

- **General Manager's March 2007 Activity Report**

Summary

The attached report details the activities of the Office of the General Manager for the month of March 2007. 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 Management
- System Operations
- Capital Investment Plan
- Workforce
- Finance
- Business Processes / Operations
- External Affairs
- Business Outreach
- Real Estate Management

Attachments

General Manager's Monthly Activity Report



Colorado River

Reservoir Storage

	3/18/07 Storage	Percent of Capacity
Lake Powell	11.5 MAF	47%
Lake Mead	14.1 MAF	55%

Basin States Meet to Develop Preferred Alternative

In response to Reclamation's Draft Environmental Impact Reports for the development of shortage guidelines, the Colorado River Basin States met throughout March to develop a preferred alternative to submit to Reclamation during the formal comment period. The states have until April 30 to submit their recommended alternative, which will refine the preliminary proposal the states sent to the Secretary of the Interior in February 2006. The final proposal will have more detail and include specific water management projects, including the specific terms under which Metropolitan will be able to store and recover water from Lake Mead.

Lower Basin States Execute Weather Modification Funding Agreement

During March, the Lower Basin States executed an agreement to increase funding for the Upper Basin weather modification programs. Under the agreement, the three Lower Basin states paid \$131,000 to expand the existing cloud seeding programs in Colorado, Utah, and Wyoming. California's share of the total was \$44,000 and was paid by the Six Agency Committee that supports the Colorado River Board.

Lake Perris

System Operations used Lake Perris to support San Diego Canal demands during the scheduled Colorado River Aqueduct shutdown (March 6 - 27).

State Water Project

As of 3/18/07	Storage To-Date	Percent of Capacity
Lake Oroville	3.0 MAF	86%
San Luis Reservoir	1.8 MAF	90%
San Luis State Share	1.1 MAF	100%

Delta Vision

The meeting of the Delta Vision Stakeholder Panel was held on March 5 and 6. General Manager Jeffrey Kightlinger was appointed by the Governor to participate on this 41 member panel of stakeholders to represent water supply interests in the Delta. As the panel meets and subsequent topics are discussed, information will be reported to the Board.

CESA Ruling

On March 23, 2007, the Superior Court of Alameda County ruled against the California Department of Water Resources stating that they did not have the appropriate authorization from the California Department of Fish and Game for the "take" of endangered species under the California Endangered Species Act. The order, which could have serious implications on the SWP system, was stayed for 60 days while DWR is allowed to either pursue further legal action or provide the required authorization.

Metropolitan's current estimate of SWP supplies does not reflect this most recent course of events. Staff is actively working with DWR and DFG to ensure prompt resolution of this matter and will be providing further updates to the Board as events develop.

Delta Levees Emergency Preparedness

Hydrodynamic and emergency response and repair model runs on emergency preparedness concepts are being completed. Emergency preparedness plan will be based on a past event strategy of stock piling materials and supplies and building necessary infrastructure for closing channels adjacent to Victoria Canal and Middle River, and closures at Sutter and Steamboat Slough to divert Sacramento flows via Delta Cross Channel and Georgiana Slough to the central Delta. Staff worked on refining model runs and conceptual design work to assess the time and cost to restore a freshwater pathway to the export pumps.



State Water Project

New Policy on Recycled Water

In March, staff made oral comments at a State Water Resources Control Board workshop on whether the Board should adopt a new Policy on recycled water. Staff's comments were in favor of the Board adopting a Policy that strongly support recycled water as a valuable resource to the state. Further staff commented that the Policy should be highly deferential to Department of Public Health requirements when dealing with protection of human health while recycled water should be able to use assimilative capacity in groundwater basins when it exists within local basin management plan limits. Staff also commented that the Board should consider an approach to review and permitting of recycled water projects based on risk and proposed uses of recycled water.

Conservation

California Public Utilities Commission Workshop (CPUC) In late February and early March, staff participated in four daylong workshops with CPUC to help shape a potential water-energy conservation pilot program. If approved by the CPUC, local investor-owned energy utilities would begin a yearlong pilot program co-funding water conservation measures in recognition of the energy savings from reduced pumping, treatment, distribution, and waste disposal. There will be at least one more daylong workshop with the CPUC before they are expected to vote on the pilot this spring.

New Program Incentives

In consultation with member and retail agencies over the last six months, Metropolitan identified new conservation devices for Metropolitan funding and administrative refinements to existing programs to achieve significant water savings. These improvements, which would help achieve regional water supply reliability and meet Integrated Water Resources Plan targets, will be presented to the Board for consideration in June 2007.

Conservation

Commercial Rebate Program Changes

Rebates for plumbing fixtures in multi-family units including apartments and condominiums are now available through Metropolitan's regional commercial program. This change will allow for more streamlined participation by owners and provide one-stop shopping for indoor and outdoor water conservation retrofits through a regional vendor approach. The underlying rationale for the change is that apartment and condominium owners make purchase decisions for an entire building similar to commercial property owners. Previously, rebates for plumbing fixtures in multi-family units were offered through each respective member agency.

Partnership

Metropolitan joined EPA WaterSense Conservation Program, which will give Metropolitan a voice in the development of national labeling standards and clarify product/vendor certification.

California Friendly®

Metropolitan's California Friendly® program and bewaterwise.com Web site were prominently featured in a Los Angeles magazine story about how to practice "green" initiatives at homes and businesses.

A California Friendly Model Home application was submitted with Calleguas Municipal Water District by Shea Homes for a development in Newbury Park. It will be Metropolitan's first California Friendly project in the Calleguas Municipal Water District service area. California Friendly Models are scheduled to open in early 2008.

On March 24 and 31, staff worked with Upper San Gabriel Valley Municipal Water District and the city of Santa Monica to promote two smart sprinkler controller swaps.

Desalination

UCLA Tour

Staff organized a member agency tour of UCLA's research laboratories, which are investigating nano-technology membranes that could reduce desalination costs and energy requirements.



System Operations

Water Demands

Water Sales Cash Year (May-April)

2,161,853 AF	Current Projection
2,108,060 AF	Budget Projection
53,793 AF	Difference

System Operations

For March, estimated deliveries are 178,000 acre-feet, of which 141,000 acre-feet is State Water Project. During the Colorado River Aqueduct shutdown (March 6 - 27), 20,700 acre-feet of water was drafted from DVL by using up to five generators, and 17,800 acre-feet from Lake Perris to meet Lake Skinner demands. The Inland Feeder/San Bernardino Valley MWD intertie delivered 12,200 AF of State Water Project to Diamond Valley Lake. System Operations made the necessary system configuration changes to support four pipeline or plant shutdowns and two reduced flow outages to the Diemer and Weymouth treatment plants.

Sales/Deliveries

March Sales Projection	163,000 AF
March Deliver Projection	180,000 AF *

* excludes Desert Water / Coachella Valley

Treatment Plants

Three treatment plants were shut down or operated at a reduced flow capacity in March. The Jensen treatment plant operated under a reduced flow condition from March 4 - 12 to complete chemical injector work that was deferred from January because of member agency demands. The Weymouth treatment plant operated at a reduced flow from March 18 - 23 to make improvements to a filter backwash sump for one-half of the plant. Finally, the Diemer treatment plant was shut down from March 25 - 31 to tie-in a new portion of the influent conduit as part of the preparations for installing ozone.

Distribution and Storage (As of 3/29/07)

	Current Storage	End of Month Forecast
Lake Mathews	122,400 AF	125,600 AF
Lake Skinner	37,400 AF	39,000 AF
DVL	727,500 AF	743,700 AF

Replenishment

All replenishment deliveries, including State Water Project water, Colorado River Water and blends of the two, remain available subject to system capacity and availability of groundwater spreading facilities. The following replenishment and conjunctive-use deliveries continue:

	Agency	Connection	CFS
Replenishment			
Direct	Central Basin	CenB-28	120
	MWDOC	OC-11	50
	Eastern MWD	EM-14	22
	Foothill	FM-01 (Injection)	1
In-lieu	Long Beach	LB-08	8
	West Basin	WB-04	2
Conjunctive Use			
Direct	Calleguas	CA-02	14
In-lieu	MWDOC	CM-8/11/OC-44B	20
	Three Valleys	PM-15	10
	Calleguas	CA-02	7
	Foothill	FM-01	1



System Maintenance / Shutdowns

The San Diego Pipelines Nos. 3 and 5 were shut down from March 4 - 15. This shutdown was requested by the San Diego County Water Authority to perform work on its system. Metropolitan took advantage of the shutdown to perform our own maintenance work. The Colorado River Aqueduct was shut down from March 6 - 27 to change out cast iron flanges to stainless steel, repair leaks in the Freda Siphon, and to rehabilitate two radial gates. The Santiago Lateral was shut down from March 19 - 23, and was finished one-day ahead of schedule. This shutdown allowed Metropolitan to change out a leaking valve. The Orange County Feeder needed to be relocated to accommodate the Alameda Corridor East Project, in the city of Walnut. This shutdown occurred from March 18 - 24.



Radial gate rehabilitation on CRA.

Power Management

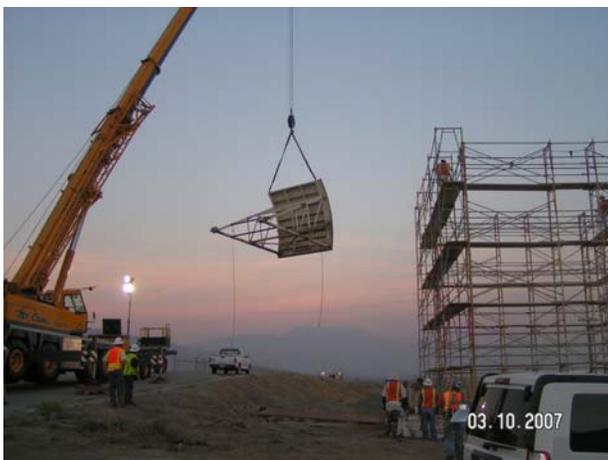
On March 14, staff met with representatives from the Yuma area irrigation districts, Bureau of Reclamation, and the Western Area Power Administration to discuss the arrangements for the Yuma parties to provide the power necessary to move water for the San Luis Rey Indian Tribe through the Colorado River Aqueduct.

Staff met with representatives from Southern California municipal power utilities to discuss terms and conditions for a possible purchase of the power from Metropolitan's Phases I through IV small hydro generators. The power from these generators is presently sold under contract to Southern California Edison, and the contract expires October 2008.

On March 7, staff met with Al Fohrer, Chief Executive Officer of Southern California Edison and some of his staff, to discuss progress on a number of issues of common concern. This meeting was a follow-up to previous meetings dealing with electrical service problems at several of Metropolitan's treatment plants.



New valve on Santiago Lateral.



Radial gate removal on CRA.



Metropolitan Water District General Manager's Monthly Activity Report—March 2007

System Operations Capital Investment Plan

Quagga Mussels

Water Quality staff and shutdown inspectors have completed their survey of the Colorado River Aqueduct. The aqueduct shutdown provided an excellent opportunity for more intensive inspections and for control of mussels by drying out a significant portion of surfaces in the aqueduct. Quagga mussels in low density were found up to within 20 miles west of Copper Basin. No mussels were found on siphons, sand traps and pumping station reservoirs west of mile 20. Staff is planning to chlorinate the aqueduct at nine locations during the re-start of water flows to control for small or very young mussels that may have been missed during the inspections. Ongoing control efforts will be monitored and adjusted as necessary to prevent the spread of mussels. Staff continues to work with federal, state and other agencies on developing long-term strategy for eradication and/or control of mussels.

Facility Planning

Integrated Area Studies were launched for the Rialto and West Valley areas during March. These studies are aimed at refining the demand projections and assessments of the need and timing for new facilities and/or improvements to the Rialto Pipeline and West Valley Feeders 1 and 2. Work also continues on the evaluation of member agency project proposals for meeting demands in the Mills and Skinner service areas. Staff will assemble several portfolios of projects for discussion and refinement in an upcoming Riverside/San Diego workshop. Staff is also preparing detailed material to facilitate continued policy discussions on service connections and potable-to-treated water pump-in proposals at the April 19, 2007 Joint Integrated Area Studies meeting with the Member Agencies.

Fluoridation

Metropolitan's drinking water fluoridation program was scheduled to go online on October 1, 2007. Member agency outreach activities include: briefings and targeted training for member agencies and sub-agencies will take place up to the planned online date. Outreach materials will be available for all agencies approximately three months prior to the on-line date. Review of new date on fluoride will be provided to the Board during the summer timeframe.



Summary

- Ongoing Contracts - 26 construction contracts and five-related procurement contracts were ongoing through February. The total bid amount of the 26 construction contracts in progress is over \$1.039 billion.
- March Payments - Over \$31 million in contract payments were made for construction performed in the month of February. Over \$14 million were related to work at the Skinner plant, including the ongoing construction of ozonation facilities, the 110-mgd Module 7, and the upgraded chemical system modifications. Over \$5 million were related to work at the Diemer plant, including the ongoing construction of the vehicle maintenance center, the plant maintenance facilities, the rehabilitation of the filter surface wash headers, the chemical system upgrade and the south slope stabilization work. Over \$1.5 million was related to Rialto pipeline Improvements, and \$1.2 million to the chemical system upgrades at the Mills plant.
- Major Contracts - Through March 24, the Inland Feeder, Arrowhead East Tunnel mining effort has advanced a total of 16,770 feet, which is 75 percent of the tunnel length. At the Arrowhead West Tunnel, the mining effort has advanced a total of 9,940 feet, which is 50 percent of the tunnel length.
- Other Contracts - At the Skinner plant, the Module 7 construction is 99 percent complete, and ozone facility construction is 45 percent complete. At the Diemer plant, the new plant maintenance facility is 99 percent complete. The vehicle maintenance facility at Diemer is 89 percent complete and the south slope stabilization construction is approximately 42 percent complete with a scheduled completion date of February 2008. At the Weymouth plant, final design of the new ozone facilities is nearing completion and the construction project is planned to be advertised for bids in April 2007.
- Awarded Contracts - In March, the Board appropriated a total of \$5.1 million in capital funds for (1) construction of Phase II of the Weymouth Perimeter Improvements; (2) Union Station Headquarters Technology Upgrades and; (3) Upgrade of PeopleSoft HR/payroll and PeopleSoft development software to version 8.9.

Profile on CIP Program

Diemer Water Treatment Plant Oxidation Retrofit Program :

The Oxidation Retrofit Program was established to reduce the level of disinfection by-products in the finished water at all five of Metropolitan's treatment plants in order to meet state and federal drinking water regulations and to remove blend or plant capacity restrictions at the three blend plants.

Recent activities at Diemer include the following:

- A Diemer plant shutdown took place on March 25, and ended on March 31. The primary purpose was to reroute the 144-inch plant influent line for seismic reliability and provide a future tie-in point for the Oxidation Retrofit Program Contractors.
- In preparing the site for the upcoming ozone system, support facilities are being relocated and the south slope stabilization project is underway. Construction of the new Plant Maintenance Facilities is essentially complete with the contractor now performing punch list items. Construction of the Vehicle Maintenance Center is approximately 88 percent complete. Construction of Phase I of the Chemical Tank Farm Improvements for the ORP is approximately 92 percent complete. The south slope stabilization construction work will be approximately 40 percent complete by the end of March 2007 with the successful completion of the plant shutdown and influent piping tie-in. The slope stabilization project is scheduled to be complete by March 2008. Final design of the ozone facilities is approximately 88 percent complete.



New Diemer plant inlet conduit



Health Benefits Advisory Committee

The Health Benefits Advisory Committees met on March 20. ABD Insurance and Financial Services presented an overview of healthcare issues, causes of the healthcare crisis, healthcare inflationary trends, healthcare benefit trends, overview of California public sector retiree healthcare costs, Government Accounting Standards Board statements and current healthcare reform proposals (federal and state).

ABD Insurance and Financial Services will conduct meetings with the individual bargaining units in April. The Health Benefits Advisory Committees will meet again as a whole in May.

Classification/Compensation

American Federation of State, County and Municipal Employees

Metropolitan and AFSCME have an agreed upon Project Plan for the unit-wide Classification and Compensation Study, and are proceeding on schedule. As agreed by Metropolitan and AFSCME, Human Resources will not process any individual job audit requests from AFSCME employees as the study progresses, an estimated 18 months.

AFSCME is reviewing a separate set of draft Job Descriptions and salary survey data for the Operations & Maintenance job family. The O&M Study was initiated prior to and should be implemented well in advance of the unit-wide study.

Association of Confidential Employees

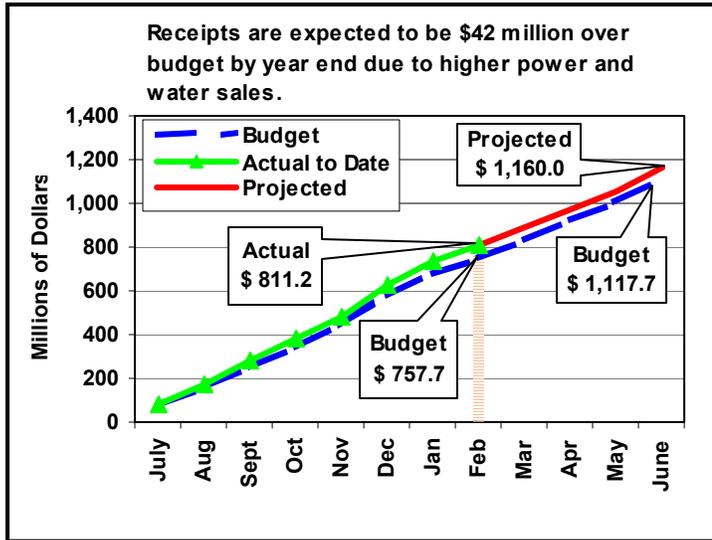
Metropolitan and ACE are making progress towards completing a unit-wide Classification and Compensation Study. The goal is to complete and implement the study by summer 2007.

Recruitment

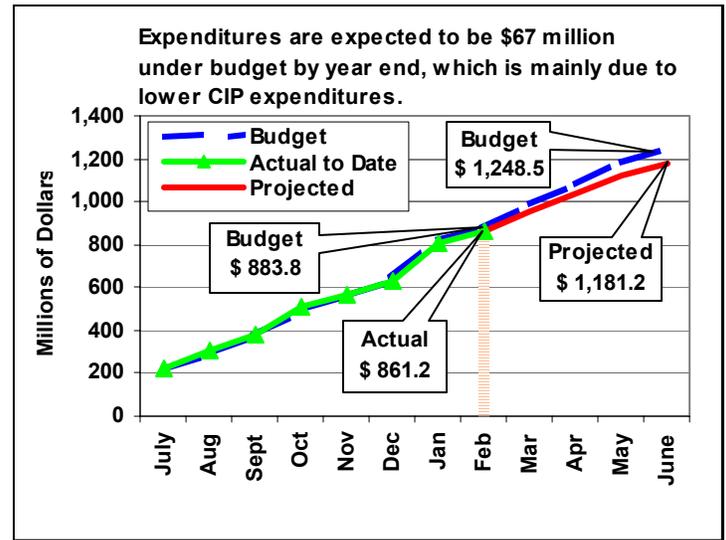
There are currently 12 recruitments being handled by PeopleFilter for the Short-Term Recruiting and Talent Acquisition (STRATA) Pilot Program. Seventeen new hires started employment at Metropolitan in March. Thirty job announcements were posted during the month bringing the total positions in recruitment to 187.

Training

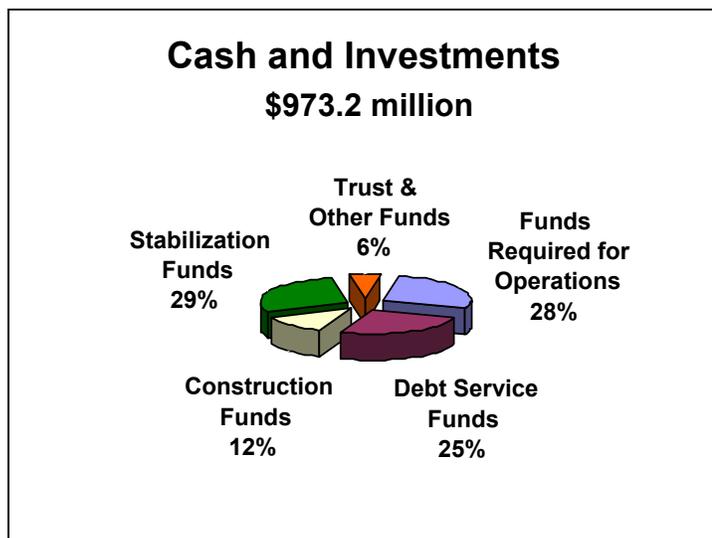
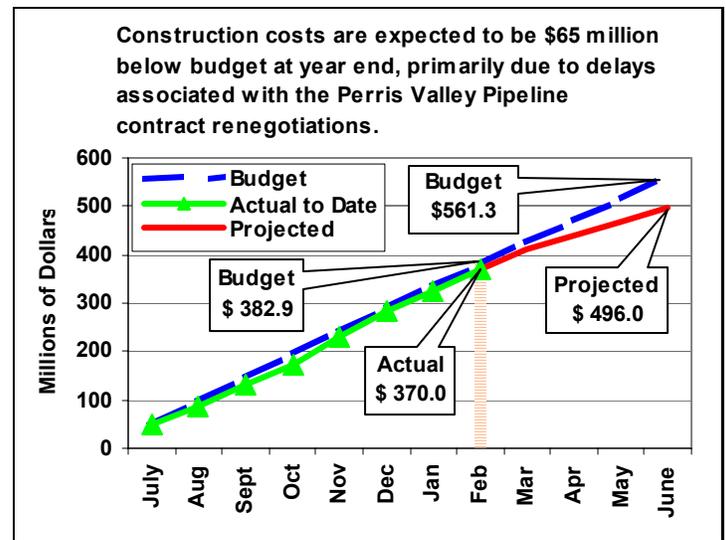
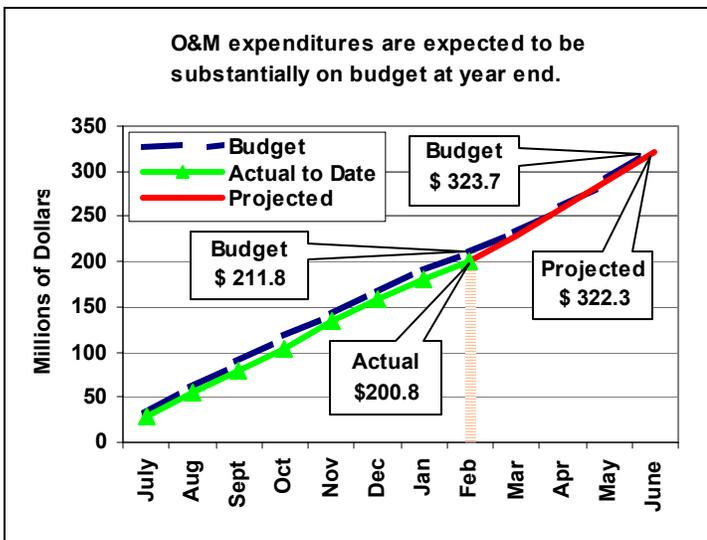
Water System Operations held Boot Camp Reunions and 120 managers attended and shared success stories of initiatives implemented since Boot Camp (May/June 2006). They also learned about Ken Blanchard's Situational Leadership model, a system of providing positive and negative consequences for job performance, and about motivating veteran employees and sustaining the enthusiasm of new employees.



Excludes Bond Construction and Other Trust Funds Activity



Excludes Bond Construction and Other Trust Funds Activity



Summary Financial Statistics

	Target	Actual
Fixed Charge Coverage	1.20 x	1.25 x
Revenue Debt Service Coverage	2.00 x	1.78 x
Revenue Bond Debt / Equity Ratio	100.0%	66.9%

Credit Ratings

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



Business Processes/ Operations

In-house Video Production

A Picture is Worth a Thousand Words

Metropolitan videographers Ken McSpadden and Mark Erickson, along with staff writer Debra Sass worked closely with the General Manager and others to create a video semiannual report on Metropolitan activities. The video was made available to employees with access via the Intranet. Copies of the DVD are available to employees who wish to share Metropolitan's accomplishments with family and friends. Due to the positive response, the General Manager will continue to provide video reports to supplement written reports.



Photo from Video: General Manager, Jeff Kightlinger, closing the Semiannual Business Plan Update video with his thoughts on Metropolitan's priorities and challenges for the remainder of this fiscal year.



Photo from Video: Fourth year apprentice, Rick Runyan, performing lathe operations training during his "6th Period" Machine Shop Operations training.

Security

Oversaw final contractor installation of fiber optic communications line at Copper Basin to enable card readers and video surveillance to operate effectively.

Trained professional security staff in Israeli methods of detecting and deterring terrorist attacks by participation in Art of Deterrence workshop held in Los Angeles.

Completed study of access control including drafting of standards for future placement and configuration of guard shacks at Metropolitan's entry control points.

Installation of Fiber Optic Cable Network Security System at Copper Basin



Emergency Management

During March, staff continued preparing for a district-wide advanced tabletop exercise scheduled for April 4.

The Member Agency Response System radio test was conducted involving ten member agencies and four Metropolitan facilities. Staff also tested Metropolitan's two-way radio system with all control rooms, including Gene Dispatch and Soto Street. Both tests were successful.



Information Technology

Planned and held SCADA / IT Cyber Security Forum in Burbank

Staff worked with Santa Clara Valley Water District, ACWA, the California Department of Health Services and others to plan the SCADA cyber security forum. The forum was designed for the water sector to increase education and collaboration in properly securing SCADA systems, given their importance in controlling the flow and treatment of water.

The forum was held on March 29, 2007. Director John Morris made opening remarks to kick off the event. In all, more than 90 people attended the event, representing over 35 water utilities throughout the state of California.

Implemented software patches to Metropolitan computer systems impacted by the change in Daylight Savings Time

IT staff deployed software patches based on the change in the effective dates for daylight savings time. In addition to updates to Metropolitan desktops and laptops, patches were made to other hardware and software (i.e., BlackBerry devices, Servers, and the email/calendaring system).

Performed live system testing of pilot Remote Terminal Units for the Automated Meter Reading Upgrade Project

In March, as part of the Automatic Meter Reading Upgrade project, staff completed installation of the remaining pilot system Remote Terminal Units at field locations and continued live system testing.

Performed IT Disaster Recovery Tabletop Exercise

A tabletop exercise was conducted to ensure key IT staff were familiar with the procedures to follow during an emergency/disaster situation in mobilizing recovery efforts for critical IT systems.

Continued work on PC Replacement project

Staff evaluated and selected desktop and laptop hardware brand and models. For desktop PCs the Hewlett Packard xw4400 was selected. For laptops, the Hewlett Packard model nw8440 was chosen. A three-year enterprise software licensing agreement was established with Microsoft products. This agreement is projected to save Metropolitan \$900,000 in licensing fees over the next three years.

Environmental, Health and Safety

An Environmental, Health and Safety Tactical Assessment and Compliance Task Force team was deployed to determine baseline site compliance of each of Metropolitan's facilities. Sixty percent of all Metropolitan facilities have been reviewed thus far. Integrating best management practices to provide sustainability and reduce environmental and safety risks addressed a number of safety and environmental management issues. General housekeeping issues were identified, and Environmental, Health and Safety and site staff developed solutions to meet regulatory requirements. The Task Force reviewed hazardous exposure, injury and illness prevention, general and construction safety, air quality, wastewater and storage tanks, and hazardous materials and waste management. Also, the task force has developed and enhanced Environmental, Health and Safety regulatory training plans.



Federal Legislative Update

March 1: Metropolitan provided a letter of support to the House Resources Committee hearing on HR24, the measure to authorize the terms of the San Joaquin River Settlement Agreement.

Week of March 5: Assistant General Manager Roger Patterson and Deputy General Manager Timothy Quinn, briefed several key House and Senate officials on current events relative to the Bay-Delta. Officials included Representative Jim Costa, a member of the House Water and Power Subcommittee. Staff also met with the Assistant Secretary of Department of Interior, the Director of the U.S. Fish and Wildlife Service and the Commissioner of the Bureau of Reclamation to discuss federal participation in solutions for the Delta and emergency response activities.

March 26—29: Board Chairman Timothy Brick and Chief Administrative Officer Gilbert Ivey joined Los Angeles Mayor Antonio R. Villaraigosa and a delegation of 200 business leaders from 13 Southern California organizations in Washington, D.C., to lobby on water and other key issues. Meetings were held with senators Barbara Boxer and Dianne Feinstein; House Speaker Nancy Pelosi; representatives Lucille Roybal-Allard, Jane Harman, Henry Waxman, Grace Napolitano, Rick Rahall, Adam Schiff and Hilda Solis; and Jason Peltier, Deputy Assistant of the Department of Interior.

State Legislative and Local Government Update

With more than 3,000 proposed bills introduced by members of the state Legislature, numerous bills of interest related to key Metropolitan issues have been identified including, but not limited to, water efficiency and reuse, bond implementation, storm water runoff, climate change and flood protection. Bills with potential to impact Metropolitan will be brought to the Board for positions over the next few months.

February 28 - March 2 – Metropolitan hosted an inspection trip for 11 Senate and Assembly staff members to provide a first-hand look at several of Metropolitan's facilities and programs that help supply imported water to Southern California.

State Legislative and Local Government Update

March 13 – Metropolitan held a public stakeholder forum at the Castaic Lake Recreational Center to update local business leaders as well as federal, state and local legislative offices on the results of its pilot project to reduce E. Coli bacteria in water received from Castaic Lake.

March 15 – The Senate Natural Resources and Water Committee, the Senate Environmental Quality Committee, the Assembly Environmental Safety and Toxic Materials Committee and the Assembly Water, Parks and Wildlife Committee held a joint informational hearing to learn more about a Public Policy Institute of California's report on the Bay-Delta and to discuss new strategies for Delta sustainability. Resources Secretary Mike Chrisman and Delta Vision Blue Ribbon Task Force Chair Phil Isenberg were provided an opportunity to articulate the plan of response and action envisioned for the Delta Vision process. Metropolitan Assistant General Manager Roger Patterson provided an overview of the collaboration between the Department of Water Resources, State Water Contractors and Metropolitan to advance an emergency preparedness plan for responding to a catastrophic event in the Delta prior to long-term solutions being identified and achieved.

March 16 – General Manager Jeffrey Kightlinger, Deputy General Manager Linda Waade and Luis Cetina, Senior Government Affairs Representative, joined Vice Chair Tony Fellow for a briefing with Assemblyman Ed Hernandez and staff. The Assemblyman was given an overview of Metropolitan, followed by discussion on pending legislation, Bay-Delta and other member agency related local water issues.

March 21 – Metropolitan and the Upper San Gabriel Valley Municipal Water District co-hosted a community leaders breakfast briefing with Los Angeles County Supervisor Michael D. Antonovich. Joining the Supervisor were nearly 50 local elected officials, chamber of commerce's presidents and small business representatives. GM Kightlinger gave a brief overview on Metropolitan's water supplies and other key issues. Attending were Vice Chair Tony Fellow, Vice Chair Carol Kwan and Director Jim Edwards.



Community Outreach & Other Events

March 3 – Metropolitan provided a tour of Diamond Valley Lake and the Mills water treatment plant for engineering students from California State Polytechnic University, Pomona. Richard Hansen, General Manager for Three Valleys Water District, worked with Metropolitan on coordinating this event.

March 16, 19 & 20 – Staff conducted outreach to 700 residents in Yorba Linda regarding the planned Diemer water treatment plant shutdown.

March 20 – Staff met with Western Municipal Water District public information officers regarding public outreach for the Perris Valley Pipeline project.

March 22 – Staff assisted Water System Operations with San Jacinto Tunnel inspections for board and member agencies during the Colorado River Aqueduct shutdown.

Media

- The Press Office managed multiple news media requests including recent finds of more quagga mussels on the Colorado River Aqueduct, how dry local conditions are impacting water supplies (including a live radio interview with Assistant General Manager/Chief Operating Officer Debra Man), the release of proposals to manage shortages on Colorado River shortage, the proposed Central Pool Augmentation tunnel, and an interview with GM Kightlinger as part of the Huell Howser (PBS) series on water issues in California.
- The Press Office collaborated with the Municipal Water District of Orange County to urge conservation in advance of a shutdown at the Diemer water treatment plant, resulting in coverage on local television news and in newspapers.
- Staff worked in partnership with Deni Elliot, Ethics Officer, to prepare an Ethics Program Overview DVD. The program is scheduled to begin in May with visits to member agencies to promote the resources and services available from Metropolitan's Ethics Office.
- Staff handled numerous media inquiries and requests for on-camera and radio interviews in response to the court ruling regarding *Watershed Enforcers v. California Department of Water Resources, et al.*

Education

Education staff attended the following events:

- The California Regional Environmental Education Community Los Angeles regional leadership meeting to discuss the status of environmental education initiatives and partnerships in the greater Los Angeles County area.
- The twice-a-year meeting of the California Department of Water Resources' Water Education Advisory Committee to coordinate curriculum, discuss potential partnerships and share strategic planning, environmental education initiatives and program ideas.

Education staff conducted workshops/presentations, including:

- Training on Metropolitan curricula to 53 K-12 teachers in Los Angeles, Orange, Riverside, and San Diego counties.
- Staff conducted two interactive classroom presentations to 60 San Fernando High School students on current water issues, the science of water and careers.
- Staff, in collaboration with Los Angeles Department of Water and Power, conducted a hands-on water quality workshop for 12 high school science teachers at the Los Angeles Unified School District Science Center in Van Nuys.
- Staff conducted presentations for 180 students at Hermosa View Elementary School.
- Staff conducted hands-on workshops at the Center for Water Education involving 100 second-grade students from Valley Vista Elementary in Hemet.
- Staff conducted nine Diamond Valley Lake field trips and programs for 322 students from five Inland Empire schools.



Business Outreach

Real Estate Management

Business Outreach

Business Development

Business Outreach Staff attended the 21st Annual National Reservation Economic Summit and American Indian Business Trade Fair sponsored by the Inter Tribal Economic Alliance and by the National Center for American Indian Enterprise Development. This summit is the nation's largest annual Native American Business convention. This year's theme focused on Indian self-reliance and on community economic development. There were about 300 company booths ranging from government, utilities and private firms offering various types of products and services.

On March 20 the Business Outreach Program Manager John Arena sat on a panel at the Los Angeles Chamber's Small Business Council. The panel discussed the state of the City of Los Angeles and how small businesses can get involved in large development projects, including the revitalization of the Los Angeles River.

Leases, Licenses and Entry Permits

- An entry permit was issued to the City of San Jacinto to conduct onsite investigations for design and construction of their San Jacinto River Levee project (Stage 4).
- Two entry permits for groundwater monitoring were acquired for the feasibility study of the San Diego Pipeline No. 6 South Reach.

Real Estate Activities

An easement was conveyed to the San Bernardino Valley Municipal Water District for the construction and operation of their Central Feeder project. This work is associated with a service connection to San Bernardino Valley MWD along Metropolitan's Inland Feeder.

Metropolitan has substantially completed construction work along a portion of the San Diego Pipeline No. 6 North Reach alignment. As a result, eight temporary construction easements were quitclaimed, thereby returning rights to the original grantors.

Staff continues support of the Perris Valley Pipeline right-of-way acquisition in the City of Riverside.

Diamond Valley Recreation Program

Appropriation Budget	
Approved distributed funds	\$ 68.1 M
Undistributed funds	\$ 24.7 M
Total Appropriation	\$ 92.8 M
Surplus Property Sales *	\$ 4.7 M
<i>Actual expenditure as of 02/28/07</i>	\$ 61.3 M

* Appropriated for use related to the Center for Water Education debt per February 2007 Board Action.