

• CEO/General Manager's October Activity Report

Summary

- Colorado River
- CALFED/Bay-Delta Matters
- Emergency Response/Business Continuity Plan
- Business, Community and Legislative Outreach
- Workforce
- Water Supplies

Detailed Report

The following details the activities for the Department of the CEO/General Manager for the period following the September Board meeting:

Colorado River

Development of Shortage Guidelines - Staff participated in a series of meetings with the other Colorado River Basin states on October 27 and 28 to develop shortage guidelines and coordinated reservoir management strategies for the Colorado River system. The Bureau of Reclamation has set a February 1 deadline for the Basin states to develop their preferred alternative, if it is to be included and analyzed in the EIS being developed by the Department of Interior. In order to have a successful outcome, it was recognized that each state must gain something from the proposed alternative being developed. Each state outlined what it would like to have included in the proposal; they also discussed concerns they had with some of the ideas being developed by other states. All the states acknowledged that there was much work to do in the next few months if the seven Basin states could endorse a single proposal by the February 1 deadline. The next discussion of the Basin states will be via a conference call on November 28.

Development of the Salton Sea Ecosystem Management Plan by the Secretary for Resources - During September staff participated in technical working group meetings assembled to address the incorporation of fish and wildlife habitats for the several alternatives being developed for a Salton Sea ecosystem restoration plan. Staff expressed concern that some habitat proposals include the direct use of Colorado River water supplies and as such would be inconsistent with state and federal law, federal water delivery contracts, and interagency agreements. Such direct water use would reduce the quantity of additional Colorado River water that may otherwise be available to Metropolitan.

In response to statements in the October 12 opinion of the *Imperial Valley Press*, by letter to the Editor Metropolitan clarified that it is not currently an advocate of any of the alternative ecosystem management plans being developed by the Secretary for Resources. The letter noted that important public policy decisions should be based on sound science and the most complete information available. Accordingly, the letter concluded, it is important that the state's current efforts to document the costs and benefits of various alternatives be completed on time to permit the Legislature to make an informed decision on what direction to take on restoring the Sea.

Board Report (CEO/General Manager's October Activity Report)

CALFED/Bay-Delta Matters

Bay-Delta Outreach Activities - In early October, a moderated panel discussion with key stakeholder interests was held in Stockton at the University of the Pacific. The theme of the two-hour panel discussion, termed "Striking a Balance," was geared toward finding solutions in managing the environmentally sensitive Sacramento / San Joaquin Delta. Directors Record and Peterson attended the event, and about 75 other people were present. Local media outlets covered the discussion, and Pulitzer Prize winning Sacramento Bee Editorialist Tom Philp moderated the event.

CALFED's Regulatory Commitment & Project Funding Negotiations – CALFED Executive Director Joe Grindstaff is leading negotiations with state and federal agencies and stakeholder interests. These negotiations center on developing a focused 10-year action plan that identifies regulatory commitments and project implementation schedules for key water quality and supply reliability projects, and user contributions associated with the Environmental Restoration Program, Environmental Water Account, and the Delta Improvement Package. The Governor has set a deadline for these negotiations of November 2005.

South Delta Improvement Program EIR/EIS - Department of Water Resources has delayed the release of the South Delta Improvement Program Draft Environmental Impact Report until November 10, 2005. The SDIP includes expansion of the SWP Banks pumping plant to 8,500 cfs, installation of permanent operable barriers, and dredging.

CALFED Governance and Fiscal Review - The independent governance and fiscal review being conducted on CALFED by the Little Hoover Commission, independent management consultant, and Department of Finance is continuing. The Little Hoover Commission has held three public hearings and is scheduled to release a final report in late November that will include recommendations for improving CALFED governance. On October 20, the independent management consultant, KPMG, released a report. The common theme from the stakeholder interviews in the KPMG report was the concern over the absence of clear performance measures and project tracking that has led to the inability of CALFED to effectively define balance and evaluating outcomes and accomplishments. The Department of Finance is scheduled to release their report in November 2005.

Emergency Response/Business Continuity Plan

Shane Chapman, Section Manager, has been assigned to support the Board's new Emergency Preparedness Committee. The fourth version of the Business Continuity Plan, which will address the internal audit findings, will be complete by the end of November. A series of tests of the Business Continuity Plan and disaster recovery procedures for critical business systems are being planned and will be conducted through December and into next year.

Water System Operations and Engineering are evaluating their emergency response capability to identify ways to further mitigate specific risks.

Business, Community and Legislative Outreach

On October 18 Metropolitan, West Basin Municipal Water District and the city of Torrance met with recently elected Assemblymember Ted Lieu (D-El Segundo) to brief him about Metropolitan's activities and how we deliver water at the local level in his district. Metropolitan staff outlined some of the major legislative issues that were addressed during the 2005 legislative session. Director Wright briefed the Assemblymember on the latest developments surrounding the South Delta Improvement Program. Additionally, Rob Beste, Public Works Director for the city of Torrance, outlined some of the concerns of the city of Torrance and West Basin MWD as it related to the implementation of new conjunctive use projects in the local groundwater basin. Director Kwan reviewed the many educational and conservation programs that Metropolitan has to offer to his constituents.

Board Report (CEO/General Manager's October Activity Report)

On October 20, 2005, Metropolitan held a community leaders breakfast briefing in coordination with the legislative offices of Senator Nell Soto (D-Pomona) and Assemblyman Joe Baca, Jr. (D-San Bernardino). The event was well attended with community leaders representing cities, county, schools, unions, chambers, and local water agencies. Debra Man was the keynote speaker and presented Metropolitan's water reliability picture by discussing water management through integrated resources planning and state and local partnerships. Director emeritus and Vice Chair of IEUA Wyatt Troxel shared the program by introducing Ms. Man and helping with responses during the question-and-answer session. Senator Soto and Assemblyman Baca each provided comments during the briefing.

Staff is finalizing all contracts with schools participating in the Southern California World Water Forum Grant Program. Staff is working with teams to set up the first round of site visits to assess project progress and troubleshoot any problems. Staff made a presentation about the World Water Forum at the Association of Water Agencies of Ventura County monthly meeting. An immediate contact and follow-up meeting was conducted with the Chancellor of CSU Channel Islands. He expressed great interest in having the school submit a project proposal for 2006.

Solar Cup 2006 - member agencies have requested sponsorship of 40 teams and are in the process of identifying high schools that will participate in the 2006 program. Staff met with the Riverside County Regional Open Space District personnel at Lake Skinner to discuss additional camping and competition paddock needs because of the increased number of teams.

Workforce

The Human Resources staff completed the "Come SIT with HR" initiative. Presentations/meetings were held at each work site within the District. Feedback has been, generally, very positive. Human Resources was welcomed by most of the staff at each facility. A wrap-up meeting of all of the Teams will be held in early November to gather suggestions/recommendations for improvement of this evolving program.

The annual picnic was held on Saturday, October 29, at Knott's Berry Farm. Response to the picnic was very good with the highest level of participation in years.

HR is actively establishing PERS retirement seminars and pre-retirement seminars over the next couple of months.

Water Supplies

State Water Project Storage Levels in Good Shape. As of November 1, Lake Oroville storage measured 2.74 million acre-feet – more than 1 maf higher than it was last year at this time. The last time Lake Oroville had this much water stored in early November was back in 1995. With such a high storage level, it is anticipated that the initial 2006 State Water Project allocation will be much higher than it has been in several years. DWR announces its initial SWP allocation on or near December 1 each year.

Colorado River Drought Conditions Ease Going into Water Year 2006. As of November 1, storage in Lake Powell measured 12 million acre-feet, which is 49% of capacity. Last year at this time, Lake Powell neared its lowest level since it was initially filled, with only 8.1 maf. Thanks to the first season of above-average runoff in six years, today Lake Powell is nearly 50 feet higher than it was last spring. If Lake Powell increases by another 25 feet, Lake Powell would begin making additional storage releases, called "equalization releases", to Lake Mead, which would significantly improve Lake Mead's storage. As of November 1, Lake Mead's storage was 15.1 maf (58% of capacity) – about 1 maf more than last year at this time.

Board Report (CEO/General Manager's October Activity Report)

Diamond Valley Lake Reaches Highest Level. Thanks to increased imported supplies and reduced demands, storage in Diamond Valley Lake dramatically increased this year. As of November 1, DVL storage measured 780,000 acre-feet, and the reservoir is expected to completely fill for the first time in the next few months.

