# THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA MINUTES

#### WATER PLANNING AND STEWARDSHIP COMMITTEE

#### February 10, 2014

Chair De Jesus called the meeting to order at 10:54 a.m. in Committee Room 2-456 at Metropolitan's Headquarters.

Members present: Chair De Jesus, Vice Chair Touhey, Directors Ackerman, Brown, Dick, Edwards, Gray, Griset, Lewinger, Morris, Peterson, Quinonez, Record, and Steiner.

Member absent: Director Lowenthal.

Other Board Members present: Directors Apodaca, Babcock, Ballin, Barbre, Camacho, Dear, Evans, Grunfeld, Hogan, Kurtz, J. Murray, Pringle, Vasquez, and Wunderlich.

Staff present: Alonzo, Ardalan, Arakawa, H. Beatty, Bennion, Breaux, Clairday, Coffey, K. Cole, Donhoff, Ghaly, Goshi, J. Green, Harding, Hasencamp, Jay, Kightlinger, Man, Matusak, McDonnell, Mokhtari, Muir, Munguia, Nevills, Nobriga, Parsons, Patterson, Phan, Philp, Polyzos, Riss, Roth, R. Ryan, Safely, Schaffer, Schlotterbeck, Scully, Tucker, Upadhyay, Velasco, Webb-Cole, Wolfe, E. Wong, B. Yamasaki, and Zinke.

# 1. OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE COMMITTEE ON MATTERS WITHIN THE COMMITTEES' JURISDICTION

Mr. Charlie Wolk, California Avocado Commission, addressed the committee on agriculture water programs. The commission will be presenting specific concepts and working with Metropolitan's staff and Director Dick's Agriculture and Business Committee on outreach for the future of agriculture and on the need for agriculture water programs at Metropolitan's level.

2. APPROVAL OF THE MINUTES OF THE MEETING OF THE JOINT MEETING OF THE WATER PLANNING AND STEWARDSHIP COMMITTEE AND SPECIAL COMMITTEE ON BAY-DELTA HELD JANUARY 13, 2014.

Motion: Carried

Moved: Director Edwards Seconded: Director Morris

Ayes: Directors Ackerman, Brown, De Jesus, Edwards, Gray, Griset, Lewinger, Morris,

2

Peterson, Quinonez, Record, Steiner, and Touhey.

Noes: None

Abstentions: Director Dick

Absent: Director Lowenthal

The motion passed by a vote of 13 ayes, 0 no, 1 abstain, and 1 absent.

Chair De Jesus announced that there would be a reordering of the meeting agenda. Item 6a would be heard following the Consent Calendar Item. Item 8-2 would follow agenda items 8-3 and 8-7.

#### 3. CONSENT CALENDAR ITEMS – ACTION

**7-6** Subject: Adopt resolution to support Metropolitan's 2014 WaterSMART grant

applications; and authorize General Manager to accept funding and

enter into contract(s) if awarded

Presented by: None.

Motion: Adopt the CEQA determination that the proposed action is not subject

to CEQA and resolutions to:

a. Support grant applications;

- b. Authorize the General Manager to accept potential grant funding of up to \$1 million;
- c. Delegate authority to the General Manager to enter into grant contract(s) with Reclamation, subject to the approval of the General Counsel, if awarded;
- d. Agree to fulfill the grant contract(s), including provision of matching funds up to \$1 million through existing Metropolitan programs; and
- e. State that Metropolitan, if awarded a grant, will work with Reclamation to meet established deadlines upon entering into a cooperative agreement.

Motion: Carried

Moved: Director Steiner Seconded: Director Gray

Ayes: Directors Ackerman, De Jesus, Dick, Edwards, Gray, Griset, Lewinger,

Morris, Peterson, Quinonez, Record, Steiner, and Touhey.

Noes: Director Brown

Abstentions: None

Absent: Director Lowenthal

The motion passed by a vote of 13 ayes, 1 no, 0 abstain, and 1 absent.

#### 6. COMMITTEE ITEMS

a. Subject: Oral report on Water Surplus and Drought Management

Presented by: Brandon J. Goshi, Unit Manager, Water Resource Management

This item was heard out of order following item 7-6.

Mr. Goshi's presentation covered Metropolitan's Water Supply and Drought Management Plan (WSDM), Governor Brown's emergency drought declaration and his recent visit to Metropolitan, current and projected Metropolitan water supplies, and how Metropolitan's water supplies and demands are affected.

During Governor Brown's unprecedented visit, staff met and discussed Metropolitan's role in supporting the governor's call by declaring a water supply alert, increasing the conservation budget to help support conservation efforts, and to explore achievable means to help address statewide water supply challenges.

Staff responded to comments relating to meeting water demands based on the current State Water Allocation, and a committee policy discussion on storage water withdrawals compared to storage balances in order to meet current year demands, and the existing Water Supply Allocation Plan.

Chair De Jesus announced that agenda item 8-3 would be heard next.

#### 4. OTHER BOARD ITEMS – ACTION

**8-3** Subject: Adopt Water Supply Alert Resolution

Presented by: Brandon J. Goshi, Unit Manager, Water Resource Management

Motion: Adopt the CEQA determination that the proposed action is categorically exempt

from CEQA and adopt the proposed Water Supply Alert Resolution.

Moved: Director Record Seconded: Director Morris

Ayes: Directors Ackerman, Brown, De Jesus, Dick, Edwards, Gray, Griset, Lewinger,

Morris, Peterson, Quinonez, Record, Steiner, and Touhey.

Noes: None

Abstentions: None

Absent: Director Lowenthal

The motion passedby a vote of 14 ayes, 0 no, 0 abstain, and 1 absent.

Mr. Goshi gave a presentation on the proposed water supply alert resolution. He discussed how conservation efforts help to manage Metropolitan's water supplies and demands through a formal declaration by Metropolitan and Southern California. He provided an overview of the supply condition framework and explained the proposed Water Supply Alert Resolution.

Staff responded to comments regarding implemented tiered rate systems, Metropolitan's messaging inclusive of customer recognition for conservation efforts, appropriate timing of water allocation discussions, monthly progress reports of water reductions based on calendar and fiscal years.

8-7 Subject: Authorize an increase of \$20 million for conservation incentives and outreach

Presented by: Alice Webb-Cole, Sr. Resource Specialist, Regional Supply Unit

Motion: Adopt the CEQA determination that the proposed action is not defined as a

project and is not subject to CEQA, and authorize

a. Implementation of an outreach campaign in response to the draught;

and

b. An increase of \$20 million over two years for the conservation

incentive program.

Moved: Director Morris Seconded: Director Peterson

Ayes: Directors Ackerman, Brown, De Jesus, Dick, Edwards, Gray, Griset,

Morris, Peterson, Quinonez, Record, and Touhey.

Nos: Director Lewinger

Abstentions: None

Absent: Director Lowenthal

No recorded vote: Director Steiner

The motion passed by a vote of 12 ayes, 1 no, 0 abstain, and 1 absent.

Ms. Webb-Cole gave a presentation on the proposed budget increase for conservation incentives and outreach. In her presentation, she explained recent conservation program changes and current tracking of the conservation budget, and expected activity increase resulting from drought messaging.

Staff responded to comments regarding budgeted amounts for rebate programs and local resource programs, allocation of unused budgeted funds for water conservation and outreach, availability of budget funds to San Diego County Water Authority (SDCWA), and member agency-implemented water rate structures.

Director Lewinger moved to amend the original motion to include the SDCWA's recommendations outlined on page 2 in their letter dated February 10, 2014, to Chairman Foley and the Board of Directors. Director Steiner seconded the amended motion.

Director Morris made a substitute motion to approve the oringal motion. Director Peterson seconded.

Additional comments included support of staff's recommendation and limitations on member agency-administered programs.

Chair De Jesus declared the original motion passed.

Director Lewinger and Steiner noted at the end of the meeting that there was some confusion regarding the electronic voting and their intent was to vote No on both items 8-2 and 8-7.

Chair DeJesus acknowledged their request.

8-2 Subject: Authorize \$3 million for an On-Site Retrofit Pilot Program for converting sites

to receive recycled water

Presented by: Ray Mokhtari, Sr. Engineer, Regional Supply Unit

Motion: Adopt the CEQA determination that the proposed action is not subject to

CEQA and authorize \$3 million for an On-site Retrofit Pilot Program for

converting sites to receive recycled water.

Moved: Director Morris Seconded: Director Peterson

Ayes: Directors Ackerman, Brown, De Jesus, Dick, Edwards, Gray, Griset,

Lewinger, Morris, Peterson, Quinonez, Record, Steiner, and Touhey.

Noes: None
Abstentions: None

Absent: Director Lowenthal

The motion passed by a vote of 14 ayes, 0 no, 0 abstain, and 1 absent.

Mr. Mokhtari gave a presentation on the proposed On-site Retrofit Pilot Program that would implement and provide financial incentives for converting the potable water irrigation or industrial system to use recycled water. The three-year program would provide incentives up to \$195 per acre-foot for two years of estimated water use and is open to irrigation, commercial and industrial applications. The pilot program would be administered through Metropolitan's existing regional conservation vendor. Providing financial assistance for customer conversions would expedite and increase use of recycled water resulting in meeting Metropolitan's Integrated Resource Plan goals.

Staff responded to comments surrounding liability for inadvertent cross connection, criteria requirements for new recycled hook-ups, limitations of the proposed \$3 million, criteria for receiving additional Local Resource Program funding for increased production of recycled water, and proposed plan availability to SDCWA.

Director Lewinger and Steiner noted at the end of the meeting that there was some confusion regarding the electronic voting and their intent was to vote No on both items 8-2 and 8-7. Chair DeJesus acknowledged their request and noted the correction.

#### 5. BOARD INFORMATION ITEMS

None

#### 6. COMMITTEE ITEMS

b. Oral report on 2013 Innovative Conservation Program

Presented by: Bill McDonnell, Sr. Resource Specialist, Regional Supply Unit

Mr. McDonnell gave an oral report on Metropolitan's Innovative Conservation Program and the results of the latest request for proposals.

c. Oral report on Pilot System Conservation Project

Presented by: Jan P. Matusak, Principal Engineer, Imported Supply Unit

Mr. Matusak gave an oral presentation on various concepts on a potential pilot program for the creation of Colorado River System water.

Staff responded to comments surrounding establishment of procedures for differentiating this type of conservation from Metropolitan's existing conservation programs, such as the Intentionally Created Surplus, and geographical diversity.

#### 7. MANAGEMENT REPORTS

a. Subject: Bay Delta Matters

Presented by Roger Patterson

Mr. Patterson gave a brief report on the Delta Stewardship Council and the newly appointed chair and vice chair. He also discussed public meetings and comments on the Bay Delta Conservation Plan (BDCP) coming to an end soon.

Staff responded to comments regarding status of negotiations on the cost of the BDCP and allocation of the water.

b. Subject: Colorado River Matters

Presented by: Bill Hasencamp, Manager of Colorado River Resources

Mr. Hasencamp provided updates on Metropolitan's Palo Verde Irrigation District (PVID) fallowing call and Colorado River water transfers into Southern California. He announced that Ms. Pat Mulroy, General Manager, Southern Nevada Water Authority, has retired. General Manager Kightlinger will present Ms. Mulroy with a Board Resolution for her years of service this week at an event in her honor.

Staff responded to questions regarding potential effects of additional PVID fallowing.

c. Subject: Water Resource Management Manager's Report

Presented by: Deven N. Upadhyay, Manager, Water Resource Management

Mr. Upadhyay gave an update on the finalized audit report form Richardson and Company related to State Water Project statement of charges to Metropolitan. The audit is complete and filed. He highlighted that Richardson and Company discovered a charge discrepancy over a 10-year period that may result in credits or adjustments. Staff is working with Department of Water Resources to reach a quick conclusion.

Staff responded to comments regarding incurred interests on the overpayments.

## 9. FOLLOW-UP ITEMS

None

### 10. FUTURE AGENDA ITEMS

None

Next meeting will be held on March 10, 2014.

Meeting adjourned at 12:17 p.m.

David De Jesus Chair, Water Planning and Stewardship Committee