

- **General Manager's January 2008 Activity Report**

Summary

The attached report details the activities of the Office of the General Manager for the month of January 2008. 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
- Capital Investment Plan
- Business Processes / Operations
- Real Estate Management
- Finance
- External Affairs
- Workforce
- Business Outreach

Attachments

General Manager's Monthly Activity Report

| | | | | | |
|-------------------------|-------|-----------------------------|---|-------------------|--------|
| Water Management | 1 & 2 | Business Process/Operations | 6 | External Affairs | 9 & 10 |
| System Operations | 3 & 4 | Real Estate Management | 7 | Workforce | 11 |
| Capital Investment Plan | 5 & 6 | Finance | 8 | Business Outreach | 11 |

Water Management

Colorado River

Metropolitan's 2008 Colorado River Supply

By letter dated January 3, 2008, the Bureau of Reclamation issued its approval for calendar year 2007 diversions by Metropolitan. The diversion approval is for 783,500. Incorporated into the approval is 82,000 acre-feet of water projected to be saved under the Palo Verde Irrigation District following program, the exchange of 71,500 acre-feet to San Diego County Water Authority of conserved water from the Imperial Irrigation District and the Coachella Canal Lining Project; 85,000 acre-feet from the Imperial-Metropolitan program; and 25,000 acre-feet of water recovered from storage in central Arizona.

State Water Project

Monterey Environmental Impact Report

The California Department of Water Resources issued the Draft Environmental Impact Report analyzing the Monterey Amendment and Settlement Agreement in October 2007. Metropolitan coordinated its comments with the State Water Contractors who submitted comments by the January 14 deadline. The comments were intended to provide clarification of the Monterey Amendment provisions and the impact analysis.

PG&E—SWP Comprehensive Agreement Rate Case

The Pacific Gas and Electric Company has asked the Federal Energy Regulatory Commission to approve changes to costs paid by the State Water Project for electricity transmission services provided by PG&E. The potential cost increase would be about \$17.4 million annually, effective July 1, 2008. In response, Metropolitan, DWR, and the State Water Contractors filed motions to intervene in the FERC proceeding to protect SWP interests. The PG&E proposal would change the basis of cost from actual use to a flat rate – reversing the payment methodology in use since 2003.

Colorado River

| | Reservoir Storage | |
|-------------|-------------------|---------------------|
| | 1/31/08 Storage | Percent of Capacity |
| Lake Powell | 10.9 MAF | 45% |
| Lake Mead | 13.0 MAF | 50% |

State Water Project

| | As of 1/31/08 | Storage To-Date | Percent of Capacity |
|----------------------|---------------|-----------------|---------------------|
| Lake Oroville | | 1.3 MAF | 37% |
| San Luis Reservoir | | 1.5 MAF | 74% |
| San Luis State Share | | 0.8 MAF | 72% |

Water Management

State Water Project

Endangered Species Issues

In August 2007, The Bay Institute, Center for Biological Diversity, and Natural Resources Defense Council filed petitions with the California Fish and Game Commission (Commission) and the US Fish and Wildlife Service for listing the longfin smelt as threatened or endangered. In October 2007, attorneys for water interests filed letters opposing the listing. In December 2007, the Department of Fish and Game indicated to the Commission that the petitioned action may be warranted, based on abundance data and future water project operations. In January 2008, the results of the Fall Midwater Trawl came in with the lowest abundance index on record for longfin smelt, at 14. The next to lowest indexes are 76 and 129 for 1992 and 2005, respectively. Consideration of the listing petition is scheduled for the Commission's February 7, 2008 meeting. At this meeting, the Commission may also consider actions regarding incidental take during the candidacy period. The protection of longfin smelt is part of the proposed Bay/Delta Conservation Plan. A habitat conservation plan is the best tool for dealing with individual species and staff is working to expedite implementation of the Bay/Delta Conservation Plan.

Delta Vision

The Delta Vision Report was issued by the Governor's Blue Ribbon Task force on December 17, 2007. The Report contains 12 linked recommendations addressing Delta ecosystem health and a reliable water supply for California, including a call for new Delta conveyance and storage. The Blue Ribbon Task Force will meet January 31 and February 1 to begin discussing topics for phase 2 of the Delta Vision process, which includes development of a strategic plan to implement the Task Force's vision for a more sustainable Delta.

Integrated Resources Plan

IRP Update Process

Staff delivered an Action Plan and schedule to the Board in December 2007. Based on that schedule, preparations to secure consulting services to facilitate portions of the process and to provide input on decision support have been initiated. Staff is also preparing information and materials for public forums to be initiated this spring. Staff will report further on IRP preparation in March.

Desalination

Court Decisions

Metropolitan briefed member agency staff on the potential impacts of recent court decisions on the development of seawater desalination. Power plants are required to use the "Best Technology Available" for coastal intakes, and the decision rejected provisions in the Clean Water Act that allowed for performance ranges for wild life impacts, cost-benefit exemptions, and habitat restoration. New regulations could prevent proposed seawater desalination plants from using existing open water intakes of coastal power plants, and could impact the intake technology of desalination plants not co-located with power plants. Staff is continuing to monitor this issue and will work with the member agencies on analyzing the impacts of this decision.

Conservation

Public Sector Program

Metropolitan continues to respond to significant interest in the Public Sector Program. Since approval of the accelerated program in August 2007, more than 450 requests for participation from public agencies have been received. The first set of invoices under the Public Sector Program for device incentives totaling \$230,000 was approved. Additionally, indoor and outdoor audits were conducted at various sites in Culver City (West Basin MWD) and Riverside (Western MWD). Metropolitan also entered into an agreement with Inland Empire Utilities Agency to provide financial assistance to retrofit public sites that currently use potable water to recycled water. IEUA identified more than 180 sites that would collectively use about 8,000 acre-feet per year of recycled water when retrofits are completed.

System Operations

Water Demands

Water Sales Cash Year (May-April)

| | |
|--------------|--------------------|
| 2,180,054 AF | Current Projection |
| 2,161,756 AF | Budget Projection |
| 18,298 AF | Difference |

As of Jan. 23, sales for Calendar Year 2007 are 2.31 MAF.

Distribution and Storage (As of 1/31/08)

| | <u>Current Storage</u> | <u>End of Month Forecast</u> |
|--------------|------------------------|------------------------------|
| Lake Mathews | 143,100 AF | 143,100 AF |
| Lake Skinner | 36,600 AF | 36,600 AF |
| DVL | 600,500 AF | 600,500 AF |
| Lake Perris | 72,300 AF | 72,300 AF |

System Operations

During the month of January, staff increased pumping on the Colorado River Aqueduct to a six pump flow to increase storage at Lake Mathews and to curtail releases from Diamond Valley Lake. State Water Project blends were reduced at the Weymouth and Diemer plants to 30 percent and SWP deliveries into the San Diego Canal were also reduced in accordance with the long-range plan as a result of the low initial SWP allocation of 25 percent. Staff also successfully coordinated the return of about 180 TAF in 2007 from SWP storage and exchange programs such as Semitropic, Arvin-Edison and San Bernardino Valley Municipal Water District. Returns from these programs are continuing in 2008.

System Maintenance

Staff performed regular five-year maintenance overhaul at the Venice Power Plant on January 22—February 1, 2008.

Sales/Deliveries

| | |
|---------------------------|--------------|
| January Sales Estimate | 111,000 AF |
| January Delivery Estimate | 124,300 AF * |

* excludes Desert Water / Coachella Valley

Treatment Plant

Treated water deliveries were in full compliance with primary drinking water quality standards. Although the yearly, flow-weighted average salinity objective of 500 mg/L was met, total dissolved solids at the Weymouth, Diemer, and Skinner plants have increased above 500 mg/L because of reduced State Water Project blends.

From January 9 - 23, the Jensen treatment plant provided treated water to the City of Los Angeles for a planned 14-day shutdown of the Los Angeles Aqueduct Filtration Plant.

On January 25, a three-day shutdown took place at the Diemer treatment plant to complete a temporary repair of a small leak in the influent conduit. A long-term repair will be completed during a future seven-day outage for ozone construction tie-ins.

Taste-and-Odor

Taste and odor was acceptable in all of Metropolitan's source and finished waters.

System Operations

Conveyance and Operations

Southern California Edison completed a four-day interagency electrical outage at Diamond Valley Lake. DVL staff took advantage of the electrical outage to perform preventive maintenance activities in the switchyard on 115KV disconnect switches.

Construction continued on the Copper Basin Phase II Chlorine Feed system. Work completed for the feed system included site preparation, grading and first concrete placement.

In conjunction with the Los Angeles Aqueduct Plant outage, Metropolitan staff completed rehabilitation work on the discharge structure for Service Connection LA-35.



Stainless Steel plate installation for service connection LA35 at discharge structure.

Power Operations and Planning

During the first week of January, Metropolitan provided required self-certification compliance forms to the Western Electricity Coordinating Council and Southern California Edison Company, stating that Metropolitan had satisfied the requirements of the national electric reliability standards. This was the first annual compliance report for the recently enacted standards.

On January 14, responses were provided to questions submitted by the US Senate Energy and Natural Resources Committee regarding testimony Metropolitan gave before the Committee in December. The responses provided information on water as well as power issues. Enhanced power production from federal hydro facilities under lower flow conditions had been the focus of the testimony.

On January 22, Metropolitan and the State Water Contractors informed Federal Energy Regulatory Commission staff that they were prepared to oppose a FERC settlement offer. The settlement would allocate funds FERC has collected from various parties relating to improper conduct during the 2000-01 energy crises. In comparison to similar California entities, Metropolitan and the SWC were offered significantly less. The offer appeared to be based on erroneous assumptions by FERC staff.

Staff met with other Hoover power contractors after the quarterly Boulder Canyon Project Engineering and Operating Committee meeting on January 23. This was the second informal meeting of contractors to discuss options on how to move ahead with a new Hoover power allocation after the present contracts expire in 2017.

Preventive maintenance on the operating nut.



Capital Investment Plan

CIP Summary

Ongoing Contracts—18 construction contracts and 4 related procurement contracts were ongoing through December. The total bid amount of these contracts is \$858 million.

December Construction Payments—Over \$13 million in contract payments were made for construction performed in the month of December. Nearly \$3 million were related to work at the Skinner plant, including the ongoing construction of ozonation facilities and Washwater Reclamation Plant 3. Over \$5 million were expended on the Arrowhead Tunnels construction. Just under \$1 million were related to work at the Diemer plant, site preparation for Oxidation Retrofit. And nearly \$2 million were expended on the north reach of the Perris Valley Pipeline. Contract payments during the month were down overall, due to December having fewer workdays due to the holidays.

Total projected capital expenditures for the 2007/08 fiscal year were originally estimated at \$498 million; however staff revised this forecast to \$422 million for the fiscal year. The primary reason for the revision is delay regarding construction work at the Weymouth plant. An inadequate number of construction bids were received and as a result, the two bids were rejected. Staff is currently reviewing the timing associated with re-advertising this construction package in order to complete critical rehabilitation projects at the Weymouth Plant, and to ensure Metropolitan receives an adequate number of responsive competitive bids.

Major Contracts—Through mid-January 2008, the Inland Feeder, Arrowhead East Tunnel mining effort has advanced a total of 21,800 feet, which is 97 percent of the tunnel length. At the Arrowhead West Tunnel, the mining effort has advanced a total of 15,990 feet, which is 80 percent of the tunnel length.

Contracts Completed—Lakeview Pipeline Cathodic Protection was completed during the month of December.

CIP Summary continued.....

Other Contracts—Skinner Treatment Plant Oxidation Retrofit and Washwater Reclamation Plant No. 3 is approximately 72 percent complete. At the Diemer plant, the construction of the ORP site preparation work is approximately 97 percent complete; construction of the Vehicle Maintenance Center and Solids Handling Facility is approximately 99 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 Diemer ozone facilities is 99 percent complete. At the Jensen treatment plant, a project for chlorine containment, unloading and handling is approximately 62 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 93 percent complete. The Perris Valley Pipeline, North Reach is 24 percent complete. Two additional Ozone Contactors at the Mills Treatment Plant Facility is nearly 20 percent complete.

Profile on Recent CIP Event

Santa Monica Feeder Relocation Program

In October 2003, Metropolitan's Board authorized entering into an agreement with the City of Los Angeles to relocate a portion of the Santa Monica Feeder as part of the City's Santa Monica Boulevard Transit Parkway Project. The Santa Monica Feeder was originally constructed in 1941. The parkway improvements would lead to increased traffic loading and the potential for pipeline failure. The relocation was an opportunity to reduce the risk of pipeline failure. Under Metropolitan's agreement with the City, the City performed all construction and construction management activities related to the feeder relocation and Metropolitan would reimburse the City for these costs. Metropolitan has issued final payment to the City and closed out the project.

Capital Investment Plan

Central Pool Augmentation (CPA) and Tunnel Feasibility

In June 2006, Metropolitan's Board authorized geotechnical and geological investigations along the CPA Tunnel alignment through the Cleveland National Forest, in order to assess the economic feasibility of the approved tunnel alignment. The geotechnical investigation consists of a field exploration phase and a data analysis phase, both of which were completed in December 2007.

A draft report on the field investigations and laboratory testing associated with the CPA tunnel feasibility study was completed in December 2007. The preliminary

results of the investigation determined that the rock mass in the vicinity of the tunnel is weak with very low permeability and a high potential for squeezing. The low permeability indicates that water intrusion into the tunnel will be on the low side, while squeezing ground indicates that a tunnel boring machine design and mining methods would have to be modified to handle this condition. Metropolitan expects to complete a tunnel feasibility report in late February and to share findings with the Board in March 2008.

Business Processes/Operations

Information Technology

Learning Management and Employee Relations Modules

With the recent completion of the Peoplesoft v8.9 upgrade in December, staff initiated the design phase for the Employee Relations and Learning Management modules as part of Phase II of the Human Resources Improvement Project. The two new modules are part of Metropolitan's core HR/Payroll system, and will increase efficiency by eliminating separate systems currently used to maintain HR data.

Completed Bidders Conference for Union Station Headquarters Technology Upgrade

In January, a bidder's conference was held for prospective respondents to a competitive Request for Proposal for the Union Station Headquarters Technology Upgrade project. The scope of the project is to upgrade audio, video and information technology-related equipment in the main boardroom and selected committee rooms. The RFP closed in late January and evaluation committee members are currently reviewing the received submittals.

Security

Security staff tested contract guards in sentry positions with scenarios to improve performance in adhering to access control protocols.

Emergency Management

Emergency Management staff attended training for the National Incident Management System.

The Municipal Water District of Orange County hosted a Member Agency Response System meeting on January 28, 2008. Topics included the Golden Guardian 2008 exercise, quagga mussels, fluoridation, National Incident Management System Compliance Assistance Support Tool and National Incident Management System training, as well as a tour of the new Groundwater Replenishment System.

Staff met with San Diego County Water Authority staff to discuss the use of the Water/Wastewater Agency Response Network (WARN) agreement during the October 2007 wildfires and how to improve the use of the agreement in the future. Staff also participated in a teleconference of regional chairs of WARN to discuss upgrading the WARN website, participation in the state's annual Golden Guardian 2008 emergency exercise scheduled for November 2008, and recent storms.



Real Estate Management

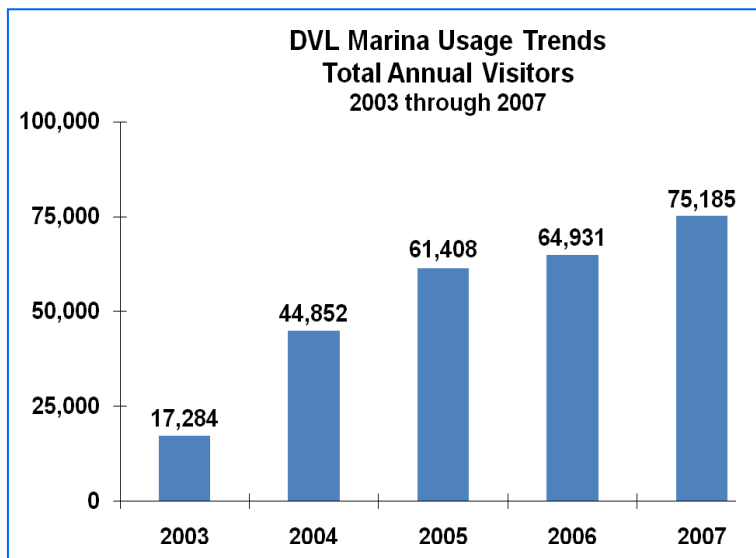
Diamond Valley Lake Recreation Program

| Appropriation Budget | |
|---|-----------|
| Approved distributed funds | \$ 68.9 M |
| Undistributed funds | \$ 23.9 M |
| Total Appropriation | \$ 92.8 M |
| Surplus Property Sales * | \$ 4.7 M |
| <i>Actual expenditure as of 011/30/07</i> | \$ 62.8 M |

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

Wildlife Corridor

Metropolitan's Board of Directors approved the expenditure from an existing appropriation for the Diamond Valley Lake Security and Wildlife Corridor Protection Fencing Project. This construction contract was awarded to Lightning Fencing Company.



Leases, Licenses and Entry Permits

Two entry permits were issued to the Inland Empire Utilities Agency for the initial construction of service connections CB-14 and CB-20. IEUA has requested permanent easements for long-term operation and maintenance of these two Service Connections. CB-14 and CB-20 will help to provide water deliveries from the Rialto Pipeline.

An entry permit was issued to the City of Los Angeles for access and a temporary staging area near the Sepulveda Feeder. The City of Los Angeles is widening parts of Sepulveda Boulevard to accommodate a bicycle lane.

An entry permit was amended with the Riverside County Transportation Commission. The amendment provides for additional study sites and extends the term an additional year. The permit was issued in conjunction with RCTC's environmental studies for the proposed Mid-County Parkway.

An entry permit was amended with the Transcan Development Company to extend the term. The permit allows ingress and egress across a portion of the Box Springs Feeder right-of-way and provides for compatible construction activities in conjunction with an adjacent development.

An entry permit was granted to the Southern California Gas Company. The permit allows initial construction of a six-inch gas pipeline in the City of Riverside across the Colorado River Aqueduct right-of-way. SoCal Gas has requested a permanent easement for long-term operation of the gas line that helps to provide for increased service to the Twentynine Palms area.

A telecommunications lease was amended with the City of Anaheim to extend the term an additional 10 years. The original lease included this option for renewal.

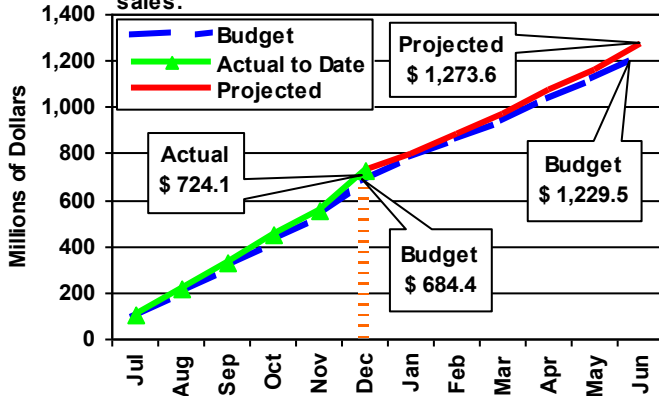
A one-day entry permit was granted to the Dolores Mission. The permit allowed for use of parking areas at 700 North Alameda Street for an event held at Union Station.

Real Estate Activities

A permanent easement was conveyed to the City of Upland for the construction and maintenance of a water pipeline that crosses a portion of the right-of-way along the Rialto Pipeline (Foothill Feeder System).

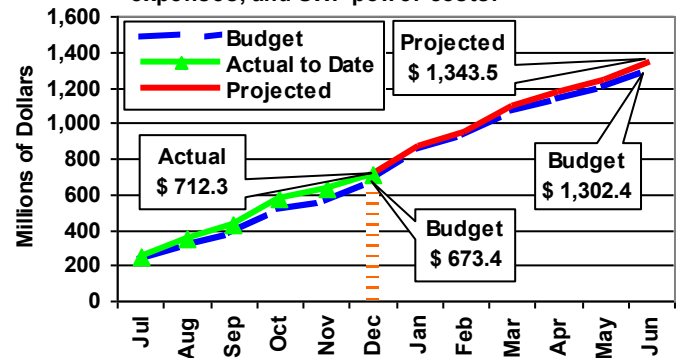
Finance as of December 31, 2007

Receipts are expected to be \$44 million over budget by year end, mainly due to higher water sales.



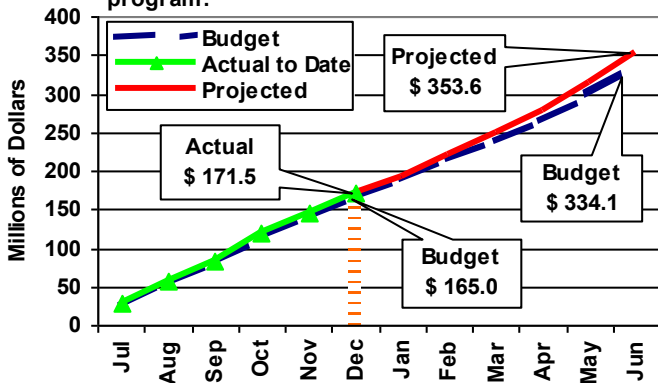
Excludes Bond Construction and Other Trust Funds Activity

Expenditures are trending at \$41 million over budget by year end, mainly due to higher O&M disbursements, Water Supply Program expenses, and SWP power costs.

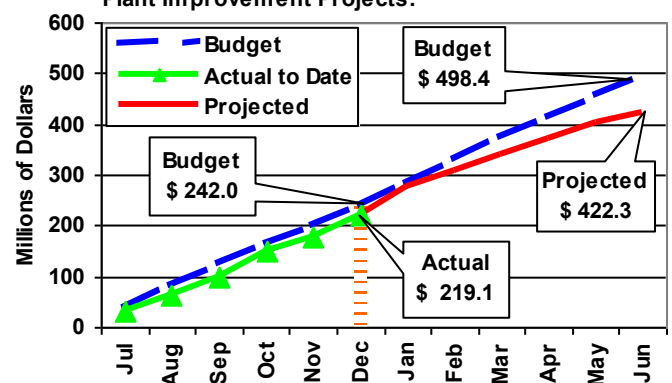


Excludes Bond Construction and Other Trust Funds Activity

O&M expenditures are forecast to be \$20 million over budget by year end due to the Cargill settlement and the quagga mussel containment program.

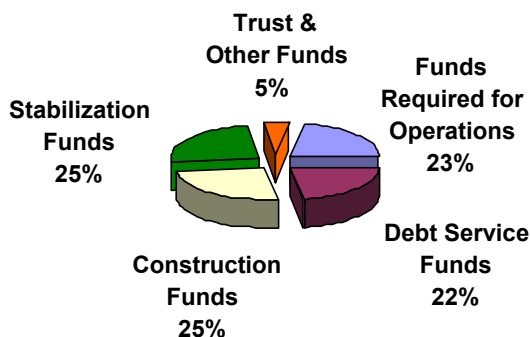


Construction costs are expected to be \$76 million below budget at year end primarily due to delays on the Oxidation Retrofit Program and Treatment Plant Improvement Projects.



Cash and Investments

\$1,287.5 million



Summary Financial Statistics

| | Target | Actual |
|----------------------------------|----------|--------|
| Fixed Charge Coverage | ≥ 1.20 x | 1.69 x |
| Revenue Debt Service Coverage | > 2.00 x | 2.25 x |
| Revenue Bond Debt / Equity Ratio | < 100.0% | 72.6% |

Credit Ratings

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

External Affairs

Federal Legislative Update

Jan. 7: Staff met with the majority and minority professional staff of the House Natural Resources Subcommittee on Water and Power, along with the majority counsel to the Senate Energy Subcommittee on Water and Power to discuss Metropolitan's 2008 federal legislative objectives.

Jan. 16: Staff worked with major water associations to brief members of the House and Senate Homeland Security committees on the water industry's need to coordinate the regulation of the nation's drinking water health standards with the objectives inherent in homeland security legislation as it evolves in the 110th Congress.

Jan. 29: General Manager Jeff Kightlinger provided testimony for a U.S. House Natural Resources Subcommittee on Water and Power Oversight Hearing on new sustainable water supply strategies in light of California's current challenges in the Delta.

State Legislative Update

A \$14 billion state budget shortfall is projected for 2008. The governor has requested each state agency and department to propose 10 percent across-the-board cuts. Pursuant to the provisions of Proposition 58, approved by the voters in 2004, the Governor declared a fiscal emergency, which triggers a special session for the legislature to pass legislation addressing the shortfall in 45 days. Options included the suspension of Proposition 98 (the voter-approved K-14 education funding guarantee) as well as Proposition 1A (the voter-approved measure that protects local revenues from raids by the state).

The Legislative Analyst Office has released its preliminary assessment of the governor's proposed 2008/09 budget. While the assessment acknowledges the governor's proposed aggressive fiscal agenda, it proposes that the governor prioritize important programs and thoroughly assess reduction mechanisms to ensure efficient applicability.

The state's fiscal crisis has had an impact on securing a comprehensive water bond for 2008. Assembly Republican leader Mike Villines stated that there is little opportunity for a bond to be considered or voted upon in time to make the November ballot, as the budget should be the legislature's first priority. Sen. Don Perata concurred on Villines' assessment but said bond negotiations can begin once the legislature has a plan for responding to the deficit.

State Legislative Update continued....

Jan. 7: SB 1XX (Perata), a special session measure that appropriates existing bond funds for critical water infrastructure investments, passed the Senate and was sent to the Assembly for consideration.

Local Government Update

Jan. 8: Staff briefed the Palos Verdes Peninsula Chamber of Commerce on regional water supply and local conservation issues. Of importance was the latest information regarding the Bay-Delta and a brief update from the governor's special legislative session on water. Additionally, chamber members were encouraged to participate in Metropolitan's conservation programs – including getting their local public agency to sign-up for the newly release public sector conservation incentive programs.

Jan. 10-11: Metropolitan hosted a Delta tour for Southern California business leaders. Included on the trip were representatives from the Los Angeles Chamber of Commerce, Orange County Business Council, Central Cities Association, Santa Monica Chamber, San Gabriel Valley Economic Partnership, local elected officials and business leaders. The tour disseminated information on the governor's Blue Ribbon Task Force on the Delta, ACWA's perspective on finding solutions, and DWR's current status on water deliveries.

Jan. 11: Staff briefed the Associated General Contractors organization on regional water issues during their statewide board of directors meeting in Anaheim. Builders and general contractors from Los Angeles, Orange, Riverside and San Bernardino counties were encouraged to include water issue in their legislative priority for 2008. Additionally, AGC members learned how to do business with Metropolitan.

Jan. 14-16: Staff attended the California Contract Cities Association's annual legislative conference in Sacramento. More than 135 local elected officials attended and met with more than 15 legislators, state regulators and members of the governor's staff to discuss two primary issues: the state's fiscal shortfalls and water. Staff provided an overview of the district's new public sector conservation program, which provides upfront incentives for water use efficiency investments.

External Affairs

Local Government Update continued...

Jan. 24: Staff gave a water briefing to members of the Santa Fe Springs Chamber of Commerce. There were more than 30 business leaders and local elected officials in attendance.

Jan. 31: The League of California Cities Inland Empire Division and Metropolitan sponsored a community leaders water briefing at the Etiwanda Gardens in the City of Etiwanda. Staff addressed water supply challenges and presented information on Metropolitan's new public sector conservation program. There were approximately 60 elected officials, community and business leaders in attendance.

Jan. 31: Staff provided a briefing to staff from Congressman Gary Miller's office (R-42nd District). In addition the district staff visited CA-friendly model homes, toured DVL and were given a briefing on the DVL trail system.

Education

Staff initiated the 2008 traveling student art exhibit tour. It will journey to 20 participating member and retail agencies, along with the Diamond Valley Lake Visitors Center. The art will return to Metropolitan on June 27.

Jan. 24: Staff conducted the quarterly Member Agency education coordinators' meeting at Union Station. Among the discussion items were presentations from various member and retail agencies on plans for Earth Day and Water Awareness Month events and activities.

Jan. 31: Staff conducted a workshop for students from the UCLA Institute of the Environment on the current water challenges, our education curriculum and climate change.

Media

Staff managed a large number of news media inquiries in January, with significant coverage given to water supply conditions, Metropolitan's proposed supply allocation plan and the need for water conservation.

An editorial column by General Manager Jeff Kightlinger ran in the Riverside Press Enterprise. The column focused on water challenges facing Southern California and for the region to remain vigilant with water conservation.

Press releases in January included a reminder to consumers and businesses to turn off their sprinklers when it rains. The other releases concerned the passing of Director Steve Anderson, and the appointment of two new Directors to the Board.

Community Outreach and Other Events

Jan. 8-9: Staff participated in meetings with the City of Riverside regarding Perris Valley Pipeline Project traffic access to businesses on Alessandro Boulevard.

Jan. 15: Staff participated in a Conservation Water Education and Council meeting, and Diamond Valley Lake tour with Eastern MWD, Western MWD, and Rancho California and Elsinore Valley water districts.

Jan. 15: Staff made a presentation to Southwest Riverside County Office of Emergency Services Committee on water supply with Western MWD, Rancho California and Elsinore Valley.

Jan. 19: Staff coordinated and participated in an open house briefing and tour of the Inland Feeder Project for 50 residents.

Jan. 22: Staff coordinated and participated in briefing for San Bernardino County Supervisor Hansberger.

Conservation Outreach

Planning is under way for a conservation advertising campaign tentatively scheduled for March, April and June. The campaign is proposed to focus on water saving tips with an emphasis on outdoor watering, and a June focus on water-saving devices and rebates for residents. A meeting with member agency Public Information Office staff members was held on January 17 to discuss messages.

The Fine Living channel featured water-saving tips offered by staff in a special called "50 Ways to Cut Your Bills in Half." This half-hour program aired nationally six times during January.

Two brochures were completed on new water-saving

products: synthetic turf and precision rotating sprinkler nozzles. These brochures will be distributed to businesses and the public via member agencies and events. Member agencies continue to order large amounts of Metropolitan water conservation brochures, including ones for hotel guests and for restaurants.

Jan. 15: Staff gave a presentation on water supply reliability to 45 attendees of the Encino Chamber of Commerce lunch meeting.

Jan. 29: Staff met with Director Ballin and officials from the city of San Fernando to discuss promotion of water conservation activities in the city.

Workforce

Apprenticeship Program

Class of 2012 - Pre-Apprentice Preparation Classes

The six-week Study Skills course to help pre-apprentices prepare for their apprenticeship classes in January 2008 began on November 6, 2007 and concluded on December 11, 2007.

The class of 2012 (33 candidates) started Period I instruction on January 29, 2008.

Recruitment

Fifteen new employees and one annuitant joined Metropolitan during January. Back-to-back Day 1 and Day 2 Orientation sessions were conducted to accommodate five general maintenance employees who started employment at Desert facilities during the past two months.

Risk Management

Completed 54 risk assessments to ensure language, terms, and insurance provisions adequately protect Metropolitan's interests for professional service, construction and procurement contracts, easements, leases, permits and event requests within the seven day turn-around time efficiency objective.

Benefits / HR Information System

Developed and piloted a new three-hour class called Pre-Retirement Death Benefits and Estate Planning for 40 participants at Union Station. This class will now be hosted throughout Metropolitan based on the positive response.

The annual Retirement Workshop titled "Stepping Into Retirement" took place on January 29 at Gene Camp for all desert facilities.

Training

Conducted an Executive Briefing on Workplace Violence Prevention. Approximately 275 managers (86%) have completed training on Workplace Violence Prevention. Findings and recommendations from Group Manager Interviews on Performance Measurement and Business Planning process was presented to the Executive Management Team. Conducted a webinar on "Getting the Most from Your New PC" to examine communication technologies that can reduce travel and time away from the job.

Business Outreach

Advocacy and Outreach

Business Outreach staff made presentations at four Disabled Veteran Business Enterprise Alliance regional meetings. The regions include San Diego, Orange County, Inland Empire and Los Angeles. Currently there are 200 Disabled Veteran Business Enterprise companies certified in the Business Outreach database.

January 31 – Business Outreach staff attended the 137th San Diego Chamber of Commerce Board Installation dinner. Metropolitan's four directors representing San Diego also attended the event.

January 31 – Business Outreach staff was joined by Eric Anderson, Construction Management Manager, at the Construction Management Association of America Owners night networking event in Long Beach.

Regional Partnerships

January 9 – Staff attended the Port of Los Angeles' Small Business Advisory Council. The Port recently adopted Metropolitan's Small Business Program.

January 17 – Staff presented at the National Association of Women Business Owners-Inland Empire Corporate Partners reception.

January 17 – Metropolitan in partnership with the Southern California Minority Business Development Council participated in a Resource Planning Session, facilitated at Caggemini's Burbank Accelerated Solutions Environment. Director John Murray, Jr. and staff attended the session. The objective was to build vendor business capacity in order to compete at Metropolitan requirements.