



## Matters Impacting Metropolitan

### **Pacific Gas & Electric Co.'s Topock Compressor Station, Needles, California**

As previously reported, PG&E owns and operates a natural gas compressor station located adjacent to the Colorado River near Needles, California. This site is approximately 42 miles up-river from Metropolitan's Whitsett Intake facility. From 1951 until 1985, the facility disposed of cooling tower water into percolation ponds or evaporation basins and by injection well. This disposal of the coolant water, which contained chromium VI to prevent rust in the cooling towers, resulted in a plume of contaminated groundwater that has migrated toward the river. The groundwater plume lies beneath federally owned lands, as well as lands owned by PG&E, BNSF Railroad, and the Fort Mojave Indian Tribe. Environmental investigation and cleanup activities have been ongoing at the site since 1997. DTSC and DOI are the lead governmental agencies responsible for the environmental investigation and cleanup of the Topock site.

On April 24, 2018, the California Department of Toxic Substances Control (DTSC) certified the

Final Subsequent Environmental Impact Report (SEIR) for the final groundwater remedy at Pacific Gas & Electric Co.'s (PG&E's) Topock site and also conditionally approved the groundwater remedy design. The U.S. Department of the Interior (DOI) had previously approved the final groundwater remedy design on April 3. Construction of the final groundwater remedy system is anticipated to begin in the third quarter of 2018 and to be completed by 2023, followed by operation of the treatment system for an estimated 30 years. The groundwater remedy involves creating an underground biological treatment zone where naturally occurring bacteria convert hexavalent chromium (chromium VI) in the groundwater to non-harmful trivalent chromium. Because trivalent chromium is not soluble in water, it is removed from the groundwater and becomes part of the soil.

Metropolitan will continue to monitor the remediation of PG&E's Topock site to ensure that appropriate measures are taken to prevent groundwater containing chromium VI from impairing Colorado River water quality.

## Other Matters

### **Finance**

Metropolitan and Wells Fargo Bank, National Association executed Omnibus Paying Agent Agreements, dated as of April 1, 2018, for certain Water Revenue Bonds, Subordinate Water Revenue Bonds and General Obligation Bonds. The agreements appoint Wells Fargo Bank to assume the duties and responsibilities of Metropolitan's Treasurer as the Fiscal Agent under the associated bond resolutions. Legal Department staff attorneys worked with finance

staff, the bank and outside bond counsel to negotiate, review and deliver the agreements.

### **Continuing Legal Education**

On April 26, the Legal Department provided a continuing educational session titled, *Updates in Lexis Advance & Lexis for Microsoft Office*. The one-hour training session was presented by Randy Shook from LexisNexis. Legal Department attorneys and Legal Analysts attended the session.



**Matters Received by the Legal Department**

<u>Category</u>	<u>Received</u>	<u>Description</u>	
Government Code Claims	2	Claims for (1) an auto accident involving a MWD vehicle, and (2) damage to claimant vehicle from open manhole	
Requests Pursuant to the Public Records Act	15	<u>Requestor</u>	<u>Documents Requested</u>
		AECOM	As-built information for existing utilities at project area in Arcadia
		Cal Poly Pomona Student	Data on cost, amount of energy used, and carbon footprint to import water
		4 Requests: (1) Civilian Agency, (2) Fraser Communications, (3) IW Group, and (4) Sensis Agency	Score summary sheets and proposals submitted in response to MWD’s request for proposal for Water Awareness and Conservation Advertising Services
		Culver City Fire Department	MWD emergency contacts and emergency preparedness plans
		DRC Engineering	Drawings of existing utilities surrounding project on Valley Boulevard in Los Angeles
		Genscape	Historical data on MWD’s electrical demand from CAISO
		Ironworkers Local 483	Contract documents for Deep Creek Hydroelectric Project
		Pacific Institute	Data on rebates for turf removal and replacement on commercial properties
		Private Citizen	Communications with Governor’s office on water tunnel project since January 1, 2018
Psomas	Underground utility information for proposed rehabilitation of a city well in Santa Ana		
Student, UC Riverside	Type, amount and cost of energy for the five pumping stations along the Colorado River Aqueduct		
Voice of San Diego	Letter from Residents for Sustainable Mojave Development		



Other Matters	4	(1) Petition for Joinder of MWD and California Claims Management Services filed by defendant insurance carrier CIGA in a workers' compensation matter involving an employee of a company hired by MWD for janitorial services, (3) notice of settlement in U.S. District Court in New Jersey relating to the purchase of ductile iron pipe fittings, (4) notice of settlement among various state attorneys general and Deutsche Bank AG relating to financial transactions that referenced benchmark interest rates such as LIBOR, EURIBOR or TIBOR, and (4) a wage garnishment. These notices of settlement potentially pertain to MWD but may have no impact.
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<b>California WaterFix Litigation</b>	
Subject	Status
<p><b>Validation</b> <i>DWR v. All Persons Interested</i> Sacramento County Superior Ct.</p>	<ul style="list-style-type: none"> <li>• Case coordinated with the 17 CEQA cases and two CESA cases listed below</li> <li>• Parties are briefing scope of validation and sequencing of the 20 coordinated cases</li> <li>• Next Case Management Conference May 24, 2018</li> </ul>
<p><b>CEQA</b> <i>CDWR Environmental Impact Cases</i> Sacramento County Superior Ct. 17 cases originally filed in four counties</p>	<ul style="list-style-type: none"> <li>• Cases coordinated in Sacramento County Superior Court and assigned for all purposes to Hon. Judge Culhane</li> <li>• Metropolitan and State Water Contractors preparing motion to intervene in CEQA and CESA cases</li> <li>• Next Case Management Conference May 24, 2018</li> </ul>
<p><b>CESA/Incidental Take Permit</b> <i>Bay.org v. DFW</i> <i>North Delta Water Agency v. DFW***</i> Sacramento County Superior Ct.</p>	<ul style="list-style-type: none"> <li>• Cases coordinated with the validation action and CEQA cases listed above</li> <li>• Next Case Management Conference May 24, 2018</li> <li>• Answers/Motions to Dismiss due 30 days after administrative record is lodged</li> </ul>
<p><b>ESA/BiOps</b> <i>Golden Gate Salmon Ass'n v. Ross (NMFS)</i> <i>Bay.org v. Zinke (USFWS)</i> Eastern District of California (O'Neill)</p>	<ul style="list-style-type: none"> <li>• <i>GGSA v. Ross (NMFS)</i> – NMFS lodged the administrative record. Plaintiffs' motion for summary judgment (MSJ) due July 27, 2018; Defendants' opposition/cross-motion for MSJ due August 29, 2018; replies due September 19, 2018 and October 10, 2018</li> <li>• <i>Bay.org v. Zinke (FWS)</i> – FWS administrative record now due June 20, 2018. Plaintiffs' MSJ due October 10, 2018; Defendants' opposition/cross-motion for MSJ due November 9, 2018; replies due November 30, 2018 and December 21, 2018</li> </ul>
<p><b>Breach of Contract</b> <i>City of Antioch v. DWR</i> Sacramento County Superior Ct.</p>	<ul style="list-style-type: none"> <li>• DWR's motion to dismiss First Amended Complaint overruled</li> <li>• DWR's answer filed April 20, 2018</li> </ul>