



- December 31, 2015 Quarterly Report

Summary

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

Attachments

ATTACHMENT A:	Workers' Compensation Matters Resolved During the Period October 1, 2015 - December 31, 2015.
ATTACHMENT B:	Claims Against Metropolitan Resolved by Risk Management During the Period October 1, 2015 - December 31, 2015.
ATTACHMENT C:	Costs Collected During the Period October 1, 2015 - December 31, 2015.
ATTACHMENT D:	Property Damage Written Off as Uncollectible During the Period October 1, 2015 - December 31, 2015 - None.
ATTACHMENT E:	Accounts Receivables Written Off as Uncollectible During the Period October 1, 2015 - December 31, 2015 - None.

Detailed Report

Contracts

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

CH2M Hill Engineers, Inc.

Metropolitan retained this consultant to provide water supply and water quality modeling in support of efforts on in-Delta curtailments, which may include administrative or court proceedings.

Evapotranspiration Plus, LLC

This agreement was amended this quarter to reflect a change in agreement administrator, revise the termination date and modify the notices section.

Executive Presentations, Inc.

Metropolitan retained this consultant to assist in preparing presentation materials in the *Los Angeles Department of Water and Power v. Metropolitan Water District* litigation and such other assistance as may be requested relating to the litigation and ancillary matters.

Horvitz & Levy, LLP

Metropolitan retained the services of special counsel to provide appellate advice as requested by the General Counsel.

Board Report (December 31, 2015 Quarterly Report)

Jury Insight

Metropolitan retained this consultant to provide consulting services on jury focus groups to assist with witness preparation, case evaluation and trial strategy for the trial in the matter entitled, *Bradley Wayne Nutt v. Metropolitan Water District of Southern California*, Los Angeles Superior Court Case No. BC550863.

Public Interest Investigations, Inc.

Two separate Public Interest Investigations, Inc. agreements were amended this quarter to reflect an increase in the maximum amount payable.

Claims and Other Matters

1. Between October 1, 2015 - December 31, 2015, Metropolitan initiated, compromised, settled, or otherwise disposed of the following claims and entered into the following separation agreements:

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

Metropolitan did enter into the following settlement agreement within this past quarter:

On August 21, 2015, Metropolitan received a Notice of Violation (“NOV”) and a settlement offer from the Los Angeles Regional Water Quality Control Board (“Regional Board”) related to Metropolitan’s Foothill Power Plant, located near Castaic Lake. The NOV alleged three violations of Metropolitan’s National Pollutant Discharge Elimination System (“NPDES”) permit for discharges exceeding permit limits in 2014. Based on the nature of the discharges, two violations were classified as “chronic” and one violation was classified as “serious” pursuant to California Water Code section 13385. The “serious” discharge violation was subject to a minimum mandatory penalty (“MMP”) of \$3,000. Cal. Water Code § 13385(h)(1). In addition, the Regional Board had the authority to impose discretionary administrative civil liability of up to \$10,000 for each day in which a violation occurs. Cal. Water Code § 13385(c)(1). According to the Regional Board’s settlement offer, Metropolitan could avoid the issuance of a formal enforcement action and settle the alleged violations in the NOV by participating in the Regional Board’s Expedited Payment Program. The Regional Board proposed a total settlement amount of \$3,000 for the three discharge exceedances. On September 16, 2015, Metropolitan accepted the Regional Board’s settlement offer. On November 12, 2015, after the 30-day public comment period on Metropolitan’s acceptance of the settlement offer had expired, Metropolitan paid the \$3,000 settlement amount.

b. Workers’ Compensation Matters

Workers’ compensation claims settled by the General Manager and the General Counsel within this past quarter are reported in Attachment A.

c. Other Claims By and Against Third Parties Resolved by Risk Management

Non-litigated third party claims resolved by Risk Management (under authority delegated by the General Manager) and approved by the General Counsel within this past quarter are reported in Attachment B.

d. SB 90 Claims

There were no SB 90 claims for reimbursement for state-mandated costs collected within this past quarter.

e. Separation Agreements

Metropolitan did not enter into any separation agreements within this past quarter.

Board Report (December 31, 2015 Quarterly Report)

2. Costs collected for claims within this past quarter are reported in Attachment C.
3. There were no Property Damage Claims declared as uncollectible by the General Manager within this past quarter.
4. There were no Accounts Receivables that were written off as uncollectible by the General Manager within this past quarter.

ATTACHMENT A
 Workers' Compensation Matters Resolved During the Period
October 1, 2015 – December 31, 2015

Classification	Control No.	Date of Injury	Amount of Settlement	Nature of Injury	Basis for Settlement
O&M Technician IV	2013-0903-0101	1/10/13 CT	\$23,172.50	Right & left knees	Stipulated settlement based on treating orthopedist's report
O&M Technician IV	2011-1013-0190	10/11/11	\$51,060.00	Back	Stipulated settlement based on Agreed Medical Evaluator's report
O&M Technician IV	2010-0512-0655 2015-1102-0202	4/28/10 CT 10/23/15 CT	\$8,000.00	Hearing loss	Negotiated resolution of outstanding medical expense

ATTACHMENT B
 Non-Litigated Third Party Claims Against Metropolitan Resolved by Risk Management During the Period
October 1, 2015 – December 31, 2015

Claimant	Control No. TPA No.	Amount of Settlement	Incident Description	Basis for Resolution
Marissa Bautista	2015-0716-0031 MEWD-1576A1	\$664.69	On 7/15/15, an MWD vehicle rear-ended the third party vehicle	The property damage claim was settled with the third party insurance carrier based upon an evaluation of the impact, damage and repairs
Tammy Jean Vandermooren	2015-0501-0517 MEWD-1582A9	\$963.60	On 4/30/15, an MWD vehicle struck and damaged a third party vehicle	The property damage claim was settled with the third party insurance carrier based upon an evaluation of the impact, damage and repairs

ATTACHMENT C
Costs Collected During the Period of
October 1, 2015 – December 31, 2015

Third Party or Cause	Control No. TPA No.	Damage Amount	Incident Description	Basis for Costs Collected
Sharon McClinton	2014-0805-0049 METP-4513A9	\$4,204.67	On 7/30/14, a third party driver struck an MWD vehicle head-on	The property damage claim was paid in full by the third party insurance carrier
Lilliam Lea	2015-0701-0001 METP-4589A9	\$1,270.54	On 7/1/15, a third party driver backed into an MWD vehicle	The property damage claim was paid in full by the third party insurance carrier
R Eldridge	2015-0319-0432 METP-4556A9	\$670.00	On 03/15/15, the third party driver collided with an MWD fence	The property damage claim was paid in full by the third party insurance carrier
Abel Rodriguez	2015-0616-0582 METP-4576A9	\$2,847.54	On 6/7/15, a third party driver struck and damaged a vacuum release valve for the Palos Verdes Feeder	The property damage claim was paid in full by the third party insurance carrier
Tiffany Warfield	2014-0127-0330 METP-4441A9	\$2,755.00	On 1/24/14, a third party driver lost control of her vehicle and collided with an MWD fence	The property damage claim was paid in full by the third party insurance carrier
Dominic Bullene	2014-1217-0298 METP-4539A9	\$4,512.90	On 12/16/14, the third party driver, caused a lane change accident with another vehicle which struck the MWD vehicle	Metropolitan accepted a pro-rated settlement amount of \$2,270 for the property damage claim from the responsible party's insurance carrier because the coverage limits were exhausted
Eagle Valley Mutual Water Company	2014-1002-0182 METP-4522A9	\$130,040.00	On September 27, 2014 a leak of Eagle Valley's structure caused damage and erosion to Metropolitan and Western Municipal Water District (Western) property	Metropolitan collected \$112,000 from the insurance carrier for Eagle Valley. Prior to repair, Western had deposited \$60,000 for repairs to be carried out by Metropolitan. Based on the terms of the pro-rated service agreement with Western, \$49,176 was returned to Western from the settlement, with uncollected costs of \$10,824. Metropolitan has uncollected costs of \$7,216.