporate by reference the claim provisions set forth in this chapter. A claims proceeding established by an agreement made pursuant to the section exclusively governs the claims to which it relates. This chapter does not apply to any agreement to which the District is a party, which was executed or which became effective prior to September 20, 1962.

Based on former Section 481.4, Ords. 95, 113 and 122; repealed by Ord. 146; added, as amended, by M.I. 32690 - April 10, 1979; repealed and re-enacted as Chapter 482, M.I. 33494 - November 18, 1980. Section 482.10 repealed and Section 9309 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

§ 9310. Application of Chapter.

This Chapter 3 applies only to claims relating to causes of action which have accrued subsequent to September 20, 1962.

Based on former Section 481.4, Ords. 95, 113 and 122; repealed by Ord. 146; added, as amended, by M.I. 32690 - April 10, 1979; repealed and re-enacted as Chapter 482, M.I. 33494 - November 18, 1980. Section 482.11 repealed and Section 9310 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

Division X

RECORDS

Chapter		Sec.
1	Retention and Disposition of Records	10100
2	**Inspection of Records**	**10200**

Chapter 1

RETENTION AND DISPOSITION OF RECORDS

Sec.	
10100.	Retention and Disposition of Records
[10101.	**Repealed]**
[10102.	**Repealed]**
[10103.	**Repealed]**
10104.	**Custodian of Records**
[10105.	**Repealed]**
10106	**Media Type**

§ 10100. Retention and Disposition of Records.

The General Manager, acting in concert with the other department heads, shall have a Metropolitan Water District Records Retention Schedule prepared which shall govern the retention and disposition periods for all official District records. This Schedule shall be in compliance with the guidelines provided by the Secretary of State, and shall be reviewed at least annually and updated periodically as required or deemed necessary by executive management. Preliminary drafts (including notes, working papers, memoranda and other documents) accumulated in preparation of an official District record shall be destroyed when the record is prepared in final form, adopted or otherwise formalized, unless the preliminary draft or related documents have significant and lasting historical, administrative, engineering, legal, audit or fiscal research value.

Res. 7490 – April 10, 1973. Section 341.1 repealed and Section 10100 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; title amended by M.I. 36567 - April 14, 1987; amended by M.I. 42237 - January 14, 1997; amended by M. I. 46838 – October 10, 2006.

[§ 10101. Repealed -

Res. 7490 - April 10, 1973. Section 341.2 repealed and Section 10101 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (e) amended to include former Section 10108 (formerly Section 341.9 repealed and Section 10108 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987) by M.I. 36567 - April 14, 1987; paragraph (e) amended and renumbered to (f) and a new paragraph (e) added by M.I. 37492 - January 10, 1989; repealed by M.I. 42237 - January 14, 1997.]

[§ 10102. Repealed -.

Res. 7490 - April 10, 1973. Section 341.3 repealed and Section 10102 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; paragraph (a) formerly Section 10103 (Section 341.4 - Res. 7490 - April 10, 1973; Section 341.4 repealed and Section 10103 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987) renumbered and amended, paragraph (d) formerly Section 10102(a) renumbered and amended, paragraph (e) formerly Section 10102(d) renumbered and amended by M.I. 36567 - April 14, 1987; repealed by M.I. 42237 - January 14, 1997.]

[§ 10103. Repealed -

Previous Section 10103 renumbered Section 10102(a); Section 10103 - Res. 7490 - April 10, 1973; paragraphs (a) [formerly Section 341.5 repealed and Section 10104 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987], (b)(i) - (iii) [formerly Section 341.6 amended by M.I. 32690 - April 10, 1979, repealed and Section 10105 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987], paragraph (b)(iv) [formerly Section 341.7 repealed and Section 10106 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987], paragraph (c)(i) - (ii) [formerly Section 341.10 repealed and Section 10109 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987], paragraph (c)(iii) and (iv) [formerly Section 341.11 amended by M.I. 32690 - April 10, 1979, Section 341.11 repealed and Section 10110 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987], and paragraph (d) [formerly Section 341.8 repealed and Section 10107 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987] renumbered and amended by M.I. 36567 - April 14, 1987; par. (a) amended and renumbered to (b) and a new par. (a) added, par. (b) renumbered to par. (c), par. (b)(i) deleted and par. (b)(ii) amended and renumbered to par. (c)(i), par. (b)(iii) renumbered to par. (c)(ii), par. (b)(iv) renumbered to par. (c)(iii), pars. (c), (c)(i) through (c)(iv) renumbered to pars. (d), (d)(i) through (d)(iv), and finally par. (d)(i) amended and renumbered to par. (e) and par. (d)(ii) deleted by M.I. 39472 - January 10, 1989; paragraph (b) amended by M.I. 39314 - November 19, 1991; repealed by M.I. 42237 - January 14, 1997.]

§ 10104. Custodian of Records.

Each Department Head shall be the custodian for official District records under their department's responsibility and control. The Department Head shall ensure that classes of records under their responsibility and control are periodically disposed of in accordance with the provisions of the Metropolitan Water District Records Retention Schedule.

Ord. 130; repealed by Ord. 146; Section 341.12 added, as amended, by M.I. 32690 - April 10, 1979. Section 341.12 repealed and Section 10111 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered Section 10104 and amended by M.I. 36567 - April 14, 1987; amended by M.I. 42237 - January 14, 1997; amended by M.I. 53064 – December 13, 2022.

[§ 10105. Repealed -

M.I. 39314 - November 19, 1991; repealed by M.I. 42237- January 14, 1997.]

§ 10106. Media Type.

Each Department Head shall determine the records media type (paper, microform, electronic, etc.) for retention purposes for official District records under their department's responsibility and control. Any written records which are converted to an alternative storage media, in accordance with the requirements in California Government Code Section 60203, may be subject to destruction. Each official record shall be stored in only one media type, unless designated vital or historical. Records designated vital shall be retained in their original form and historical records shall be retained in paper form.

M.I. 42237 - January 14, 1997; amended by M.I. 53064 – December 13, 2022.

Chapter 2

INSPECTION OF RECORDS

Sec.
10200. General
10201. Procedure for Responding to Inspection Request
10202. Assistance to Public and Fees
10203. Search for Records and Restriction on Access
10204. Time and Place of Access to Records

§ 10200. General.

District records shall be made available to the public according to the procedures and requirements of the California Public Records Act (Government Code Section 7920.000 et seq.) Any executive employee, officer, or director having possession of District records shall make all of said records freely available to the public upon request, unless the records are exempt from disclosure under the California Public Records Act.

Res. 7491 - April 10, 1973; Sections 342.1 through 342.1.7 renumbered 342.1.1 through 342.1.8 by M.I. 34112 - February 9, 1982; paragraph (h) [formerly Section 342.1.9] added by M.I. 34461 - November 9, 1982. Section 342.1 repealed and Section 10200 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended opening paragraph, and deleted paragraphs (a) –(h) by M.I. 50155 - June 9, 2015; amended by *M.I. ____ (*M.I. to be Determined)- July 8, 2025.

§ 10201. Procedure for Responding to Inspection Request.

The responsible executive officer shall respond, on behalf of Metropolitan, to a California Public Records Act Request in accordance with the law, including the initial response as to whether the request in whole or in part seeks disclosable records.

Section 342.2 - M.I. 34112 - February 9, 1982. Section 342.2 repealed and Section 10201 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; deleted numbering from opening paragraph, deleted paragraph (b) by M.I. 50155 - June 9, 2015; amended by M.I. 53064 – December 13, 2022; amended by *M.I. ____ (*M.I. to be Determined)- July 8, 2025.

[§ 10202. Repealed

Res. 7491 – April 10, 1973; Section 342.2 renumbered 342.3 by M.I. 34112 – February 9, 1982. Section 342.3 repealed and Section 10202 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; repealed by M.I. 50155 - June 9, 2015.

§ 10202. Assistance to Public and Fees.

Any person requesting examination of records under the provisions of the California Public Records Act shall be assisted in locating them by a designated employee of the executive officer whose records are involved. Records may not be removed by the inspecting person from the designated inspection area without the express written permission of the executive officer responsible for the records. The executive officers shall not permit removal of records which are required to be filed and preserved pursuant to state statute and records necessary to an audit by the Controller or the District's auditors. No charges shall be made to any person, or public or

private entity for retrieval of records. The General Manager may establish reasonable fees to cover duplication costs, which may include staff time expended to make the requested copies.

Res. 7491 – April 10, 1973; Section 342.3 renumbered 342.4 by M.I. 34112 – February 9, 1982. Section 342.4 repealed and Section 10203 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 39314 - November 19, 1991; renumbered Section 10203 to 10202 by M.I. 50155 - June 9, 2015.

§ 10203. Search for Records and Restriction on Access.

A reasonable effort shall be made to locate requested records. If the records are located but restrictions on their access for public inspection are imposed, the requesting person is to be advised in writing of the reasons for the restrictions, and, in cases of denial of access, of the name and title of the person responsible for the denial**.** Any reasonably segregable portion of a record shall be provided to any person requesting such record after deletion of the portions which are exempt pursuant to the California Public Records Act. If the documents requested cannot be located after a reasonable search the requesting party is to be so advised.

Res. 7491 – April 10, 1973; Section 342.4 renumbered 342.5, and amended by M.I 34112 – February 9, 1982. Section 342.5 repealed and Section 10204 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered Section 10204 to 10203, and amended Section 10203 by M.I. 50155 - June 9, 2015.

§ 10204. Time and Place of Access to Records.

Records of the District may be examined only during the District's normal business hours at its Headquarters Building or storage place if the responsible executive officer shall so designate.

Res. 7491 – April 10, 1973; Section 342.5 renumbered 342.6 by M.I. 34112 – February 9, 1982. Section 342.6 repealed and Section 10205 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered Section 10205 to 10204 by M.I. 50155 - June 9, 2015.

Division XI

MISCELLANEOUS

Chapter		Sec.
1	Miscellaneous Matters	11100
2	**Purpose and Effect of Adoption of Administrative Code**	**11200**

Chapter 1

MISCELLANEOUS MATTERS

Sec.
11100. Reimbursement to Redevelopment Agencies
11101. Metropolitan Water District Federal Credit Union
11102. Payment of Dues
11103. Participation in Projects or Programs Serving District Purposes
11104. Delegation of Responsibilities

§ 11100. Reimbursement to Redevelopment Agencies.

The General Manager is authorized to institute procedures, in form approved by the General Counsel, for reimbursement to redevelopment agencies within its declaring public agencies of moneys, including State subventions, received by the District as a result of redevelopment agencies' assessed valuations exceeding those for the base year for such redevelopment agencies.

Section 501.5 - M.I. 30549 - October 8, 1974. Section 501.7 repealed and Section 11200 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; section renumbered by M.I. 50990- October 10, 2017.

§ 11101. Metropolitan Water District Federal Credit Union.

A Metropolitan Water District Federal Credit Union may be established on condition that it be operated without obligation by the District.

Section 501.8 based on M.I. 16983 - February 14, 1956; renumbered Section 501.7 - June 3, 1985. Section 501.7 repealed and Section 11201 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 36811 - September 22, 1987; section renumbered by M.I. 50990- October 10, 2017.

§ 11102. Payment of Dues.

Each department head is authorized to join organizations whose purposes serve the interests of the District. The membership may be in the department head's name or in the name of the District, as appropriate. Each department head may approve payment of dues of any such

organization so long as annual dues are $10,000 or less. Each department head may approve payment of future dues of any organization which the department head was authorized to join under this section or by the Board, so long as any increase does not exceed $10,000. Each department head shall annually report to the Board the exercise of authority granted by this section.

M.I. 37448 - December 13, 1988; amended by M.I. 42559 - August 19, 1997; amended by M.I. 50322 - December 8, 2015; section renumbered by M.I. 50990- October 10, 2017.

§ 11103. Participation in Projects or Programs Serving District Purposes.

In addition to the dues the General Manager is authorized to pay pursuant to Section 11102, the General Manager is authorized, without prior Board approval, to pay to any other public agency or private organization an amount not to exceed $25,000 to participate in projects or programs desirable to carry out the objects and purposes of the District; provided, however, that such amount shall be available from funds previously authorized by the Board for such purposes.

M.I. 39036 - June 11, 1991; section renumbered and amended by M.I. 50990- October 10, 2017.

§ 11104. Delegation of Responsibilities

To assist with the administration of the California Environmental Quality Act (CEQA), the responsibility to perform functions that are permitted to be delegated set forth in Section 15025 of the State CEQA Guidelines is delegated to the General Manager.

M.I. 51353 – October 9, 2018

[Former Section 11100 (Time Limitation for Completion of Certain Documentation) repealed – M.I. 50990 - October 10, 2017]

Chapter 2

PURPOSE AND EFFECT OF ADOPTION OF ADMINISTRATIVE CODE

Sec.
11200. Purpose of Administrative Code
11201. Changes in Wording
11202. Consideration of Prior Board Action
11203. Consideration of Prior Legislative History
11204. Effect of Repeal of Ordinance or Code Provision
11205. Severability of Parts of Code
11206. Effects of Section Numbers and Headings
11207. Amendments
11208. Gender and Number

§ 11200. Purpose of Administrative Code.

It is the purpose of the adoption of this Administrative Code to codify operative provisions of existing ordinances, resolutions, actions recorded in minute orders and of other matters heretofore adopted by the Board of Directors to the extent such provisions have continuing effect.

Section 1000.1 - M.I. 31609 - January 11, 1977; amended by M.I. 32690 - April 10, 1979. Section 1000.1 repealed and Section 11300 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered by M.I. 50990- October 10, 2017.

§ 11201. Changes in Wording.

Any change in wording from the wording found in any ordinance, resolution, minute order or other matter from which a provision of this Administrative Code is derived has been made solely for editorial reasons and was not and shall not be construed to have had as its purpose a change in intent, meaning or purpose of any such preexisting document.

Section 1000.2 - M.I. 31609 - January 11, 1977; amended by M.I. 32690 - April 10, 1979. Section 1000.2 repealed and Section 11301 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered by M.I. 50990- October 10, 2017.

§ 11202. Consideration of Prior Board Action.

The adoption of this Administrative Code and the concurrent or subsequent repeal of preexisting ordinances, resolutions, actions recorded in minute orders, and other matters, all as listed in the "Resolution Repealing Existing Resolutions, Actions Recorded in Minute Orders and Other Matters" adopted by the Board of Directors at its meeting held January 11, 1977, or affected by "An Ordinance Repealing Ordinance No. 113, as Amended, The Code of Ordinances of The Metropolitan Water District of Southern California" adopted by the Board at its meeting held April 10, 1979, shall be considered in the interpretation of corresponding provisions of this

Administrative Code. The Board Executive Secretary shall keep on file the original or a copy of all such ordinances, resolutions, minute orders and other matters.

Section 1000.3 - M.I. 31609 - January 11, 1977; amended by M.I. 32690 - April 10, 1979. Section 1000.3 repealed and Section 11302 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered by M.I. 50990 - October 10, 2017.

§ 11203. Consideration of Prior Legislative History.

The legislative history and administrative interpretation pertaining to all ordinances, resolutions, minute orders and other matters referred to in the "Resolution Repealing Existing Resolutions, Actions Recorded in Minute Orders and Other Matters" adopted by the Board of Directors at its meeting held January 11, 1977, or affected by "An Ordinance Repealing Ordinance No. 113, as Amended, The Code of Ordinances of The Metropolitan Water District of Southern California" adopted by the Board at its meeting held April 10, 1979, shall be considered in the interpretation of corresponding provisions of this Administrative Code. The Board Executive Secretary shall keep on file the original or a copy of all such ordinances, resolutions, minute orders and other matters.

Section 1000.4 - M.I. 31609 - January 11, 1977; amended by M.I. 32690 - April 10, 1979. Section 1000.4 repealed and Section 11303 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered by M.I. 50990 - October 10, 2017.

§ 11204. Effect of Repeal of Ordinance or Code Provision.

The repeal of a provision of this Code shall not revive any ordinance or Code provision in force before or at the time the Code provision repealed took effect.

Ord. 113; repealed by Ord. 146; Section 1000.5 added, as amended, by M.I. 32690 - April 10, 1979. Section 1000.5 repealed and Section 11304 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered by M.I. 50990 - October 10, 2017.

§ 11205. Severability of Parts of Code.

It is hereby declared to be the intention of the Board that the sections, paragraphs, sentences, clauses, and phrases of this Code are severable; and if any phrase, clause, sentence, paragraph, or section of this Code shall be declared unconstitutional or otherwise invalid by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Code.

Ord. 113; repealed by Ord. 146; Section 1000.6 added, as amended, by M.I. 32690 - April 10, 1979. Section 1000.6 repealed and Section 11305 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered by M.I. 50990 - October 10, 2017.

§ 11206. Effects of Section Numbers and Headings.

Division, chapter, section and subsection numbers and headings are not a part of and do not in any manner affect the scope, meaning, or intent of the provisions of this Code.

Section 1000.7 - M.I. 34814 - August 17, 1983. Section 1000.7 repealed and Section 11306 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered by M.I. 50990 - October 10, 2017.

§ 11207. Amendments.

Whenever a reference is made to any portion of this Code, the reference applies to all amendments hereafter made.

Ords. 113, 114, 117, 130 and 138; repealed by Ord. 146; Section 501.11 added, as amended, by M.I. 32690 - April 10, 1979; renumbered Section 501.9 - June 3, 1985. Section 501.9 repealed and Section 11307 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered by M.I. 50990 - October 10, 2017.

§ 11208. Gender and Number.

As used in this Code, the masculine gender includes the feminine and neuter, and the singular number includes the plural and the plural the singular, unless the context clearly indicates to the contrary; renumbered by M.I. 50990 - October 10, 2017.

Section 433.26 - M.I. 32297 - June 13, 1978; deleted from Chapter 433 and added, as amended, to Chapter 501 by M.I. 32690 - April 10, 1979; Section 501.13, renumbered Section 501.11 - June 3, 1985. Section 501.11 repealed and Section 11308 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; renumbered by M.I. 50990 - October 10, 2017.

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