



# GENERAL MANAGER'S MONTHLY ACTIVITY REPORT MAY 2014

May 31, 2014

THIS REPORT IDENTIFIES THE ACTIONS AND ACTIVITIES TAKING PLACE DURING THE MONTH THAT SUPPORT THE OBJECTIVES OF THE GENERAL MANAGER'S FISCAL YEAR 2013/14 BUSINESS PLAN.

### Content by Group:

BAY-DELTA INITIATIVES	2
WATER RESOURCE MANAGEMENT	3-4
WATER SUPPLY CONDITIONS	5
ENGINEERING SERVICES	6-8
BUSINESS TECHNOLOGY	9-10
WATER SYSTEM OPERATIONS	11-14
HUMAN RESOURCES	15
REAL PROPERTY DEVELOPMENT & MANAGEMENT	16
EXTERNAL AFFAIRS	17-20
FINANCE	21-22

## 7th Annual Spring Green Expo

Metropolitan hosted the 7th Annual Expo and ECO Innovators Showcase college competition for staff, member agencies and the surrounding community. The event highlighted environmental problems, the businesses and students working to solve them, and the actions individuals can take to live and work sustainably. Some of the highlights of this year's events were: the highest seminar attendance since the Expo was introduced in 2008; 38 student projects were exhibited representing 20 Southern California universities/ colleges which is a 35 percent increase over last year; and 25 percent of the vendors were newcomers to the Expo.



Pictures from Spring Green Expo....  
Courtyard  
ECO Innovator Projects



LA Trade Tech (above)—UC Riverside (right)

## BAY-DELTA INITIATIVES

### Complete the final Bay Delta Conservation Plan and the associated Environmental Impact Report/Environmental Impact Statement

**Bay Delta Conservation Plan**—On May 1, the City of Los Angeles' independent Office of Public Accountability released its fiscal analysis of the Bay Delta Conservation Plan. In the report, the analysis concludes in part: "... that under a wide array of cost and water demand scenarios, the total BDCP is affordable to almost all City households." The analysis also highlights the importance of the need for reliability in the core water supply for one of the nation's largest cities. A copy of the full report is available on the BDCP website.

Later in the month, Director Mark Cowin announced to Department of Water Resources employees the establishment of the DWR BDCP Office and the Delta Habitat Conservation and Conveyance Program Design and Construction Enterprise. These offices have been established to promote inter- and intra-agency collaboration and provide early coordination on BDCP conservation actions. DWR also released a draft Implementing Agreement for public review and comment.

Metropolitan staff continued its efforts to work with the BDCP participating public water agencies and Metropolitan's member agencies to develop comments on the Draft Environmental Impact Report/Environmental Impact Statement. The comment period was extended through July.



**Strategic Priority: Complete Bay Delta Conservation Plan**—Continue to provide leadership in this process to restore the reliability of the State Water Project with the goal of completing the Environmental Impact Report / Environmental Impact Statement within the upcoming fiscal year reaching decisions on the project.

**Bay-Delta Solutions**—Develop near- and long-term solutions that enhance the Delta ecosystem, improve water supply reliability, and protect water quality.

### Develop near-term measures, compatible with a long-term Delta solution, to improve water supply reliability and water quality, and facilitate protection and enhancement of Delta ecosystems and associated species

**Operating Criteria and Plan Biological Opinions**—As part of a judge-ordered process to develop a robust science and adaptive management program to inform the development and implementation of the

Operating Criteria and Plan biological opinions, Metropolitan has been collaborating with scientists and experts from the state and federal agencies, the public water agencies, and the non-governmental organization community, in a process called the Collaborative Science and Adaptive Management Process (CSAMP). The CSAMP and its work team, the Collaborative Adaptive Management

Team (CAMT), worked the first year to develop workplans to address what updated science and analysis should move forward first. In May, the CAMT and the Delta smelt and salmonid scoping teams continued to develop specific study proposals addressing key CAMT hypotheses and identify investigators to involve in the studies.

### Develop long-term Delta improvements through the Bay Delta Conservation Plan, including measures that implement conveyance and species conservation improvements

**Delta Stewardship Council**—On April 25, 2014, the Delta Stewardship Council (Council) named Jessica Pearson as its new Executive Officer, effective on May 1. Pearson replaces Chris Knopp who resigned effective the end of April 2014. Pearson has been the legislative and policy advisor to the Council since 2012. The Council held its monthly meeting on May 29 and 30. On the first day of the meeting, the Council considered reports on three reviews of the BDCP and the Draft Environmental Impact Report/Environmental Impact Statement prepared by an independent review panel, the Independent Science Board and a Council consultant, and considered staff recommended comments on the BDCP DEIR/EIS. On the second day of the meeting, the Council received updates on the Levee Investment Prioritization Strategy and the Interim Science Action Agenda.

Staff participated in the Delta Science Program Interim Science Action Agenda Workshop on May 6. The Delta Science Plan calls for the development of a Science Action Agenda to prioritize and align collaborative science. To expedite progress on this effort, the Delta Science Program is working with stakeholders to develop an Interim Science Action Agenda, which will summarize current science activities, identify science needs and questions from existing documents, and develop a synthesis of science needs. Workshop participants provided input on these topics. Delta Science Program staff will synthesize the input received from workshop participants and distribute a revised Interim Science Action Agenda for review.

## WATER RESOURCE MANAGEMENT



**Water Supply**—Develop and execute water resource strategies that achieve the long-term reliability envisioned in the Integrated Resources Plan.

**Participate and lead, where appropriate, in statewide and regional planning efforts**

Groundwater Issues Council Workshop—Participated in Contemporary Groundwater Issues Council Workshop to provide input to groundwater management recommendations.

Spring Green Expo—Staff were heavily involved in all aspects of Spring Green including a conservation booth, judging school projects and coordinating with California Friendly Landscape Training Class consultants to provide instructors for three workshops at the Expo.

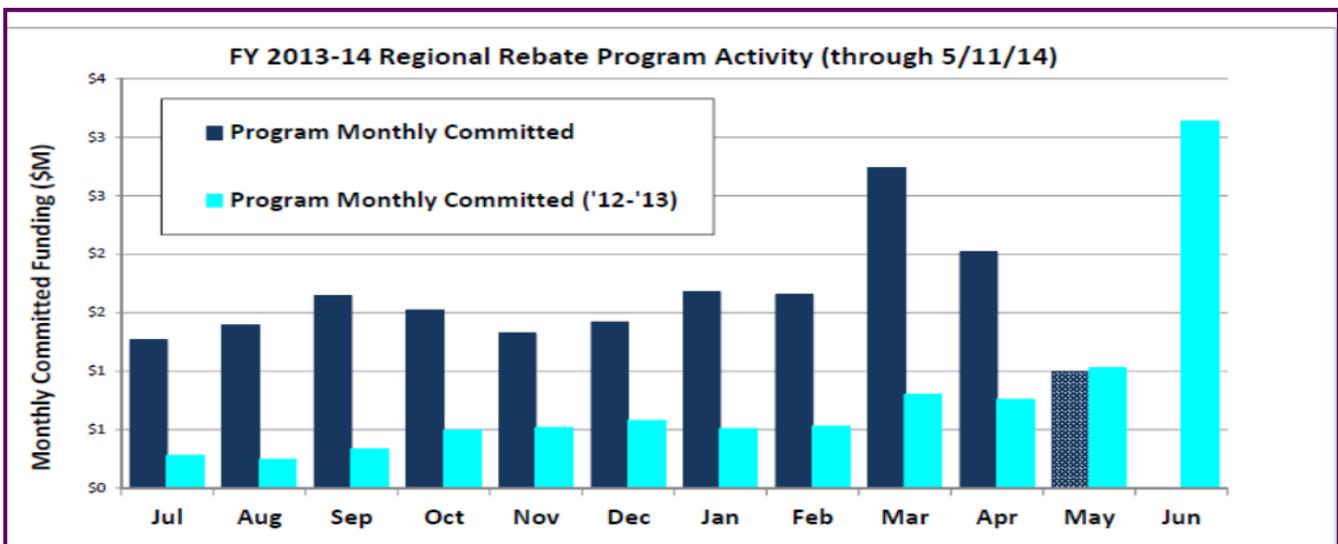
SoCalGas Energy Efficiency Advisory—Metropolitan staff participated in the Southern California Gas Company’s Spring 2014 Energy Efficiency Program Advisory Meeting to discuss water/energy programs.

Community Outreach—Metropolitan staff presented information on various conservation activities. Presentation events included: U.S. Green Building Council; two California Association of Community Managers Meetings; Sloan Valve Company; gardening event in Pacific Palisades; and the Industry Advisory Meeting. Metropolitan also hosted a booth at the County of Los Angeles Department of Parks and Recreation’s Park Summit.

Conservation Program Advisory Committee—Metropolitan staff met with member agencies to evaluate conservation program improvements. With new study data on weather-based irrigation controllers and high-efficiency toilets, the PAC recommended adjustments to the water-savings calculations and the incentives for those water efficient technologies.

Rainbird In-Store Pilot Program—Metropolitan’s Rainbird In-Store Pilot Program was completed. The pilot program offered residential customers at select Home Depot stores the Metropolitan incentive for smart irrigation controllers at the time of purchase. This direct rebate allowed customers to purchase their controllers for approximately half-off at the time of purchase without having to applying online. Metropolitan paid Rainbird our standard rebate amount per controller (\$80 per unit) to “buy down” the cost of the controller for the customer at the time of purchase. Staff will further investigate how or if this approach can be implemented on a larger regional scale.

Rebate Activity—Metropolitan is forecasting a significant increase in rebate activity through SoCal Water\$mart compared to last fiscal year. A notable increase in weekly commitments occurred after Governor Brown’s January 17 Drought Proclamation. During the week of May 4-10, approximately \$750,000 was reserved for commercial incentives alone – a record high level of activity for the rebate program. *(see chart below)*



## WATER RESOURCE MANAGEMENT

**Ensure cost-effective and reliable imported water supplies**  
Colorado River Drought Response Plan—Representatives of the Department of the Interior, Arizona, California, and Nevada, and a number of Colorado River water delivery contractors, including Metropolitan, met to further discuss the formulation of a drought response plan to reduce the probability of future water and power curtailments with continued drought conditions.

Colorado River Accounting—Staff coordinated with Reclamation to finalize the 2013 Decree Accounting of diversions, return flows, and consumptive use for all users in the Lower Colorado Region. Ensuring accurate calculations for all diversions, return flows, and consumptive use enables Metropolitan to receive, its full entitlement of Colorado River water.

Palo Verde Irrigation District Program—Metropolitan and PVID have been successfully operating the forbearance and land following program since 2004. An analysis was performed considering the cumulative effects of annual program following, expenditures of sign up and annual program payments, and grants and loans issued from the \$6 million community improvement fund. The study concluded that any reduced economic activity was more than offset by the economic stimulus provided by investment and spending of program payments to the Palo Verde Valley landowners, and by the grants and loans made by the Palo Verde Valley Community Improvement Fund.

### Ensure reliable and cost-effective water management programs

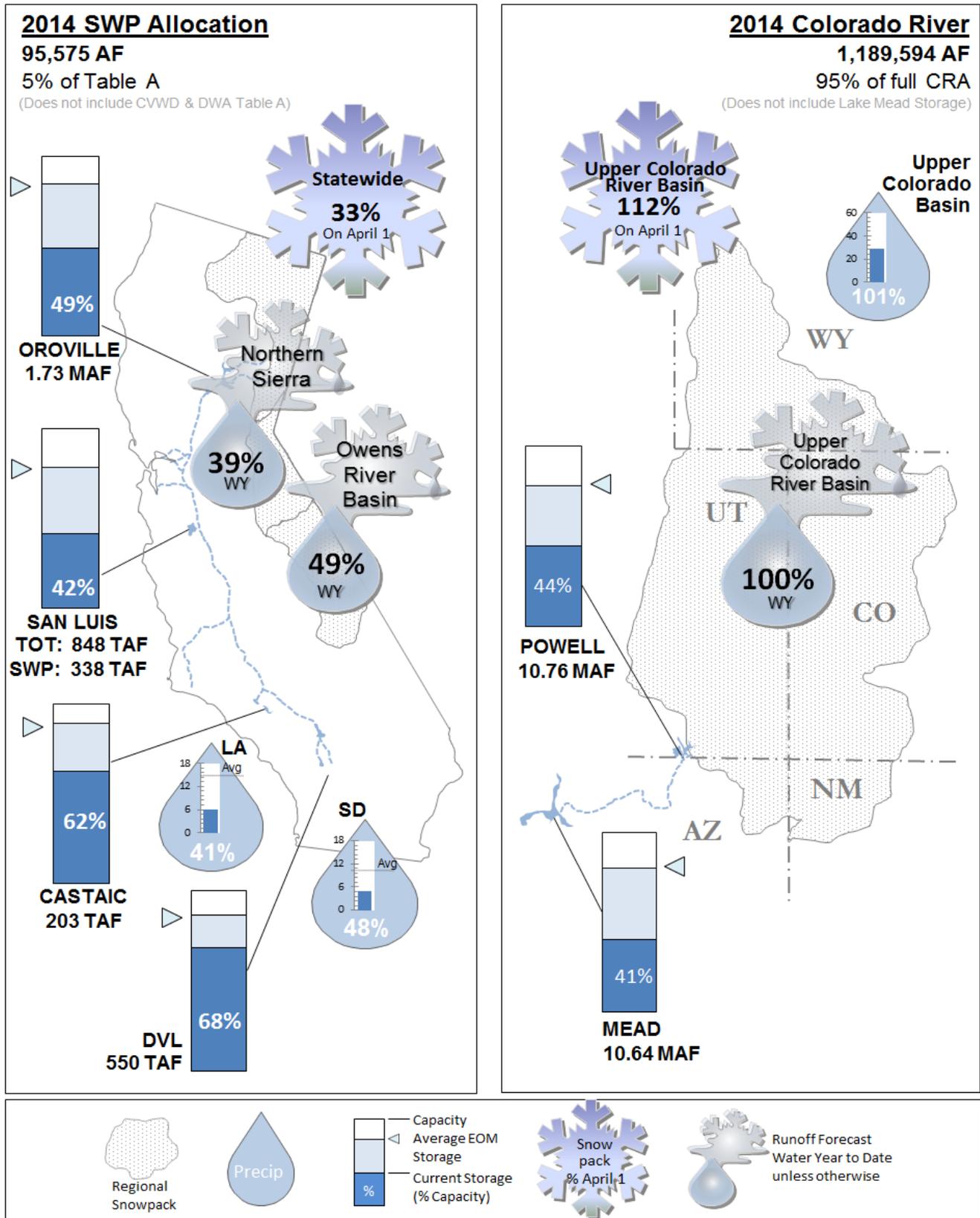
Conjunctive Use Program—Issued ‘call letters’ for use of CUP storage in late Fiscal Year 2013/14 and FY 2014/15.

Water, Sustainability, and Climate Grant Project—Staff participated in a Technical Advisory Committee meeting for a National Science Foundation funded project at University of California, Los Angeles. Researchers from UCLA, the University of Utah and Colorado School of Mines are co-leading work on the Water, Sustainability, and Climate Grant project. Project goals include estimating urban landscape water use, developing water budgets, and assessing water governance for the Los Angeles Basin. As part of the advisory committee, Metropolitan is assisting the researchers with information availability as well as reviewing findings from the research. Representatives from National Resources Defense Council, Los Angeles Department of Water and Power, the Los Angeles County Sanitation District, and local non-governmental organizations also participated on the Committee. Work on the four-year project is expected to be completed in 2016.

Spring Green Expo Display  
 ~~Conservation Booth



## WATER SUPPLY CONDITIONS AS OF MAY 31, 2014



## ENGINEERING

**Strategic Priority: Infrastructure Reliability**—Manage board-authorized projects in the Capital Investment Plan to ensure the reliability of the region’s water supply and infrastructure to deliver high quality water. Continue overall focus on repair and replacement work while deferring most growth-related work. Manage capital budget to reduce costs and mitigate rate impacts while maintaining a high performance water system.

### Distribution System Reliability Program

This program maintains reliable water deliveries through specific repair and rehabilitation projects on Metropolitan’s pipelines, reservoirs, and control structures. Recent activities include the following:

- Orange County Feeder Relining—This project replaces the deteriorated coal-tar enamel internal lining along a 9-mile portion of the Orange County Feeder in the cities of Santa Ana, Costa Mesa, and Newport Beach. The environmental documentation is scheduled to be released for public review in June 2014. Preliminary design is 92 percent complete and is scheduled to be complete by August 2014.
- Orange County Feeder Blow-Off Structure Rehabilitation—This project repairs a blow-off structure and access road on the Orange County Feeder within Upper Newport Backbay. An environmental impact report is necessary due to the blow-off structure’s location within an estuary. The EIR was released for public review in May 2014. Preliminary design is 95 percent complete and is scheduled to be complete by August 2014.
- Palos Verdes Reservoir Repairs—This project replaces the floating cover, liner, and overflow spillway, and removes a portion of the Inlet/Outlet tower. The final design has been completed and submitted to the State Division of Safety of Dams for approval. The environmental documentation is scheduled to be released for public review in June 2014.
- Lakeview Pipeline/Inland Feeder Intertie—This drought-response project constructs an intertie from the Inland Feeder to the Lakeview Pipeline to enable water stored in Diamond Valley Lake to serve as a backup supply for the

Mills plant. The work will be completed in two phases. Phase 1 includes construction of the intertie at a facility known as the PC-1 pressure control structure, and installation of a surge protection system at the existing Perris Pumpback Facility. The second phase includes lining of a one-mile-long portion of the Lakeview Pipeline known as the Bernasconi Tunnel. Phase 1 final design was completed in April 2014, and award of the construction contract is scheduled for June 2014. Phase 2 final design is 85 percent complete and is scheduled to be complete by July 2014.

- Cathodic Protection—Installation of cathodic protection systems is a proactive and cost-effective measure to inhibit corrosion of buried metallic pipes, while reducing the risk of costly emergency repairs.
  - \* Second Lower Feeder Cathodic Protection—This project is installing 30 stray current drain stations along a 14-mile portion of the Second Lower Feeder. Construction is 25 percent complete and is scheduled to be complete by November 2014.
  - \* Sepulveda Feeder North Cathodic Protection—This project is installing 23 stray current drain stations along a 15-mile portion of the Sepulveda Feeder. Construction is 90 percent complete and is scheduled to be complete by June 2014.
  - \* Sepulveda Feeder South Cathodic Protection—This project is installing 22 stray current drain stations along an 8-mile portion of the Sepulveda Feeder. Construction is seven percent complete and is scheduled to be complete by August 2014.

---

### Water Quality /Oxidation Retrofit Program (ORP)

This program adds ozonation facilities, which reduce disinfection by-products and improve water quality in Metropolitan’s five treatment plants. Recent activities include the following:

#### Weymouth ORP

- Weymouth ORP—Construction of the Stage 1 ORP facilities is 49 percent complete and is scheduled to be complete by late 2016. In December 2013, Metropolitan’s Board authorized a construction contract change order for Stage 2 of the Weymouth ORP. With this addition, the ozone treatment capacity of the Weymouth plant will increase from 260 million gallons per day to the full plant capacity of 520 mgd. Design of the Stage 2 facilities is 92 percent complete and construction is scheduled to be complete by late 2016. ([see photo on page 7](#))
- Weymouth ORP Chemical Facilities—These chemical systems are needed for integration of the upcoming ozonation system into the Weymouth plant’s treatment process. Final design of the sulfuric acid system is complete.

## ENGINEERING

### Water Treatment Plant Reliability Programs

These programs maintain reliability and improve operating efficiency of Metropolitan's five water treatment plants through specific improvement projects. Recent activities include the following:

#### Jensen Plant

- Jensen Module No. 1 Filter Surface Wash Upgrades—This project replaces the existing surface wash system with a new fixed nozzle system. During filter backwashing, the top surface of a filter bed is sprayed with water to break up solids that build up during the filtration process. Construction is 62 percent complete and is scheduled to be complete by December 2014.
- Jensen Washwater Tanks Seismic Upgrades—This project upgrades two washwater tanks to increase their capability to withstand a major earthquake. Construction is eight percent complete and is scheduled to be complete by December 2014.

#### Weymouth Plant

- Filter Building Seismic Upgrades—This project structurally upgrades Filter Buildings No. 1 and 2. Construction is 75 percent complete and is scheduled to be complete by December 2014.
- Washwater Reclamation Plant Upgrades—This project replaces deteriorated equipment in the Weymouth plant's washwater reclamation plant. Construction is 80 percent complete and is scheduled to be complete by June 2015.

#### Diemer Plant

- Electrical Upgrades, Stage 2—This project replaces electrical equipment, improving backup capability, and upgrades the electrical system to be consistent with current codes and industry practices. Construction is 15 percent complete and is scheduled to be complete by March 2016. (*see photo below*)
- Yorba Linda Power Plant Turbine Replacement—This project at the Diemer plant replaces the existing Pelton hydraulic turbine with a Francis turbine capable of operating under post-ORP hydraulic conditions, and modifies the electrical configuration to use the power on-site to meet energy demands of the Diemer plant. The new turbine is scheduled to be delivered by May 2014. Construction is 18 percent complete and is scheduled to be complete by August 2015. (*see photo below*)

Diemer Electrical Upgrades, Stage 2 –  
Installation of Pre-Cast Vault



Yorba Linda Power Plant Turbine Replacement –  
Removal of Existing Concrete at the Upper Deck

## ENGINEERING

### CRA Reliability Programs

These programs maintain reliability of the Colorado River Aqueduct. Recent activities include the following:

- Intake Power & Communication Line Relocation—This project will replace a 2-mile-long power line which has deteriorated over 50 years of operation. The pole line is the primary source of power for critical facilities including Gene Wash Dam, Intake Village, and the Black Metal Mountain communication towers. Final design is 45 percent complete and is scheduled to be complete by October 2014.
- Desert Wastewater System Replacement—This project is replacing the wastewater collection systems and

community septic tanks at all five CRA pumping plants. Three construction contracts are planned to be issued.

- \* Final design for Hinds and Eagle Mountain Pumping Plants is 99 percent complete and is scheduled to be complete by September 2014.
- \* Final design for Iron Mountain and Gene Pumping Plants is 60 percent complete and is scheduled to be complete by November 2014.
- \* Preliminary design for Intake Pumping Plant is 50 percent complete and is scheduled to be complete by July 2014.

---

### Right of Way and Infrastructure Protection Program

This program performs needed site improvements within the distribution system such as erosion protection and addresses right-of-way issues such as access easements and third-party encroachments. Programmatic environmental permits will be pursued throughout the entire conveyance and distribution system. The current status is as follows:

- Orange County Region—Preliminary design of improvements has been completed. Staff is preparing responses to comments received from the notice of preparation for the draft EIR.
- Western San Bernardino Region—Preliminary design of improvements is 85 percent complete and is scheduled to be complete by June 2014.
- Los Angeles County Region—Preliminary site investigations have been completed.
- Riverside and San Diego County Region—Field investigations and preparation of an assessment report are 25 percent complete and are scheduled to complete by October 2014.

---

### Prestressed Concrete Cylinder Pipe (PCCP) Rehabilitation Program

This program enhances the reliability of Metropolitan's water distribution system and reduces the risk of costly emergency repairs of PCCP lines. Recent activities include the following:

- Second Lower Feeder Near-Term Repairs at Sites 1 and 2—This project is lining 1,400 feet of existing PCCP segments with a steel liner. The Site 1 construction was completed in February 2014. The shutdown for Site 2 construction commenced in May 2014 and is scheduled to be complete by July 2014.

## BUSINESS TECHNOLOGY

### Deploy smart technologies and innovative business services to enhance efficiency

Information Technology Strategic Plan—Metropolitan continued updating its IT Strategic Plan. The ITSP provides a roadmap to guide investment and deployment of information technology at Metropolitan over the next three to five years. During May, staff completed interviews with key stakeholders and worked on the initial assessment report.

The UNIX Server Upgrade—Staff completed initial configuration and testing of the database environments on the new Itanium Unix servers, and is planning the migration process for moving 80 application databases from the old system server to the new. Migration efforts are scheduled to begin in June. This upgrade will enhance reliability as the existing units are reaching the end of their normal expected life.

PeopleSoft Upgrade—Staff completed set-up and configuration and began testing the new system in the development environment. As part of the software development process, testing and evaluation is conducted in three phases—development, staging, and production. Upon successful completion of initial testing in the development environment, the system will be moved to the staging environment for additional testing and adjustments prior to moving to the production environment.

### Continue innovative sustainability efforts in business practices including Spring Green, Our Legacy Newsletter, the Rideshare Program, energy conservation and recycling efforts

Our Legacy e-Newsletter—The latest issue informs employees on the latest in-home energy efficient light bulb options. The issue covers expected pricing, lifespan, and energy savings

Metropolitan’s Rideshare Program—To remain compliant with South Coast Air Quality Management District’s Rule 2202, Metropolitan submits Registration Forms for two regulated facilities (sites with more than 250 employees).

Results of the 2014 Average Vehicle Ridership survey are:

Location	Response	Target AVR	Actual AVR
Headqtrs	97%	1.75	2.72
La Verne	99%	1.50	1.48

**Business Processes and Information Technology**  
 Advance continuous business process improvements to improve effectiveness and efficiency while striving for innovation, flexibility, and integration with technology.

7th Annual Spring Green Expo....story on cover page



Above—Workshop California Friendly Landscapes  
 Right—Pasadena City College Agriculture Aquaponics



## BUSINESS TECHNOLOGY

### Maintain an effective Business Outreach Program for regional, small businesses and veterans to ensure broad participation and competitive costs

#### Support of Member Agencies, State of California, and the Southern California Business and Veteran Business Communities

- The Disabled Veteran Owned Business Enterprise Program and the California DVBE Community at the 21st Annual Disabled Veteran Business Enterprise Alliance's Keeping the Promise conference. Over 1,500 sponsors, exhibitors and disabled veteran business men and women participated in the event.
- The 5th Annual Latino Business Awards and Business Matchmaking Event. Over 500 businesses participated in the event.
- The Small Business Administration's National Small Business Week, held two workshops to help the California Small Business Community Mobile Marketing Strategies and Growing Your Business with Social Media. Over 120 small businesses participated in the workshops.
- The Three Valleys Municipal Water District presented Connect 2MET Networking and Educational Event Bringing Public Sector Opportunities to Your Community in Pomona. Director De Jesus, representing TVMWD and Metropolitan, welcomed over 100 business owners to the event. *(see photos below)*

#### Business Outreach continued to develop a uniform online Small Business Certification System with public agency partners

This month, Metropolitan partnered with The Port of Long Beach, The City of Long Beach, MetroLink and Planet Bids had one User's Group meeting to accomplish the goals of adopting uniform Small Business Certification Procedures, streamline processes, solve SBE Certification issues, and apply best practices in SBE Certification. .

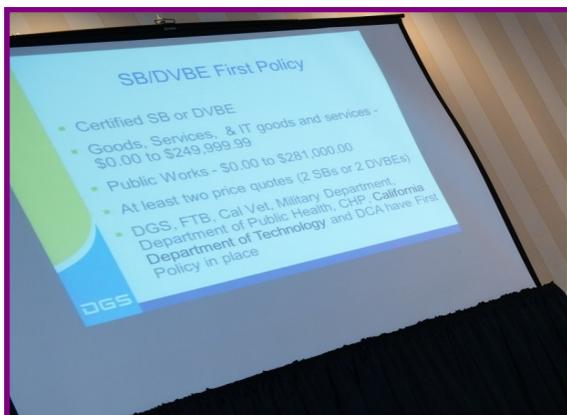
#### Business Outreach staff conducted workshops, conferences and expos, on How to Do Business with Metropolitan. This month's event

- Southwest Water and Energy Consortium
- 5th Annual SBA Southern California 8(a)
- WBEC-West – Platinum Supplier
- Achievement Rewards for College Scientists Awards

#### H2O Techconnect Workshops

- In May, Business Outreach's Innovation and Technology Program launched a new Lunch and Learn Series—H2O TECHTALK. The first topic *iPAD: Taking it from a Toy to a Tool* covered turning to the iPad instead of PCs or laptops for business and work. The Innovation and Technology team has partnered with IT for the first set of workshops which include *Newest Innovations in Water; TAC'S Top Ten Tips; Underwater Robotics; Mobile Apps and Devices; Print Me a Valve, the Science and Engineering of 3D Printers;* and the MWD App Store, Maps and Apps.
- Exhibited at the 7th Annual Orange County Water Summit "Bond Water Bond" on May 16 in Anaheim.
- Represented Metropolitan at OCTANe's "Technology" Conference and Expo in Irvine. OCTANe connects people and ideas with capital and resources to fuel technology growth in Orange County.

Three Valley MWD Connect 2MET Event



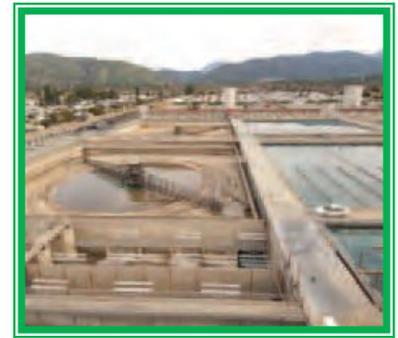
## WATER SYSTEM OPERATIONS

### Operate system reliably

System Operations delivered approximately 197,000 acre-feet of water to meet member agency demands in May, which averaged approximately 6,350 AF per day. This was an increase of about 950 AF a day from April. May was very dry, and in the middle of the month, a heat wave covered most of the service area which led to a significant increase in demand. Treated water deliveries for May totaled 97,000 AF or 49 percent of total deliveries for the month. In May, 109,000 AF of Colorado River water was pumped as the Colorado River Aqueduct remained on an eight-pump flow for the entire month. State Water Project imports averaged 1,700 AF per day in May for 52,700 AF for the month. System Operations continued minimizing the use of State Water Project water wherever possible. The use of CRA water accounted for 71 percent of Metropolitan's deliveries.

Storage at Diamond Valley Lake decreased to 556,000 AF or 68 percent full. SWP blends to the Weymouth, Diemer, and Skinner plants remained at zero percent for the month of May due to the low State Water Project allocation. The Greg Avenue pump station continued operation in May, delivering a total of 8,200 AF of CRA water since the unit was placed online.

System Operations continued to maximize power generation throughout the month. In May, Metropolitan's hydroelectric plants generated an average of 13 megawatts per hour for 9,700 megawatt hours for the month. This was a decrease of 3,700 megawatt hours from April. This decrease was due to more units being out of the flow range for power generation.



**System Reliability**—Operate and maintain the water and power systems in a cost-effective manner to ensure reliable delivery of water supplies.

### Optimize maintenance

Continuing to leverage system flexibility to minimize the use of State Project Water, staff has been optimizing the efficiency of pumps that were used to move water from Lake Perris to the Mills plant. Pump operating efficiency, flow regulation, and alternative operating configurations are being evaluated to optimize flow through the Perris Pumpback facility. During performance testing, the vibration equipment used for predictive maintenance indicated one of the pumps was experiencing vibration slightly above the normal threshold. Staff performed field balancing and vibration testing and was able to correct the problem and ensure longevity of the pump/motor assembly. Based on a request from the California Department of Water Resources, pumping has been suspended from Lake Perris and water to the Mills plant is now being supplied from Lake Silverwood. *(see photo right)*

Staff continued with the system-wide coatings program aimed at preventing corrosion and extending the life of pipelines and infrastructure. Metropolitan uses advanced coating systems and products to provide protection from open-air elements as well as moisture in substructures. Two projects completed this month involved valves on the Santiago Lateral in Orange County.



Perris Pumpback bonnet removal for vibration testing of pump shaft.

## WATER SYSTEM OPERATIONS

### Optimize maintenance continued...

Staff obtains daily readings and performs regular inspections of the Colorado River Aqueduct pumps. Inspection of a pump at the Hinds plant revealed that a slip ring needed replacement. The slip-ring transfers electrical energy into the rotating motor. The unit was taken out of service and the spare pump was brought on-line to maintain eight-pump flow. The repairs were completed within ten days and the pump was returned to service. *(see photos to right—Installation of the slip ring assembly)*



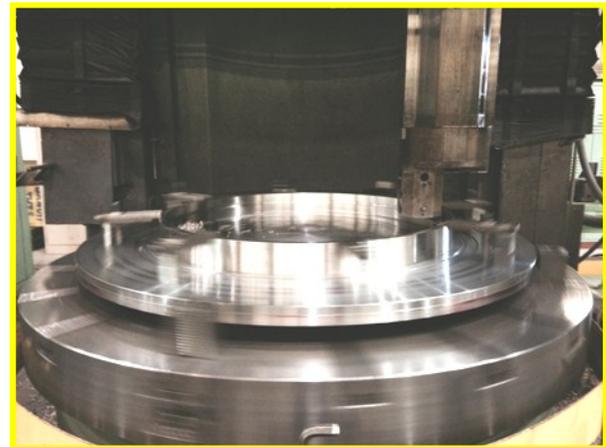
As part of the Infrastructure Protection and Asset Preservation Program, repairs are under way on a 900-foot section of the Second Lower Feeder to reinforce the prestressed concrete cylinder pipe. The repairs are scheduled to take 67 days. A steel liner will be inserted into the concrete pipe to ensure the long-term reliability of the pipeline. Due to the urban setting of the work, special provisions to minimize the impacts to the neighboring community are in place including ramps for pump discharge lines to allow safe passage by cyclists and pedestrians.

Staff installed a stainless steel, flow-control gate on the Jensen reservoir outlet. The installation of this gate improves flow control as the reservoir outlet gate was designed for isolation only. This gate reduces the need for throttling with the less precise outlet gate, thereby reducing wear on its components.

Staff took advantage of the Jensen shutdown to also repair cooling water pipes for the ozone generation system.

### Support water resource programs

The La Verne Shops refurbished the pump shaft and impeller assembly for the California Department of Water Resources Oso Pumping Plant Unit 4. As part of this refurbishment, staff is machining the inside and outside diameter of a wear ring. *(see photo to the right—machining of a wear ring for Oso Pumping Plant)*



### Effectively manage power system and optimize generation

During April, Metropolitan made forward energy purchases to support Colorado River Aqueduct pumping requirements in May 2014. A total of 32,800 megawatt-hours of energy was purchased for approximately \$1,030,000. The purchases were for off-peak energy. Payment for the energy is made after confirmation of delivery.

### Develop Workforce

The Water System Operations Apprentice and Technical Training Program provides trained, qualified employees to maintain Metropolitan's water treatment and distribution systems. As part of the upcoming Pre-Apprentice recruitment, a total of 90 candidates who passed the physical abilities test were interviewed for the Class of 2018. The result of this recruitment effort will result in the hiring of 18 Pre-Apprentices to conduct electrical and mechanical maintenance on all treatment and distribution facilities throughout Metropolitan.

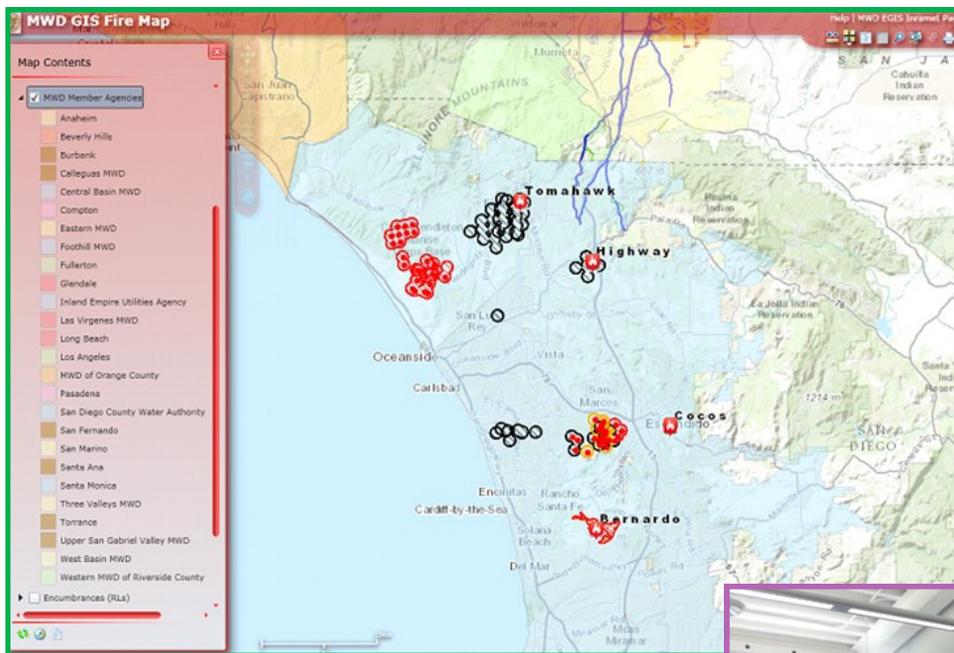
## WATER SYSTEM OPERATIONS

### Improve security and emergency response

From May 13-16, staff in Metropolitan’s Emergency Operations Center (EOC) monitored the spread of numerous brushfires in San Diego County to ensure that there were no threats to member agencies or Metropolitan’s system. Staff closely watched the fires as a result of the Red Flag Warning over most of Southern California at the time and the high probability of additional fires breaking out. These fast moving fires ultimately burned over 20,000 acres in San Diego County. Staff used security cameras, WebEOC reports from San Diego County, Regional EOCs, and a GIS “thermal” fire map to monitor the spread of the fires. No Metropolitan or member agency structures were reported as damaged. *(see photo below)*

On May 1, the California Department of Water Resources exercised its EOC to manage a simulated emergency at Pyramid Dam. The exercise focused on the multiagency response to a dam failure and subsequent downstream flooding in Los Angeles and Ventura Counties. Metropolitan staff and representatives from other agencies observed the exercise. *(see photo below)*

On May 9, staff presented at the CalTech Earthquake Research Affiliates meeting in Pasadena on Metropolitan’s experiences with an early version of the “ShakeAlert” (earthquake early warning) application. For the last year, staff has monitored “ShakeAlert” and provided feedback to the developers at CalTech on the various ways the application can benefit Metropolitan and others in the future.



GIS (Geographic Information System) image of a Metropolitan “thermal” map showing the heat from the “San Diego Fires” in relation to Metropolitan’s system (blue lines) and the San Diego County Water Authority (light blue shaded area).]



DWR’s Emergency Operations Center team responding to a simulated failure on Pyramid Dam.

## WATER SYSTEM OPERATIONS

### Provide technical support to member agencies

Metropolitan held a Member Agency Water Quality Managers Meeting on May 15. Over 60 attendees heard presentations on Water Research Foundation projects, pending California regulations, Metropolitan's consumer confidence report, and a water supply and drought outlook.

### Fully comply with water quality, safety, and environmental regulations

Metropolitan complied with all water quality regulations and primary drinking water standards during the month of May.

### Prepare for future regulations

Environmental Protection Agency released preliminary materials for arsenic and chromium-6 for the June Integrated Risk Information System's public meeting. The objective of this public meeting is to obtain input from stakeholders and the public on the studies and data that will be used in the health assessments that are under development. Metropolitan continues to track and participate with American Water Works Association, as needed, on these national regulatory efforts.



**Water Quality, Environmental and Safety**—Develop and implement comprehensive programs to ensure Metropolitan delivers water that meets or exceeds all water quality regulations and objectives. Integrate effective safety and environmental practices to protect workers and the environment.

### Protect source water quality

In response to taste-and-odor issues from an algae bloom between Diamond Valley Lake and the San Diego Canal, staff applied sodium hypochlorite at the Diamond Valley Lake forebay. Water from the forebay moves through the San Diego Canal south towards Lake Skinner and contributed to taste-and-odor complaints from consumers. The forebay was isolated and treated by chlorine and aeration before returning to service.

### Optimize water treatment and distribution

State Water Project blends at the Weymouth, Diemer and Skinner water treatment plants remained at zero percent for May. Flow-weighted running annual averages for total dissolved solids for March 2013 through February 2014 were 536, 545, and 517 mg/L for Weymouth, Diemer and Skinner plants, respectively.

Water Treatment and Fleet completed implementation of a new enhanced maintenance program for Metropolitan's primary emergency generators. These generators provide emergency power at the treatment plants and critical distribution facilities to continue operations in the event of an outage of utility power. The new maintenance program complies with an industry-recognized standard by the National Fire Protection Association that is used for critical facilities. The program includes monthly testing and collection of generator performance data for future analysis. The program also consists of extensive annual generator "black-start" testing wherein power failures are implemented and the units are tested in live conditions. The implementation of the new maintenance program has been underway for the last two years and was undertaken following a period with numerous utility power

blackouts that impacted Metropolitan facilities. Currently, the reliability of the primary emergency generators to handle power utility blackouts has improved tenfold as a result of the recent improvements of the electrical systems at some of Metropolitan's treatment plants.

Emergency repairs to a leaking valve on DWR's Santa Ana Valley Pipeline prompted an unplanned shutdown of the Mills plant for two days from May 9 -11. The Mills plant shutdown occurred at the same time that the Jensen plant was out of service for planned drought-related upgrades. Closely coordinated efforts by Metropolitan, DWR, and member agencies resulted in timely repair and enabled the Mills plant to return to service earlier than originally estimated.

The Diemer plant completed a major milestone with the ozone equipment performance test on May 5. Tests concluded that the electrical power required to produce ozone was within the limits allowed by the contract. The ozone equipment at Diemer is the most efficient of all of Metropolitan's ozone production systems constructed to date. Continuous operation of the ozone system is scheduled in early 2015 as some modifications and upgrades will be addressed to ensure process reliability.

**Strategic Priority: Employee Development**—Provide management and employee development to meet the changes in the workplace resulting from increased retirements, changing skill requirements, and priorities. Ensure employees and managers are prepared to effectively carry out their roles and are provided opportunities to prepare for promotional opportunities and future positions. Foster learning and performance-oriented approach throughout the organization. Enhance efforts to find, develop and place internal talent to fill vacancies to provide needed skills.

### Human Resources Excellence

Ensure Metropolitan is a high performance workplace with excellent leadership and management practices that engage employees; foster alignment with Metropolitan's business goals; provide the right talent and skills for future business needs; and establish a workplace where employees implement cost-effective processes and programs to deliver outstanding value and customer support.

## HUMAN RESOURCES

### Foster learning and organizational development

- Completed demonstrations of the SkillSoft online learning curriculum at all facilities. 163 employees enrolled in online curriculum with 658 topics reviewed.
- Delivered the following classes: *5 Choices of Extraordinary Productivity*, Advanced level classes in Word, Excel and PowerPoint, and *Facilitating for Results*.
- Assisted in the preparation of a training module on Executive Decision Making.
- Completed the first series of classes held at Headquarters in partnership with California State Polytechnic University at San Luis Obispo, Water Leadership and Management; and University of California at San Diego, Strategic Leadership. Thirty seven employees participated in these classes.

### Foster management excellence

- Delivered Day 2 of *Leading Technical People* class for Engineering managers.

### Workers' Compensation costs

- Conducted initial investigations on 13 injury incidents.
- Submitted 10 new claims to Metropolitan's workers' compensation claim administrator.
- Settlements were negotiated in 1 claim, finalized in 2 claims, and 6 claim files were closed.
- Arranged 12 medical evaluations (DMV, medical surveillance, hearing conservation, etc.).
- Coordinated 2 random drug/alcohol tests.
- Addressed 4 accommodation issues.
- Conducted MedVan evaluations at Soto Street facility.
- Completed Request for Proposal evaluation process for selecting a new workers' compensation claim administrator, effective July 1 ,2014.

### Maintain compliance and effectiveness in benefits programs

- Continued working with management and CalPERS to ensure consultant contracts with retired employees are in compliance with new PEPRA/PERS rules.
- Provided Leave Training in coordination with Workers Compensation to managers at Diemer on April 30.
- Conducted site visits from April 21-23 at Gene, Iron, Hinds and Eagle Mountain desert locations, and at Diemer on May 15 in conjunction with Great-West Financial to provide one-on-one consultations on financial education and retirement counseling.

### Identify, assess and manage risk

The Risk Management Unit completed 55 incident reports communicating instances of Metropolitan property damage, liability, workplace injuries, regulatory visits and spills.

Risk Management completed 81 risk assessments on contracts, including professional service agreements, construction contracts, entry permits, special events and film permits.

### Acquire talent

- Coordinated and administered the interview portion of the pre-apprentice recruitment to over 100 candidates.
- Began background checks on potential employees for the pre-apprentice program.

### Ensure a high performance culture

Completed Voices 2014 Employee Survey with participation from 67 percent of the Metropolitan workforce. Analysis of the results is underway.

### Continue to implement technology solutions that support various Human Resources functions, processes, and procedures

- Updated system with new Veteran's status codes to ensure tracking meets compliance requirements.
- Posted new FY2013/14 Salary Schedules effective June 22, 2014.
- Met with Benefits consultant to discuss system optimization options as part of the PeopleSoft upgrade.

## REAL PROPERTY DEVELOPMENT & MANAGEMENT

Seek revenue-generating opportunities for real estate assets in several market segments—telecommunications, solar development, film production, and sustainable technology and research



**Real Property Acquisition, Management and Revenue Enhancement**—Manage Metropolitan’s real property assets with a focus on revenue enhancement while ensuring that Metropolitan’s core operations are protected. Acquire real property for future operational business needs.

- Issued an entry permit allowing parking in conjunction with the one-day 75th Union Station Anniversary event being held at the Union Station train terminal.
- Issued a four-day entry permit allowing parking at the Sunset Garage facility in connection with a local film shoot.
- Issued a one-day entry permit allowing parking at the Sunset Garage facility in connection with a local film shoot.
- A term of an entry permit previously issued to the California Department of Fish and Game was extended, allowing continued entry onto portions of the Lake Mathews Multi-Species Habitat Reserve to observe and study wildlife and habitat.
- A 30-year lease was granted to Rio Rancho Towne Center for parking, landscaping, access, and utility purposes in conjunction with a retail development adjacent to Metropolitan’s Yorba Linda Feeder in the city of Pomona. The parking allowed is restricted to secondary, overflow, and non-code required only.
- Bruno Farms, Inc. was issued a short-term entry permit for sheep grazing purposes on a portion of property east of Diamond Valley Lake.
- San Bernardino County Flood Control District was granted an easement for the construction and maintenance of a public storm drain along Metropolitan’s Foothill Feeder/Rialto Pipeline right of way in the city of Upland.
- An access easement in the county of Riverside near a portion of the Colorado River Aqueduct right of way near Lake Perris was assigned to the Department of Water Resources.

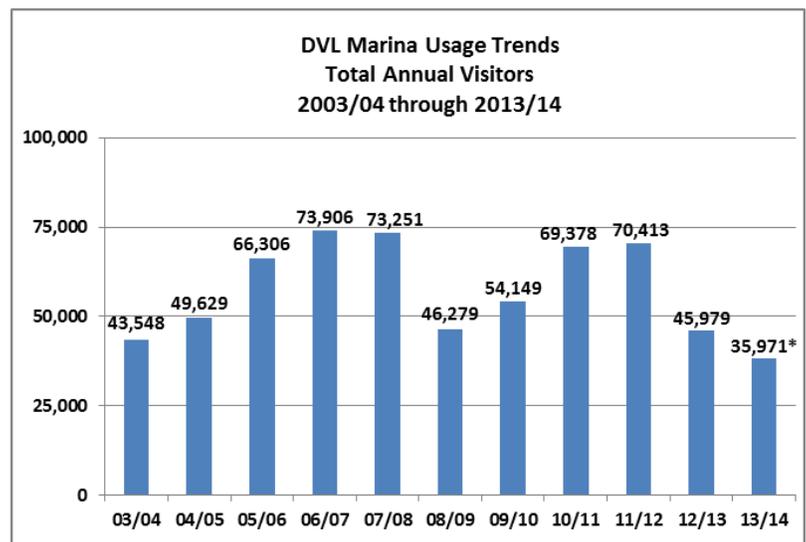
### Evaluate additional use and rental of Metropolitan’s Headquarters building space

MWH Americas, Inc. was granted a two-year office lease on the third floor low rise at the Headquarters Building.

### Pursue development of the Diamond Valley Lake area, including the Visitor Center and marina, into the creation of an area that supports recreation, provides leasing and revenue opportunities, and provides benefits to Metropolitan and the surrounding community

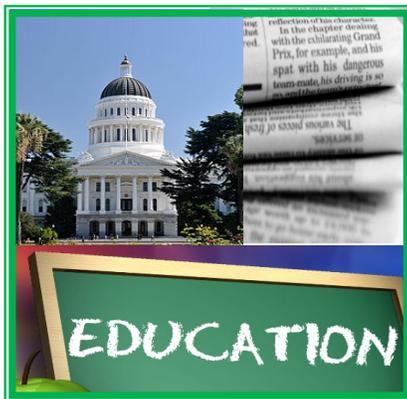
Urban Park Concessionaires was granted an extension of its existing lease for the operation, management and maintenance of the marina, Lakeview Trail, and North Hills Trail.

In Fiscal Year 2013/14, Metropolitan has received \$39,476 through April on the percentage lease with Urban Park Concessionaires for the operation of the DVL Marina, Lakeview Trail, and North Hills Trail. The rent received represents seven percent of the gross receipts. Diamond Valley Lake has hosted approximately 631,000 visitors at its marina facilities and 150,000 private boats have launched since the 2003 public opening.



\*\*Actual thru May 2014

FY13/14 Projection: \$50,000



### Legislative, Communications and Community Relations

Develop federal and state legislative strategies consistent with board-adopted policies and ensure clear, consistent communications (internally and externally) about Metropolitan's operations, policies and programs through multimedia communication efforts and effective educational and other outreach programs.

## EXTERNAL AFFAIRS

**Continue to develop and implement local, state, and federal water policy and legislative strategies consistent with board-adopted policies**

### Federal

- On May 1, staff met with the House Homeland Security Committee staff, in concert with other water industry groups protecting local jurisdiction over the use of chemicals for the treatment and disinfection of drinking water. The House is expected to complete work on H.R. 4007 (Meehan) regarding chemical facilities security in June.
- On May 15–16, staff accompanied the Colorado River Salinity Control Forum and the California Colorado River Board to meetings with Members of Congress and the Administration to provide an update on the success of the Colorado River Basin Salinity Control Program and to seek support for continued funding of the Program.
- In May, the House of Representatives and the Senate passed the Water Resources Reform and Development Act sending it to the President. Staff worked with national coalition groups promoting authorizing provisions favorable to California water project development.

### State Budget

On May 13, the Brown Administration released its May Revision to the state budget which reflects an update of projected revenues and expenditures since the Governor's January release of his 2014/15 state spending plan along with new funding priorities, including an additional increase of funding for drought response activities as follows:

- \$30.3 million to the Department of Fish and Wildlife for habitat restoration, salmon monitoring and expansion of the Fisheries Restoration Grant Program;
- \$18.1 million to the Department of Water Resources for groundwater assessment and providing technical guidance to local water agencies;
- \$5.4 million to implement water efficiency and conservation measures in state-owned facilities;
- \$4.3 million to the State Water Resources Control Board for continued enforcement of drought-related water rights and water curtailment actions; and
- \$2.5 million in 2014/15 and \$5 million annually for four additional years to support DWR's local groundwater management efforts.

### Groundwater Stability

- Assembly Member Roger Dickinson (D-Sacramento) has placed several suggestions from Association of California Water Agencies' Recommendations for Achieving Groundwater Sustainability report into his bill, AB 1739. Characterized as a "work in progress," ACWA's legal drafting group continues to further develop bill language to advance to the author for his consideration.
- On May 5, the California Water Foundation released its report and seven recommendations to provide framework for California to protect and sustainably manage its groundwater supply. Senator Fran Pavley (D-Agoura Hills) will be amending her bill, SB 1168, to incorporate much of the Foundation recently released recommendations on groundwater management.

### Water Bond

Over the past month, a handful of bond measures were stalled in committee, leaving six active water bond measures pending in the Legislature. The overall funding amount in the remaining bond bills range from \$6.825 billion to over \$10.6 billion. Staff continues to work with legislative offices to incorporate the board-adopted bond principles in the various proposed bond measures.

## EXTERNAL AFFAIRS

**Continue to develop and implement local, state, and federal water policy and legislative strategies consistent with board-adopted policies**

### Local

- On May 12-14, Metropolitan staff and business leaders participated in the Los Angeles Area Chamber of Commerce annual Access Sacramento legislative advocacy trip. Metropolitan was a key organizer for the trip, providing policy support and participating in the water team. Business leaders met with Senators Pavley and Wolk, and Assembly Members Bocanegra, Gomez, Rendon and Perea.
- On May 13-14, Metropolitan staff and business leaders participated in the San Diego Chamber of Commerce annual Leadership Delegation legislative advocacy trip. Business leaders met with Senators Marty Block and Kevin De Leon; as well as Assembly Speaker Toni Atkins, Assembly Member Frazer, and staff from Senator Republican Leader Huff and Assembly Republican Leader Conway's offices.
- On May 19-22, Director Kris Murray, Metropolitan staff, and business leaders participated in the Orange County Business Council annual legislative advocacy trip to Washington DC. Business leaders met with Representatives Linda Sanchez, Dana Rohrabacher, Marsha Blackburn, Alan Lowenthal, Ed Royce and John Campbell; staff from the offices of House Speaker John Boehner and Senator Dianne Feinstein, and representatives from the Department of Homeland Security, Housing and Urban Development, Transportation and Treasury.
- On May 20 and 21, Metropolitan staff and a delegation of ten board members from the United Chambers of Commerce visited to Sacramento during the California Chamber of Commerce's Annual Legislative Summit. Business leaders met with Assemblymembers Bocanegra and Wilk as well as the chiefs of staff for Assemblymembers Bloom, Dababneh, Gatto, Gorrell, and Nazarian.

---

**Continue to develop and manage public information and education programs in coordination with member agencies to convey clear and consistent messages about Metropolitan's mission and other issues, including water supply/delivery, resource planning, water quality protection and conservation**

### Water Awareness and Conservation Campaign

- Fifteen-second and ten-second traffic radio spots on water conservation began airing on April 1 and ran through May 18 in English, Spanish, and Chinese. Radio station formats include: Top 40, Contemporary, Alternative, Rock, Country, News/Talk and Sports. Spots will run throughout the day and in peak drive-time periods in traffic reports, new, or weather.
- Conducted nine two-hour focus groups during April 15-21 to better understand Southern Californians' current knowledge, attitudes and beliefs toward issues regarding water conservation and the ongoing drought. Markets included: Los Angeles, Orange County, Inland Empire and San Diego. Three focus groups were conducted in Spanish among Hispanic consumers and two in English among Asian consumers.
- Online search on Google Search and the Google Content Network continues this month. Links to bewaterwise.com appear when keywords such as "water," "California weather," and "water rebates" are searched for by Southern California users.
- Over 66,000 people visited bewaterwise.com® in April 2014.

### Education

- Held the 12th annual three-day Solar Cup at Lake Skinner for more than 800 secondary students; including pre-event technical inspection at Three Valleys Municipal Water District for 200 students; evaluation of technical reports and conservation public service message videos and brochures from 40 participating schools from throughout the service area. *(see photos page 20)*
- Conducted education workshops at Diamond Valley Lake for about 75 elementary and middle school students; facilitated seven tours for the Western Science Center, for nearly 550 students in grades K-12.
- There were approximately 2,900 unique visits to the Education Website from April 16, 2014 – May-15, 2014.

### Community Outreach

Facilitated or assisted with event booths at Simi Valley Emergency Preparedness Festival and Inspired Garden Conservation Event.

## EXTERNAL AFFAIRS

**Continue to develop and manage public information and education programs in coordination with member agencies to convey clear and consistent messages about Metropolitan's mission and other issues, including water supply/delivery, resource planning, water quality protection and conservation**

### Media and Communications

- Organized and coordinated extensive water conservation public outreach effort with member agencies in response to the simultaneous shutdown of two water treatment plants for drought-related modifications (Jensen) and emergency pipeline repairs by California's Department of Water Resources (Mills). Outreach included five press releases, one-on-one print, radio and TV interviews, press conference and high-profile, urgent conservation messaging on Metropolitan's home page (mwdh2o.com) and bewaterwise.
- Issued press release announcing selection of Director Randy A. Record as new chairman of the Board of Directors.
- Issued press release announcing the appointment of Glen C. Dake, representing the city of Los Angeles, to the Metropolitan Board of Directors.
- Issued two press releases notifying the public in San Diego and Riverside counties of a taste-and-odor problem caused by an algae in Diamond Valley Lake and Lake Skinner and Metropolitan's efforts to remedy the situation by aggressive water treatment.
- Issued press releases promoting Solar Cup competition weekend and, afterward, identifying Solar Cup-winning schools.
- Set up interview with Metropolitan staff Julie Miller to discuss the three-day Solar Cup event at Lake Skinner.
- Issued press release announcing winners of Spring Green collegiate contest involving sustainability and renewable energy projects.
- Set up on-camera interview at Spring Green Expo with Assistant General Manager Ivey for story about the event.
- Issued press release statement by General Manager Kightlinger supporting Governor Brown's executive order to intensify drought actions.
- Issued press release statement by General Manager Kightlinger responding to announcement by state Department of Water Resources that State Water Project supplies will be only five percent.
- Arranged interview with Assistant General Manager Breaux for a story about BDCP funding.
- Set up interview with Assistant General Manager Breaux for a story about bond sales.
- Arranged interview with Assistant General Manager Patterson to discuss BDCP design construction office.
- Arranged interview with Metropolitan staffer Chuching Wang, who is fluent in Chinese, and Chinese-language news station about Metropolitan's water conservation efforts, rebate programs and the drought.
- Set up interview with Assistant General Manager Debra Man and Group Manager Johnson for a story about seismic upgrades.
- Arranged interview with Group Manager Clairday regarding the impact of drought on recreation at Diamond Valley Lake.

**Coordinate communication and outreach to various stakeholders (including local government agencies and utilities) regarding water supply system operations and maintenance; water quality protection and water treatment; infrastructure replacement, refurbishment and development and emergency management**

- Provided outreach for the Second Lower Feeder Urgent Repair Site 2 in Long Beach, including delivering project notices to approximately 600 residents and businesses and coordinating with the Bixby Knoll Business Association and the Los Cerritos Homeowners Association.
- Worked with Riverside County to obtain a 24-hour noise variance for the Inland Feeder and Lakeview Pipeline Intertie Project.
- Provided notice to 120 homes in Torrance to help them prepare for the Sepulveda Feeder Stray Current Project.

## EXTERNAL AFFAIRS

### Support board member and executive management communications and working relationships with elected officials, other government leaders, business and community leaders and other stakeholders

- On May 1-2, staff participated in the Southern California Association of Government 2014 Regional Conference and General Assembly, where they presented on current water supply conditions and infrastructure planning efforts. Metropolitan also staffed a booth at the event.
- May 6-9, Metropolitan Directors and staff attended the Association of California Water Agencies annual Spring conference. Metropolitan staff served as speakers on several panels during the multi-day conference.
- On May 14, General Manager Kightlinger spoke to the Building Industry Association of Southern California’s Government Affairs Committee and Governing Board of Directors on current issues relating to Metropolitan’s legislative priorities.
- On May 15, Executive Legislative Representative Kathy Cole provided a presentation on the BDCP, various water bond proposals, and Metropolitan’s legislative priorities at the Association of Water Agency of Ventura County. The

event was attended by Metropolitan staff, Director Blois and more than 100 water leaders from Ventura County.

- On May 15, Directors Abdo, Peterson, Lefevre and Wunderlich along with Metropolitan staff attended Heal the Bay’s, Bring Back The Beach event in Santa Monica.
- On May 16, Metropolitan Directors and staff attended the Valley Industry and Commerce Association Leader’s Forum which featured Marcie Edwards, the new General Manager of Los Angeles Department of Water and Power.
- On May 16, Metropolitan Directors and staff attended the Orange County Water Summit Bond – Water Bond hosted by the Municipal Water District of Orange County and the Orange County Water District. Metropolitan staffed a booth at the event with literature on Metropolitan’s various outreach initiatives.
- On May 16 – 18, Metropolitan staff participated in the California Contract Cities Association 53rd Annual Municipal Seminar at Indian Wells.

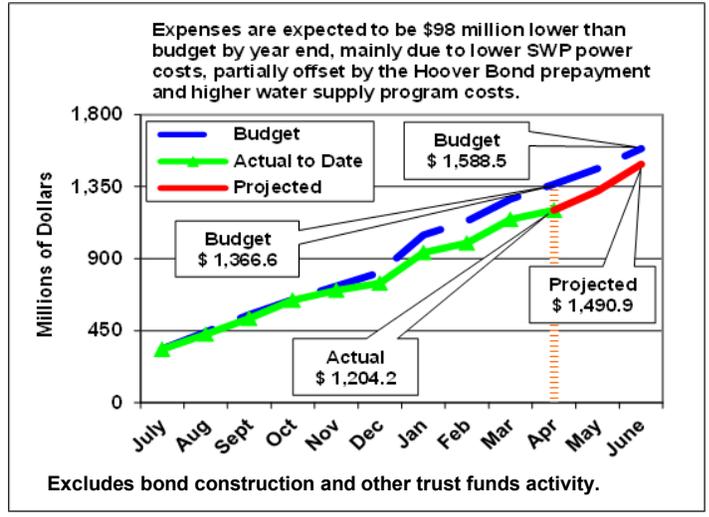
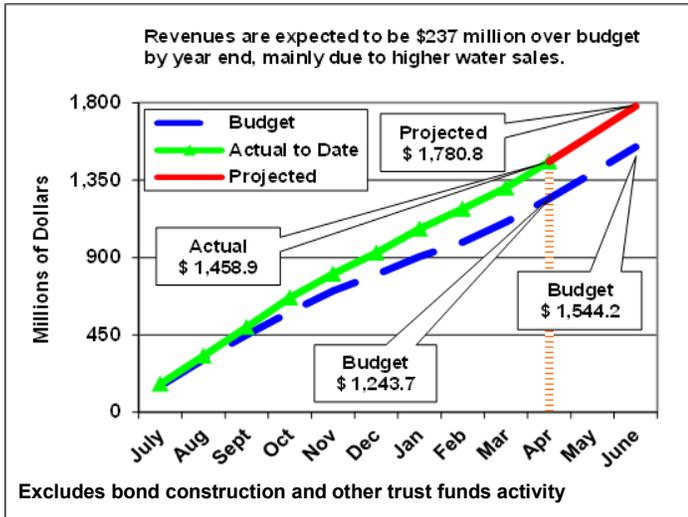
12th Annual Solar Cup Competition....story on page 18



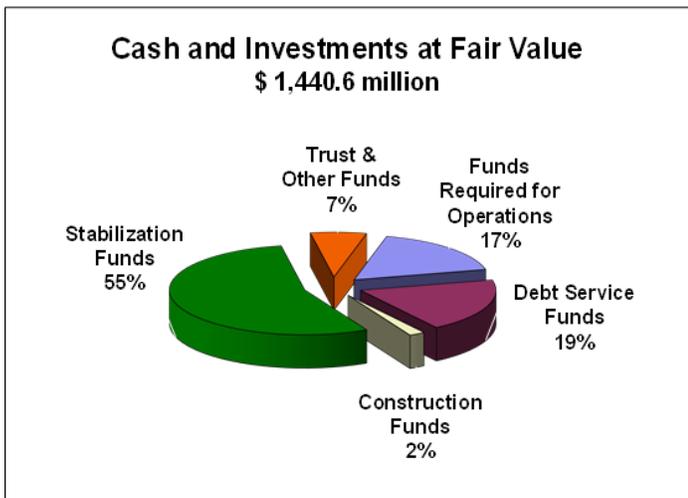
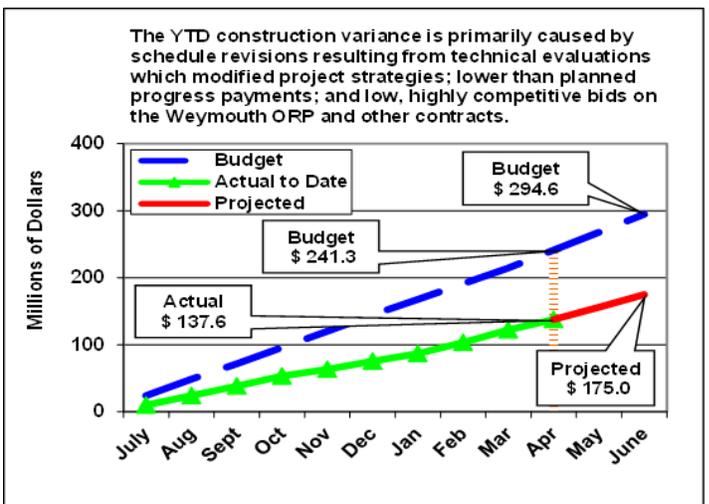
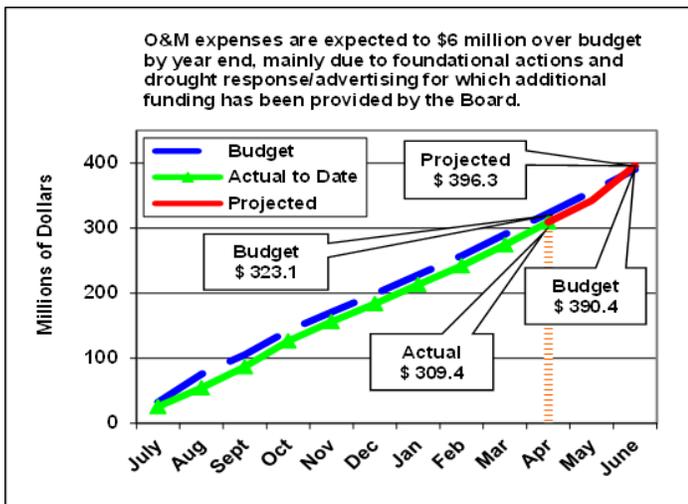
Above left—Warren High  
 Above right—Anaheim High  
 Below—Temecula Valley



## FINANCIAL SUMMARY AS OF APRIL 30, 2014



*\*Expense budget includes Board-approved increases for Water Supply Programs and the R&R fund of \$25M each.*



### Summary Financial Statistics

	Target	Year-End Projected
Fixed Charge Coverage	≥ 1.20 x	2.22 x
Revenue Debt Service Coverage	> 2.00 x	2.79 x
Revenue Bond Debt / Equity Ratio	< 100.0%	63.5%

#### Credit Ratings

	Target	Actual
- Moody's Investors Service	Aa2	Aa1
- Fitch Ratings	AA	AA+
- Standard & Poor's	AA	AAA

## FINANCE

**Financial Management**—Assure member agencies, rating agencies, the legislature, and the public that Metropolitan is effectively managing the public’s finances through consistent, clear, and timely financial policies and reporting. Update Metropolitan’s capital financing plans and work with rating agencies and investors to communicate Metropolitan's financial needs, strategies, and capabilities thus ensuring Metropolitan has cost-effective access to capital markets and the ability to finance ongoing future needs. In addition, actively manage Metropolitan’s short-term investment portfolio to meet ongoing liquidity and investment challenges



**STRATEGIC PRIORITY**—  
Improve Financial Position

**Record and report the financial activities of Metropolitan in a timely and transparent manner to the Board, executive management, member agencies, and the financial community**

Financial activities are recorded in a timely and transparent manner.

**Prudently manage the investment of Metropolitan’s funds in accordance with policy guidelines and liquidity considerations**

Staff continues to provide the necessary liquidity for Metropolitan’s operational and capital expenditures with no loss of principal and no policy violations, while generating a portfolio return that exceeded the benchmark.

**Business Continuity**—Facilitate district-wide planning and training to prepare employees and managers to effectively carry out critical roles and functions thus ensuring continuity of operations in the event of a disaster.

**Manage Business Continuity Program in accordance with Operating Policy A-06**

Staff and consultant continued analysis of the survey data for the Business Impact Analysis. The online survey was distributed to about 300 employees and was essentially completed on April 21. Survey data validation meetings with management are being conducted through the end of May prior to drafting the BIA Report.

### Storage

	As of 5/31/14 <u>Storage (AF)</u>	Percent of <u>Capacity</u>
DVL	554,434	68%
Lake Mathews	82,618	45%
Lake Skinner	37,041	84%

### Useful information:

**AF** = acre-foot, the volume of water to cover an acre of land, one-foot deep.

Approximately 326,000 gallons of water, serves annual needs of two typical California families.

**TAF**=thousand acre-feet

**MAF**=million acre-feet

**Metropolitan's Mission** is to provide its service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.

General Manager: Jeffrey Kightlinger

Office of the GM No.: 213 217-6139

Email: [OfficeoftheGeneralManager2@mwdh2o.com](mailto:OfficeoftheGeneralManager2@mwdh2o.com)

700 No. Alameda Street, Los Angeles, CA 90012

General No.: 213 217-6000

[www.mwdh2o.com](http://www.mwdh2o.com)

[www.bewaterwise.com](http://www.bewaterwise.com)