



THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA

# Board Report

## Legal Group

### • June 30, 2025 Quarterly Report

#### Summary

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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 Administrative Code Section 6431.

#### Attachments

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- ATTACHMENT A: Workers' Compensation Matters Resolved During the Period  
April 1, 2025 – June 30, 2025 NONE.
- ATTACHMENT B: Claims Against Metropolitan Resolved by Risk Management During the Period  
April 1, 2025 – June 30, 2025.
- ATTACHMENT C: Costs Collected During the Period  
April 1, 2025 – June 30, 2025.
- ATTACHMENT D: Property Damage Written Off as Uncollectible During the Period  
April 1, 2025 – June 30, 2025 - NONE.
- ATTACHMENT E: Accounts Receivables Written Off as Uncollectible During the Period  
April 1, 2025 – June 30, 2025 - NONE.

#### Detailed Report

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##### Contracts

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

##### Aecus Law

Metropolitan retained the services of Consultant to provide analysis and recommendations as directed on allegations of employee misconduct complaints within the Riverside C&D team.

##### Atkinson, Andelson, Loya, Ruud & Romo - Agreement No. 222539

This agreement was amended this quarter to reflect an increase in the maximum amount payable.

##### Atkinson, Andelson, Loya, Ruud & Romo - Agreement No. 222551

Metropolitan retained the services of Special Counsel to provide legal advice and representation regarding an employee Job Audit Hearing Officer Appeal.

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### **Atkinson, Andelson, Loya, Ruud & Romo - Agreement No. 222552**

Metropolitan retained the services of Special Counsel to provide legal advice and representation regarding an employee Job Audit Hearing Officer Appeal.

### **Atkinson, Andelson, Loya, Ruud & Romo - Agreement No. 222554**

Metropolitan retained the services of Special Counsel to provide legal advice and counseling regarding Requests for Information by AFSCME Local 1902, review relevant records and advise on record disclosure exemption determinations, and assistance in responding to Requests for Information.

### **Atkinson, Andelson, Loya, Ruud & Romo - Agreement No. 226516**

Metropolitan retained the services of Special Counsel to represent an employee in connection with an internal EEO investigation being conducted by Metropolitan's EEO office.

### **BDG Law Group**

Metropolitan retained the services of Special Counsel to provide legal representation, advice and consultation to Co-Defendant in the litigation entitled, *Katano Kasaine v. Metropolitan Water District of Southern California; Adel Hagekhalil, an individual; and Does 1 through 50, inclusive*, Los Angeles Superior Court Case No. 25STCV05250.

### **Best Best & Krieger LLP – Agreement No. 211921**

This agreement was amended this quarter to reflect an increase in the maximum amount payable.

### **Best Best & Krieger LLP – Agreement No. 222526**

Metropolitan retained the services of Special Counsel to provide advice and counsel on SB 149 reporting requirements.

### **Best Best & Krieger LLP – Agreement No. 226517**

Metropolitan retained the services of Special Counsel to provide legal advice on property taxes, rates, charges, and other revenue matters.

### **Burke, Williams & Sorensen, LLP**

Metropolitan retained the services of Special Counsel to provide representation and counsel in pre-condemnation proceedings and condemnation proceedings for acquisition of real property rights in connection with the Inland Feeder-Foothill Pump Station Intertie Project.

### **Davis Wright & Tremaine LLP**

Metropolitan retained the services of Special Counsel to provide legal representation, advice and consultation to Metropolitan in the litigation entitled, *Katano Kasaine v. Metropolitan Water District of Southern California; Adel Hagekhalil, an individual; and Does 1 through 50, inclusive*, Los Angeles Superior Court Case No. 25STCV05250.

### **Hackler Flynn & Associates**

This agreement was amended this quarter to designate a new agreement administrator and modify the notices section.

### **Hausman & Sosa, LLP - Agreement No. 222553**

Metropolitan retained the services of Special Counsel to provide legal advice and representation regarding an employee NOIS Hearing Officer Appeal.

### **Hausman & Sosa, LLP - Agreement No. 226523**

Metropolitan retained the services of Special Counsel to provide legal advice and representation regarding an employee NOID Hearing Officer Appeal.

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### **Internet Law Center**

This agreement was amended this quarter to modify the notices section and modify the fee schedule.

### **Lesnick Prince & Pappas LLP**

Metropolitan retained the services of Special Counsel to provide legal advice on the bankruptcy matters related to PFAS contamination claims, Kidde-Fenwal bankruptcy.

### **Marten Law LLP – Agreement No. 220413**

This agreement was amended this quarter to modify the notices section.

### **Marten Law LLP – Agreement No. 220414**

This agreement was amended this quarter to modify the notices section.

### **Marten Law LLP – Agreement No. 220415**

This agreement was amended this quarter to modify the notices section.

### **Marten Law LLP – Agreement No. 216034**

This agreement was amended this quarter to modify the notices section.

### **Norton Rose Fulbright US LLP**

Metropolitan retained the services of Special Project Finance Counsel to assist and advise Metropolitan on the possible finance and related governance/ownership structures available to fund the construction and operation of Pure Water, which may include issuing of revenue bonds, notes or other forms of indebtedness. Special Project Finance Counsel to assist Metropolitan regarding legality and tax status of possible securities and/or alternative finance structures and any legal limitations that would preclude specific financial, ownership or governance structures. Project Finance Counsel to assist Metropolitan in negotiating agreements, or similar documents related to issuance of securities and assist in the review of term sheets and other finance related documents. Special Project Finance Counsel to represent Metropolitan before ratings agencies as requested as well as provide presentations to Metropolitan's Board of Directors on financing matters related to Pure Water.

### **Renne Public Law Group LLP - Agreement No. 226519**

Metropolitan retained the services of Special Counsel to provide legal advice and representation before Public Employment Relations Board regarding unfair practice charge filed in the matter entitled, *American Federation of State, County & Municipal Employees, Local 1902 v. Metropolitan Water District of Southern California*, PERB Case No. LA-CE-1775-M.

### **Renne Public Law Group LLP - Agreement No. 226515**

Metropolitan retained the services of Special Counsel to provide legal advice and representation before Public Employment Relations Board regarding unfair practice charge filed in the matter entitled, *American Federation of State, County & Municipal Employees, Local 1902 v. Metropolitan Water District of Southern California*, PERB Case No. LA-CE-1774-M.

### **Robert P. Otilie**

Metropolitan retained the services of Special Counsel in connection with a confidential employment matter.

### **Ross Employment Law, A Professional Law Corporation**

Metropolitan retained the services of Consultant to provide analysis and investigative legal services related to Government Code Claim filed on behalf of ex-employee.

### **Ryan & Associates**

This agreement was amended this quarter to reflect an increase in the maximum amount payable.

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### **Sheppard Mullin Richter & Hampton LLP**

This agreement was amended this quarter to reflect an increase in the maximum amount payable.

### **Van Ness Feldman, LLP**

Metropolitan retained the services of Special Counsel to provide advisory and pre-litigation administrative record preparation work in connection with a National Environmental Policy Act, Endangered Species Act, and Section 4(f) of the Department of Transportation Act matter.

## **Claims and Other Matters**

1. Between April 1, 2025 – June 30, 2025, 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 resolved the following Robert Diemer Water Treatment Plant Notice of Violation**

- i. As a result of an October 2024 inspection at the Robert Diemer Water Treatment Plant, the Orange County Fire Authority (“OCFA”) issued a Fire and Life Safety Inspection Notice citing the following violations of the California Fire Code (“CFC”) and the National Fire Protection Agency National Fire Alarm and Signaling Code (“NFPA 72”): (1) Violation of CFC Chapter 7, Rated Doors, Wall, & Other Construction, for a fire door being removed in the elevator lobby of Admin Building 1, and (2) Violation of CFC section 907 and NFPA 72, Fire Alarm, Detection, & Monitoring Systems, for a fire alarm control panel showing trouble codes. There was no proposed penalty amount. Legal supported Metropolitan’s Office of Safety, Security, and Protection and Diemer Plant management to provide timely and appropriate responses to the OCFA demonstrating Metropolitan’s compliance with the stated violations. On Friday, June 20<sup>th</sup>, 2025, OCFA inspectors conducted an inspection at the Diemer plant and cleared all violations from the Inspection Notice and confirmed the Inspection Notice is closed without any further action required.

### **Metropolitan entered into the following settlement agreements within this past quarter:**

- i. On September 27, 2023, an employee filed a complaint with the California Civil Rights Department and the EEOC alleging discrimination, harassment, and retaliation in violation of the Fair Employment and Housing Act and Labor Code Section 1102.5. The matter was resolved through the CRD’s dispute resolution process, and a Settlement Agreement and Release of Claims was fully executed on June 3, 2025. Key terms include a general release, no admission of liability, reinstatement of leave balances, and a monetary payment of \$125,000, pursuant to the authority delegated to the General Manager and General Counsel. The claims implicated equal employment opportunity issues. The employee remains employed by the District. The agreement includes confidentiality provisions but permits disclosure of facts related to alleged unlawful conduct as allowed by law. Corrective action taken by Metropolitan included prior disciplinary measures against the named supervisor and a requirement for specialized EEO training for all managers and supervisors at the affected facility.

**Metropolitan resolved the following Hearing Officer Appeals within this past quarter:**

**i. *AFSCME Local 1902 v. Metropolitan* (MOU interpretation dispute - Per Diem Denial)**

In the appeal, AFSCME Local 1902 contended that Metropolitan denied per diem pay to a member in violation of the MOU provisions concerning per diem pay. After negotiation, the parties agreed that Metropolitan will pay the Grievant per diem in the amount of \$5,750. In exchange, Local 1902 signed a release and withdrew its appeal, alleviating the need for an administrative hearing. The agreement did not contain a confidentiality provision. This matter did not concern employee discipline or EEO related matters. No corrective action was taken, and employee is still employed with the District.

**ii. *AFSCME Local 1902 v. Metropolitan* (MOU interpretation dispute - Standby Denial)**

In the appeal, AFSCME Local 1902 contended that Metropolitan denied standby to one of its members in violation of the MOU. The parties engaged in extensive negotiation which resulted in settlement. Under the terms of the settlement, Metropolitan paid the Grievant a lump sum of \$4,116.96. In exchange, Local 1902 withdrew the appeal and also withdrew a related PERB charge in which Local 1902 contended the standby denial also constituted an unfair labor practice under the MMBA. The agreement did not contain a confidentiality provision. This matter did not concern employee discipline or EEO related matters. No corrective action was taken, and employee is still employed with the District.

**b. Workers' Compensation Matters**

No Workers' Compensation claims were settled by the General Manager and the General Counsel within this past quarter.

**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**

No SB 90 claims for reimbursement for state-mandated costs collected were reported 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. No Property Damage Claims were declared as uncollectible by the General Manager within this last quarter.
4. No Accounts Receivables were written off as uncollectible by the General Manager within this past quarter.

**ATTACHMENT B**  
Claims Against Metropolitan Resolved by Risk Management During the Period  
April 1, 2025 – June 30, 2025

Claimant	Control No. TPA No.	Amount of Settlement	Incident Description	Basis for Resolution
Rodriguez, Ricardo (employee)	2024-0813-0061 GHC0075103	\$4,474.89	On 08/12/2024, an MWD vehicle pulled out and struck the front passenger bumper of an MWD employee's personal vehicle	The employee's property damage claim was settled based upon an evaluation of the accident facts, impact, damage, and repair estimate
Yadira Barillas Argueta	2024-0209-0310 GHC0069107	\$25,000.00	On 02/09/2024, an MWD vehicle struck and damaged the left rear quarter panel of the third-party vehicle and caused bodily injury while merging into the left turn lane	The third-party presented a bodily injury claim in the amount of \$500,000. A settlement reduction was negotiated based upon the treatment costs and related subjective injury complaint. This injury claim was the for the driver. The property damage claim for vehicle damage was settled previously and reported on the September 2024 Quarterly report.
Candice Quesada	2024-0209-0310 GHC0069107	\$7,000.00	On 02/09/2024, an MWD vehicle struck and damaged the left rear quarter panel of the third-party vehicle and caused bodily injury while merging into the left turn lane	The third-party (a passenger in the above listed incident) presented a bodily injury claim in the amount of \$500,000. A settlement reduction was negotiated based upon the treatment costs and subjective injury complaint.

**ATTACHMENT C**  
Costs Collected During the Period of  
April 1, 2025 – June 30, 2025

Third Party or Cause	Control No. TPA No.	Costs Collected	Incident Description	Basis for Costs Collected
Helio, Aleman (c/o Interinsurance Exchange of the Automobile Club)	2023-1204-0228 GHC0065759	\$3,770.00	On 12/02/2023, a third-party lost control of their vehicle and struck 40ft of MWD fencing	The property damage claim was paid in full by the third-party's insurance carrier