



- Legal and Claims Committee

7/10/2012 Committee Meeting

6c

Subject

General Counsel's Annual Report on Fiscal Year 2011/12 Business Plan Accomplishments

Description

The attached General Counsel's Annual Report on fiscal year 2011/12 Business Plan Accomplishments provides detailed information regarding the Legal Department's activities from July 1, 2011 through June 30, 2012. Some of the more significant activities that contributed to achieving the objectives set forth in the General Counsel's Business Plan are reflected below:

Water Supply Reliability

- The Legal Department participated in a number of Bay-Delta Endangered Species Act cases resulting in the invalidation of the Delta Smelt and Salmon Biological Opinions (BiOps) and obtaining an injunction limiting Fall X2 flow limitations.
- Legal staff participated in the continuing development of the Bay Delta Conservation Plan.
- Legal staff provided review and analyses of various drafts of the Delta Stewardship Council's Delta Plan.
- Legal staff coordinated a multi-water agency effort regarding the Sacramento Regional County Sanitation District's discharge to the Sacramento River, securing significantly more stringent discharge permit limits.
- Legal staff continued to participate in negotiations in *Solano County Water Agency v. Department of Water Resources*, which resulted in a settlement in concept that largely protects Metropolitan's State Water Project (SWP) water supply.
- Legal staff continued to participate in the implementation of the Quantification Settlement Agreement (QSA), and the state and federal court cases challenging the QSA, resulting in the validation of the QSA by the appellate court.
- Participated in negotiations relating to the delivery of unused water to the Salton Sea by Imperial Irrigation District (IID), and represented Metropolitan's position to the Bureau of Reclamation regarding IID's failure to conserve water in the agreed amounts.
- Legal staff represented Metropolitan in negotiations, mediation, and ultimately in arbitration proceedings resulting from a contract dispute with the San Luis Rey Indian Water Authority regarding water conserved by the All-American and Coachella Canal lining projects that is being delivered to Metropolitan.
- Legal staff continued to coordinate with Arizona and Nevada agencies on strategies for continued perchlorate remediation of the Las Vegas Wash by the environmental trust established in the Tronox bankruptcy proceeding, and to work with the trustee and other states to administer assets for the remediation, including monitoring attempts to secure additional assets in an ancillary bankruptcy proceeding.
- Legal staff continued to assist in the development and implementation of water transfer, exchange and storage programs.

Corporate Resources/District Infrastructure

- Legal staff concluded all pending eminent domain actions for the Perris Valley Pipeline Project South Reach and assisted outside counsel in representing Metropolitan in litigation matters filed by the Perris Valley Pipeline North Reach contractor and an adjacent property owner. Negotiated a resolution with the contractor's insurance company resulting in Metropolitan obtaining a reimbursement of approximately \$1 million in fees and costs from the insurer.
- Legal staff provided support to Engineering staff related to the Diemer and Weymouth Ozone Retrofit Projects, Skinner ORP, Diemer North Access Road Project, and other capital project contracts. Legal staff participated in two mediations related to construction claim cases resulting in the favorable settlement of both litigation matters.

Implement Smart Technologies

- Legal Department personnel assisted Information Technology staff on the continued implementation of the electronic discovery management system.
- Obtained FCC approval for acquisition of three clear-channel radio licenses as the backbone for a new two-way radio system to ensure operational continuity in the event of natural disaster.
- Legal staff drafted use agreements for new Wi-Fi access points at Union Station Headquarters.

Finance

- Legal staff provided assistance with the issuance of numerous bonds; prepared official statements and remarketing statements; and assisted with bond documentation.
- Legal staff assisted and advised with adoption of rates and charges, as well as investments and taxation issues.
- Legal staff continued to participate in the defense of Metropolitan's rate structure in *San Diego County Water Authority v. Metropolitan Water District*.

Operations

- Legal staff provided assistance on a variety of water quality compliance issues, including regulation of public health requirements, emerging constituents, stormwater discharges, and dewatering activities.
- Continued defending Metropolitan in the *Orange County Water District v. Northrop* litigation relating to allegations by Northrop Corporation and other industrial defendants that Metropolitan is responsible for cleanup of perchlorate discovered in the North Orange County groundwater basin allegedly resulting from water imported from the Colorado River and originating from industrial sites in Henderson, Nevada.
- Legal staff assisted in the preparation of service connection agreements for new or modified member agency connections, as well as any necessary relocation agreements.
- Legal staff assisted on risk management and insurance-related matters, including Metropolitan's claims and workers' compensation programs.
- Legal staff supported the Environmental, Health and Safety team and provided support on regulatory environmental compliance issues, including workplace safety, air, water, and hazardous materials regulations.
- Legal staff provided legal review and support for environmental analyses and decisions made to support District operations, including obtaining necessary environmental permits, review of environmental impact studies, and other legally required environmental analyses and documentation.

Real Property Matter

- Legal staff provided support to the Real Property Development and Asset Management Group (RPDAM) in the negotiation and drafting of various real estate-related documents, including licenses, easements, leases, and other documents related to the management of Metropolitan's real property assets.
- Legal staff provided legal assistance in protecting the District's real estate assets, obtaining real estate interests necessary from third parties for District operations, and in relation to annexations requested by member agencies.

District Governance

- Legal staff provided advice and reports to the Board, the General Manager, External Affairs and other groups.

Managing Energy Costs

- Assisted in drafting legislation to ensure equitable treatment of Metropolitan under new cap-and-trade regulations.
- Legal staff was actively involved in drafting comments and presenting oral testimony to the California Air Resources Board (CARB), on behalf of both Metropolitan and the State Water Contractors, regarding the proposed cap-and-trade regulations. Metropolitan staff has worked with CARB staff regarding an allocation of free credits to assist in compliance with regulations and reduction of total energy expenditures.
- Legal staff participated in the litigation and settlement discussions associated with the Federal Energy Regulatory Commission (FERC) transmission rate filings of Southern California Edison and Pacific Gas & Electric. Metropolitan's protests were instrumental in FERC's decision to suspend these rates for three months, and our participation in the settlement process helped facilitate a negotiated agreement in both proceedings. The final result was a lowering of Metropolitan's SWP power costs by several millions of dollars per year.
- Legal staff assisted operations staff in the adoption of the Energy Management Plan, as well as numerous associated renewable energy projects.
- Legal staff is assisting in implementing the Hoover Power Allocation Act of 2011 by participating in negotiations with other contractors and drafting of the terms and conditions for renewal of existing contracts and the marketing of power to new contractors.

Workforce Development and Cultural Changes

- Legal staff defended Metropolitan's interests in several employment litigation matters and workforce disputes, including resolving multiple employment disputes pre-litigation and obtaining a voluntary dismissal of a discrimination lawsuit based on Metropolitan's discovery and the trial court's granting of Metropolitan's demurrer.
- Legal staff provided legal assistance to complete the implementation of the *Cargill* class action settlement.
- Legal staff provided investigation oversight for EEO claims, security matters, and misconduct matters, providing recommendations for remedial actions where appropriate.
- Legal staff provided training for Metropolitan managers on "Avoiding Litigation Landmines."
- Legal staff developed and provided new training for Metropolitan managers and key staff on "Avoiding Legally Troublesome E-Mails."

- Legal staff defended Metropolitan's interests in seven PERB matters that alleged unfair labor practices, including one charge that has been withdrawn by the filing bargaining unit, three charges that have been resolved by settlement agreements, one charge that was placed in abeyance after the Legal Department raised objections, and two charges that are under PERB review.
- Legal staff defended Metropolitan interests in bargaining unit grievances and hearing officer appeals, significantly reducing the number of active cases. Of the two grievances set for hearing, the Legal Department negotiated a settlement of one grievance and the remaining grievance is scheduled for hearing. Of the four disciplinary actions that were appealed, the Legal Department negotiated one settlement and the remaining three disciplinary appeals were withdrawn by the appealing bargaining unit.
- Legal staff assisted staff in updating policies and Administrative Code provisions, and developing new initiatives pertaining to workforce issues.

Administrative Matters

- Legal staff managed legal costs related to several litigation matters, including employment cases, by realigning staff, using in-house counsel and retaining a significant role for trial preparation and trial.
- Legal staff responded to numerous Public Records Act requests and subpoenas.
- Legal staff managed administrative costs by increasing use of technology in lieu of travel related to business and training.
- Legal staff assisted with revisions of operating policies.

Attachment 1 – General Counsel's Annual Report on fiscal year 2011/12 Business Plan Accomplishments



The Metropolitan Water District of Southern California

General Counsel's Annual Report

On Fiscal Year 2011/12 Business Plan

Accomplishments

July 1, 2011 to June 30, 2012

"The Mission of the Legal Department of The Metropolitan Water District of Southern California is to assist Metropolitan by providing a full range of legal services in a professional, timely, cost-effective and creative manner."

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The Metropolitan Water District of Southern California

General Counsel's Annual Report

On Fiscal Year 2011/12 Business Plan

Accomplishments

July 1, 2011 to June 30, 2012

- Water Supply Reliability
- Corporate Resources/District Infrastructure
- Implement Smart Technologies
- Finance
- Operations
- Real Property Matters
- District Governance
- Managing Energy Costs
- Workforce Development and Cultural Changes
- Administrative Matters

General Counsel's Annual Report on Fiscal Year 2011/12 Business Plan Accomplishments

Water Supply Reliability

Provide legal support in carrying out the Board of Directors' priority of ensuring the long-term sustainability of the region's water supply, including Bay-Delta resources, the Colorado River Aqueduct supply and local resources programs and strategies.

Activities

State Water Project/Bay-Delta

Endangered Species Act (ESA) and California Endangered Species Act (CESA)

Delta Smelt: Continued to participate with outside counsel representing Metropolitan in federal court litigation which resulted in the invalidation of the 2008 Delta smelt Biological Opinion (BiOp). Worked with outside counsel in injunction proceeding that led to an injunction against the Fall X2 flow restrictions in the Delta smelt BiOp. Provided assistance in the appeals and cross-appeals to the U.S. Court of Appeals for the Ninth Circuit. Helped secure key scientific expertise in the litigation and participated in the development of scientific analyses used in the litigation. Currently collaborating with other contractors on analyses and comments to submit in the federal agency consultation for the new Delta smelt BiOp.

Salmon: Continued to provide legal assistance to outside counsel representing Metropolitan in federal court litigation which resulted in the invalidation of the 2009 salmon BiOp. Provided assistance in the appeals and cross-appeals to the U.S. Court of Appeals for the Ninth Circuit. Helped secure scientific expertise for the salmon litigation and assisted in preliminary injunction proceedings in that litigation. Currently collaborating with other contractors on analyses and comments to submit in the federal agency consultation for the new salmon BiOp.

Longfin: Continued to monitor and assist outside counsel in lawsuits brought by the State Water Contractors (SWC) challenging the CESA 2081 take permit for longfin smelt. Continue to monitor federal agency proceedings to list longfin under the federal Endangered Species Act (ESA). Helped secure scientific experts who are developing a longfin life cycle model, and are assisting in that effort.

Splittail: Coordinated and provided legal assistance to state and federal water contractors who are monitoring efforts to list splittail as either endangered or threatened under the ESA.

Ocean Harvest BiOps: Continued to monitor the impacts of ocean fishing on threatened and endangered salmon and continue to monitor whether those impacts are fully considered in various regulatory proceedings.

CESA Litigation: Continued to monitor and assist outside counsel in lawsuits brought by the SWC challenging the CESA consistency determinations issued for Delta smelt and salmon which are based upon the Delta smelt and salmon BiOps.

Other Stressors: Continued to evaluate possible enforcement actions against other stressors that adversely impact threatened and endangered species in the Bay-Delta. Helped coordinate the science research effort among federal and state contractors to analyze impacts of other stressors on threatened and endangered species, including the impacts of ammonia discharges into the Delta. Continued to monitor other third-party stressor lawsuits brought by other water contractors, including lawsuits involving predators, contaminants, and dredging activities in the Delta.

National Academy of Sciences/National Research Council

Continued to participate, along with SWC and federal water contractors in National Academy of Sciences proceedings to review Endangered Species BiOps for Bay-Delta, "other Stressors" issues and Bay Delta Conservation Plan Effects Analysis.

Bay Delta Conservation Plan (BDCP)

Provided legal advice on a variety of topics regarding the development of the BDCP and associated environmental documentation. Drafted a variety of legal memoranda and

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agreements and provided assistance on topics involving the state and federal ESA, National Environmental Policy Act (NEPA), Natural Communities Conservation Planning Act, and the California Environmental Quality Act (CEQA). Represented Metropolitan's legal position in meetings with state and federal agencies, and environmental representatives.

Coordinated technical/legal comments on the BDCP environmental review documents and effects analysis on behalf of joint state and federal water contractors.

Bay-Delta General

Provided legal assistance, and negotiated and drafted language for proposed legislation to implement or revise the successful Delta Water Package. Drafted comments submitted by Metropolitan and contributed to comments submitted by the State Water Project (SWP) and Central Valley Project (CVP) contractors regarding various proposed rules, regulations and reports by the Delta Stewardship Council regarding implementation of the package.

Provided legal assistance regarding the Delta Stewardship Council's activities, including the Council's process to develop the Delta Plan.

Provided legal assistance in reviewing and analyzing Delta conveyance options and options for implementation and financing of any new facilities.

Provided legal assistance, including assisting in negotiating and drafting agreements and preparing CEQA environmental review documents for the State and Federal Contractors Water Agency.

Provided legal assistance and comments on Army Corps/Port of Stockton plan and joint CEQA/NEPA document proposing to dredge Sacramento Deep Water Ship Channel, which is prime habitat for Delta smelt, as well as other ESA-listed species.

Provided legal assistance in the development of SWC comments on methyl mercury TMDL.

State Water Resources Control Board (SWRCB) Proceedings

Worked with SWC to participate in complaints with SWRCB alleging illegal diversions by Delta diverters.

Worked with SWP and CVP contractors to provide comments and testimony to the SWRCB and participated in hearings involving Delta salinity objectives, in-stream and Delta outflow requirements and other provisions of SWRCB's Water Quality Control Plan.

Working with SWP and CVP contractors to prepare expert testimony and evidence for the SWRCB's review of the Bay-Delta Water Quality Control Plan.

NPDES Permit Proceedings

Coordinated preparation of joint water agency responses to Sacramento Regional County Sanitation District's appeal petition to the State Water Resources Control Board concerning the National Pollutant Discharge Elimination System (NPDES) permit issued in 2010 for its Wastewater Treatment Plant. Participated with other water agencies and the Central Valley Regional Water Quality Control Board in preparing briefs and attending a hearing in litigation brought by the Sanitation District concerning the 2010 NPDES permit. Through the appeal and litigation, the Sanitation District seeks to overturn strict discharge limits that will require nitrification/denitrification facilities and tertiary filtration for this major discharger to the Bay-Delta.

Participated in joint water agency comments and attended hearings in the NPDES discharge permit proceedings of the San Francisco Regional Water Quality Control Board for wastewater treatment plants operated by the Central Contra Costa Sanitary District and the Vallejo

General Counsel's Annual Report on Fiscal Year 2011/12 Business Plan Accomplishments

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Sanitation and Flood Control District. Both of these plants discharge ammonia to the Delta which has been linked to the decline of the Delta ecosystem.

Solano County Water Agency v. Department of Water Resources (DWR)

After successfully intervening in this lawsuit in support of DWR's administration of the SWC's shortage provisions, coordinated litigation activities among DWR and Metropolitan's co-parties and assisted in the preparation of legal briefs defending the SWP. Negotiated Agreements in Principle to settle this litigation on favorable terms that will result in dismissal of the case.

Monterey II Cases

Participated with the State and other contractors in defending new lawsuits brought in 2010 that challenge the Monterey Amendments to the State Water Project contracts. Prepared legal briefs, participated in court hearings, and assisted the State in assembling the administrative record for these cases.

Other Transfers and Exchanges

Assisted staff in negotiating various water transfers and amendments to existing transfers with Conaway Ranch, Westlands Water District, Semitropic Water District, Arvin-Edison Water Storage District and Mojave Water Agency. Assisted in preparation and implementation of transfer, exchange and storage agreements and related documents.

Assisted in negotiating and drafting water transfer agreements between SWC member buyers and Sacramento Valley sellers and associated agreements with DWR resulting in approximately 40,000 acre-feet of transfer water for SWC buyers in 2012.

Assisted in negotiating and drafting agreements to implement the return to MWD of 47,000 acre-feet of water stored with United States Bureau of Reclamation in 2003.

Provided legal assistance in resolving disputes regarding implementation of Metropolitan's groundwater storage and exchange agreements.

Water Supply Allocation Plan (WSAP)

Provided legal advice regarding WSAP implementation and revisions.

Provided legal assistance on revising the conservation program operations, agreements and implications of groundwater storage programs and water transfer proposals.

Municipal Water District of Orange County (MWDOC) / Irvine Ranch Water District (IRWD)

Coordinated Operating, Exchange and Delivery Agreement.

Assisted MWDOC and IRWD in preparation of sub-agreements facilitating IRWD's procurement, storage and delivery of water for its service area while increasing Metropolitan's storage opportunities and operational flexibility.

Colorado River

Provided legal assistance in protecting existing Colorado River water supplies through negotiations on inadvertent overrun policies, identifying and limiting potential use of water for new solar power plants, and removing or reducing other existing or potentially unlawful uses.

General Counsel's Annual Report on Fiscal Year 2011/12 Business Plan Accomplishments

Water Supply Reliability

Provide legal support in carrying out the Board of Directors' priority of ensuring the long-term sustainability of the region's water supply, including Bay-Delta resources, the Colorado River Aqueduct supply and local resources programs and strategies.

Quantification Settlement Agreement (QSA) Litigation

Assisted in successful appeal of the trial court's decision holding the QSA and 11 related agreements invalid. Prepared opposition to County of Imperial's petition for review by the California Supreme Court and assisted in preparation of petitions for review filed by other parties, all of which were denied.

Assisted in defending a federal lawsuit filed by the County of Imperial and Imperial County Air Pollution Control District asserting that adoption of the federal QSA violated NEPA and the Clean Air Act. Assisted in preparation of motion for summary adjudication of issues, which was granted by the trial court. Assisted in defending the trial court's decision on appeal to the Ninth Circuit by Imperial County and the Air District.

Provided legal advice regarding Imperial Irrigation District's shortfall in conserving water for the transfer to San Diego County Water Authority. Assisted in preparation of comments to Bureau of Reclamation regarding the decree accounting for California's Colorado River water deliveries in 2011.

Participated in discussions organized by the Bureau of Reclamation regarding Imperial Irrigation District's delivery of Colorado River water to the Salton Sea to avoid the cost of conserving water to meet QSA mitigation obligations.

Participated in meetings with Imperial Irrigation District, Coachella Valley Water District and San Diego County Water Authority to develop a collective strategy for obtaining funding of QSA-related mitigation costs.

Lower Colorado River Multi-Species Conservation Plan

Provided legal advice related to management of the annual financial contributions by Metropolitan and other California agencies required

to support the plan. Coordinated with the Bureau of Reclamation on calculating correct contribution levels and long-term financial management to accommodate future program needs.

Native American Water Supply Issues

Continued to support real property issues relating to provision of water to the Pechanga Tribe.

Provided legal support related to the provision of water to the Sycuan Band of the Kumeyaay Nation, including research and negotiations regarding potential annexation.

Represented Metropolitan in arbitration proceedings relating to compensation of the San Luis Rey Indian Tribes for conserved water and an agreement to provide the energy to move water to the San Luis Rey settlement parties.

Continued to monitor the Navajo Nation litigation regarding the Navajo Nations challenge to the Interim Surplus Guidelines and lack of specific allocation of Colorado River water to tribal entities.

Additional Water Supply

Drafted agreement and provided legal advice related to Coachella Valley Water District's request to deliver 10,000 acre-feet of Colorado River water at Whitewater pursuant to the 2003 agreement for the exchange of SWP water for Colorado River water.

Drafted agreement amendments, assignments, and easement transfers related to the sale of lands enrolled in the Palo Verde Fallowing and Land Management Program. Provided legal advice on proposals to expand the existing program or to establish new water conservation projects within the Palo Verde Irrigation District and Bard Irrigation District.

General Counsel's Annual Report on Fiscal Year 2011/12 Business Plan Accomplishments

Water Supply Reliability

Provide legal support in carrying out the Board of Directors' priority of ensuring the long-term sustainability of the region's water supply, including Bay-Delta resources, the Colorado River Aqueduct supply and local resources programs and strategies.

Intentionally-Created Surplus (ICS) Program

Provided legal support for consultations with the Bureau of Reclamation regarding development of procedures for implementation and accounting for creation and recovery of ICS.

Inadvertent Overrun and Payback Policy

Provided legal assistance in protecting existing Colorado River water supplies through negotiations on inadvertent overrun policies.

Colorado River Authorities

Continued working as part of the "Colorado River Authorities" to respond to the bankruptcy filed by Tronox Worldwide and the potential impact of the bankruptcy on the control and cleanup of perchlorate and other contaminants from Tronox's Henderson, Nevada facility that threaten the Colorado River. Work resulted in the provision of an additional \$80 million of cash and assets to the Henderson Environmental Trust.

Further negotiated a memorandum of understanding among those agencies to coordinate future efforts on any water quality issues that may affect Colorado River water supplies.

Grand Canyon Trust v. U.S. Bureau of Reclamation, et al.

Supported coalition of Colorado River Basin states entities in federal court litigation regarding federal government's compliance with ESA and NEPA in determining release patterns for Glen Canyon Dam on the Colorado River. Drafted portions of joint brief to U.S. Court of Appeals for the Ninth Circuit defending the trial court's favorable rulings on the merits.

Bi-National Negotiations with Mexico

Assisted in negotiations with the Bureau of Reclamation, the International Boundary and Water Commission, and the Colorado

River Basin states for adoption of a treaty agreement, Minute 318, to allow Mexico to store water in Lake Mead due to Mexico's inability to use all of its water because of damage from the April 2010 Mexicali earthquake.

Helped negotiate a long-term storage and shortage agreement with Mexico, referred to as Minute 319, to develop a long range plan for Lake Mead storage by Mexico and sharing of any storage impacts with Mexico.

Yuma Island

Provided legal assistance and participated in discussions with the Bureau of Reclamation, Arizona State Lands Department, and farmers on the Yuma Island property over dispute on accounting for Colorado River water used on the land.

Other Colorado River Supply-Related Issues

Provided legal assistance in protecting existing Colorado River water supplies through negotiations on rules governing inadvertent overruns and Lake Mead storage, potential use of Colorado River water for new solar power plants, and removing or reducing other conflicting uses such as consumptive use on Yuma Island.

Provided comments and evidence regarding potential effects on the structural integrity of the Colorado River Aqueduct, water quality, and groundwater tables.

Integrated Resources Plan

Integrated Resources Plan (IRP)

Provided legal support for implementation of the updated IRP, including adoption of a Long-Term Conservation Plan.

General Counsel's Annual Report on Fiscal Year 2011/12 Business Plan Accomplishments

Water Supply Reliability

Provide legal support in carrying out the Board of Directors' priority of ensuring the long-term sustainability of the region's water supply, including Bay-Delta resources, the Colorado River Aqueduct supply and local resources programs and strategies.

Participated in Board workshops and provided legal assistance for the planning process.

Local/Regional Water Resources

Groundwater Recovery and Storage

Provided advice regarding administration of several existing conjunctive use agreements with member agencies for groundwater storage of imported supplies.

Negotiated termination and settlement of Metropolitan-Calleguas Groundwater Storage Conjunctive Use Program for the North Las Posas Groundwater Basin.

Monitored litigation of groundwater issues in West Coast and Central Basins.

Negotiated agreement for new agreement consolidating and adding to the Chino Hills Desalting Program.

Urban Water Management Plan

Provided legal support for water resource planning to ensure consistency with the Urban Water Management Planning Act and other requirements with implementation of the 2010/2011 Regional Urban Water Management Plan.

Conservation Strategies and Programs

Provided legal advice and drafting assistance related to numerous contracts with member agencies under Metropolitan's Conservation Credits Program and other local resources incentives programs.

Provided legal assistance on drafting the Long-Term Conservation Plan and revising the conservation program operations and agreements.

Groundwater Management

Assisted staff with member agency workgroup processes to consider changes to Metropolitan's replenishment water policies and revisions to local resources incentive programs.

Analyzed proposed amendments to court adjudication of water rights in Main San Gabriel Basin and assisted in developing recommendations to Basin Watermaster as part of the amendment process to bolster service area protections.

Governor's Statewide Water Reduction Goals

Assisted in the implementation of legislation to accomplish 20 percent reduction of per capita water use by 2020 (SBX7-7), including the development of new water conservation regulations. This law requires urban retail water suppliers statewide to undertake new reporting requirements and conservation measures to reduce per capita water use 20 percent by the year 2020. Assisted in developing strategies for regional compliance with member agencies.

Seawater Desalination

Assisted in negotiating and drafting legislation sponsored by Metropolitan to establish statewide seawater desalination task force to make recommendation for improvements to permitting processes for new projects.

Supported activities of Member Agency Seawater Desalination Program group, including planning for comprehensive study of issues arising from integration of desalinated seawater into Metropolitan's distribution system. Assisted in briefings for the Board's Special Committee on Desalination and Recycling.

Water Supply Reliability

Provide legal support in carrying out the Board of Directors' priority of ensuring the long-term sustainability of the region's water supply, including Bay-Delta resources, the Colorado River Aqueduct supply and local resources programs and strategies.

Other Programs

Participated in stakeholder workgroups regarding conjunctive use of groundwater and availability of replenishment water by Metropolitan.

Provided legal analyses of legislative proposals for statewide reductions in urban water use, water recycling, and groundwater management.

Provided legal support for implementing conjunctive use groundwater storage contracts with member agencies.

General Counsel's Annual Report on Fiscal Year 2011/12 Business Plan Accomplishments

Corporate Resources/District Infrastructure

Provide legal support in the planning, environmental compliance and construction of the Board-approved Capital Investment Plan.

Activities

Perris Valley Pipeline

Assisted staff in responding to contractor claims and document requests and in conducting settlement discussions with contractor. Defended Metropolitan against stop notice claims.

Worked with outside counsel in defense of inverse condemnation lawsuit filed by owner of property adjacent to construction: *Village Retail LLC v. Metropolitan Water District, et al.* Summary judgment granted in Metropolitan's favor at the trial court for all land-related issues. While plaintiffs' appeal was pending, a settlement of all claims was completed that included Metropolitan's claims against Rasic and its insurance company. Obtained reimbursement of approximately \$1 million in fees and costs from contractor's insurer.

Diamond Valley Lake

Provided legal support on issues related to Diamond Valley Lake (DVL) Visitors Center, including work with Real Property Development and Asset Management Group (RPDAM) to develop a long-term use proposal for the site. Provided legal advice relating to development of a new agreement with the DVL marina operator. Provided legal advice on the potential for working with Eastern Municipal Water District to create a reclaimed water storage facility on Metropolitan's property. Completed transfer of land for widening of Winchester Road fronting on the west side of the project. Provided legal advice regarding groundwater mitigation obligations to surrounding landowners. Worked with RPDAM to develop and obtain Board approval of an exclusive negotiating agreement with Diamond Development with the goal of obtaining a long-term agreement with the California State University system for use of the site.

Weymouth Inland Conduit Relocation and Rapid Mix System Project

Settled *J.R. Filanc Construction Co. v. Metropolitan* lawsuit after two mediations and subsequent negotiations after litigation was filed with respect to project at Weymouth Water Treatment Plant. Prior to settlement, defended Metropolitan against complaint filed by contractor, including assisting outside counsel in drafting a demurrer, responding to and propounding discovery requests, and continuing settlement discussions with contractor.

Oxidation Retrofit Program (ORP) Projects

Defended Metropolitan against contractor claims and lawsuit filed by Shimmick Obayashi related to Skinner ORP, including responding to document requests, corresponding with opposing counsel and drafting tolling agreement. Participated in mediation that resulted in favorable settlement for Metropolitan. Assisted staff in preparing bid documents for other Metropolitan ORP projects.

Diemer North Access Road Project

Provided legal support for ongoing regulatory and contractual commitments required following completion of construction, including negotiation of the exchange of real estate interests and ongoing mitigation measure compliance.

Other Capital Projects

Continued to provide support for capital projects, including preparing, reviewing or approving a variety of documents. Assisted in the review and response to claims and change order requests, reviewing and approving formal solicitations, and participating in settlement negotiations. Assisted in the modifications of standard specifications and contracts. Advised staff on all matters pertaining to statutory and administrative rules for public contracting.

General Counsel's Annual Report on Fiscal Year 2011/12 Business Plan Accomplishments

Corporate Resources/District Infrastructure

Provide legal support in the planning, environmental compliance and construction of the Board-approved Capital Investment Plan.

Contractor Debarment Rules

Drafted contractor debarment rules applicable to both construction and procurement in order to protect Metropolitan's financial interests against unscrupulous contractors. Obtained Board approval for debarment rules and assisted with implementation, including amendment to Administrative Code.

General Counsel's Annual Report on Fiscal Year 2011/12 Business Plan Accomplishments

Implementing Smart Technologies

Provide legal advice on utilization and implementation of new communications technology in accordance with applicable laws and court rules, including e-discovery requirements.

Activities

E-Discovery

Continued to work with Information Technology (IT) staff on implementation of the electronic discovery management system. This system will enable Metropolitan's Legal and IT staff to respond to litigation and Public Records Act requests effectively and efficiently. Legal staff is also working with Corporate Resources staff to develop a comprehensive document management process for the entire organization.

Telecommunications

Obtained FCC approval and oversaw closing of Metropolitan's \$875,000 acquisition of three clear-channel radio licenses from FCC's auction of spectrum formerly dedicated to paging systems. These new frequencies will form the backbone of an upgraded emergency response communication system to enable operational continuity in the event of earthquake or other crisis events, when public communications systems typically become disabled.

Petitioned FCC and received approval for public safety status to enable Metropolitan to participate in cooperative frequency sharing with law enforcement and fire suppression entities.

Assisted Metropolitan staff in assuming primary direct responsibilities for administrative compliance with FCC requirements, with less reliance on outside service providers.

Continued to coordinate with Riverside County as it implements its Public Safety Enterprise Communications Project that, when completed, will provide mutual benefits to the County and Metropolitan.

Wi-Fi Access

Drafted use agreement for use by IT staff in controlling and monitoring new Wi-Fi access points at Union Station Headquarters. The agreement covers usage by both Metropolitan staff and visitors.

External Affairs

Provided legal advice regarding public communication strategies, disclosure requirements, and terms and conditions of revised consumer rebates program.

General Counsel's Annual Report on Fiscal Year 2011/12 Business Plan Accomplishments

Finance

Provide legal assistance with rates and charges, the issuance of debt obligations, investment of surplus monies, and other financial activities undertaken by Metropolitan.

Activities

Bonds

Prepared redemption and disclosure documents (Appendix A) and assisted outside bond counsel with issuance of:

- \$157,100,000 Water Revenue Refunding Bonds, 2011 Series C, issued on September 27, 2011 to refund \$163 million of fixed rate bonds and for debt service savings.
- \$181,180,000 Water Revenue Refunding Bonds, 2012 Series A, issued on March 20, 2012, to refund \$196 million of outstanding fixed rate bonds and produce debt service savings.
- \$98,585,000 Water Revenue Refunding Bonds, 2012 Series B, issued on April 27, 2012, to refund \$100 million of variable rate bonds which were supported by liquidity facilities that expired on May 1, 2012 for the capital investment program. These bonds were subject to mandatory tender due to the expiration of the liquidity facilities. Refunding these bonds with the 2012 Series B Bonds reduced Metropolitan's exposure to liquidity banks and administrative and finance costs.
- \$190,600,000 Water Revenue Refunding Bonds, 2012 Series C, \$39,520,000 Water Revenue Refunding Bonds, 2012 Series D (Federally Taxable), and \$89,460,000 Water Revenue Refunding Bonds, 2012 Series E, collectively issued on June 28, 2012, to refund outstanding variable rate bonds and fund the costs of terminating interest rate swap transactions.

Prepared remarketing statements and assisted with documentation for the remarketing of Metropolitan's Water Revenue Refunding Bonds, 2009 Series A-2 and 2009 Series A-1 (SIFMA Index Mode). These bonds bear interest at a rate that is reset at least annually through remarketing of the bonds.

Posted Metropolitan's annual financial information filings for calendar year 2011, pursuant to continuing disclosure requirements for outstanding bond issues. Filed timely notices of material events with the Electronic Municipal Market Access (EMMA) system.

Rates and Charges

Researched and advised on budget and rate matters.

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

Represented Metropolitan in conjunction with outside counsel in litigation seeking to invalidate Metropolitan's rates and charges adopted April 13, 2010. This case specifically challenges inclusion of SWP transportation costs and the Water Stewardship Rate in its water transportation charge.

Taxation

Provided legal review, research and advice on issues related to taxation, including revisions to Metropolitan's administration of its Qualified Transportation Fringe Benefit Program.

General Counsel's Annual Report on Fiscal Year 2011/12 Business Plan Accomplishments

Operations

Provide legal advice on statutory and regulatory requirements and compliance for operations programs.

Activities

Water Quality Issues

Monitored activities of Regional Water Quality Control Boards considering adoption of municipal stormwater discharge permits having the potential to impact Metropolitan's operations.

Provided legal advice in connection with Emerging Constituents Task Force established by Santa Ana Regional Water Quality Control Board to study approaches for potential new regulation of trace chemicals in surface and groundwater supplies.

Assisted water quality staff in stakeholder advisory process regarding the proposed remediation plan for Chromium-6 groundwater contamination adjacent to Colorado River at Pacific Gas & Electric's Topock compressor station site.

Monitored activities of emerging constituents' workgroup regarding detection of trace constituents in water supply.

Provided legal assistance on analysis and comments on Army Corps of Engineers Clean Water Act (CWA) general permit and draft federal and state CWA policies regulating wetlands and other waters subject to CWA jurisdiction.

Orange County Water District v. Northrop Grumman Corp., et al.; Northrop Grumman Corp. v. Metropolitan, et al.

Represented Metropolitan in the *OCWD v. Northrop* matter in which Metropolitan is a cross-defendant. Engaged in extensive pre-trial discovery and monitoring first phase of trial that commenced in February 2012. Coordinated analysis of treatment protocols, costs, and historical sources of perchlorate. Began developing Metropolitan's defense.

Foli v. Metropolitan

Lawsuit alleging Metropolitan's fluoridation of drinking water violates plaintiffs' constitutional rights against forced medication. Successfully obtained dismissal of plaintiffs' original complaint. Filed Motion to Dismiss Plaintiffs' First Amended Complaint.

Air Quality Issues

Provided legal support for air quality compliance issues, including preparing comments on various rules and regulations and assistance in obtaining necessary air quality permits.

Service Connections

Negotiated and prepared service connection agreements for new or modified member agency connections. Provided legal assistance on regulatory and real estate issues, including CEQA issues, arising out of service connection requests. Provided legal assistance regarding adoption of updated service connection policies.

Relocations

Provided legal support in the relocation of Metropolitan facilities, including a portion of the Santa Monica Feeder. Drafted related agreements.

Risk Management and Claims

Provided legal assistance on risk management and insurance-related matters, including Metropolitan's claims and workers' compensation programs.

Provided legal advice regarding disposition of claims filed under the Government Claims Act, including the rejection of such claims when appropriate. Approved several workers' compensation settlements within delegated authority. Provided legal advice and representation in a major Workers' Compensation excess insurance coverage dispute.

General Counsel's Annual Report on Fiscal Year 2011/12 Business Plan Accomplishments

Operations

Provide legal advice on statutory and regulatory requirements and compliance for operations programs.

Advised Risk Management Unit regarding administrative claims for money damages against Metropolitan and related court litigation.

Workplace Health and Safety Issues

Provided legal advice to the Operational Safety and Environmental Services staff as they work with internal staff as well as Cal-OSHA staff to assure that Metropolitan complies with all workplace health and safety requirements.

Langer v. Metropolitan Water District

Defended Metropolitan in *Langer v. Metropolitan* (alleging wrongful death related to asbestos exposure). Obtained dismissal from plaintiffs prior to hearing on demurrer, avoiding costly discovery and litigation of multi-defendant case.

Lennar Homes of California v. Metropolitan Water District

Lennar Homes brought a lawsuit alleging that Metropolitan's treated water is causing pinhole leaks in residential copper plumbing systems. This matter is currently being handled in-house as a cooperative effort with Santa Margarita Water District, Moulton Niguel Water District and Coachella Valley Water District as these water agencies have been sued under similar theories. Metropolitan plans on bringing dispositive motions as Metropolitan has complied with all applicable water treatment rules and regulations.

Cory Hoke v. California State Department of Transportation

Obtained dismissal in *Cory Hoke v. State Department of Transportation, et al.* alleging wrongful death in vehicle accident on freeway over Metropolitan pipeline.

Thomas Liguori v. Metropolitan Water District

Representing Metropolitan in action filed by property owner near DVL alleging inverse condemnation and damage to property due to alleged depletion of groundwater resulting from the construction of the West

Dam at DVL. Plaintiff has filed public records requests seeking all data relating to construction of DVL, which consists of approximately 450 boxes of hard copy files.

Environmental Review and Compliance

Provide legal review and support for environmental analysis and decisions made to support District operations, including review of environmental impact studies and other legally required environmental analyses and documentation. Assist in obtaining necessary environmental permits and approvals for District projects. Provide legal support for the development of comments on the potential environmental impacts from third-party projects that may impact District property or operations.

General Counsel's Annual Report on Fiscal Year 2011/12 Business Plan Accomplishments

Real Property Matters

Provide legal support on various real estate issues, including property rights, use, acquisitions and annexations.

Activities

Real Estate Issues

Provided legal counsel to RPDAM on third-party property rights requests and inquiries on such matters as leases, licenses, entry permits, and road easements. Provided legal counsel regarding the acquisition of property interests necessary for Metropolitan operations, including access and telecommunication leases. Provided legal assistance with responses to and removal of encroachments on Metropolitan property.

Supported the efforts of RPDAM in managing the option agreement that continues with BrightSource Energy. Support included working on additional agreements related to original option and addressing site issues.

Worked with RPDAM in management of option agreement with SunEdison (formerly Axio Power).

Worked with RPDAM staff in developing several initiatives for use of Metropolitan's real property at DVL including work with developer with goal of obtaining a long-term agreement with the California State University system for use of the site.

Negotiated and drafted settlement documents resolving claims with former telecommunications management firm.

Assisted RPDAM staff in resolving dispute with Angel View Crippled Children's Foundation regarding an easement held by Metropolitan since 1933. Negotiated and drafted settlement documents with Angel View's attorneys.

Supported the expanded work efforts of the RPDAM as the group reorganized and refocused its efforts. Support included review of all leases and other real property-related documents to assure compliance with Metropolitan's policies and procedures and to assure that Metropolitan's interests are protected.

Assisted RPDAM staff in completing sale of surplus residential property located in Yorba Linda, CA.

Negotiated and drafted purchase and sale agreements for disposition of the Box Springs Feeder right-of-way to the City of Riverside and the Riverside County Open Space District.

Annexations

Supported annexation process and development of related water supply policies, including work to update required water conservation policies.

General Counsel's Annual Report on Fiscal Year 2011/12 Business Plan Accomplishments

District Governance

Provide legal support regarding proposed state and federal legislation that may affect Metropolitan's interests and compliance with statutory and institutional requirements, such as the Metropolitan Water District Act and Administrative Code, the Brown Act and the Political Reform Act

Activities

Legislation

Analyzed proposed and newly-enacted legislation affecting Metropolitan. Prepared or reviewed proposed legislation and amendments. Assisted with development of legislative strategy.

Provided legal assistance drafting legislation to extend the sunset date for laws protecting public water supply agencies from liability for delivery of water that may be infested with quagga mussels.

Assisted in drafting and analyses of new laws enacted in 2012. Such legislation includes, numerous bills on energy policies for public agencies, public employment reform, Bay-Delta reforms and bills affecting the development of Delta conveyance improvements, as well as the creation of a position for a water conservation expert on the California Building Commission.

Support

Reviewed Board letters and committee minutes, and staffed Board meetings. Met regularly with Board Chairman to discuss legal issues. Continued regular meetings with the General Manager and General Auditor. Provided assistance to the Ethics Office on various issues.

Advised the Blue Ribbon Committee on Brown Act compliance and committee procedures.

Advised the Board and staff on the Metropolitan Water District Act, Brown Act and Political Reform Act matters.

Updated the Administrative Code to reflect the new committee structure, to conform to current practice and policies, and to clean up inconsistencies and outdated references.

General Counsel's Annual Report on Fiscal Year 2011/12 Business Plan Accomplishments

Managing Energy Costs

Provide legal support to protect and maximize Metropolitan's existing energy assets and planning for future needs.

Activities

Hyatt-Thermalito

Represented Metropolitan's interests in *Alameda County Flood Control and Water Conservation District, Zone 7, et al. v. California Department of Water Resources*, involving energy cost allocation issues. Assisted in drafting supplemental briefs filed in court of appeal.

Oroville Reservoir

Provided legal support in connection with the ongoing relicensing process for the hydroelectric facilities at Oroville Dam. Assisted in successful defense of a CEQA lawsuit filed by the Counties of Butte and Plumas in August 2008, which challenges the Environmental Impact Report prepared by the DWR in support of the new license. Provided legal counseling and support in connection with DWR's applications for other regulatory permits and approvals needed for new license.

Energy Contracts

Provided legal assistance in negotiating necessary contracts regarding energy supply for the Colorado River Aqueduct, including amendments to Metropolitan's energy contract with Southern California Edison (SCE).

State Water Project Power Issues

Provided legal support to ensure that SWP energy needs are met in a cost-effective and sustainable manner. Participated in SWC Energy and Legal Committees and coordinated with SWP and SWC staffers on issues impacting SWP costs, including cap-and-trade regulations, renewable energy procurement, power contract negotiations, and settlement of pending litigation related to the California energy crisis.

Electric Reliability Standards

Provided legal support regarding reporting and compliance with mandatory electric reliability standards. Provided legal support for Metropolitan's reporting of compliance with delegated tasks under Metropolitan's Reliability Standards Agreement with SCE.

Climate Change

Provided legal support for initiatives to achieve Metropolitan's goals for reduction of greenhouse gas emissions.

Provided legal support for the AB 32 rulemaking, California's landmark Global Warming Solutions Act, including reviewing and providing comments on proposed regulations for a California cap-and-trade program, presenting testimony to the California Air Resources Board (CARB), participating in meetings with CARB staff and drafting legislation to ensure equitable treatment of Metropolitan and water agencies.

Provided legal support on preparing comments on the development of regulations pursuant to NEPA and CEQA requiring analyses of potential climate change impacts.

Provided legal support on comments provided to the U.S. President's Council on Environmental Quality regarding analysis of climate change in federal water resource planning.

Electricity Operations

Participated in proceedings at the Federal Energy Regulatory Commission and state administrative agencies involving transmission rate increases, regional transmission operator activities and regulations, projects impacting the Colorado River Aqueduct Transmission System, and other legal matters affecting the electricity operations and costs of Metropolitan and the SWP. Assisted in successful settlement of transmission rate cases involving SCE and the Pacific Gas and Electric Company.

Managing Energy Costs

Provide legal support to protect and maximize Metropolitan's existing energy assets and planning for future needs.

Provided legal support for staff proposal to construct solar energy facilities at the Weymouth Wastewater Treatment Plant.

Energy Management Plan

Assisted with the implementation of an energy management plan, including the legal and regulatory issues associated with the District's short- and long-term power procurement. Provided legal support for renewable energy projects and power contract drafting, negotiation, and implementation.

Energy Legislation

Provided legal assistance in drafting the Hoover Power Allocation Act and supporting documents. This legislation resolves disputes among the Lower Basin States over the allocation of Hoover power when existing contracts expire in 2017. The legislation, enacted as Public Law 112-72, will allow existing contractors to renew with only a five percent reduction in power and capacity. This provides Metropolitan with a continuing supply of low-cost Hoover power for an additional 50 years. That reduction will be used to create a resource pool for new users within the three states. The legislation avoids the administrative process for re-marketing the power that would otherwise be implemented by the Western Area Power Administration.

Provided legal support to External Affairs and analyzed state and federal energy-related bills involving energy efficiency, state and federal grants, renewable electricity requirements, hydroelectric generation, net energy metering, and greenhouse gas regulation.

General Counsel's Annual Report on Fiscal Year 2011/12 Business Plan Accomplishments

Workforce Development and Cultural Changes

Provide legal support on various human resources issues to ensure a stable and productive workforce.

Activities

Labor Agreements

Provided legal assistance supporting the MOU negotiations with Metropolitan's three main bargaining units, which resulted in ratified, long-term MOUs that will remain in place until December 31, 2016. Provided legal assistance in interpreting and applying the MOUs with a focus on ensuring proper, uniform, and equitable application.

Cargill v. Metropolitan

Provided oversight on this litigation involving three consolidated class action lawsuits challenging Metropolitan's past use of District temporary employees, independent consultants, and temporary agency workers. Directed ongoing implementation of the settlement agreement, with a current focus on further limiting liability and assisting Human Resources to submit enrollment applications for individual class members eligible for CalPERS benefits. The settlement resulted in 2,058 claims for PERS enrollment and benefits. Metropolitan completed processing those claims. Through the implementation process, the number of eligible claims was reduced from 2,058 to 1,433, resulting in savings to date of approximately \$4.6 million. All claims have been processed and evaluated, and all eligibility disputes have been resolved. We expect the superior court to close its file in this matter by the end of the current fiscal year.

Support of Human Resources and Management

Provided legal assistance with labor/employment law compliance and strategic advice, including with respect to: the new employee evaluation process; employment actions; employee relations; reasonable accommodation and leave issues; affirmative action, nondiscrimination program, and Equal Employment Opportunity (EEO) matters; wage/hour issues; and potential workforce violence matters.

Provided legal assistance in interpreting and implementing the existing bargaining unit MOUs, Operating Policies, and employee-related Administrative Code sections, with a focus on ensuring proper, uniform, and equitable application.

Provided investigation oversight for EEO claims, security matters, and misconduct reports, providing recommendations for remedial actions where appropriate.

Presented management training sessions entitled "Avoiding Litigation Landmines," a program previously prepared by the Legal Department, to existing and new Metropolitan managers across the District.

Prepared management training program entitled "Avoiding Legally Troublesome E-mails" and presented sessions to managers in the Water System Operations, Water Resource Management, Engineering Services, and Human Resources Groups. Prepared separate all-staff "Avoiding Legally Troublesome E-mails" training program and presented sessions to all External Affairs and Human Resources employees.

Litigation

Legal staff represented Metropolitan in several employment lawsuits:

Minor v. Metropolitan (alleging retaliation for complaining about gender and race discrimination and sexual harassment, and for complaining about retaliation). After the court granted Metropolitan's motion for summary judgment and dismissed the case, plaintiff filed a notice of appeal in September 2011. The superior court clerk filed the appellate record in January 2012 and the parties are currently briefing the case before the Court of Appeal. Metropolitan is represented by outside counsel and the Legal Department in this matter.

Kitos v. Metropolitan, et al. (alleging wrongful demotion, wrongful demotion/retaliation in violation of public policy, age discrimination,

General Counsel's Annual Report on Fiscal Year 2011/12 Business Plan Accomplishments

Workforce Development and Cultural Changes

Provide legal support on various human resources issues to ensure a stable and productive workforce.

and intentional infliction of emotional distress). Metropolitan successfully demurred to the causes of action alleging wrongful demotion, wrongful demotion/retaliation in violation of public policy, and intentional infliction of emotional distress. Thereafter, plaintiff dismissed this lawsuit in January 2012 after Metropolitan engaged in discovery and demonstrated that the remaining cause of action for age discrimination lacked merit. This matter was handled by the Legal Department.

Del Toro v. Metropolitan, et al. (alleging retaliation in violation of the Fair Employment and Housing Act). Plaintiff served the summons and complaint on Metropolitan on April 9, 2012. Based on information gathered during an EEO investigation conducted by an independent investigative firm, correspondence has been sent to the plaintiff's attorney requesting a dismissal of the lawsuit. The Legal Department represents Metropolitan in this matter.

PERB Unfair Labor Practice Charges

Defended Metropolitan's interests and management rights in several matters before the PERB alleging unfair labor practices pursuant to the Meyers-Milias-Brown Act. Of the seven PERB matters that have been active during the current fiscal year, one PERB charge has been withdrawn by the filing bargaining unit, three PERB charges were resolved by settlement agreements, one PERB charge was placed in abeyance to allow the underlying controversy to be addressed pursuant to the MOU hearing officer procedure, and two remaining charges are under PERB review. The Legal Department will continue to defend Metropolitan's interests in these matters.

Bargaining Unit Grievances and Appeals

Defended Metropolitan's interests in hearing officer appeal requests lodged by the bargaining units. The Legal Department calendared hearing officer appeals involving two grievances and four disciplinary actions this fiscal year. Of the two grievances, the Legal Department

negotiated a settlement of one grievance and the remaining grievance is scheduled for hearing. Of the four disciplinary actions, the Legal Department negotiated one settlement and the remaining three disciplinary appeals were withdrawn by the bargaining unit after discussions with the Legal Department.

EEO and Other Agency Claims

Working with the EEO Office or other Human Resources staff, Legal staff represented Metropolitan in EEO agency and Division of Labor Standards Enforcement actions, including submission preparation and mediation. Legal staff negotiated the resolution of a discrimination and retaliation charge filed with the Equal Employment Opportunity Commission, and negotiated the resolution of a threatened lawsuit following a retaliation complaint filed with the Department of Fair Employment and Housing.

Policies

Worked with other groups to draft Wi-Fi system parameters and to update Operating Policies pertaining to workforce issues.

General Counsel's Annual Report on Fiscal Year 2011/12 Business Plan Accomplishments

Administrative Matters

Provide legal and administrative support on various matters and continue to explore and implement processes which enhance the effectiveness and efficiency of Legal Department operations.

Activities

Cost Management

Managed legal costs by using in-house counsel to the extent feasible for contracts, claims, acquisitions and litigation.

Decreased travel through increased utilization of voice and video teleconferencing and limiting travel to critical needs.

Continued to reallocate workload resulting from three vacant administrative positions.

Public Records Act Requests

Responded to a number of Public Records Act requests and document subpoenas. Responded to over 75 Public Records Act requests, for which over 50 boxes of documents and over 20 gigabytes of electronic data were provided after review for privilege and responsiveness primarily relating to Metropolitan: contracts and agreements; consultants; proposals; information on staff and Directors' salaries, benefits and expenses; Statement of Economic Interests Form 700; overall labor costs; real estate issues; construction projects; water quality data; water transfers; conservation programs; rates; financing and bond information.

Contracting Issues

Provided legal review on procurement and professional services contracting issues, including increased coordination with contract services and risk management staff and training Procurement and IT staff on contracting and contract administrator processes.

Educational Programs

Minimized training and continuing legal education (CLE) costs by providing staff access to low-cost teleconferences, webinars, and other on-site opportunities to meet CLE requirements and provided training in areas of current topical interest to Metropolitan.