

• **General Manager's August Activity Report**

Summary

The attached report details the activities of the Office of the General Manager for the month of August 2006. Metropolitan has delivered sufficient water supplies to meet all firm, replenishment and agricultural demands and has achieved full compliance with drinking water quality standards.

This report summarizes the status of Metropolitan's core business in terms of:

- Water Supplies
- System Operations
- Capital Investment Plan
- Real Estate Management
- Finance
- Business Processes/Operations
- Outreach
- Business Outreach
- Workforce

Attachment

General Manager's Monthly Activity Report



Water Supplies

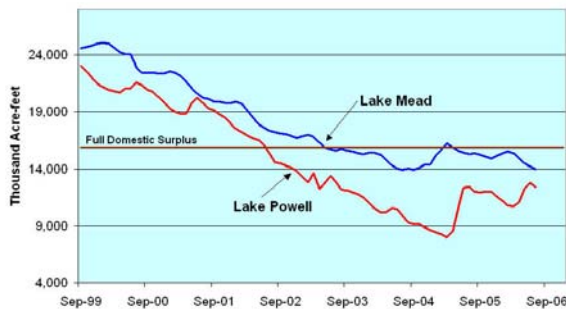
Colorado River

Deliveries (As of 8/28/06): 551 TAF (CY 2006)

Reservoir Storage

	Sept. 1, 2006 Storage	Percent of Capacity
Lake Powell	12.1 MAF	50%
Lake Mead	14.0 MAF	54%

Historical Lake Mead and Lake Powell Storage
 Water Years 2000 - 2006



All-American Canal Lining: Federal Court Grants Injunction and State Court Dismisses Case – On August 25, the Ninth Circuit Court granted an injunction to delay the start of construction of the All-American Canal Lining Project until the Court formally hears the arguments in December. The Canal Lining Project had been scheduled for completion in 2008. The project proponents are requesting the Court to allow them to proceed on non-construction-related work, such as staking environmentally sensitive areas. Once completed, the project would conserve 68,000 acre-feet of water annually for the San Diego County Water Authority and San Luis Rey Indians.

Three days later, on August 28, a State Superior Court judge dismissed another request for an injunction, by the plaintiffs in that case, citing that the sovereign immunity of the United States prevented United States Bureau of Reclamation (Reclamation) from being joined in state court and that the lawsuit was not submitted in the legal timeframe required. It is likely the plaintiffs will appeal this decision.

Lower Basin States to Submit Letter to Interior – At the August 31 Lower Basin states meeting, the Lower Basin states drafted a letter to send to the Secretary of the Interior expressing concerns over a draft water supply assessment (referred to as a “hydrologic determination”) prepared by Reclamation that paves the way for a new water supply project in New Mexico.

While not specifically opposing the project, the Lower Basin states expressed concern with a number of assumptions in the water supply assessment. The letter asks that the views of the Lower Basin states be included as part of the assessment.

Reclamation Begins Impact Assessment of Five Water Management Alternatives – Reclamation has begun assessing the impacts of five alternatives that it is evaluating in the Environmental Impact Study for the development of shortage guidelines on the Colorado River. The five alternatives being analyzed are: (1) a no action alternative, (2) the basin states preliminary agreement, (3) an environmental group proposal, (4) an alternative that maximizes water supply, and (5) an alternative that protects system storage.

Reclamation’s schedule to prepare the draft EIS has slipped by two months; it is now estimated that the draft will be completed in February 2007. Reclamation remains on track for the Record of Decision to be issued by December 2007 with implementation beginning in 2008.

State Water Project

Deliveries (As of 8/30/06): 921 TAF (CY 2006)

	Storage To-Date	Percent of Capacity
Lake Oroville	3.22 MAF	88%
San Luis Reservoir	1.24 MAF	62%
San Luis State Share	.084 MAF	79%

Planning Agreement – The parties working on the Bay-Delta Conservation Plan (BDCP) have agreed upon a proposed Planning Agreement. The proposed agreement focuses on the Delta region in order to assure more effective decision-making with respect to Delta environmental assurances and Delta conveyance facilities. The proposed agreement also establishes a decision-making process that provides involvement of environmental and other parties on the BDCP steering committee, while reserving final decision-making authority to the Habitat Conservation Plan/Natural Community Conservation Plan applicants, including Metropolitan.



Lake Perris

Metropolitan obtained a commitment from the Executive Officer of the State Water Resources Control Board (State Board) to restore approximately \$4.4 million in Proposition 13 grant funding for two board-approved projects to improve water quality in Lake Perris. Staff is designing the Pathogen Risks Reduction Project and the Dissolved Oxygen Enhancement Project based on this recent development.

Local Resources Program

LRP Task Force Meeting – In July, Metropolitan initiated the first in a series of meetings with member agencies to establish steps to develop the next increment of yield under the Local Resources Program. Member agency staff agreed to work with Metropolitan staff by serving on a task force to review administrative processes, selection criteria and weighting, assessment of regional need based on Integrated Resources Plan Update targets, and timing of future program solicitations. Staff will provide periodic reports on progress of the task force effort.

Water Supply Planning

In an effort to better integrate local and regional water systems and planning efforts, Metropolitan and its member agencies are conducting joint Integrated Area Studies (IAS) to identify the local and regional facilities that will be required to meet future water demands.

In July, an IAS Technical Panel was formed consisting of members from the Riverside/San Diego and Central Pool IAS teams to review the forecast and planning methodology and assumptions. In addition, the IAS Technical Panel met on August 2 to receive clarification from Metropolitan staff and to raise questions and/or make suggestions for improvements to be considered by an expert panel composed of consultants recognized in the field of demand projections. The IAS Technical Panel will meet again September 14 to discuss feedback from the expert panel on how to increase the accuracy of the IAS projections and how to reasonably bracket the inherent uncertainty of projections.

Conservation

Review of Enhanced Conservation Program Proposals – Staff is currently reviewing proposals received in response to Metropolitan's Enhanced Conservation Program request for proposals issued in May.

The new program, established by the Board in December 2005, provides funding up to \$250 per acre-foot to develop cost-effective water conservation projects that pilot new creative program approaches to urban water conservation and increase participation in water efficiency measures leading to additional regional water savings.

The competitive process resulted in 22 proposals from member agencies and retail agencies totaling about \$2.5 million in requested funding. A review committee comprised of representatives from Reclamation, three environmental organizations, Metropolitan, and member agency staff evaluated each proposal based on selection criteria that included water savings benefits, regional applicability, feasibility, innovation and cost-effectiveness. A summary report to the Board is scheduled for October.

Estimated Water Savings Potential from Recently Approved Conservation Devices – At the August meeting, the Board approved several new conservation incentives for Metropolitan Conservation Credits Program. The action included incentives for: Stream Rotating Nozzles for landscape irrigation, Steam Sterilizer Retrofits for the medical and research industries, Zero Water and High Efficiency Urinals for new development and upgrades of existing urinals, and Landscape Surveys; as well as improvements to Metropolitan's large landscape irrigation system program. These programs could yield up to 8,200 acre-feet of water savings for each year that they operate at their full potential. Staff also estimated that incentive costs for these programs will be approximately \$1.1 million per year, resulting in an average per acre-foot cost of just over \$130. This average is below the board-authorized maximum incentive of \$195 per acre-foot.

ASCE Infrastructure Report Card

The American Society of Civil Engineers, Region 9, has engaged in an effort to produce a California statewide infrastructure report card. The purpose of the report card is to assess conditions of infrastructure and build support for dedicated and consistent funding sources to sustain the infrastructure system in the state. ASCE is scheduled to release the report card in Sacramento at the end of September or early October.

In 2005, ASCE produced regional infrastructure report cards for the counties of Los Angeles (C+), Orange (B), San Diego (B), the Bay Area (C-), and the Inland Empire (C+). The statewide report card for water incorporates additional data and grades for the Sacramento area (C), Metropolitan (B+), and the State Water Project (C-). The water working committee reached consensus in recommending an overall grade of C+ for the state.



System Operations

Water Demands

Cash Year (May-April)

2,101,000 AF	Current Projection
2,108,000 AF	Budget Projection
(7,006) AF	Difference

The current trend sales projection for Calendar Year 2006 is 2.07 MAF.

System Operations

System Operations Remained Steady in August - with an average demand of 7,600 AF a day; SPW deliveries were approximately 164,000 AF, the fifth highest month on record. The July and August combined SPW deliveries were 332,000 AF, the second highest two-month period on record. System operations started using the new Yorba Linda feeder bypass to deliver a high SPW blend to the Municipal Water District of Orange County for use by OCWD. On average, 72 megawatts were generated around the clock.

Power Generation

Metropolitan Involvement in Renewable Energy Supplies - Metropolitan submitted a letter of intent to Southern California Edison (Edison) indicating that we would respond to an Edison RFP for Renewable Energy supplies. The response to the RFP is due September 22. Metropolitan's small hydro-generators have all been registered as renewable by the California Energy Commission (CEC). The present contract with Edison for the power produced from some of Metropolitan's small hydroplants expires in 2008.

Metropolitan has received an analysis from a solar energy consultant on the potential for a solar energy facility at the Skinner Treatment Plant. Staff is currently reviewing the consultant's findings and recommendations. Installation of a solar power facility could reduce the cost of the power service to Skinner from Edison.

The CEC has made the final bonus payment for power produced from Diamond Valley Lake. During the 2000/01 energy crisis, the CEC incentivized the development of new renewable generation by offering a bonus payment for five years to suppliers who could quickly bring new generation on-line. The bonus was paid in addition to the revenue the suppliers received from selling the energy. Over the past five years, Metropolitan has received nearly \$1.1 million of a possible \$1.16 million bonus for power produced at DVL. The bonus payments have increased DVL power revenue by approximately 20 percent.

Treatment Plants and Water Quality

Metropolitan has complied with all drinking water standards during this reporting period.

The Jensen plant successfully completed one year of ozone operations reducing the levels of trihalomethanes by 70 percent compared to earlier operation with chlorine. Beginning in late August, the Jensen plant also improved operations by using solids drying lagoons leased from Los Angeles Department of Water and Power. The use of the basins increases flexibility and reduces dewatering costs.

System Maintenance & Shutdowns

Shutdown schedule for the 2006/07 season is nearly finalized. The 2006/07 shutdown schedule includes a complete shutdown of the CRA for three weeks in March, and complete shutdowns of each of the five treatment plants at various times during the season. Work on other facilities and with the member agencies will be coordinated with these major shutdowns.

Distribution and Storage (As of 8/31/06)

	Current Storage	EOM Forecast
Lake Mathews	154,600	154,600
Lake Skinner	38,800	38,800
DVL	797,400	797,400

All replenishment, including SWP water, CRW and blends of the two, was available subject to system capacity and availability of groundwater spreading facilities. The following replenishment and conjunctive use deliveries continue:

	Agency	Connection Replenishment	CFS
Direct	Central Basin	CenB-28	120
	Eastern MWD	EM-14/19	45
	Foothill	FM-01 (Injection)	2
	Inland Empire	CB-11B/13T/14T/15/18	23
	Inland Empire	CB-59	25
	MWDOC	OC-11	70
	MWDOC	OC-28/28A	120
In-lieu	MWDOC	Various	45
	Central Basin	CenB-19	2
	West Basin	WB-04	2
	Long Beach	LB-08	13
	Fullerton	F-05/08	23
	Santa Ana	SA-01/02/04/06	8
Conjunctive Use			
Direct	Foothill	FM-01 (injection)	2
In-lieu	Calleguas	CA-02	8
	Inland Empire	CB-12/16	25
	MWDOC	CM-8/11/OC-44B	25



Summary

28 construction contracts and 5 related procurement contracts were ongoing through July. The total bid amount of all 28 construction contracts in progress is over \$897 million.

Over \$26 million in contract payments were made for construction performed in the month of July. Almost \$14 million were related to work at the Skinner Water Treatment Plant, including the ongoing construction of ozonation facilities, the 110-mgd Module 7, and the upgraded chemical feed and storage systems.

The Inland Feeder Arrowhead East Tunnel advanced 385 feet for a total of 14,000 feet, which is 62 percent of the tunnel length. The Arrowhead West Tunnel advanced 160 feet for a total of 6,620 feet, which is 33 percent of the tunnel length.

Installation of the San Diego Pipeline No. 6 North Reach pipeline has been completed; the Skinner Module 7 construction is 87 percent complete; and the ozone construction at Skinner is 29 percent complete. At the Diemer Water Treatment Plant, construction continues on the vehicle maintenance facility (65 percent complete) and plant maintenance facility (52 percent complete). The south slope stabilization work is underway.

In August, the Board appropriated a total of \$29.064 million in capital funds, awarded contracts totaling \$19.988 million, authorized final design of additional ozone system capacity at the Mills Water Treatment plant, and authorized a Memorandum of Understanding with the California Department of Parks and Recreation for Phase II of the Diemer North Access Road improvements.

Weymouth Water Treatment Plant Improvement Program

The Weymouth Water Treatment Plant Improvement Program was initiated to maintain reliability and improve the operating efficiency of the Weymouth plant through specific improvement projects. The program currently contains 17 projects. Recent activities include:

- The Solids Handling Facilities are operating and modifications to the control software were completed. Final reliability testing is planned in September.
- Preliminary design of the La Verne Power System Upgrade project to improve the electrical system at the Weymouth plant is 75 percent complete.
- Final design of the Filter Valve Improvements project is 95 percent complete. This project includes the replacement of filter valve actuators for the 24 filters in Filter Building 1, and procurement of spare valves for both filter buildings.
- The Weymouth Perimeter Improvements will be bid as four separate packages. This approach of dividing the work into smaller contracts will enhance opportunities for Small Business Enterprise participation in the work. Bids were opened for the first package, improvements along the west plant boundary, on July 11. A September Board action is planned for awarding a construction contract. The second package will include landscaping and perimeter improvements along the north and south plant boundaries. The third package will include traffic and security improvements at the Wheeler Avenue entrance. The fourth work package will be included under upcoming Weymouth ozone construction.
- Completed preliminary design for the Seismic Upgrade of the Junction Structure.
- A September board action is planned for authorization of final design of the drop gates to isolate Basins 1–4 from Basins 5–8, to allow dewatering for maintenance and ozone construction.



Weymouth Water Treatment Plant Replace Surface Wash Headers in Filter Building No. 1



Real Estate Management

Developer Negotiations

An Exclusive Negotiating Agreement with Shea/Parsons/LEDO is being drafted for Board consideration at its October meeting for the Diamond Valley Lake Recreation and Land Development Program.

Leases, Licenses and Entry Permits

Staff continued to monitor secondary agreement terms (e.g. leases, licenses and entry permits) to ensure compliance. Staff managed multiple appraisals to provide land values for transactions currently in progress in support of capital projects.

Diamond Valley Lake Recreation Construction

Searl Parkway Extension Phase II

The gas line and storm drain lines are being installed along Loop Road. The project is currently 45 percent complete.

Searl Parkway Landscaping Phase I

California Friendly landscaping has been planted and the entryway pavers have been installed on the east side of Searl Parkway. The project is approximately 95 percent complete and will be finished by October 2006 .

Searl Parkway Landscaping Phase II

The 75 percent design drawings are complete and have been reviewed by staff.

Trails – DVL to Skinner/Lakeview

The Lakeview Trail is scheduled to be completed by the end of this year.

Tenant Improvements

The Center for Water Education is currently 96 percent complete and The Western Center Community Foundation is 99 percent complete. Both are scheduled to open in October 2006.

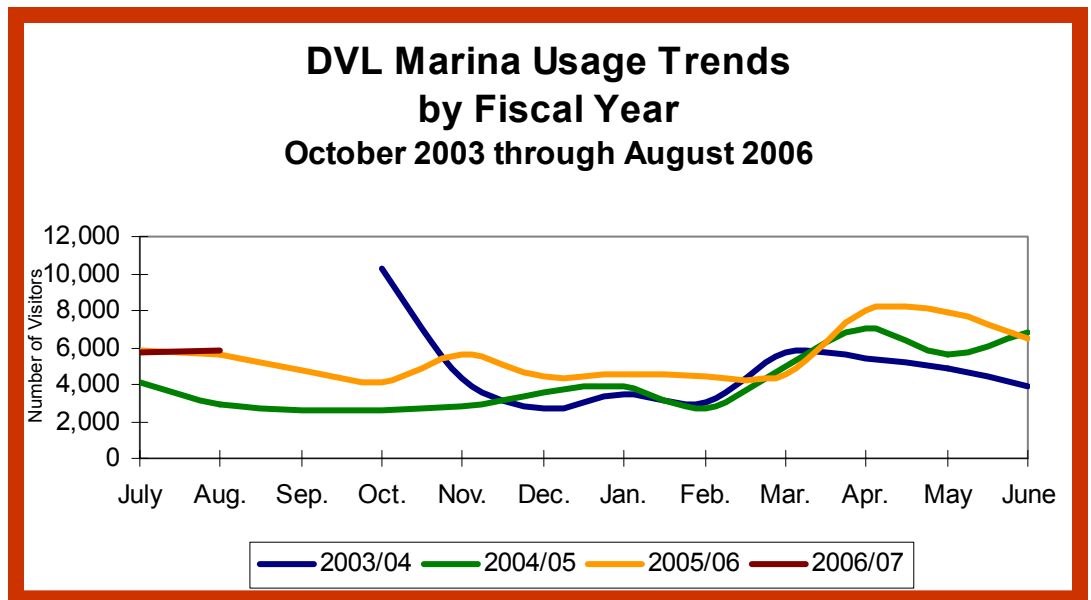
Real Estate Activities

- Construction of tenant improvements continued on schedule and within budget for the legislative affairs office located in Washington D.C. Initial occupancy is planned for September 30, 2006.



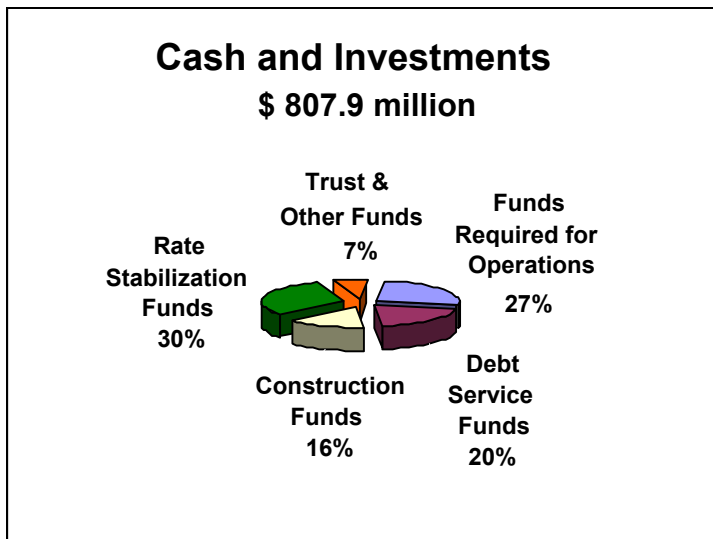
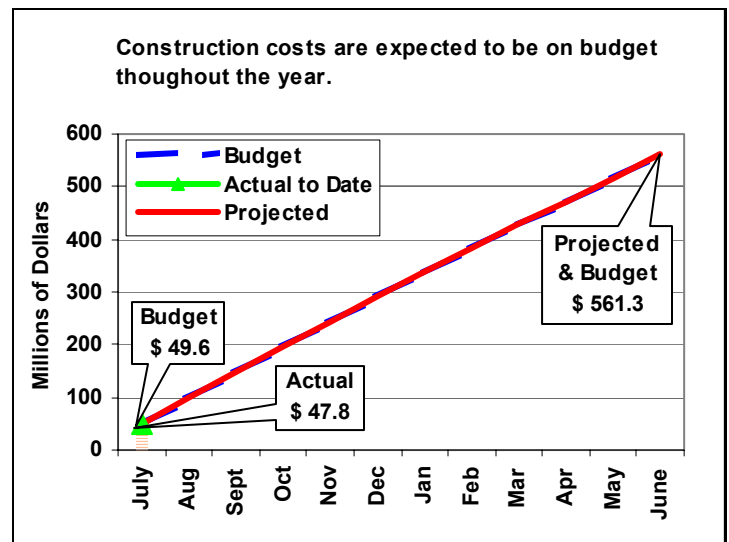
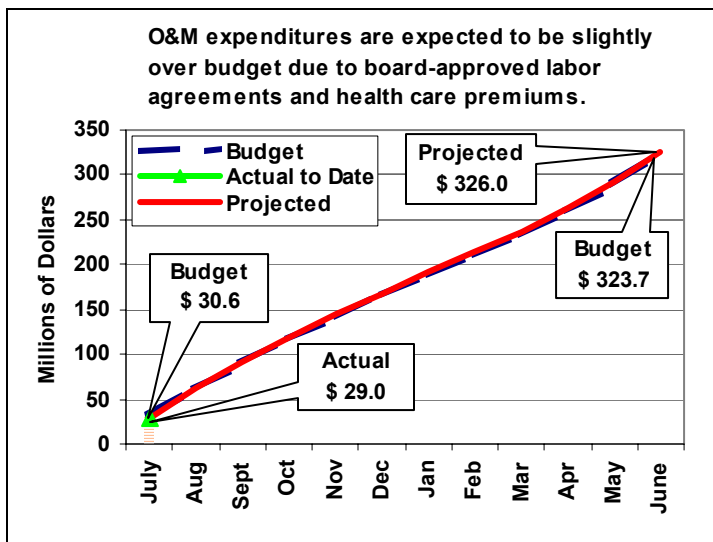
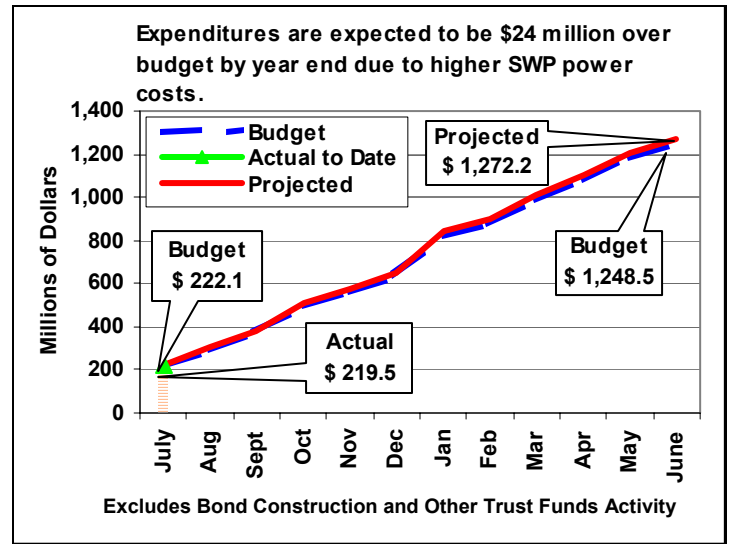
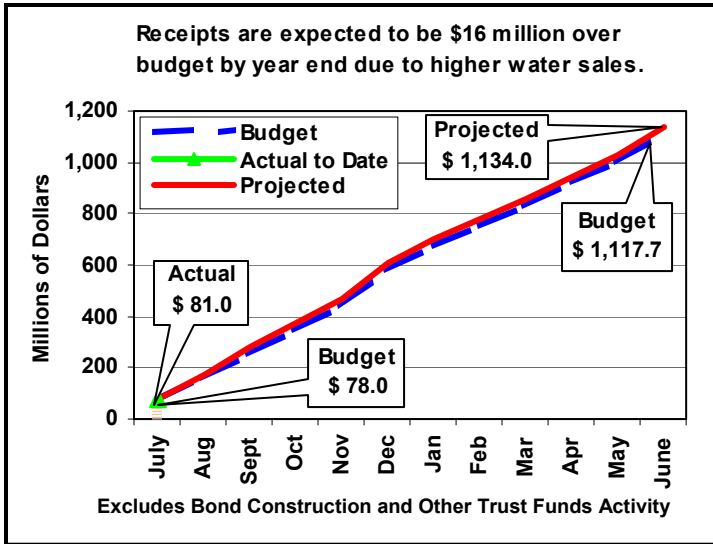
Searl Parkway

Diamond Valley Lake Recreation Operations





As of July 30, 2006



Summary Financial Statistics

	Target	Actual
Fixed Charge Coverage	≥ 1.20 x	1.15 x
Revenue Debt Service Coverage	> 2.00 x	1.71 x
Revenue Bond Debt / Equity Ratio	< 100.0%	62.8%

Credit Ratings

- Moody's Investors Service	≥ Aa2	Aa2
- Fitch Ratings	≥ AA	AA+
- Standard & Poor's	≥ AA	AA+



Business Processes/ Operations

Information Technology

In August, three Requests for Proposals were issued in support of implementation of the Information Technology Strategic Plan:

- Fleet Management Implementation Service
- Human Resources Improvement Phase II / People-soft Human Resources Management Team
- Automated IT application testing tools

In preparation for September deployment of the WorkTech Upgrade, IT staff began conducting demos for general users and approver/timekeepers. Demo sessions are scheduled to continue into September at Union Station and field locations.

The following milestones were reached on implementation of the IT Strategic Plan:

- The new voicemail upgrade for Jensen and Union Station was implemented in August. This key project milestone completes the Phonemail Upgrade at all Metropolitan facilities.
- Completed hardware, software and communication designs for the new Automatic Meter Reading System. Pilot system testing is scheduled.
- Completed the Rialto Pipeline pilot hydraulic modeling effort; model calibration is in progress.
- Completed software/application review workshops and various graphical user interface presentations for the Energy Management System Phase II project. Design and development of releases 1 & 2 are substantially completed.
- The internet-based recruitment process for the Human Resources Management System of both internal and external applicants is scheduled for implementation in September.

Business Processes

Metropolitan is continuing to develop Internet-based programs to increase cost-efficiency and streamline its normal business processes.

Recently, staff switched from disposing of surplus property via live auctions to employing online auctioning. This investment recovery strategy has proven to be very successful in selling many types of items, e.g., heavy equipment, furniture, pump parts, and office equipment. Electronic auctioning has eliminated transportation fees related to delivering items to auction houses; greatly reduced commission rates; and expanded the base of bidders.

Business Services and Information Technology also partnered in developing a Redeployment Web site for staff that provides detailed descriptions and photos of furniture and equipment available for reuse by other employees. Using this Web site, operating units can more efficiently reallocate resources to areas of need and maximize use of Metropolitan's assets.

Security

Evaluated bids to install fiber optic cable at Copper Basin to support security monitoring and SCADA. Staff also evaluated bids for design and installation of a watercraft barrier at the Intake Pumping Plant.

At EPA's invitation, staff presented risk assessment methods before a joint session of EPA's Water Security Working Group and its Measures Testing Group in Washington D.C. .

Emergency Preparedness

Conducted 6 emergency exercises, for a total of 113 staff hours of training involving 79 participants.



Federal Legislative Update

The President's proposed 2008 budget is in process; the water industry is particularly interested in the Bush Administration's spending proposals for energy and water development programs and projects. While the House has completed all of the appropriations bills, only one has passed the Senate. Few, if any, bills are expected to be completed and Congress may try to deal with them individually, or as an omnibus in December.

State Legislative Update

The 2005/06 legislative session drew to a close during the late evening of August 31. The Senate and Assembly considered scores of bills over the last two weeks and sent over 262 proposals to the Governor for his attention. The Governor has until September 30 to act on the myriad of bills awaiting his review.

Highlights of several measures on Metropolitan's radar screen during the past couple of weeks include:

- SB 497 (Simitian, D-Palo Alto): Would provide further protection for coastal waters against invasive species that may affect water quality or species protected under California or federal law. The failure to control ballast water releases clearly creates a risk to the water supply reliability for all Delta water users, which is why Metropolitan is in full support of this measure. The bill was sent to the Governor.
- SB 1574 (Kuehl, D-Santa Monica) directs the Secretary of the Resources Agency to spearhead a process for developing a strategy for a sustainable Sacramento/San Joaquin Delta. Extensive damage to the Delta due to earthquake and/or flood events could impose substantial costs on California's economy—impacting critical infrastructure such as the federal and state water systems, Bay Area water infrastructure, railroads and highways, energy generation, distribution and transmission infrastructure and land use within the Delta itself. The state's "business as usual" policy toward the Delta is not sustainable which is why Metropolitan will urge the Governor to sign this bill into law. Metropolitan, and many of its member agencies, will urge the Governor to look favorably on the bill.
- SB 1640 (Kuehl, D-Santa Monica), if signed into law, could help fill information gaps that hinder effective water resources planning. Similar to her bill from last year, SB 820, this year's measure encourages reporting of groundwater data at the local level and acknowledges existing locally managed groundwater monitoring programs. The bill also provides for an assessment of the amount of energy produced and required by water management programs employed at the state and local level. The bill also clarifies the public's involvement in the process for preparing and adopting Urban Water Management Plans.
- AB 371 (Goldberg, D-Los Angeles): Modifies provisions governing the use of recycled water and establishes a mechanism for encouraging the development and use of recycled water. The bill, sponsored by the WaterReuse Association, seeks to implement recommendations from the state's Recycled Water Task Force. Metropolitan will urge the Governor to sign the bill into law.
- AB 1881 (Laird, D-Santa Cruz): Reflects the recommendations of the AB 2717 Landscape Task Force in a manner that will ultimately benefit landscape water efficiency efforts throughout the state. Metropolitan supports the bill and believes the provisions of AB 1881 will both contribute toward meeting Metropolitan's Integrated Resources Plan conservation targets through 2025. This measure cleared the Legislature and awaits the Governor's pen.
- AB 2951 (Goldberg, D-Los Angeles): Clarifies the law regarding rights and responsibilities of local agency public utilities and the public institutions they serve. The bill reaffirms that public schools and state agencies will continue to pay their fair share of utility costs through monthly rates the same as all other utility customers, including those of investor-owned utilities. The bill, supported by a number of Metropolitan member agencies, eliminates uncertainty over litigation brought by the University of California and others. The education community lobbied against AB 2951 and plans an all-out assault to fight the bill in the Governor's office.
- AB 32 (Nunez, D-Los Angeles): The global climate change measure widely reported in the media would require the Air Resources Board to first determine the 1990 level of greenhouse emissions statewide from specified business and industry sectors and then adopt any and all regulations it deems necessary to meet those emission levels by 2020. The Governor is expected to sign this measure.
- Another climate change initiative, SB 1368 (Perata, D-Hayward), sponsored by the Natural Resources Defense Council, prohibits all utilities, public and private, from investing in power plant projects or contracts that are not at least as clean as a combined cycle gas turbine project. The California Municipal Utilities Association has urged its members to ask that the Governor reject this measure.



Business Outreach

Networking Events

Business Outreach Activities by Region included:

Los Angeles County

- Hosted a networking event with the Minority Business Enterprise Institute Council. The event drew over 200 business owners.
- Organized and participated in the Business Builders Quarterly Meeting - three member agencies and six resource partners attended.
- Attended the Young Black Contractors' Monthly meeting.
- Hosted and organized the National Association of Minority Contractors of Southern California Bimonthly Mixer.
- Attended the San Fernando Valley Business Journal Fifth Annual Women Who Mean Business Awards Luncheon.

Orange County

- Attended the Black Chamber of Orange County Awards Dinner.
- Attended the Orange County Multi-Chamber Business Mixer.

San Diego County

- Attended, exhibited at and facilitated a workshop at the American Indian Chamber of Commerce 2006 State Conference – 300 attendees.
- Attended, exhibited and facilitated the National Conference of Disabled Veterans Small Business Owners 2006 Conference.
- Participated at the Women Business Center of California's Annual Expo and Awards Luncheon.

Contract Compliance

The Contract Compliance and Monitoring component of the Regional/Small Business Program is charged with monitoring prime contractor compliance to the Small Business Requirements of respective construction and professional services contracts. The Business Outreach Program Office monitors contracts awarded when levels of participation are set within contracts designed to achieve maximum participation and incorporating best business practices. The following is a summary of monitoring efforts for July 2006:

	Contracts Monitored	SBE
Professional Services	41	\$6,629,352
Construction	24	\$56,189,777
Total	65	\$62,829,119
MBE		\$21,015,306
WBE		\$2,538,864

Regional Workshops/Training Seminars

On August 17, public agencies from all over Southern California converged at the LA Convention Center to showcase various construction projects estimated to be worth well over \$100 billion.

Metropolitan, the Los Angeles Community College District (LACCD) and Los Angeles Unified School District (LAUSD) together hosted the event at the Los Angeles Convention Center. The event kicked off with L.A. City Councilmember Jan Perry providing opening remarks followed by a ceremonial ribbon cutting with representatives from LACCD, LAUSD and Metropolitan Directors Kwan and Mylne officially opening the Expo floor. Contractors, designers, construction professionals and members of the public heard directly from public agencies ranging from schools to airports throughout California about various career and contracting opportunities available. Antonio Villaraigosa, Mayor of Los Angeles, gave the keynote speech at the Expo's luncheon. "We have an opportunity to remake this city," said Villaraigosa, stressing the importance of current and upcoming construction projects across Los Angeles as an important and critical investment for the city's future. Workshops held throughout the day focused on various topics and construction opportunities including: (1) how to get a contracting license; (2) attracting skilled labor for construction; and (3) sustainable design and building. The exhibit hall featured more than 140 booths with vendors, industry associations and the latest innovative products.

Certification Activities

Certification is the process by which a business enterprise is verified to be a small business according to the federal guidelines. The certification process, which includes the application process, was streamlined to make the process easier, faster and more efficient. 121 companies were certified in August with a total number of 5,092 in Metropolitan's database.

Contract Utilization (As of August 31, 2006)

Description of Document	SBE	Monthly	% of Dollars
Agreements and Contracts	\$2,913,472	\$10,679,616	30%
Subcontracting	\$285,000		
Purchase Orders	\$873,207	\$4,236,458	21%
Construction Contracts	\$1,336,208	\$29,469,359	23%
Subcontracting	\$5,500,000		
Overall Totals	\$10,907,887	\$44,385,433	25%



Recruitment

New advertising strategies are being implemented, such as posting on the Government pages of the Los Angeles Times, a billboard near Lake Havasu/Parker Dam with changing advertisements monthly for recruitment (e.g. Pre-Apprentice Program, Recurrent positions, Regular positions, etc.), various media advertising including buses, bus shelters, kiosks, Web sites, and banner advertising in college/university bulletins.

Classification/Compensation

AFSCME classification study will commence in September 2006. New job descriptions are being finalized for the O&M Technician series and a salary survey is in progress. Job descriptions are ready for submission to ACE in September.

Workplace Health and Safety

A tactical assessment and compliance team was deployed at Metropolitan's desert facilities to identify, assess and correct any environmental, health and safety program compliance issues. As part of this effort, regulatory training requirements were identified and training was scheduled for all managers and employees at the five pumping stations. Equipment permitting was identified as a significant and necessary correction with equipment identified that no longer requires permitting, no longer is used and has been salvaged, and equipment that required a permit. More than 100 different environmental, health and safety items were identified with 90 percent corrected and others requiring the completion of a capital project. The team completed the review of Jensen Water Treatment Plant in May and now moves on to the Mills Water Treatment Plant, while working at the remaining treatment plants to begin the tactical effort.



Control Valve Training

Apprenticeship Program

The Fall 2006 Semester class schedule, course syllabus and home-study assignments for the Electrical and Mechanical Programs were completed and distributed to 28 apprentices and their managers.

Class of 2007 – 7th Period

The apprenticeship program's instructional staff completed the training design of the new courses of instruction for the 7th Period apprentices. The lesson plans, lab exercises and examinations were also completed for the first 2-day class session for the 7th Period apprentices scheduled for late August and mid-September. Courses covered in the session include:

Electrical Program:

- Advanced AC Circuits
- Advanced Motor Control Systems and Programmable Logic Controllers

Mechanical Program:

- Flow and Pressure Control Systems Operations and Maintenance
- Pilot Operated Automatic Globe Valves

The mechanical program's instructor and a team of mechanic apprentices completed the design and fabrication of a pilot-operated flow and pressure control valve training simulator used in conjunction with the training delivery for this session. The Cla-Val Corporation provided technical support.

Class of 2009 – 3rd Period

The final revisions to the courses of instruction were completed for the 3rd Period apprentices. The first class sessions scheduled for the first week in September include a 3-day session for the Mechanical Program and a 2-day session for the Electrical Program. Courses covered in these sessions include:

Electrical Program:

- Reading and Interpreting Blueprints, Drawings, Schematics and Diagrams
- AC/DC Control Transformers

Mechanical Program:

- Reading and Interpreting Blueprints, Drawings, Schematics and Diagrams
- Using Multiple Discipline Drawings

Recruitment Outreach

Conducted one apprentice recruitment outreach job fair at Construction Expo, LA Convention Center.