MWD
METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Report

June 25, 2004
Water Resource Management

- **Water Resource Management Group Manager's Update**

Summary

Following is a summary of Water Resource Management Group key activities for the month of June 2004.

Detailed Report

Planning

Regional Urban Water Management Plan - Work has begun on the 2005 update of the Regional Urban Water Management Plan (RUWMP), which is due in December 2005. Staff is currently reviewing changes to the Urban Water Management Planning Act, which is the underlying legislative mandate for the RUWMP. These changes will be outlined at the July member agency managers meeting. Additionally, staff is reviewing the 2000 RUWMP and other RUWMP-related documents such as the Integrated Resources Plan Update and Report on Metropolitan's Water Supplies as part of the development of a draft outline for the upcoming plan.

Bulletin 160 - The California Department of Water Resources is continuing its process of the California Water Plan Update. The Water Plan will reflect several themes that are consistent with Metropolitan's planning principles and policies, including (1) recognizing the importance of regional planning with the State and Federal governments providing the backbone infrastructure and planning framework, (2) encouraging regions to prepare integrated water resources plans that recognize the inter-relationships of water issues and resources, and (3) encouraging regions to develop a diverse water portfolio with a reserve to ensure water supply reliability. In addition, actions and programs of the CALFED Record of Decision are an integral part of the Plan.

The Water Plan is organized into five volumes: Volume 1 – Strategic Plan, which includes findings and recommend actions, the Plan overview and discussion of current and future conditions; Volume 2 – Resource Management Strategies, which contains narratives for 25 resource management strategies; Volume 3 – Regional Reports, which includes description of the state's 10 hydrologic regions and its current water resources conditions and plans; and Volume 4 and 5 are technical references detailing sources of information, technology descriptions, and assumptions used in the Water Plan. DWR is scheduled to release the public review Draft Water Plan at the end of August 2004 and hold public hearings in September and October 2004. The Final Water Plan is schedule for release in January 2005. Staff is currently participating in the public advisory committee to assist DWR in refining the recommended actions for the Water Plan.

Resource Implementation

Local Resources Program Performance - In June, staff outlined steps to address the General Auditor's recommendations to improve LRP project performance for the Water Planning, Quality, and Resources Committee and Audit Subcommittee. The next steps are to terminate or truncate agreements with either none or low project deliveries, and send reminder letters regarding agreements with performance milestones that must be met this upcoming fiscal year. Based on our analysis, there is a potential to reduce Metropolitan's contractual commitment to projects up to 21,000 AFY in 2004 and if performance milestones are not met, an additional 9,000 AFY in fiscal year 2004/05.

These progressive steps are part of a planned annual review process. Benefits to this process include improved confidence to assess the need for future investments, expanded opportunities for new projects, and clarity in our rate setting processes.

Termination of South Coast Reclamation Expansion Project agreement - South Coast Water District, Municipal Water District of Orange County and Metropolitan mutually terminated the 700 acre-feet per year LRP agreement for the South Laguna Reclamation Expansion Project. Under agreement terms executed in 1988, South Coast would have received financial incentives for production over a threshold of 859 acre-feet per year, which accounted for yield from a pre-existing water recycling project. However, this threshold has never been met and would not be met into the future in order to initiate Metropolitan incentives. Subsequently, South Coast

has sold part of the project to Moulton Niguel Water District, whose reclamation project is presently receiving LRP incentives.

Innovative Supply Program - Agreements were executed for projects selected under the Innovative Supply Program, which provides a business approach to consider the merits of ideas that may expand regional water supply. Grant recipients can now proceed with their demonstration projects and investigations to develop credible information that would advance the understanding of one or more fundamental aspect of their new supply proposal. Metropolitan provides a partial grant payment up front, with the remaining funds provided when investigations are completed and final reports submitted to Metropolitan.

Recipients are expected to take up to a year to complete investigations. Staff will monitor progress according to an agreed upon schedule. A workshop would be held with member agencies to review and consider the results and findings would be reported to the Board. Total program funding is $250,000.

Updated Jones Tract Levee Break Status Report - Repairs continue at Jones Tract, a Sacramento-San Joaquin Delta island about four miles northeast of the State Water Project intake at Clifton Court Forebay. The breach resulted in the temporary reduction of water exports from the Delta and a moderate salinity increase. Normal levels of exports resumed within a week of the June 4 breach.

Repairing the levee breach continues around the clock, and should be completed the first week in July. The California Department of Water Resources has awarded a contract to dewater the island and this work should be completed by November 2004.

Governor Schwarzenegger declared a state emergency making emergency funds available. In addition, Governor Schwarzenegger has asked President Bush to issue a major disaster declaration in San Joaquin County. DWR estimates the cost of repairs to the levee will be $38 million, excluding crop damages.

o:a\s\Board letters\2004\july\july 2004 group managers report