

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

## **Summary**

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The attached report details the activities of the Office of the General Manager for the month of September 2007. Metropolitan has delivered sufficient water supplies 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
- Business Processes / Operations
- Capital Investment Plan
- Real Estate Management
- Business Outreach
- Finance
- External Affairs
- Workforce

## **Attachments**

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General Manager's Monthly Activity Report



## Colorado River

### Colorado River Diversion Request

Metropolitan submitted its 2008 Colorado River diversion request to the Bureau of Reclamation. The 761 kaf request includes net supplies for its Fourth Priority Apportionment and incorporates the following programs:

- 85 kaf Imperial Irrigation District—Metropolitan Program
- 82 kaf Palo Verde Irrigation District Program
- 50 kaf Imperial Irrigation District—San Diego County Water Authority Transfer
- 26 kaf from Coachella Canal Lining Project
- 25 kaf of previously stored water in Arizona

Actual use by California agricultural contractors could result in more or less water being available to Metropolitan during 2008.

### Quagga Mussels

A two-day shutdown of the Colorado River Aqueduct is planned for October to assess the effectiveness of the chlorination at Copper Basin.

## State Water Project

### State Water Project Delivery Schedule

Water Resource Management staff, in coordination with Water System Operations staff, prepared Metropolitan's initial SWP delivery schedule for calendar year 2008 for submittal to DWR by October 1. The initial schedule is based on a high-demand scenario and positions Metropolitan to take maximum delivery of interruptible SWP supplies should they become available. The schedule incorporates a number of water management actions including draws from Central Valley storage programs, flexible storage in Castaic and Perris reservoirs and demand reductions. The extent of water management actions to be taken during 2008 depends on the actual volume of interruptible supplies that may become available and the actual SWP allocation for 2008. On December 1, 2007, DWR will announce the Initial SWP Allocation for 2008. DWR has indicated the Initial Allocation will be conservative and will increase as wetter conditions allow. Due to the operational uncertainty brought on by the recent Wanger court decision, the final allocation is expected to occur in June 2008.

### Delta Vision

On September 12, Delta Vision staff released the first discussion draft of "A Vision for Durable Management of a Sustainable Delta" for review and comment. The draft will be discussed at the upcoming Delta Vision Blue Ribbon Task Force meetings and go through a series of revisions leading to the Task Force vision recommendation at its meeting in November 2007. Metropolitan staff are reviewing the draft vision document and preparing comments.

## Colorado River

### Reservoir Storage

	9/18/07 Storage	Percent of Capacity
Lake Powell	11.9 MAF	49%
Lake Mead	12.5 MAF	48%

## State Water Project

### As of 9/18/07

	Storage To-Date	Percent of Capacity
Lake Oroville	1.6 MAF	46%
San Luis Reservoir	0.6 MAF	28%
San Luis State Share	0.4 MAF	39%



## Integrated Regional Water Management Plan

Metropolitan has been monitoring and provided technical review and assistance as needed to its member agencies that are members of various Regional Water Management Groups within the service area. Recently, Metropolitan was invited to participate in the Leadership Committee of the Greater Los Angeles Basin region as the representative on surface water management area. The local projects identified in the IRWM Plans will contribute to meeting local resources development targets identified in Metropolitan's Integrated Resources Plan to ensure regional water supply reliability. Newly identified projects will also be incorporated into Metropolitan's IRP Update scheduled for 2009. In addition, projects may be eligible for participation in Metropolitan's incentive programs for water conservation and local resources development.

## California Water Plan Update

The California Department of Water Resources initiated the preparation of California Water Plan Update 2009. Staff is participating at the advisory committee as a representative of urban State Water Contractors, as a member of the technical workgroup called Statewide Water Analysis Network, as well as in various regional and plenary forums. At the "All Regions Forum" held on September 17 and 18 in Ontario, participants gave key suggestions to DWR including: (1) the planning horizon should be extended to 2050, and if possible, in five-year increments to 2030; (2) the plan should include at least three scenarios – no Delta fix, with Delta fix, and Climate Change; (3) the plan should track changes in supplies and treat supplies as a driver instead of using demands as the key driver in previous Water Plans; and (4) the plan should present at the regional scale and not agency scale. The next plenary workshop will be held on October 22 - 23, 2007.

## Conservation

**South El Monte High School Ribbon Cutting Ceremony** - In August, Upper San Gabriel Valley Municipal Water District's Direct Reuse Project Phase IIA began deliveries for landscape irrigation and a school vehicle washing facility at South El Monte High School. Chairman Brick addressed local and state officials stressing the importance of recycled water and its role in helping to achieve regional water supply reliability. South El Monte High School will use about 40 million gallons per year of recycled water from the project. Metropolitan provides financial incentives for recycled water deliveries from the project under our 25-year Local Resource Program agreement terms.

## Desalination

**WaterReuse Foundation** - At its annual meeting in September, Metropolitan staff member Andy Hui was appointed to the Board of Directors of the WaterReuse Foundation, whose goals are to promote applied research that will increase the viability of recycling, reuse and desalination of water. The Foundation currently has 57 projects under its research programs. As a member of the Board, Metropolitan will have the opportunity to influence future research activities to address water challenges within our region dealing with water recycling and desalination. Metropolitan is also a long-standing member of the WaterReuse Association, which is a separate but related advocacy organization.



## Water Demands

Water Sales Cash Year (May-April)

2,242,290 AF	Current Projection
2,161,760 AF	Budget Projection
(81,530) AF	Difference

The current trend sales projection for Calendar Year 2007 is 2.3 MAF.

## Sales/Deliveries

September Sales Estimate	232,500 AF
September Sales Estimate	230,000 AF *

\* excludes Desert Water / Coachella Valley

## Distribution and Storage (As of 9/18/07)

	<u>Current Storage</u>	<u>End of Month Forecast</u>
Lake Mathews	152,500 AF	163,500 AF
Lake Skinner	39,500 AF	40,000 AF
DVL	705,100 AF	687,000 AF
Lake Perris	65,600 AF	70,000 AF

## System Maintenance / Shutdowns

The 2007-2008 Shutdown Schedule was finalized and distributed to the member agencies on September 14.

On September 18, there was an unscheduled eight-hour shutdown on the Rialto Pipeline, allowing the Department of Water Resources to repair a leaking valve.



Rialto Pipeline Leak

## Replenishment

All replenishment and conjunctive use groundwater storage deliveries are currently unavailable due to below average supply and forecasts of high demand.

## Treatment Plant

Final contractor punch-list and other modifications to the fluoride systems are ongoing at all five water treatment plants. Chemical supply contracts have been finalized and shipments of fluoride are en-route to Southern California. Beginning October 29, fluoride will be fed at the Mills plant, followed by Skinner, Weymouth, Diemer, and Jensen on subsequent weeks through November.

On September 16, a leaking backwash header at the Jensen plant was successfully repaired during a 48-hour reduced flow shutdown. Upon inspection, it was observed that the 42" butterfly valve experienced damage from cavitations and needs to be replaced within one year. A small capital project was immediately initiated to replace the valve.



Backwash header valve





## System Operations

System demands varied during the month of September from deliveries that exceeded 9,000 acre-feet per day at the beginning of the month to about 6,400 acre-feet per day with a rainstorm on the weekend of September 22. Staff configured operations to support a 400 cfs flow limitation at the Jensen plant for planned repairs on the weekend of September 15. Deliveries to Coachella Valley Water District at the Whitewater River began in September as part of an agreement to return 16 TAF this year resulting from obtaining Coachella supplies in 2003, which was the first year of significant reductions in Colorado River diversions for Metropolitan. The Operations Control Center will be monitoring these deliveries and adjust the flow rates as necessary. Withdrawals from Diamond Valley Lake were initiated to maintain storage at Lake Skinner and Lake Mathews due to increased system demands and in preparation for reduced CRA pumping beginning in October.

## Power Operations and Planning

Staff is coordinating with several parties who wish to expand transmission facilities near Metropolitan's Colorado River Aqueduct transmission system. Studies will be performed to determine if there is any detrimental impact to the CRA electrical system and what remedial actions may be required.

There are over 2,100 megawatts of solar power that are requesting connections to Southern California Edison facilities at Hinds and Eagle Mountain pumping plants on the Colorado River Aqueduct. Staff is working with SCE and the California Independent System Operator in developing study plans and reviewing study results. Given the requirements to expand the use of renewable generation by California's electric utilities, it is anticipated there will continue to be heightened interest in using Metropolitan's CRA transmission system.

The California Independent System Operator is drastically modifying the way in which energy transactions take place through its Market Redesign and Technology Upgrade project. The changes may require amendments to some of Metropolitan's power contracts, including the CRA Service and Interchange Agreement with SCE and the Etiwanda Power Plant generation sales contract with Pacific Gas and Electric. Metropolitan is working with its energy partners to review the market changes and determine if existing contracts need to be revised.

## Taste-and-Odor

The taste-and-odor episodes at Lakes Skinner, Perris, and Castaic have returned to background levels. There are no other taste-and-odor problems in the source water system at this time.

## Information Technology

### Continued PC Deployment

Deployment continued according to plan as the PC rollout was completed at the DVL facilities; rollout continues at desert locations and Union Station headquarters.

### Performed wireless pilot at Union Station Headquarters

Staff initiated a wireless pilot at Union Station headquarters allowing selected conference rooms access to Metropolitan's network system via wireless devices (e.g., laptops). On selected floors, wireless enabling devices were installed allowing users to retrieve and send information over the wireless network. Results from the initial pilot were positive. The next step is to perform additional tests for usage of wireless at non-Metropolitan sites (i.e., home). Once the two methods of wireless connectivity are proven in their respective pilots and approved by management, wireless capability will be enabled for laptop connectivity.

### Continued Enhancements and Refinements for Mobile Technology

Following the successful Mobile Technology pilots at Calabasas and the East Valley Feeder, staff upgraded the DataSplice mobile software for Maximo to the current version. This software allows Water System Operations staff to use hand-held devices at selected facilities for work order processing and asset data collection. As part of continued refinements and validation of mobile technology capabilities, staff utilized the hand-held devices for the Sepulveda pilot, which was successfully completed in September.



# Capital Investment Plan

## Business Processes/Operations

### Summary

- **Ongoing Contracts** – 20 construction contracts and 4 related procurement contracts were ongoing through August. The total bid amount of the 20 construction contracts in progress is over \$930.3 million.
- **August Payments** – Nearly \$21.5 million in contract payments were made for construction performed in the month of August. Over \$7 million were related to work at the Skinner plant, including the ongoing construction of ozonation facilities, and the chemical system modifications. About \$4 million were expended on the Arrowhead Tunnels construction. Nearly \$7 million were related to work at the Diemer plant, including the ongoing construction of the vehicle maintenance center and solids handling facilities, the chemical system upgrade, and the south slope stabilization work and \$500,000 was expended on the CRA rehabilitation and improvements contract.

Total projected capital expenditures for the 2007/08 fiscal year remains estimated at \$498 million; however staff is reviewing the year's estimate resulting from the rejection of construction bids for a number of projects.

- **Major Contracts** – For the month of September, we mined a combined total of 1,605 feet between the two tunnel mining operations. This is our highest combined monthly total since April 2004. Arrowhead East Tunnel is now 90 percent complete on the tunnel mining, with 20,234 feet mined through the end of September. For Arrowhead West Tunnel, we are now 69 percent complete with the tunnel mining with 13,699 feet mined through the end of September.
- **Other Contracts** – Skinner Treatment Plant Oxidation Retrofit and Washwater Reclamation Plant No. 3 is approximately 62 percent complete. At the Diemer plant, the construction of the ORP site preparation work is approximately 72 percent complete; construction of the Vehicle Maintenance Center is approximately 98 percent complete; construction of Phase I of the Chemical Tank Farm Improvements for the ORP is approximately 99 percent complete; and final design of the ozone facilities is approximately 98 percent complete. At the Jensen treatment plant, a project for chlorine containment, unloading and handling is approximately 46 percent complete. Three contracts for the removal and replacement of new Metropolitan-furnished vacuum and air release valves throughout portions of the Distribution System are approximately 37 percent complete.

### Summary

- **Awarded Contracts** – An \$83,200 contract was awarded to Farwest Corrosion Control Company to remove two 49-foot deep anode wells and replace with one 400-foot deep anode well and one rectifier along the Lakeview Pipeline. A \$3.4 million contract was awarded to Abhe & Svoboda, Inc., for the second phase of CRA Improvements. A \$2.1 million contract was awarded to Brutoco Engineering and Construction Inc., for a second phase of the Rialto Pipeline Improvement Program.
- **Contracts Completed in July** – During the month, notices of completion were recorded for phase one improvements on the Rialto Pipeline.

### Emergency Management

On September 2, staff responded to a 4.7 earthquake eight miles south of Lake Mathews, eight miles WNW of Lake Elsinore. Plant Operators at Weymouth, Mills, and Skinner checked the plants, and patrollers checked Upper and Lower Feeders, from PC-1 east, Upper Diamond Valley Lake area and Skinner area from DVL south. Emergency Management staff activated the Emergency Operations Center for communications with managers. No damage was found. Safety of Dams personnel checked the Lake Mathews and DVL dams and found no indication of any damage.

On September 12, a 3.7 aftershock in the same area occurred. Staff checked the San Diego Canal from Holland Road to Skinner and the San Diego 1<sup>st</sup> and 2<sup>nd</sup> Pipelines from Holland Road to Auld Road. Again, no damage was found.

Conducted Microrover radio and antennas radio test on September 19. Twelve member agencies participated, and reception was good.

### Security

Security denied access to a suspicious person who tried to enter the Mills plant on Labor Day by using several different pretexts at both gates. Security cameras captured the license plate number, and staff reported details to regional anti-terrorism authorities. The latter advised that the individual was subsequently arrested that day, after trying to break into a municipal airport. While there was ultimately no terrorism nexus, the individual appears to have been a disturbed person who may have been under the influence of drugs.



## Profile on Recent Event

**Engineering and Capital Programs Committee and the Water Quality and Operations Committee Inspection Trip:** On September 6, committee members attended the annual directors' inspection trip. The itinerary included an inspection of the Orange County Reservoir and the numerous construction activities underway at the Diemer treatment plant, including the ORP site preparation, chemical storage facilities, and future North Access Road alignment. The committee members next viewed the San Bernardino Valley Municipal Water District's construction of the Central Feeder Pump Station and the Central Feeder inter-tie to the Inland Feeder, which will provide additional water supply flexibility between that agency and Metropolitan. At the Weymouth plant, the committee members toured the Water Quality Laboratory and were given an overview of emerging water quality issues. Finally, the Directors inspected the Weymouth perimeter landscaping, Oxidation Retrofit Program site, completed Solids Handling facility and future Water Quality Pilot Plant.



Directors attending the Inspection Trip

## Facility Planning

The collaborative Integrated Area Studies (IAS) process is aimed at better integrating local and regional planning efforts and clarifying policy issues related to facility planning. The IAS effort involves technical discussions, demand projections, determination of facility needs, policy clarifications and project evaluations. The overall IAS effort now includes four independent studies that focus on specific portions of Metropolitan's service area. Joint meetings are also conducted to discuss policy issues.

At an IAS meeting held at the end of August, it was reported the overall effort was nearly complete, and the results of the four independent studies were summarized. Many attendees expressed agreement that the effort had been successful in improving the accuracy in projecting future facility needs, evaluating alternative solutions and clarifying policy issues related to facility planning. The IAS results showed that a number of regional investments could be deferred from the dates that had been presented in the 2005 draft System Overview Study (table below). However, there was a consensus that land acquisition should proceed for the potential site of a new water treatment plant in Riverside County.

In September, staff began drafting the IAS Technical Report that will document the process and findings. The draft report will be distributed to the IAS teams for review and comment. A joint IAS meeting is planned for late October to collect comments. Staff also began working with member agency staff on IAS action items, including initiating a closer review of local and regional distribution facilities necessary to balance flows between the Mills and Skinner treatment plants.

### Summary of IAS Results

#### Refined timing for future MWD facilities

<u>Treatment &amp; conveyance</u>	<u>SOS*</u>	<u>IAS</u>
■ CPA	2018-25	>2040
■ Riverside	2018	2026+
<u>Conveyance only</u>		
■ Rialto	2036	>2040
■ West Valley	2045	>2037

\* SOS = System Overview Study





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

# Real Estate Management Business Outreach

### Diamond Valley Lake 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 06/30/07</i>	\$ 62.4 M

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

### Real Estate Activities

Metropolitan received The 2007 Office Building of the Year award for its Headquarters Building. The award is from the Building Owners and Managers Association of Greater Los Angeles. The Headquarters Building was judged in the government criteria of the annual contest.

### Easements, Leases, Licenses and Entry Permits

An entry permit was issued to The Rangel Development Group for access and construction activities associated with the installation of water lines, meters, and the initial operation of reclaimed and domestic water service at the Valley-Wide Park and Recreation District leasehold area at Diamond Valley Lake.

A temporary easement was issued to Ross Stores, Inc., for parking, access, and landscaping. A permanent road easement was granted to the City of Rancho Cucamonga for a public road designed to cross the right-of-way along the Rialto Pipeline.



### Business Outreach

*Business Outreach is achieved with a variety of partnering and learning opportunities, through vendor development workshops, networking and special events. Highlights for this month are presented below:*

September 11: Hosted the Governor's Small Business Council at our Union Station headquarters in downtown Los Angeles. Chairman Timothy F. Brick welcomed the group to our facility. The council consists of community leaders and advocates that represent all business sectors around the State. Metropolitan's Business Outreach Program Manager, John Arena, is the only public agency appointee on the council.

September 20: Participated in more than 32 matchmaking sessions with business owners at the Greater San Diego Business Development Council 2007 Supplier Expo. The Business Conference is a great opportunity for small business enterprises and public agencies to create mutually beneficial links to business opportunities.

September 20: Exhibited at the Ninth Annual Paths to Partnerships Networking Forum. It is a regional business outreach event in alliance with the State of California Department of General Services, Small Business and Disabled Veteran Business Enterprise Collaboration Conferences. The San Diego County Water Authority and Metropolitan sponsored this event. More than 1,000 business owners attended.

September 26: Exhibited at the Fifth Annual Biz Conference, Seminar and Expo in Anaheim. Highlights included trade exhibits of 100+ domestic and international vendors/buyers, and exploration of business opportunities with local and national government agencies.

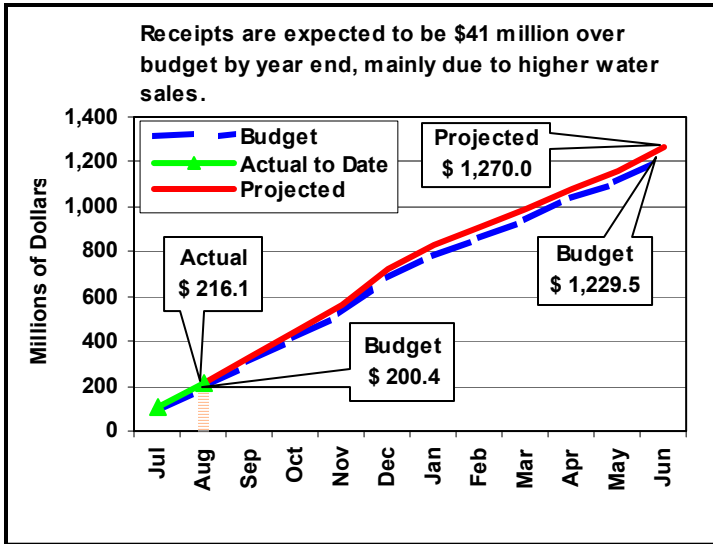
September 26: Metropolitan and the Southern California Minority Business Development Council (SCMBDC) jointly presented the second annual business development mixer. More than 250 business owners attended the event joined by John W. Murray, Jr., Metropolitan Board Member and President of the SCMBDC.

Southern California Minority Business Event

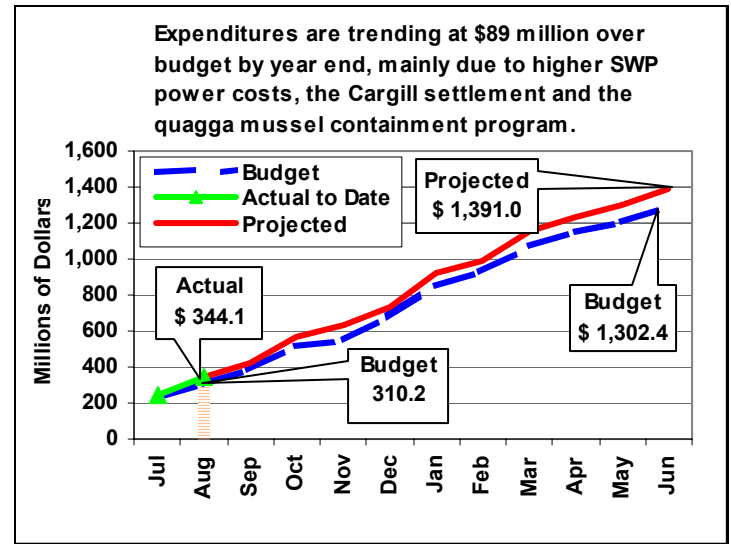




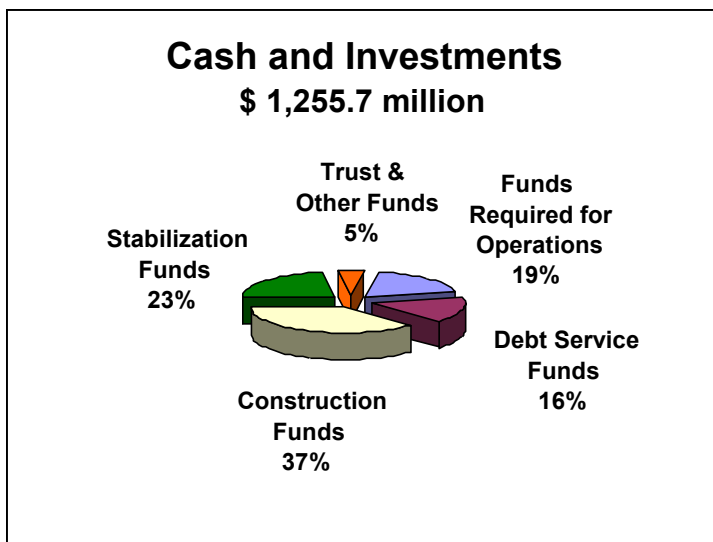
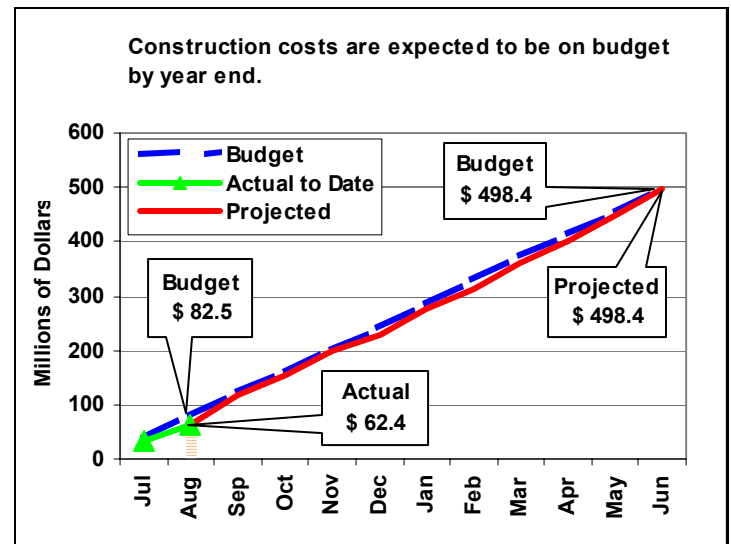
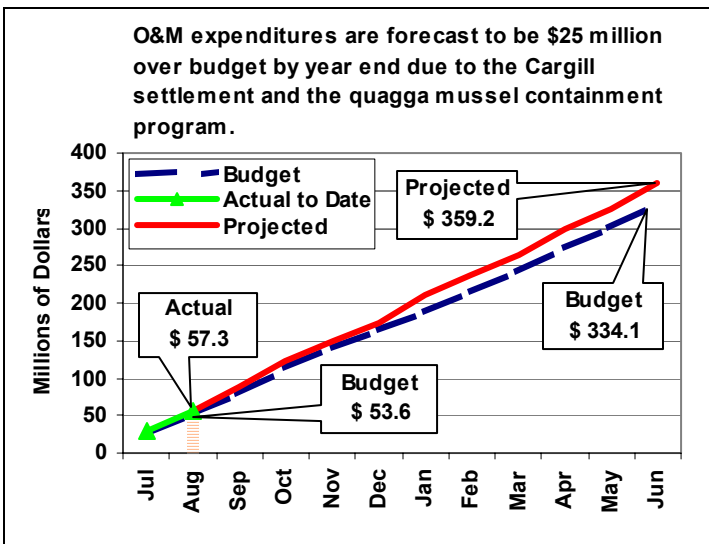
As of August 31, 2007



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	1.65 x
Revenue Debt Service Coverage	> 2.00 x	2.13 x
Revenue Bond Debt / Equity Ratio	< 100.0%	73.3%

### Credit Ratings

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



## Federal Legislative Update

Sept. 14: Staff attended a meeting at the request of the Association of Metropolitan Water Agencies to brief congressional staffers from the Department of Homeland Security Committee on chemical security as it relates to the drinking water and wastewater sectors.

Sept. 26: Management, working with Metropolitan Board of Directors, participated in the U.S. Water Supply Coalition's Board meeting in Washington, D.C. to discuss strategies regarding the passage of H.R. 3452 (D-Becerra), tax credit bond legislation.

## State Legislative Update

Sept. 11: Governor Arnold Schwarzenegger called a special session of the Legislature to address healthcare reform and a comprehensive water package. The Governor, Senate President Pro Tem Don Perata (D-Alameda) and Senator Dave Cogdill (R-Modesto) have been working on bond proposals for the February 5, 2008, presidential primary ballot. The Secretary of State has determined that October 16 is the "drop dead" date for placing measures on the February 2008 ballot. The Assembly had appointed legislative members to participate in "workgroups" to discuss the content and direction of any legislative product that will result from the special session. Assembly Speaker Fabian Núñez appointed John Laird (D-Santa Cruz), Lois Wolk (D-Davis), Juan Arambula (D-Fresno), Mary Salas (D-Chula Vista), Jared Huffman (D-San Rafael), Paul Krekorian (D-Burbank), Mike Feuer (D-Los Angeles), and Mike Eng (D-Monterey Park). The Assembly Republican Leader, Mike Villines, appointed Greg Aghazarian (R-Stockton), Joel Anderson (R-El Cajon), Tom Berryhill (R-Modesto), Jean Fuller (R-Bakersfield), Ted Gaines (R-Roseville), Guy Houston (R-San Ramon), Bob Huff (R-Diamond Bar), Kevin Jeffries (R-Lake Elsinore), Rick Keene (R-Chico), Doug LaMalfa (R-Richvale) Bill Maze (R-Visalia), Roger Niello (R-Fair Oaks), Todd Spitzer (R-Orange), and Jim Silva (R-Huntington Beach).

## Local Government Update

Sept. 20: Deputy General Manager of External Affairs Linda Waade was the luncheon speaker at the Southern California Association of Chamber of Commerce Executives' Conference in Claremont. Ms. Waade spoke to more than 100 Chamber Executives about current water issues, their impact on local businesses, activities in Sacramento and the importance of collaboration.

Sept. 20: Legislative Services staff presented a legislative wrap-up to the Southern California Association of Governments' Water Task Force. The group was briefed on legislation Metropolitan has been tracking and its legislative successes for the year.

Sept. 20: Tom Philp spoke about Bay Delta challenges to more than 250 attendees at the Association of Water Agencies of Ventura County's 11th Annual Members and Policy Maker's Reception, which was co-sponsored by Metropolitan, and Calleguas Municipal Water District and local agencies. Directors Fellow, Grandsen, Mylne, and Rez were in attendance.

Sept. 27: Metropolitan's External Affairs and Water Resource Management staff participated in the County's Employee Energy and Environmental Fair. Metropolitan staff provided information about its rebate programs that are available to commercial, industrial and institutional facilities within the county and also provided information about and promoted the "bewaterwise.com" web site. Metropolitan staff also highlighted the benefits and financial incentives available to the County if it incorporates water efficient devices within its existing facilities.

## Media

Staff managed multiple stories during September including interviews with local, regional and national news media outlets. Stories covered included: the federal court ruling to reduce water deliveries through the Delta and possible water rationing in 2008, water supplies and the drought, the Governor's proposed water bond, Long Beach's mandatory water conservation actions, fluoridation, Metropolitan's conservation outreach campaign, the relocation of the Diamond Valley Lake Visitor's Center and the invasion of quagga mussels in the Colorado River.

The Press Office issued three press releases: Metropolitan's support of the Governor's call for a special legislative session on water issues; the appointment of Sylvia Ballin, Metropolitan's new Director representing the city of San Fernando; and the Board's action to appropriate additional funds to control invasive quagga mussels.



## Education

Sept. 18: Metropolitan hosted a meeting of the World Water Forum Advisory Council in preparation for the kickoff event for the grant program on October 12. Recruiting and marketing to colleges and universities is underway. The program now has \$180,000 in partnership grants that will be available to teams whose proposals are selected.

Sept. 18, 19, and 22: Education Unit staff conducted Diamond Valley Lake Education Program Teacher Orientation Workshops for 103 teachers. Each workshop included updates on Metropolitan water issues and our conservation programs. Teachers who attend our field trip program during the school year must attend these workshops. The field trip session begins October 9.

Sept. 26-27: Staff represented Metropolitan at the bi-annual California Department of Water Resources Education Advisory Committee meeting, networked with other state water agency education representatives and provided updates on our education program.

## 2007/08 Conservation Education and Advertising Campaign

The "It's Time to Get Serious" advertising campaign continued with print, online and radio advertisements. Preliminary research indicates a very high awareness level among the Southern California public about current drought conditions and the need to save water. Water-saving tips brochures continued to be distributed to Member Agencies. Other printed material, such as the cards used by hotels to encourage guests to help save water, is now designed with the "time to get serious" theme and message.

Staff continues to work with the Inland Empire Utilities Agency and the City of Ontario on a pilot program to install California Friendly™ water-efficient designs in areas of the city that qualify for housing assistance grants as part of a neighborhood beautification effort. The program includes a grant from the federal Bureau of Reclamation to IEUA. Installation has been completed in the first few homes and dozens of more homeowners are expected to participate in the coming months. Metropolitan is evaluating this program to determine whether it can be applied throughout the district.

## Training and Organizational Effectiveness

Training staff conducted education fairs at Mills, Lake Skinner and Weymouth facilities.

## Community Outreach and Other Events

Staff, along with representatives from many Member Agencies and retail agencies, staffed a Metropolitan booth at the Los Angeles County Fair. Information about water-wise practices at home and other conservation efforts was provided. Hundreds of fair-goers visited the exhibit each day.

## Equal Employment Opportunity

The EEO Program Office partnered with the Equal Employment Opportunity Commission on September 19 to host a half-day seminar for Southern California employers on the EEOC's "E-RACE" initiative for approximately 80 participants. There were two presentations - **Eradicating Racism And Colorism from Employment**, and an update on recent developments. There was also a panel discussion that focused on Best Practices to Avoid Race/Color Discrimination Claims.

## Classification/Compensation

The joint Human Resources/American Federation of State, County and Municipal Employees Core Team working on the O&M Classification Study has reached an agreement on new Job Descriptions. The Core Team's Joint Recommendation was presented to Water System Operations management on September 27.

## Health Benefits Advisory Committee

The Advisory Committee met on September 25, 2007 and reviewed Focus Group Data and a presentation on Benchmark Survey Data. A follow-up meeting will be scheduled for October.

## Environmental Health and Safety

An assessment was conducted by AWWARF on the health and safety program at Metropolitan. Staff attended a workshop to discuss initial findings of the assessment. A draft report will be available for Metropolitan's review and comments in November.

The Environmental Health and Safety Facility Tactical Assessment and Compliance project for the Diemer plant was completed in September.