



- June 30, 2017 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
April 1, 2017 - June 30, 2017.
- ATTACHMENT B: Claims Against Metropolitan Resolved by Risk Management During the Period
April 1, 2017 - June 30, 2017.
- ATTACHMENT C: Costs Collected During the Period
April 1, 2017 - June 30, 2017.
- ATTACHMENT D: Property Damage Written Off as Uncollectible During the Period
April 1, 2017 - June 30, 2017.
- ATTACHMENT E: Accounts Receivables Written Off as Uncollectible During the Period
April 1, 2017 - June 30, 2017.

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:

Atkinson, Andelson, Loya, Ruud & Romo

Metropolitan retained the services of special counsel to provide advice on ethics and investigations as requested.

Atkinson, Andelson, Loya, Ruud & Romo

Metropolitan retained the services of special counsel to provide legal representation, advice and consultation in the litigation entitled, *Francia Elsa Fate v. Metropolitan Water District; West Basin; and, Does 1-50, inclusive*, Los Angeles Superior Court Case No. BC611854.

Chang, Ruthenberg & Long PC

This agreement was amended this quarter to reflect a change in Agreement Administrator and to modify the Notices section, the Special Counsel Guidelines and the Fee Schedule.

ESSA Technologies Ltd.

Metropolitan retained the services of Consultant to provide Metropolitan a review of environment-recruitment relationships in Bay Delta science.

Board Report (June 30, 2017 Quarterly Report)

HELIX Environmental Planning, Inc.

Metropolitan retained the services of Consultant to provide technical support in anticipation of litigation regarding California Water Fix project and perform detailed reviews of various environmental documentation and permitting components of California Water Fix on an as-need basis.

Owen Water Consulting LLC

Metropolitan retained the services of Consultant to review testimony and provide expert opinions (written and oral) regarding the relationship between raw water temperature and disinfection by-product (“DBP”) formation. This agreement was also amended within this quarter to reflect an increase in the maximum amount payable.

Public Interest Investigations, Inc.

Metropolitan retained the services of Consultant to investigate and to provide analysis and recommendations as directed, on allegations of discrimination and other misconduct made on behalf of a former Metropolitan employee.

Ryan & Associates

Metropolitan retained the services of special counsel to prepare and participate in the negotiation of various real property conveyance and liability release documents related to the settlement of the matter *In re Holy Hill Community Church*, US Bankruptcy Court Case No. 2:14-bk-21070-WB and related cases.

Susan Woolley

Metropolitan retained the services of Consultant to investigate, and to provide analysis and recommendations as directed, on allegations of discrimination lodged by a Metropolitan employee with Metropolitan’s Equal Employment Opportunity Unit, and on allegations of violations of the Fair Employment and Housing Act filed by a same Metropolitan employee with the Los Angeles Superior Court in Case No. BC657802. This agreement was also amended within this quarter to correct the agreement number.

Claims and Other Matters

1. Between April 1, 2017 – June 30, 2017, 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 entered into the following settlement agreement within this past quarter.

Please see the following activity:

On September 22, 2016, the Department of Toxic Substances Control (“DTSC”) conducted an inspection at Metropolitan’s Iron Mountain Pumping Plant. The inspection was prompted by the accidental disposal of several air filters containing hazardous waste at an off-site non-hazardous landfill in September 2015. As a result of the inspection, DTSC issued a Summary of Violations which listed three violations (classified as “Class I”) and the actions Metropolitan must take by October 21, 2016 to correct the violations. The violations are: (1) Metropolitan caused the disposal of hazardous waste at a facility without a valid hazardous waste treatment permit or authorization; (2) Metropolitan failed to determine if the waste was a hazardous waste; and (3) Metropolitan failed to prepare an appropriate manifest for shipping hazardous waste to an off-site facility. The corrective actions include: (1) Metropolitan shall implement a plan to prevent the future shipment of hazardous waste to a facility without a hazardous waste treatment permit or authorization to treat hazardous waste; (2) Metropolitan shall implement a plan to properly determine the characteristics of its wastes; and (3) Metropolitan must use hazardous waste manifests when it ships its hazardous waste off-site to

Board Report (June 30, 2017 Quarterly Report)

a permitted facility. On November 18, 2016, DTSC sent Metropolitan an Inspection Report. Similar to the Summary of Violations, the Inspection Report described the findings of the inspection, including the violations and the actions Metropolitan should take to correct the violations. On March 7, 2017, DTSC offered to settle with Metropolitan for a penalty of \$6,250 and scheduled a settlement meeting. Metropolitan attended a settlement conference with DTSC on April 12, 2017, and discussed the terms of a Consent Order. Metropolitan accepted DTSC's offer to settle the matter for \$6,250. Metropolitan signed the Consent Order on April 19, 2017, and DTSC signed it on April 26, 2017. Metropolitan's settlement check was delivered to DTSC on May 17, 2017.

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.

2. Costs collected for claims within this past quarter are reported in Attachment C.
3. Property Damage Claims declared as uncollectible by the General Manager within this past quarter are reported in Attachment D.
4. Accounts Receivables that were written off as uncollectible by the General Manager within this past quarter are reported in Attachment E.

ATTACHMENT A
 Workers' Compensation Matters Resolved During the Period
April 1, 2017 – June 30, 2017

Classification	Control No.	Date of Injury	Amount of Settlement	Nature of Injury	Basis for Settlement
O&M Technician IV	2012-1030-0224	8/29/12 – 10/11/16	\$8,772.50	Bilateral hearing loss	Stipulated settlement based on consulting physician's report
Environmental Specialist	2015-1203-0230	12/2/15	\$0	Left shin, right knee	Stipulated settlement, providing future medical care, based on treating physician's report
O&M Technician IV	2016-0517-0478	5/17/16 CT	\$0	Bilateral wrists and hands	Stipulated settlement, providing future medical care, based on treating physician's report
Water Treatment Plant Specialist	2017-0301-0406	1/12/17 CT	\$0	Bilateral hearing loss	Stipulated settlement, providing future medical care, based on consulting physician's report

ATTACHMENT B
Claims Against Metropolitan Resolved by Risk Management During the Period
April 1, 2017 – June 30, 2017

Control No. TPA No.	Amount of Settlement	Incident Description	Basis for Resolution
2016-0906-0118 MEWD-1621A2	\$1,679.65	On 9/6/16, an MWD vehicle rear-ended a third party vehicle causing damage.	The third party claim was settled based upon an evaluation of the damage and repair cost for \$1,089.65, and the third party bodily injury claim was settled for \$590.00.

ATTACHMENT C
 Costs Collected During the Period
April 1, 2017 – June 30, 2017

Third Party or Cause	Control No. TPA No.	Damage Amount	Incident Description	Basis for Costs Collected
Benjamin Salazar	2016-1031-0217 METP-4725A9	\$1,593.00	On 10/27/16, a third party driver struck and damaged a section of MWD fence.	The property damage claim was paid in full by the third party insurance carrier.
Julio Saavedra	2017-0227-0393 026-0000005	\$960.00	On 2/24/17, a third party driver struck and damaged a section of MWD fence.	The property damage claim was paid in full by the third party insurance carrier.
Nationwide Fleet Installations	2017-0410-0478 026-000030	\$863.10	On 2/27/17, an MWD contractor installed a radio and damaged fuel tank.	The property damage claim was paid in full by the third party.

ATTACHMENT D
Property Damage Written Off as Uncollectible During the Period
April 1, 2017 – June 30, 2017

Third Party or Cause	Control No. TPA No.	Damage Amount	Incident Description	Basis for Write-Off
Unknown Third Party	2012-0726-0036 CW 1759441	\$9,623.00	On 6/25/12, an unknown subcontractor for the City of Granada Hills Manholes paved over MWD manhole covers.	MWD was unable to identify the responsible party so the repair cost was written off.

ATTACHMENT E
 Accounts Receivables Written Off as Uncollectible During the Period
April 1, 2017 – June 30, 2017

Invoice Date	Invoice Number	Customer Name	Amount Written Off	Brief Description	Basis for Write-Off	Date Written Off
1/30/09	500146	CA DEPT OF WATER RESOURCES	\$28,875.00	701710 4400010 Conservation Other	Invoice was billed 7.5 months after it was due; therefore, DWR refused to pay invoice.	6/21/17