



Matters Involving Metropolitan

In re Matter of the Metropolitan Water District of Southern California, South Coast Air Quality Management District, Application for Interim Variance

On July 1, 2022, Metropolitan filed a petition with South Coast Air Quality Management District (SCAQMD) for a variance from the annual 200 hour limit on operations in its permit to operate an emergency standby propane generator at its Pleasant Peak telecommunication tower. The SCAQMD thresholds seek to limit criteria pollutant emissions (i.e., nitrogen oxides, carbon monoxide, and volatile organic compounds) by restricting the number of hours generators run. The telecommunication tower is in a remote area of Orange County and relies on the emergency generator, if there are power outages on Southern California Edison's (Edison) system. The tower is necessary for operational communications for Metropolitan's water delivery system. Other public agencies, including Riverside County, San Bernardino County, and the Water Emergency Response Organization of Orange County, also rely on the emergency generator to provide back-up power for their telecommunications systems housed at this location. Thus, uninterrupted operation of the tower is necessary to support several essential public services.

The need for this variance is due solely to unanticipated Edison power outages. Several recent Edison outages for repairs to its system required Metropolitan to operate the generator over 170 hours as of July 1, 2022, putting it at risk of exceeding the 200-hour limit before year end.

SCAQMD's hearing board granted an immediate emergency waiver and a follow-up hearing was held on July 26. As SCAQMD was in agreement with the petition, the item was heard on the consent calendar and the board found good cause to grant the variance. A final hearing for a regular variance that will provide coverage to the end of the year will be held on August 31.

Metropolitan staff is handling this matter and will continue to participate in this case to protect Metropolitan's operational needs.

Sierra Club v. Cal. Dept. of Water Resources (consolidated with Department of Water Resources v. All Persons Interested, etc.) (Sacramento County Superior Court)

On August 5, 2022, the judge in the Delta Conveyance Project revenue bond validation cases held a case management conference to establish a briefing and hearing schedule for the next stage of litigation before setting a trial date and briefing schedule later this year. The court ordered that any motions for summary judgment or summary adjudication and any motion for new trial be filed by August 15, 2022, extended to August 25 due to a Covid issue, with a hearing date set for November 18, 2022. The court also set the next case management conference for December 9, 2022 to establish a trial date and briefing schedule, if it denies the opponents' motions for summary judgment and new trial.

As previously reported, on August 6, 2022, the Department of Water Resources (DWR) adopted a set of resolutions authorizing issuance of revenue bonds to finance both the design, environmental review and planning costs, as well as costs to construct a new Delta conveyance facility. The same day, it filed a validation action seeking a judicial declaration that it has the authority to adopt the bond resolutions. Dozens of parties filed answers raising an array of affirmative defenses opposing DWR's validation case; five public water agencies, including Metropolitan, filed answers supporting DWR's case.

On October 27, 2020, Sierra Club, Center for Biological Diversity, Planning and Conservation League, Restore the Delta and Friends of Stone Lakes National Wildlife Refuge filed litigation challenging DWR's adoption of the bond resolutions under the California Environmental Quality Act (CEQA), alleging that DWR could not adopt the bond resolutions until it completed CEQA review of the Delta Conveyance Project. Multiple parties also raised CEQA as an affirmative defense in DWR's validation case.

The cases were consolidated, and last fall, after a set of cross-motions for summary judgment on CEQA, the trial court ruled in DWR's favor, meaning Sierra Club's CEQA claims and all CEQA



affirmative defenses in the validation action failed based on the law as applied to the undisputed material facts.

Because the trial court judge was appointed to the Court of Appeal for the Third Appellate District, the cases were delayed until the Honorable Judge Mennemeier was assigned. In the next round of dispositive motions, Sierra Club has indicated it will

move for a new trial on its CEQA claim, and it and other answering opponents stated they intend to move for summary judgment on alleged violations of the Delta Reform Act and the public trust doctrine, and possibly others.

Metropolitan staff is handling this matter with the assistance of outside counsel.

Matters Impacting Metropolitan

***Department of Interior v. Navajo Nation*, (U.S. Supreme Court Case No. 22-51); *State of Arizona v. Navajo Nation* (U.S. Supreme Court, Case No. 21-1484, U.S. Court of Appeals for the Ninth Circuit, Case No. 19-17088, D.C. No. 3:03-cv-00507-PCT-GMS)**

On July 15, 2022, U.S. Department of Interior (DOI) filed a separate petition with the U.S. Supreme Court seeking review of the question whether the federal government owes the Navajo Nation an affirmative, judicially enforceable fiduciary duty to assess and address the Navajo Nation's need for water. DOI argues it does not, as there is no specific treaty, statute, or regulatory provision creating a duty as required by existing Ninth Circuit and Supreme Court precedent. DOI argues that because the Ninth Circuit's decision in this matter conflicts with existing authority, it warrants Supreme Court review.

DOI also concurrently filed a response to the Intervenor's petition arguing that it should be held pending disposition of its separate petition on the fiduciary duty issue. DOI argued that it does not believe it is necessary to rule on the jurisdictional issue of whether the Ninth Circuit's opinion infringes on the exclusive jurisdiction of the Supreme Court over water rights on the mainstem of the Colorado River retained in *Arizona v. California* at this time.

Intervenor's include the States of Arizona, Nevada, and Colorado, along with Metropolitan, Coachella Valley Water District, Imperial Irrigation District, Salt River Valley Water Users' Association, Salt River Project Agricultural Improvement and Power District, Central Arizona Water Conservation District, Colorado River Commission of Nevada, and Southern Nevada Water Authority.

Having initially waived its right to respond, Navajo Nation immediately requested relief to file a response to Intervenor's petition and to extend its date to respond to DOI's new petition. The parties did not object and agreed that responses by all parties to DOI's petition and Navajo Nation's response to Intervenor's petition are due September 23, 2022. Replies, if any, are due within 14 days of the responses.

Intervenor's intend to file a response to DOI's petition and a reply to the Navajo Nation's response to its petition. The parties expect the matter to be fully briefed in October, when the Supreme Court may consider whether to grant review. If review is granted, briefs are due 45 days thereafter.

Metropolitan will continue to participate in this case to protect its Colorado River water interests. (See General Counsel's May 2022 Monthly Report.)

EEOC Updates Employer COVID-19 Pandemic Guidance

On July 12, 2022, the federal EEOC updated its guidance to employers regarding the country's ongoing response to COVID-19. Under the new rules, employers can only test employees at the workplace for COVID-19 for job and business related reasons. The EEOC also now prohibits employers from requiring employees to undergo antibody testing prior to re-entering the workplace. Employers are authorized, however, to test new job applicants, but only if everyone at the worksite is required to undergo testing.

The new guidance makes clear that employer obligations continue to change as the pandemic progresses.



Other Matters

Finance

On July 7, 2022, Metropolitan issued \$279,570,000 of Water Revenue Refunding Bonds, 2022 Series A (Bonds). The Bonds were issued to refund portions of three separate series of bonds originally issued in 2012 and realize debt service savings. Total present value debt service savings for Metropolitan was \$40 million. The Bonds also prepaid \$35,645,000 of outstanding Wells Fargo Short-Term Revolving Notes issued on June 29, 2022.

During a 4-month process, Legal Department staff attorneys worked with Finance, Engineering and Water Resources staff to prepare the official statement used to market the Bonds and assisted outside bond and disclosure counsel with the drafting and negotiation of several contracts and closing certificates.

On July 27, 2022, Metropolitan concurrently issued (i) \$253,365,000 of Water Revenue Refunding Bonds, 2022 Series B; and (ii) \$282,275,000 of Special Variable Rate Water Revenue Refunding Bonds, 2022 Series C (collectively, the Bonds). The related series of Bonds were issued to refund portions of six separate series of bonds originally issued in 2000, 2016, and 2018 and realize debt service savings. Total present value debt service savings for Metropolitan was \$24.5 million.

During a several-month process, Legal Department staff attorneys worked with Finance, Engineering and Water Resources staff to prepare the official statements used to market the Bonds and assisted outside bond and disclosure counsel with the drafting and negotiation of several contracts and closing certificates, including the credit facilities supporting the variable rate bonds.

Matters Received

<u>Category</u>	<u>Received</u>	<u>Description</u>	<u>Documents Requested</u>
Requests Pursuant to the Public Records Act	15	<u>Requestor</u>	
		Blair, Church & Flynn (2 requests)	Records for any MWD existing or proposed facilities in the vicinity of the projects in: (1) Tustin; and (2) Irvine
		CalMatters	Data regarding turf rebates, including information on applications received and funded, amount of square footage replaced, and turf replacement studies
		Center for Contract Compliance (2 requests)	Summit Landcare: (1) certified payroll records and fringe benefit statement for work on Landscape Maintenance, Tree Trimming and Herbicide Applications for North Orange County; and (2) bid and contract documents for Landscape Maintenance and Irrigation Repair at Yorba Linda
		Fabozzi & Miller	Farm lease agreements and amendments between MWD and/or Palo Verde Irrigation District and HayDay Farms, Inc. and any affiliated or successor entities from January 1, 2022 through the present



<u>Requestor</u>	<u>Documents Requested</u>
Indio Water Authority	Documents regarding savings from turf conversions and toilet and smart irrigation changeouts
KPCC	Turf rebate data for Los Angeles, Orange, Riverside, and San Bernardino Counties for fiscal years 2020/21 and 2021/22, including whether the rebate was for residential, commercial, or industrial use, number of acres replaced, and rebate amounts
MWD Supervisors Association	Transcript, digital media, and chats from the Coffee with the General Manager session on July 19, 2022
Nighthawk Strategies	Form 700s relating to Scott Slater of Brownstein Hyatt Farber Schreck from January 2000 to present
Private Citizens (2 requesters)	(1) LADWP WaterInsights Reports on water usage for two addresses in the City of Los Angeles; and (2) costs associated with the design, creation, and maintenance of Diamond Valley Lake Reservoir and related fees charged to Las Virgenes Municipal Water District
TAIT & Associates	Information on any MWD facilities near the street rehabilitation project in the city of Bellflower
United Fiber Comm.	Records for any MWD existing utilities in vicinity of the project on South Harbor Boulevard in Santa Ana
WestWater Research	Records regarding price and delivery volume for 2022 Imperial Irrigation District/MWD water transfer



PLEASE NOTE

- ADDITIONS ONLY IN THE FOLLOWING TWO TABLES WILL BE SHOWN IN RED.
- ANY CHANGE TO THE *OUTSIDE COUNSEL AGREEMENTS* TABLE WILL BE SHOWN IN REDLINE FORM (I.E., ADDITIONS, REVISIONS, DELETIONS).



Bay-Delta and SWP Litigation	
Subject	Status
<p>Consolidated DCP Revenue Bond Validation Action and CEQA Case</p> <p><i>Sierra Club, et al. v. California Department of Water Resources</i> (CEQA, designated as lead case)</p> <p><i>DWR v. All Persons Interested</i> (Validation)</p> <p>Sacramento County Superior Ct. (Judge Kenneth C. Mennemeier)</p>	<ul style="list-style-type: none"> • Validation Action <ul style="list-style-type: none"> • Metropolitan, Mojave Water Agency, Coachella Valley Water District, and Santa Clarita Valley Water Agency have filed answers in support • Kern County Water Agency, Tulare Lake Basin Water Storage District, Oak Flat Water District, County of Kings, Kern Member Units & Dudley Ridge Water District, and City of Yuba City filed answers in opposition • North Coast Rivers Alliance et al., Howard Jarvis Taxpayers Association, Sierra Club et al., County of Sacramento & Sacramento County Water Agency, CWIN et al., Clarksburg Fire Protection District, Delta Legacy Communities, Inc, and South Delta Water Agency & Central Delta Water Agency have filed answers in opposition • Case ordered consolidated with the DCP Revenue Bond CEQA Case for pre-trial and trial purposes and assigned to Judge Earl for all purposes • DWR’s motions for summary judgment re CEQA affirmative defenses granted; cross-motions by opponents denied • <u>August 25, 2022 deadline to file any dispositive motions</u> • <u>Nov. 18, 2022 Hearing on dispositive motions</u> • <u>Dec. 9, 2022 Case Management Conference</u> • CEQA Case <ul style="list-style-type: none"> • Sierra Club, Center for Biological Diversity, Planning and Conservation League, Restore the Delta, and Friends of Stone Lakes National Wildlife Refuge filed a standalone CEQA lawsuit challenging DWR’s adoption of the bond resolutions • Alleges DWR violated CEQA by adopting bond resolutions before certifying a Final EIR for the Delta Conveyance Project • Cases ordered consolidated for all purposes



	<ul style="list-style-type: none"> • DWR’s motion for summary judgment granted; Sierra Club’s motion denied
<p>SWP-CVP 2019 BiOp Cases</p> <p><i>Pacific Coast Fed’n of Fishermen’s Ass’ns, et al. v. Raimondo, et al. (PCFFA)</i></p> <p><i>Calif. Natural Resources Agency, et al. v. Raimondo, et al. (CNRA)</i></p> <p>Federal District Court, Eastern Dist. of California, Fresno Division (Judge Thurston)</p>	<ul style="list-style-type: none"> • SWC intervened in both <i>PCFFA</i> and <i>CNRA</i> cases • Briefing on federal defendants’ motion to dismiss CNRA’s California ESA claim is complete; no hearing date set and may be decided on the papers • Federal defendants circulated administrative records for each of the BiOps • December 18, 2020 PCFFA and CNRA filed motions to complete the administrative records or to consider extra-record evidence in the alternative • Federal defendants reinitiated consultation on Oct 1, 2021 • On Nov. 8, 2021, Federal Defendants and PCFFA plaintiffs stipulated to inclusion of certain records in the Administrative Records and to defer further briefing on the matter until July 1, 2022 • On Nov. 12, 2021, SWC filed a motion to amend its pleading to assert cross-claims against the federal defendants for violations of the ESA, NEPA and WIIN Act; Court has yet to set a hearing date • November 23, 2021, Federal Defendants filed a motion for voluntary remand of the 2019 Biological Opinions and NEPA Record of Decision and requesting that the Court issue an order approving an Interim Operations Plan through September 30, 2022; that the cases be stayed for the same time period; and that the Court retain jurisdiction during the pendency of the remand. State Plaintiffs filed a motion for injunctive relief seeking judicial approval of the Interim Operations Plan • December 16, 2021 – NGO Plaintiffs filed a motion for preliminary injunction related to interim operations • Motions fully briefed as of Jan. 24, 2022 • Hearing on motions held Feb. 11, 2022 • District court (1) approved the State and Federal Government’s Interim Operations Plan (IOP) through September 30, 2022; (2) approved the federal defendants’



	<p>request for a stay of the litigation through September 30, 2022; (3) remanded the BiOps without invalidating them for reinitiated consultation with the 2019 BiOps in place; (4) denied PCFFA’s alternative request for injunctive relief; and (5) by ruling on other grounds, denied the state plaintiffs’ motion for injunctive relief and the federal defendants’ request for equitable relief</p>
<p>CESA Incidental Take Permit Cases</p> <p>Coordinated Case Name <i>CDWR Water Operations Cases, JCCP 5117</i> (Coordination Trial Judge Gevercer)</p> <p><i>Metropolitan & Mojave Water Agency v. Calif. Dept. of Fish & Wildlife, et al.</i> (CESA/CEQA/Breach of Contract)</p> <p><i>State Water Contractors & Kern County Water Agency v. Calif. Dept. of Fish & Wildlife, et al.</i> (CESA/CEQA)</p> <p><i>Tehama-Colusa Canal Auth., et al. v. Calif. Dept. of Water Resources</i> (CEQA)</p> <p><i>San Bernardino Valley Municipal Water Dist. v. Calif. Dept. of Water Resources, et al.</i> (CEQA/CESA/ Breach of Contract/Takings)</p> <p><i>Sierra Club, et al. v. Calif. Dept. of Water Resources</i> (CEQA/Delta Reform Act/Public Trust)</p> <p><i>North Coast Rivers Alliance, et al. v. Calif. Dept. of Water Resources</i> (CEQA/Delta Reform Act/Public Trust)</p> <p><i>Central Delta Water Agency, et. al. v. Calif. Dept. of Water Resources</i> (CEQA/Delta Reform Act/Public Trust/ Delta Protection Acts/Area of Origin)</p> <p><i>San Francisco Baykeeper, et al. v. Calif. Dept. of Water Resources, et al.</i> (CEQA/CESA)</p>	<ul style="list-style-type: none"> • All 8 cases ordered coordinated in Sacramento County Superior Court • Stay on discovery issued until coordination trial judge orders otherwise • All four Fresno cases transferred to Sacramento to be heard with the four other coordinated cases • SWC and Metropolitan have submitted Public Records Act requests seeking administrative record materials and other relevant information • Answers filed in the three cases filed by State Water Contractors, including Metropolitan’s • Draft administrative records produced on Sept. 16, 2021 • Certified administrative records lodged March 4, 2022 • Sept. 9, 2022 fifth Case Management Conference • Sept. 9, 2022 hearing on any motions to augment the administrative records



<p>CDWR Environmental Impact Cases Sacramento Superior Ct. Case No. JCCP 4942, 3d DCA Case No. C091771 (20 Coordinated Cases)</p> <p>Validation Action <i>DWR v. All Persons Interested</i></p> <p>CEQA 17 cases</p> <p>CESA/Incidental Take Permit 2 cases</p> <p><u>(Judge TBD)</u></p>	<ul style="list-style-type: none"> • Cases dismissed after DWR rescinded project approval, bond resolutions, decertified the EIR, and CDFW rescinded the CESA incidental take permit • January 10, 2020 – Nine motions for attorneys’ fees and costs denied in their entirety • Parties have appealed attorneys’ fees and costs rulings • May 11, 2022, court of appeal reversed the trial court’s denial of attorney fees and costs in an unpublished opinion • Opinion ordered published • <u>Coordinated cases remitted to trial court for re-hearing of fee motions consistent with the court of appeal’s opinion</u>
<p>COA Addendum/ No-Harm Agreement</p> <p><i>North Coast Rivers Alliance v. DWR</i> Sacramento County Superior Ct. (Judge Gevercer)</p>	<ul style="list-style-type: none"> • Plaintiffs allege violations of CEQA, Delta Reform Act & public trust doctrine • USBR Statement of Non-Waiver of Sovereign Immunity filed September 2019 • Westlands Water District and North Delta Water Agency granted leave to intervene • Metropolitan & SWC monitoring • Deadline to prepare administrative record extended to <u>Sept.</u> 19, 2022
<p>Delta Plan Amendments and Program EIR 4 Consolidated Cases Sacramento County Superior Ct. (Judge Gevercer)</p> <p><i>North Coast Rivers Alliance, et al. v. Delta Stewardship Council</i> (lead case)</p> <p><i>Central Delta Water Agency, et al. v. Delta Stewardship Council</i></p> <p><i>Friends of the River, et al. v. Delta Stewardship Council</i></p> <p><i>California Water Impact Network, et al. v. Delta Stewardship Council</i></p> <p>Delta Stewardship Council Cases 3 Remaining Cases (CEQA claims challenging original 2013 Delta Plan EIR) (Judge Chang)</p> <p><i>North Coast Rivers Alliance, et al. v. Delta Stewardship Council</i></p> <p><i>Central Delta Water Agency, et al. v. Delta Stewardship Council</i></p>	<ul style="list-style-type: none"> • Cases challenge, among other things, the Delta Plan Updates recommending dual conveyance as the best means to update the SWP Delta conveyance infrastructure to further the coequal goals • Allegations relating to “Delta pool” water rights theory and public trust doctrine raise concerns for SWP and CVP water supplies • Cases consolidated for pre-trial and trial under <i>North Coast Rivers Alliance v. Delta Stewardship Council</i> • SWC granted leave to intervene • Metropolitan supports SWC • 2013 and 2018 cases to be heard separately due to peremptory challenge • SWC and several individual members, including Metropolitan, SLDMWA and Westlands have dismissed their remaining 2013 CEQA claims but remain intervenor-defendants in the three remaining <i>Delta Stewardship Council Cases</i>



<p><i>California Water Impact Network, et al. v. Delta Stewardship Council</i></p>	<p>2013 Cases</p> <ul style="list-style-type: none"> • After a hearing on Feb. 25, 2022 the court ruled against plaintiffs on the merits of their BDCP-related CEQA claims • April 22, 2022 court ruled against the remaining CEQA claims and denied the petitions for writs of mandamus • Three remaining petitioner groups filed notices of appeal • Delta Stewardship Council filed memorandum of costs seeking \$362,407.47, mostly for cost to prepare the administrative record <p>2018 Cases</p> <ul style="list-style-type: none"> • <u>Hearing on the merits held July 22, 2022</u> • <u>Ruling on the merits anticipated in September</u>
<p>SWP Contract Extension Validation Action Sacramento County Superior Ct. (Judge Culhane)</p> <p><i>DWR v. All Persons Interested in the Matter, etc.</i></p>	<ul style="list-style-type: none"> • DWR seeks a judgment that the Contract Extension amendments to the State Water Contracts are lawful • Metropolitan and 7 other SWCs filed answers in support of validity to become parties • Jan. 5-7, 2022 Hearing on the merits held with CEQA cases, below • Final statement of decision in DWR’s favor filed March 9, 2022 • Final judgment entered and served • C-WIN et al., County of San Joaquin et al. and North Coast Rivers Alliance et al. filed notices of appeal
<p>SWP Contract Extension CEQA Cases Sacramento County Superior Ct. (Judge Culhane)</p> <p><i>North Coast Rivers Alliance, et al. v. DWR</i> <i>Planning & Conservation League, et al. v. DWR</i></p>	<ul style="list-style-type: none"> • Petitions for writ of mandate alleging CEQA and Delta Reform Act violations filed on January 8 & 10, 2019 • Deemed related to DWR’s Contract Extension Validation Action and assigned to Judge Culhane • Administrative Record completed • DWR filed its answers on September 28, 2020 • Metropolitan, Kern County Water Agency and Coachella Valley Water District have intervened and filed answers in the two CEQA cases • Final statement of decision in DWR’s favor denying the writs of mandate filed March 9, 2022 • Final judgments entered and served



	<ul style="list-style-type: none"> • North Coast Rivers Alliance et al. and PCL et al. filed notices of appeal
<p>Delta Conveyance Project Soil Exploration Case <i>Central Delta Water Agency, et al. v. DWR</i> Sacramento County Superior Ct. (Judge Chang)</p>	<ul style="list-style-type: none"> • Filed August 10, 2020 • Plaintiffs Central Delta Water Agency, South Delta Water Agency and Local Agencies of the North Delta • One cause of action alleging that DWR’s adoption of an Initial Study/Mitigated Negative Declaration (IS/MND) for soil explorations needed for the Delta Conveyance Project violates CEQA • March 24, 2021 Second Amended Petition filed to add allegation that DWR’s addendum re changes in locations and depths of certain borings violates CEQA • Deadline to prepare the administrative record extended to April 22, 2022 • DWR’s petition to add the 2020 CEQA case to the <i>Department of Water Resources Cases</i>, JCCP 4594, San Joaquin County Superior Court denied • Hearing on the merits scheduled for Oct. 14, 2022
<p>Water Management Tools Contract Amendment <i>California Water Impact Network et al. v. DWR</i> Sacramento County Superior Ct. (Judge Aquistó)</p> <p><i>North Coast Rivers Alliance, et al. v. DWR</i> Sacramento County Super. Ct. (Judge Aquistó)</p>	<ul style="list-style-type: none"> • Filed September 28, 2020 • CWIN and Aqualliance allege one cause of action for violation of CEQA • NCRA et al. allege four causes of action for violations of CEQA, the Delta Reform Act, Public Trust Doctrine and seeking declaratory relief • Parties have stipulated to production of a draft administrative record by April 1, 2022 and to a timeline to attempt to resolve any disputes over the contents • SWC motion to intervene in both cases granted



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

Cases	Date	Status
2010, 2012	Aug. 13-14, 2020	Final judgment and writ issued. Transmitted to the Board on August 17.
	Sept. 11	Metropolitan filed notice of appeal of judgment and writ.
	Jan. 13, 2021	Court issued order finding SDCWA is the prevailing party on the Exchange Agreement, entitled to attorneys' fees and costs under the contract.
	Feb. 10	Court issued order awarding SDCWA statutory costs, granting SDCWA's and denying Metropolitan's related motions.
	Feb. 16	Per SDCWA's request, Metropolitan paid contract damages in 2010-2012 cases judgment and interest. Metropolitan made same payment in Feb. 2019, which SDCWA rejected.
	Feb. 25	Metropolitan filed notice of appeal of Jan. 13 (prevailing party on Exchange Agreement) and Feb. 10 (statutory costs) orders.
	Sept. 21	Court of Appeal issued opinion on Metropolitan's appeal regarding final judgment and writ, holding: (1) the court's 2017 decision invalidating allocation of Water Stewardship Rate costs to transportation in the Exchange Agreement price and wheeling rate applied not only to 2011-2014, but also 2015 forward; (2) no relief is required to cure the judgment's omission of the court's 2017 decision that allocation of State Water Project costs to transportation is lawful; and (3) the writ is proper and applies to 2015 forward.
	Mar. 17, 2022	Court of Appeal unpublished decision affirming orders determining SDCWA is the prevailing party in the Exchange Agreement and statutory costs.
	Mar. 21	Metropolitan paid SDCWA \$14,296,864.99 for attorneys' fees and \$352,247.79 for costs, including interest.
	<u>July 27</u>	<u>Metropolitan paid SDCWA \$411,888.36 for attorneys' fees on appeals of post-remand orders.</u>
2014, 2016	Aug. 28, 2020	SDCWA served first amended (2014) and second amended (2016) petitions/complaints.
	Sept. 28	Metropolitan filed demurrers and motions to strike portions of the amended petitions/complaints.



Cases	Date	Status
2014, 2016 (cont.)	Sept. 28-29	Member agencies City of Torrance, Eastern Municipal Water District, Foothill Municipal Water District, Las Virgenes Municipal Water District, Three Valleys Municipal Water District, Municipal Water District of Orange County, West Basin Municipal Water District, and Western Municipal Water District filed joinders to the demurrers and motions to strike.
	Feb. 16, 2021	Court issued order denying Metropolitan’s demurrers and motions to strike, allowing SDCWA to retain contested allegations in amended petitions/complaints.
	March 22	Metropolitan filed answers to the amended petitions/complaints and cross-complaints against SDCWA for declaratory relief and reformation, in the 2014, 2016 cases.
	March 22-23	Member agencies City of Torrance, Eastern Municipal Water District, Foothill Municipal Water District, Las Virgenes Municipal Water District, Three Valleys Municipal Water District, Municipal Water District of Orange County, West Basin Municipal Water District, and Western Municipal Water District filed answers to the amended petitions/complaints in the 2014, 2016 cases.
	April 23	SDCWA filed answers to Metropolitan’s cross-complaints.
	Sept. 30	Based on the Court of Appeal’s Sept. 21 opinion (described above), and the Board’s Sept. 28 authorization, Metropolitan paid \$35,871,153.70 to SDCWA for 2015-2017 Water Stewardship Rate charges under the Exchange Agreement and statutory interest.
2017	July 23, 2020	Dismissal without prejudice entered.
2018	July 28, 2020	Parties filed a stipulation and application to designate the case complex and related to the 2010-2017 cases, and to assign the case to Judge Massullo’s court.
	Nov. 13	Court ordered case complex and assigned to Judge Massullo’s court.
	April 21, 2021	SDCWA filed second amended petition/complaint.
	May 25	Metropolitan filed motion to strike portions of the second amended petition/complaint.
	May 25-26	Member agencies City of Torrance, Eastern Municipal Water District, Foothill Municipal Water District, Las Virgenes Municipal Water District, Three Valleys Municipal Water District, Municipal Water District of Orange County, West Basin Municipal Water District, and Western Municipal Water District filed joinders to the motion to strike.
	July 19	Court issued order denying Metropolitan’s motion to strike portions of the second amended petition/complaint.



Cases	Date	Status
2018 (cont.)	July 29	Metropolitan filed answer to the second amended petition/complaint and cross-complaint against SDCWA for declaratory relief and reformation.
	July 29	Member agencies City of Torrance, Eastern Municipal Water District, Foothill Municipal Water District, Las Virgenes Municipal Water District, Three Valleys Municipal Water District, Municipal Water District of Orange County, West Basin Municipal Water District, and Western Municipal Water District filed answers to the second amended petition/complaint.
	Aug. 31	SDCWA filed answer to Metropolitan’s cross-complaint.
	April 11, 2022	Court entered order of voluntary dismissal of parties’ WaterFix claims and cross-claims.
2014, 2016, 2018	June 11, 2021	Deposition of non-party witness.
	Aug. 25	Hearing on Metropolitan’s motion for further protective order regarding deposition of non-party witness.
	Aug. 25	Court issued order consolidating the 2014, 2016, and 2018 cases for all purposes, including trial.
	Aug. 30	Court issued order granting Metropolitan’s motion for a further protective order regarding deposition of non-party witness.
	Aug. 31	SDCWA filed consolidated answer to Metropolitan’s cross-complaints in the 2014, 2016, and 2018 cases.
	Oct. 27	Parties submitted to the court a joint stipulation and proposed order staying discovery through Dec. 8 and resetting pre-trial deadlines.
	Oct. 29	Court issued order staying discovery through Dec. 8 and resetting pre-trial deadlines, while the parties discuss the prospect of settling some or all remaining claims and crossclaims.
	Jan. 12, 2022	Case Management Conference. Court ordered a 35-day case stay to allow the parties to focus on settlement negotiations, with weekly written check-ins with the court; and directed the parties to meet and confer regarding discovery and deadlines.
	Feb. 22	Court issued order resetting pre-trial deadlines as proposed by the parties.
	Feb. 22	Metropolitan and SDCWA each filed motions for summary adjudication.
	April 13	Hearing on Metropolitan’s and SDCWA’s motions for summary adjudication.



Cases	Date	Status
2014, 2016, 2018 (cont.)	April 18	Parties filed supplemental briefs regarding their respective motions for summary adjudication, as directed by the court.
	April 18	Court issued order resetting pre-trial deadlines as proposed by the parties.
	April 29	Parties filed pre-trial briefs.
	April 29	Metropolitan filed motions in limine.
	May 4	Court issued order granting Metropolitan’s motion for summary adjudication on cross-claim for declaratory relief that the conveyance facility owner, Metropolitan, determines fair compensation, including any offsetting benefits; and denying its motion on certain other cross-claims and an affirmative defense.
	May 11	Court issued order granting SDCWA’s motion for summary adjudication on cross-claim for declaratory relief in the 2018 case regarding lawfulness of the Water Stewardship Rate’s inclusion in the wheeling rate and transportation rates in 2019-2020; certain cross-claims and affirmative defenses on the ground that Metropolitan has a duty to charge no more than fair compensation, which includes reasonable credit for any offsetting benefits, with the court also stating that whether that duty arose and whether Metropolitan breached that duty are issues to be resolved at trial; affirmative defenses that SDCWA’s claims are untimely and SDCWA has not satisfied claims presentation requirements; affirmative defense in the 2018 case that SDCWA has not satisfied contract dispute resolution requirements; claim, cross-claims, and affirmative defenses regarding applicability of Proposition 26, finding that Proposition 26 applies to Metropolitan’s rates and charges, with the court also stating that whether Metropolitan violated Proposition 26 is a separate issue; and cross-claims and affirmative defenses regarding applicability of Government Code section 54999.7, finding that section 54999.7 applies to Metropolitan’s rates. Court denied SDCWA’s motion on certain other cross-claims and affirmative defenses.
	May 13	Pre-trial conference; court denied Metropolitan’s motions in limine.
	May 16	Court issued order setting post-trial brief deadline and closing arguments.
	May 16-27	Trial occurred but did not conclude.
	May 23, June 21	SDCWA filed motions in limine.
	May 26, June 24	Court denied SDCWA’s motions in limine.



Cases	Date	Status
	June 3, June 24, July 1	Trial continued, concluding on July 1.
	June 24	SDCWA filed motion for partial judgment.
	July 15	Metropolitan <u>filed</u> opposition to motion for partial judgment.
	Aug. 19	Post-trial briefs due.
	Sept. 27	Post-trial closing arguments.
All Cases	April 15, 2021	Case Management Conference on 2010-2018 cases. Court set trial in 2014, 2016, and 2018 cases on May 16-27, 2022.
	April 27	SDCWA served notice of deposition of non-party witness.
	May 13-14	Metropolitan filed motions to quash and for protective order regarding deposition of non-party witness.
	June 4	Ruling on motions to quash and for protective order.



Outside Counsel Agreements				
Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Andrade Gonzalez LLP	MWD v. DWR, CDFW and CDNR Incidental Take Permit (ITP) CESA/CEQA/Contract Litigation	185894	07/20	\$250,000
Aleshire & Wynder	Oil, Mineral and Gas Leasing	174613	08/18	\$50,000
Atkinson Andelson Loya Ruud & Romo	Employee Relations	59302	04/04	\$1,214,517
	MWD v. Collins	185892	06/20	\$100,000
	Delta Conveyance Project Bond Validation-CEQA Litigation	185899	09/21	\$100,000
	MWD Drone and Airspace Issues	193452	08/20	\$50,000
	Equal Employee Opportunity Commission Charge	200462	03/21	\$20,000
	Public Employment Relations Board Charge No. LA-CE-1441-M	200467	03/21	\$30,000
	Representation re the Shaw Law Group's Investigations	200485	05/20/21	\$50,000
	DFEH Charge- (DFEH Number 202102-12621316)	201882	07/01/21	\$25,000
	AFSCME Local 1902 in Grievance No. 1906G020 (CSU Meal Period)	201883	07/12/21	\$30,000
	AFSCME Local 1902 v. MWD, PERB Case No. LA-CE-1438-M	201889	09/15/21	\$20,000
	MWD MOU Negotiations**	201893	10/05/21	\$100,000
	DFEH Charge- (DFEH Number 202106-13819209)	203439	12/14/21	\$15,000
	DFEH Charge- (DFEH Number 202109-14694608)	203460	02/22	\$15,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Best, Best & Krieger	Navajo Nation v. U.S. Department of the Interior, et al.	54332	05/03	\$185,000
	Bay-Delta Conservation Plan/Delta Conveyance Project (with SWCs)	170697	08/17	\$500,000
	Environmental Compliance Issues	185888	05/20	\$100,000
	Public Records Act Requests	203462	04/22	\$30,000
Blooston, Mordkofsky, Dickens, Duffy & Prendergast, LLP	FCC and Communications Matters	110227	11/10	\$100,000
Brown White & Osborn LLP	HR Matter	203450	03/22	\$50,000
Buchalter, a Professional Corp.	Union Pacific Industry Track Agreement	193464	12/07/20	\$50,000
Burke, Williams & Sorensen, LLP	Real Property - General	180192	01/19	\$100,000
	Labor and Employment Matters	180207	04/19	\$50,000
	General Real Estate Matters	180209	08/19	\$100,000
Law Office of Alexis S.M. Chiu*	Bond Counsel	200468	07/21	N/A
Cislo & Thomas LLP	Intellectual Property	170703	08/17	\$75,000
Cummins & White, LLP	Board Advice	207941	05/22	\$10,000
Curls Bartling P.C.*	Bond Counsel	174596	07/18	N/A
	Bond Counsel	200470	07/21	N/A
Duane Morris LLP	SWRCB Curtailment Process	138005	09/14	\$615,422
Duncan, Weinberg, Genzer & Pembroke PC	Power Issues	6255	09/95	\$3,175,000
Ellison, Schneider, Harris & Donlan	Colorado River Issues	69374	09/05	\$175,000
	Issues re SWRCB	84457	06/07	\$200,000
Haden Law Office	Real Property Matters re Agricultural Land	180194	01/19	\$50,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Hanson Bridgett LLP	SDCWA v. MWD	124103	03/12	\$1,100,000
	Finance Advice	158024	12/16	\$100,000
	Deferred Compensation/HR	170706	10/17	\$ 400,000
	Tax Issues	180200	04/19	\$50,000
Hausman & Sosa, LLP	MOU Hearing Officer Appeal	201892	09/21	\$25,000
	MOU Hearing Officer Appeal	207943	05/22	\$25,000
Hawkins Delafield & Wood LLP*	Bond Counsel	193469	07/21	N/A
Horvitz & Levy	SDCWA v. MWD	124100	02/12	\$900,000
	General Appellate Advice	146616	12/15	\$100,000
	Colorado River	203464	04/22	\$100,000
Hunt-Ortmann-Palfy Nieves-Darling & Mah, Inc.	Construction Contracts/COVID-19 Emergency	185883	03/20	\$40,000
Internet Law Center	HR Matter	174603	05/18	\$60,000
	Cybersecurity and Privacy Advice and Representation	200478	04/13/21	\$100,000
	Systems Integrated, LLC v. MWD	201875	05/17/21	\$65,000
Amira Jackmon, Attorney at Law*	Bond Counsel	200464	07/21	N/A
Jackson Lewis P.C.	Employment: Department of Labor Office of Contract Compliance (OFCCP)	137992	02/14	\$45,000
Jones Hall, A Professional Law Corporation*	Bond Counsel	200465	07/21	N/A
Kegel, Tobin & Truce	Workers' Compensation	180206	06/19	\$250,000
Lesnick Prince & Pappas LLP	Topock/PG&E's Bankruptcy	185859	10/19	\$30,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Liebert Cassidy Whitmore	Labor and Employment	158032	02/17	\$201,444
	EEO Investigations	180193	01/19	\$100,000
	FLSA Audit	180199	02/19	\$50,000
LiMandri & Jonna LLP	Bacon Island Subrogation	200457	03/21	\$50,000
Manatt, Phelps & Phillips	In Re Tronox Incorporated	103827	08/09	\$540,000
	SDCWA v. MWD rate litigation	146627	06/16	\$2,900,000
	<u>Raftelis - Subcontractor of Manatt, Phelps & Phillips Agreement No. 146627: Pursuant to 05/02/22 Engagement Letter between Manatt, Phelps & Phillips and Raftelis Financial Consultants, Inc., Metropolitan Water District paid Raftelis Financial Consultants, Inc.</u>	<u>Invoice No. 23949</u>		<u>\$56,376.64 for expert services and reimbursable expenses in SDCWA v. MWD</u>
Meyers Nave Riback Silver & Wilson	OCWD v. Northrop Corporation	118445	07/11	\$2,300,000
	IID v. MWD (Contract Litigation)	193472	02/21	\$100,000
Miller Barondess, LLP	SDCWA v. MWD	138006	12/14	\$600,000
Morgan, Lewis & Bockius	SDCWA v. MWD	110226	07/10	\$8,750,000
	Project Labor Agreements	200476	04/21	\$100,000
Musick, Peeler & Garrett LLP	Colorado River Aqueduct Electric Cables Repair/Contractor Claims	193461	11/20	\$900,000
	Arvin-Edison v. Dow Chemical	203452	01/22	\$50,000
Nixon Peabody LLP*	Bond Counsel	193473	07/21	N/A
Norton Rose Fulbright US LLP*	Bond Counsel	200466	07/21	N/A
Olson Remcho LLP	Government Law	131968	07/14	\$200,000
	Ethics Office	170714	01/18	\$350,000
	MWD Board/Ad Hoc Committee Advice	203459	03/22	\$60,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Renne Public Law Group, LLP	ACE v. MWD (PERB Case No. LA-CE-1574-M)	203466	05/22	\$50,000
Ryan & Associates	Leasing Issues	43714	06/01	\$200,000
Seyfarth Shaw LLP	HR Litigation	185863	12/19	\$250,000
	Claim (Contract #201897)	201897	11/04/21	\$100,000
	Claim (Contract #203436)	203436	11/15/21	\$100,000
	Claim (Contract #203454)	203454	01/22	\$100,000
	Claim (Contract #203455)	203455	10/21	\$100,000
Stradling Yocca Carlson & Rauth*	Bond Counsel	200471	07/21	N/A
Theodora Oringher PC	OHL USA, Inc. v. MWD	185854	09/19	\$1,100,000
	Construction Contracts - General Conditions Update	185896	07/20	\$100,000
Thomas Law Group	MWD v. DWR, CDFW, CDNR – Incidental Take Permit (ITP) CESA/CEQA/Contract Litigation	185891	05/20	\$250,000
	Iron Mountain SMARA (Surface Mining and Reclamation Act)	203435	12/03/21	\$100,000
Thompson Coburn LLP	FERC Representation re Colorado River Aqueduct Electrical Transmission System	122465	12/11	\$100,000
	NERC Energy Reliability Standards	193451	08/20	\$100,000
Van Ness Feldman, LLP	General Litigation	170704	07/18	\$50,000
	Colorado River MSHCP	180191	01/19	\$50,000
	Bay-Delta and State Water Project Environmental Compliance	193457	10/15/20	\$50,000
Western Water and Energy	California Independent System Operator Related Matters	193463	11/20/20	\$100,000

*Expenditures paid by Bond Proceeds/Finance

**Expenditures paid by another group