



THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

GENERAL MANAGER'S MONTHLY ACTIVITY REPORT OCTOBER 2014

October 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 2014/15 Business Plan.

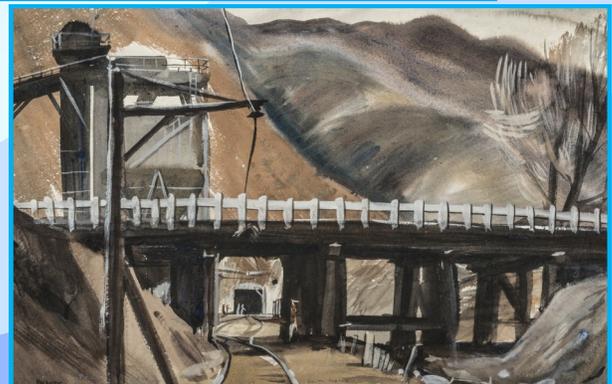
Content by Group:

BAY-DELTA INITIATIVES	2
BUSINESS TECHNOLOGY	3-4
CHIEF FINANCIAL OFFICER	5-6
ENGINEERING SERVICES	7-9
EXTERNAL AFFAIRS	10-13
HUMAN RESOURCES	14-15
REAL PROPERTY DEVELOPMENT & MANAGEMENT	16
WATER RESOURCE MANAGEMENT	17
WATER SUPPLY CONDITIONS	18
WATER SYSTEM OPERATIONS	19-23

New Educational Exhibit Commemorates Centennial of Famed Watercolorist Rex Brandt

A new exhibit was unveiled on October 13 at Metropolitan's Headquarters building, showcasing the renowned artist's vivid chronicling of the construction of Metropolitan's 242-mile Colorado River Aqueduct during the Great Depression.

At age 22, after completing art studies at the University of California at Berkeley, Brandt returned to his home town of Riverside in search of a job during the Great Depression. He discovered crews nearby building Metropolitan's Colorado River Aqueduct. Attracted by what he described as the project's "structural beauty," he began painting scenes of the aqueduct's construction on his own accord. Along the way, Brandt captured and chronicled at least 17 iconic canvas scenes from the monumental engineering task, including construction of the 13-mile tunnel under Mt. San Jacinto.



San Jacinto Tunnel South Portal

BAY DELTA INITIATIVES

GM STRATEGIC PRIORITY: COMPLETE BAY DELTA CONSERVATION PLAN

Continue to provide leadership in the 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.

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

The California Department of Water Resources continues to work on addressing the comments received during the public comment period on the Draft Bay Delta Conservation Plan, Draft Environmental Impact Report/Environmental Impact Statement, and Draft Implementing Agreement. Part of this process involves identifying topics that should be covered in the expected Recirculated Draft documents. No formal decision on the scope or timing of the recirculation has been announced yet.

CORE: 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.

State Water Resources Control Board—Staff is working with state and federal water contractors to develop strategies to protect the State Water Project and federal Central Valley Projects' stored water from illegal diversion. Several efforts are underway to evaluate key legal and technical arguments raised by Delta interests in letters filed with the State Water Resources Control Board

Science Activities—Staff submitted a paper to the 2014 “Reasonable and Prudent Alternatives” Science Review Panel, outlining a method for predicting adult Delta smelt salvage as a function of turbidity and Old and Middle River flows during the winter. The panel will review the proposed methodology, and the U.S. Fish and Wildlife Service (USFWS) will consider using the methodology to assist in updating their adult Delta smelt incidental take level in time for winter 2015.

Staff is also working with USFWS and other agencies to develop a monitoring program for the winter of 2015 to detect Delta smelt movement toward the export pumps. This would be an expansion of the monitoring near Jersey Point in 2014. It is designed to help determine the level of risk associated with pumping in the south Delta in near real time and identify means to improve Delta smelt protection and water supply reliability.

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

Delta Stewardship Council—On October 28-30, 2014, the Delta Science Program of the Delta Stewardship Council and the U.S. Geological Survey jointly sponsored the Biennial Bay-Delta Science Conference. The theme of the conference was “Making Connections,” and it highlighted how management of the Bay-Delta ecosystem is at a critical juncture. More than 1,000 scientists, managers, and policymakers gathered in Sacramento to discuss the latest advances in scientific information and ideas on water resources management in the Delta, its watershed, and the San Francisco Bay Estuary. Staff participated and provided presentations at the conference. Also on October 30, the Delta Stewardship Council held its October meeting. The agenda included a presentation on an integrated monitoring and assessment framework and an update on the Delta levee investment strategy.

Ensure that Delta emergency response measures are implemented, including actions to develop a fresh water pathway after a major emergency event in the Delta.

Delta Emergency Preparedness—The U.S. Army Corps of Engineers (Corps) recently completed an emergency exercise to evaluate emergency preparedness in the Delta region. The focus of the exercise was communication readiness, which included the successful testing of their mobile app for information collection and dissemination. The exercise included participation by the Corps executive and emergency operations staff along with the California Department of Water Resources. DWR is currently conducting similar office and field exercises with the Corps participation.

BUSINESS TECHNOLOGY

CORE: BUSINESS PROCESSES AND INFORMATION TECHNOLOGY

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

Implement innovative solutions for customers that will positively impact their business operations through improved quality, speed, simplicity, and cost improvements.

Digital Signature Application—An additional 35 reviewers were trained on the digital signature application this month, bringing the total program reviewers to 50. Testing and evaluation of the application for procurement, EForms and mobile business processes will continue through the first quarter of 2015.

Request for Proposals and Request for Qualifications—A six-month pilot program to test an online evaluation module within PlanetBids, Metropolitan's e-procurement system, has been implemented. The pilot group is conducting trial scoring scenarios, and the results will be analyzed and reported in April 2015.

Inventory Replenishment Contracts—A cost-effective forecasting technique for inventory replenishment contracts is being implemented. This new process for analyzing Metropolitan's purchasing trends through Oracle usage reports will optimize the inventory levels of items purchased under these contracts and determine the feasibility of renewing contracts.

Upgrade and refurbish Information Technology applications and infrastructure to ensure system reliability and performance levels that meet customer needs.

Accounts Payable Imaging System—The new software application will streamline the invoice payment process and enhance overall AP process efficiency. User acceptance testing of the system has been completed and introduction sessions for users are scheduled this month. Final preparations are underway for a rollout in November.

Deploy security technologies to enhance Metropolitan's cyber security position.

Cyber Security Matters—As of this month, Metropolitan has an active twitter account to inform the public on water-related matters. Staff worked with legal counsel and External Affairs to establish the account while adhering to current security regulations and governing laws.

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

Metropolitan's Business Outreach staff supported:

- Orange County Black Chamber of Commerce Networking Event
- Orange County Transportation Agency 2014 Small Business Conference, Anaheim
- Southern California Gas Company, Downey
- Southwest Water and Energy Consortium, Los Angeles
- The Energy Network, Los Angeles
- Black Business Association 12th Annual Procurement Exchange Summit, Los Angeles
- Long Beach City College and Goldman Sachs 10,000 Small Business Program Small Business Growth in America, Long Beach
- American Indian Chamber of Commerce Advisory Council Meeting, Anaheim
- The 2014 Southern California Business Development Conference in Long Beach in support of the Regional Hispanic Chamber of Commerce
- The Southern California Small Business Agency Forum, hosted by the San Diego Association of Governments
- The National Association of Women Business Owners Remarkable Women Awards in Orange County

Simplify access to business information.

Metropolitan's Web Redesign Project—This month, Metropolitan staff received training for content editing of the redesign of Metropolitan's website. The redesign project will improve the look and functionality of the current website.

Implement Business Technology's comprehensive workforce succession planning and employee development programs.

A program satisfaction survey is being developed to gather participants' feedback of the Business Technology Group's Administrative Assistant and Analyst Development Program. The survey will be finalized and issued to participants in November 2014.

BUSINESS TECHNOLOGY

CORE: BUSINESS PROCESSES AND INFORMATION TECHNOLOGY continued...

Foster a culture of innovation.

H2O TechTalk—Staff presented the sixth workshop in the TechTalk Lunch and Learn series, *Print Me A Valve! 3D Printing, The Science and Engineering*. This advanced technology is a medium for creating unique, high-quality specialized parts and hardware. The workshop included a 3D printing demonstration and information on the future of manufacturing for rapid prototyping, parts, and medicine.

H2O TechConnect Community

- Staff had the opportunity to introduce Metropolitan's water conservation programs and H2O TechConnect Community to water conservation professionals from over 35 states and 11 foreign nations at the WaterSmart Innovations Conference and Expo.
- The Governor's Office of Business and Economic Development invited staff to participate in a meeting with two representatives from Israel in Los Angeles as a follow up to a successful Israeli Innovation Day hosted by Metropolitan and our member agencies. The governor signed a Memorandum of Understanding with Prime Minister Netanyahu earlier this year to share ideas about water resource management.
- The Technology Approval Group evaluated various technology pilot programs, including biofouling zebra and quagga mussels, UV technology, earthquake resistant pipes, and leak burst detection and reduction. IGNITE, an added element from the H2O TechConnect Program, provides an opportunity for early stage technologies to get feedback from the water industry.

Featured user group meetings and partnering opportunities this month:

- Innovative Pasadena's CONNECT Week, where attendees had the opportunity to explore and learn about new water and energy technologies.
- Three workshops in Riverside and Murrieta were held to discuss water conservation and innovation with the agricultural community.

Efficiently maintain and operate Metropolitan's Headquarters building, the Diamond Valley Lake Visitor Center, and the Diamond Valley Lake Education Center.

Following receipt of multiple quotes, a vendor was selected for repair of the patio grouting in the Headquarters courtyard. Work is scheduled for completion in November.

Continue innovative sustainability efforts in business practices, including Spring Green, Our Legacy Newsletter, the rideshare program, energy conservation and recycling efforts.

Energy Conservation Initiatives

- Three energy audits at the Headquarters facility have identified the highest energy consumption areas, including the Data Center, Courtyard Café, parking garage and the building's systems (e.g., Heating, Ventilating, and Air Conditioning). A report with specific recommendations will be prepared as the next phase of the energy-use assessment.
- The annual Energy Star certification for the year ending August 31, 2014, rated the Headquarters building 95 out of 100 (up from 91 in 2013).
- As part of Metropolitan's ongoing efforts to effectively manage the building's energy usage, signs have been placed in all conference rooms as a reminder to turn off lights when exiting.

Our Legacy E Newsletter—Issue No. 92, *Making The Holidays Eco-Friendly*, was distributed to all employees with tips on minimizing energy consumption and use of non-renewable resources.

The Rideshare Program—Participation for the first quarter of the fiscal year averaged 40.7 percent.

Seek fair and equitable contract agreements with Member Agencies, federal, and state governments to maintain a long term sustainable wholesale water resource to Southern California.

Annexations—This month, the Riverside Local Agency Formation Commission approved the completion of the 43rd Fringe Area Annexation to Western Municipal Water District and to Metropolitan. The 50-acre annexation has been recorded with the County of Riverside.

San Diego County Water Authority has requested conditional and final annexation through the one-step Board approval process with Metropolitan's standby charge levy of Campus Park West Reorganization to Rainbow Municipal Water District and Metropolitan.

CHIEF FINANCIAL OFFICER

CFO PRIORITY: MAINTAIN STRONG FINANCIAL POSITION

Provide innovative and proactive financial analyses, planning, and management services to ensure that forecasted revenues are sufficient to cover planned expenditures and provide a prudent level of reserves consistent with Board policy.

Monitor and mitigate external impacts on rates and charges to help maintain low rates, minimize their variability, and recover costs consistent with Board policy.

Provided the Board with an update on the Purchase Order discussions.

CFO PRIORITY: 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.

Business Impact Analysis supplemental reports are being developed for each group to facilitate development of group specific recovery plans for the update of Metropolitan's Business Continuity Plan by the end of the fiscal year. The Business Recovery Exercise of applications supporting critical business processes scheduled for October 15 and 16 was postponed to December 10 and 11 to accommodate IT's need to migrate Oracle production databases to new servers.

CORE: FINANCIAL MANAGEMENT

Manage Metropolitan's finances in an ethical and transparent manner and provide consistent, clear, and timely financial 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 needs and changing economic environments.

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

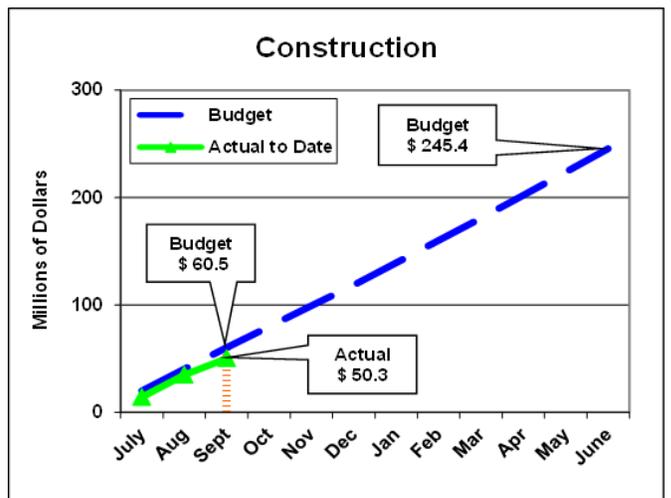
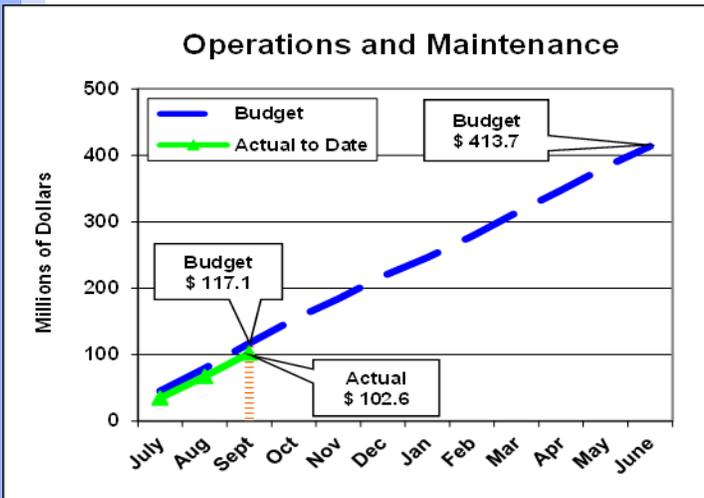
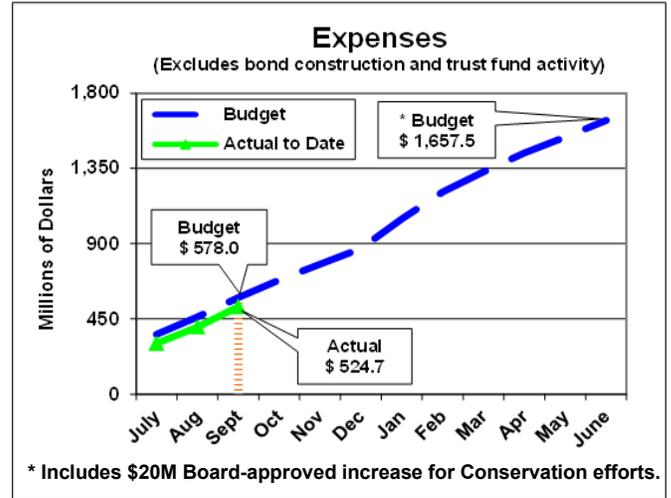
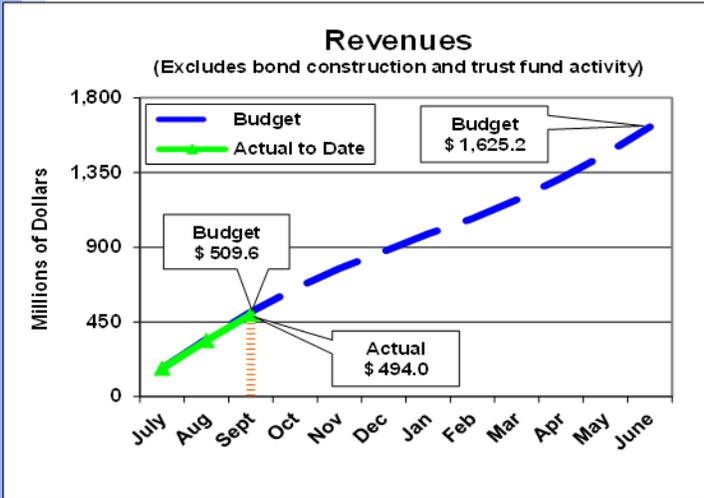
Financial activities are recorded in a timely and transparent manner.

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.

CHIEF FINANCIAL OFFICER

FINANCIAL SUMMARY AS OF SEPTEMBER 30, 2014



ENGINEERING SERVICES

CORE: INFRASTRUCTURE RELIABILITY

Manage Board-authorized projects in the Capital Investment Plan and collaborate with the Water System Operations Group to identify and address system vulnerabilities to ensure reliability of the region's water treatment and delivery infrastructure. In addition, coordinate closely with WSO to integrate project planning and facility assessment efforts with near-term actions and planned shutdowns.

Manage and complete Board-authorized projects within the CIP to ensure the reliable delivery of water to Metropolitan's member agencies.

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:

- Lake Mathews Hydroelectric Plant Structural Repairs—This project repairs spalled concrete and corroded reinforcing steel at the Lake Mathews hydroelectric plant. Final design is 25 percent complete and is scheduled to be complete by January 2015.
- Allen-McColloch Pipeline Cathodic Protection—This project installs 13 impressed current anode wells along a nine-mile portion of the Allen-McColloch Pipeline. Final design is 95 percent complete and is scheduled to be complete by December 2014.
- Orange County Feeder Relocation in the City of Fullerton—This project relocates 1,100 feet of the Orange County Feeder to accommodate major street improvements planned by the city of Fullerton. Construction commenced and is scheduled to be complete in May 2015.
- Lake Mathews and Skinner Copper Sulfate Storage—This project provides copper sulfate storage containers at Lake Mathews and Lake Skinner. Preliminary design was completed in October 2014. A request to the Board for award of a construction contract is planned for January 2015.
- Etiwanda Hydroelectric Plant Rehabilitation—This project rehabilitates two of the six deteriorated needle valves and coats the internal components of the turbine, including the scroll case and the tailrace at the Etiwanda hydroelectric plant. Construction is 75 percent complete and is scheduled to be complete by November 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 Site 3—This project lines 4,900 feet of existing PCCP segments with a steel liner. Construction is scheduled to commence in November 2014.
- Second Lower Feeder PCCP Rehabilitation—This project lines 28 miles of existing PCCP with a steel liner. Preliminary design is approximately 70 percent complete and is scheduled to be complete by January 2015. The notice of preparation of an environmental impact report is scheduled to be released for public review in November 2014.

Right of Way and Infrastructure Protection Program

This program performs needed site improvements within the distribution system such as erosion protection for pipelines and access roads. It also addresses right-of-way issues such as access easements and third-party encroachments, and obtains long-term programmatic environmental permits to cover the entire conveyance and distribution system.

- Orange County and Western San Bernardino County Operating Regions—Final design of improvements has been initiated. The Notice of Preparation of environmental documentation for the Western San Bernardino County operating region is scheduled to be released in November 2014.
- Los Angeles County Operating Region—Preliminary design of improvements has been initiated.
- Riverside/San Diego County operating region—Field investigations were completed in October 2014.

ENGINEERING SERVICES

CORE: INFRASTRUCTURE RELIABILITY continued....

Manage and complete Board-authorized projects within the CIP to ensure the reliable delivery of water to Metropolitan's member agencies. *Continued....*

Colorado River Aqueduct (CRA) Reliability Program

This program maintains reliability of Metropolitan's Colorado River Aqueduct delivery system. Recent activities include the following:

- CRA Canal Improvements—This project improves curbs and lining along portions of the open canal. Final design is 50 percent complete and is scheduled to be complete by March 2015.
- Gene Warehouse Storage Replacement—This project replaces three deteriorated storage buildings located at Gene Pumping Plant with two new storage buildings. A construction contract was awarded by the Board in October 2014.
- Intake Power & Communication Lines Relocation—This project replaces a two-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 56 percent complete and is scheduled to be complete by March 2015.

- CRA Sump Pump Rehabilitation—This project rehabilitates piping and pumps at the main and auxiliary sumps at each pumping plant. The Board authorized final design in October 2014.
- CRA Sand Trap Rehabilitation—This project replaces deteriorated sand trap equipment located upstream of the Iron Mountain, Eagle Mountain, and Hinds Pumping Plants. Final design is 99 percent complete and is scheduled to be complete by December 2014.

Water Quality/Oxidation Retrofit Program

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

Weymouth Oxidation Retrofit Project

- Main ORP Facilities—The Weymouth plant is the final facility to be upgraded under the ORP. Construction of the ozonation system is 60 percent complete and is scheduled to be complete by late 2016. *(see photos below)*
- 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. Final design of the hypochlorite facilities is 90 percent complete and is scheduled to be complete by April 2015.



Weymouth ORP-Ozone contactor overflow pipelines



Weymouth ORP-Ozone contactor roof

ENGINEERING SERVICES

CORE: INFRASTRUCTURE RELIABILITY continued....

Manage and complete Board-authorized projects within the CIP to ensure the reliable delivery of water to Metropolitan's member agencies. *Continued....*

Treatment Plant Reliability Program

This program was initiated to maintain reliability and improve the operating efficiency of Metropolitan's five water treatment plants through specific improvement projects. Recent activities include the following:

Weymouth Plant

- Washwater Reclamation Plant Upgrades—This project replaces deteriorated equipment in the Weymouth plant's washwater reclamation plant. Construction is 85 percent complete and is scheduled to be complete by June 2015.
- Filter Building Seismic Upgrades—This project strengthens Filter Buildings Nos. 1 and 2 in order to withstand a major seismic event. Construction is 90 percent complete and is scheduled to be complete by December 2014.
- Filter Rehabilitation—This project replaces the internal components of the Weymouth plant's 48 filters, including the underdrains, media, launder troughs, and surface wash systems. Final design is complete and a request to the Board for award of a construction contract is planned for February 2015.
- East Washwater Tank Seismic Upgrades—This project upgrades the Weymouth plant's east washwater tank to increase its capability to withstand a major seismic event. The Board awarded a construction contract in October 2014.

Diemer Plant

- Yorba Linda Power Plant Turbine Replacement—This project replaces the existing Pelton wheel 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. Manufacture of the turbine generator is complete and the equipment has been delivered to the site. Construction is 45 percent complete and is scheduled to be complete by August 2015.

Jensen Plant

- Electrical Upgrades, Stage 1—This project replaces electrical equipment, provides backup in the event of component failures, and upgrades the electrical system to be consistent with current codes and industry practices. Final design is 72 percent complete and is scheduled to be complete by October 2015. Construction of the UPC-7 Reliability Upgrade is 10 percent complete and is scheduled to be complete by February 2015.
- Module No. 1 Filter Surface Wash Upgrades—This project replaces the existing surface wash system with a new fixed nozzle system. Construction is 82 percent complete and is scheduled to be complete by February 2015.
- Washwater Tank Seismic Upgrades—This project upgrades two washwater tanks to increase their capability to withstand a major earthquake. Construction is 10 percent complete and is scheduled to be complete by April 2015.
- Filter Valve Replacement—This project replaces the existing Module No. 1 filter valves with AWWA-type rubber-lined butterfly valves and upgrades the valve electrical panels. Fabrication of the equipment is complete and all valves have been delivered and stored. Final design of the installation contract has been completed.

Mills Plant

- Electrical Upgrades, Stage 1—This project replaces electrical equipment, provides backup in the event of component failures, and upgrades the electrical system to be consistent with current codes and industry practices. Final design is 90 percent complete and is scheduled to be complete by January 2015.

Skinner Plant

- Solids Handling Area Improvements—This project replaces an existing bridge crane, constructs a concrete containment pad, replaces existing asphalt pavement around the belt press building, and improves drainage. Construction is five percent complete and is scheduled to be complete by May 2015.

EXTERNAL AFFAIRS

STRATEGIC PRIORITY: EDUCATE THE PUBLIC AND STAKEHOLDERS ON CRITICAL WATER SUPPLY CONDITIONS AND CRITICAL WATER MANAGEMENT DECISIONS

External Affairs efforts will focus on educating the public, legislative leaders, government officials, non-governmental organizations, and other stakeholders on critical water supply conditions and critical water management decisions.

Expand and enhance Metropolitan's outreach to key stakeholder groups in Southern California, statewide, nationally and internationally in support of strategic priorities.

On October 28, Metropolitan staff participated in and exhibited at the Industrial Environmental Association's statewide conference in San Diego to share information on California's water issues and opportunities for collaboration with manufacturing, biotech, and high tech companies.

Inform Southern Californians about the drought/water supply conditions and how they can help improve water supply reliability through conservation actions and support for water supply projects.

Metropolitan's drought outreach materials for Spanish-speaking communities were distributed at the sixth annual "Feria de Educación" Hispanic education fair at California State University, Dominguez Hills to an estimated 25,000 attendees.

Build effective regional, multi-state and international alliances in support of Colorado River water supply and water quality initiatives and implement collaborative outreach program to achieve objectives.

Staff participated in the Western Coalition of Arid State's Fall conference in Phoenix, Arizona, October 29-30. In addition to addressing drought concerns in the West, the conference focused on federal regulations including the U.S. Army Corps of Engineers/Federal Environmental Protection Agency proposed reform of the Clean Water Act related to Waters of the United States.

Secure support for water bond legislative proposals that meet Board-adopted principles and educate the public about the bonds' impacts to water resources.

During October, staff provided educational presentations on Proposition 1, the water bond, to the following organizations:

- Arcadia Chamber of Commerce
- Building Industry Association of San Diego
- California Building Industry Association
- Construction Management Association of America
- El Monte Chamber of Commerce
- El Segundo Chamber
- Gateway Chambers Alliance
- Hollywood Chamber of Commerce
- Inland Empire Economic Forecast Conference
- Inland Empire Economic Partnership Business Council
- La Verne Chamber of Commerce
- Los Angeles Economic Development Corporation
- Palos Verdes Peninsula Chamber of Commerce
- Paramount Woman's Club
- Professional Environmental Marketing Association (PEMA) Southern California
- San Gabriel Valley Legislative Coalition of Chambers
- Santa Monica Chamber of Commerce
- Southern California Contractors
- Temecula Valley Legislative Summit
- Westside Councils of Chambers of Commerce

EXTERNAL AFFAIRS

CORE: LEGISLATIVE, COMMUNICATIONS AND COMMUNITY RELATIONS

Engage the public, labor, business community, agriculture, government leaders, non-governmental organizations, and other stakeholders in California's water issues, communicating Metropolitan's interests and Board-adopted policies through federal and state legislative strategies, multimedia and multi-cultural communications, and educational and other outreach programs.

Develop and implement local, state, and federal water policy and legislative strategies consistent with Board-adopted policies.

FEDERAL

On October 2, staff met in Washington, D.C. with California Colorado River Board officials to discuss 2015 federal objectives, priority legislative and regulatory issues of interest to Colorado River Basin contractors.

On October 14, staff worked with the Western Urban Water Coalition in an interstate effort to submit comments to the U.S. Forest Service regarding the Administration's proposed groundwater directive.

STATE

2015 Legislative Session

The 2015-16 legislative session will commence on December 1 with the swearing-in of new members. We anticipate new policy and fiscal committee assignments will be made to reflect the priorities and objectives of each house leader – Senate President Pro Tempore Kevin DeLeon (D-Los Angeles) and Assembly Speaker Toni Atkins (D-San Diego).

LOCAL

On October 23, Metropolitan staff hosted an annual planning meeting with member agency legislative coordinators to discuss Metropolitan's proposed 2015 Legislative Strategy. Member agencies met with staff from Metropolitan to discuss upcoming legislative proposals sponsored by member agencies and associations, and discussed priorities for Metropolitan's 2015 Legislative Strategy to be shared with Directors at the November 17 Communications and Legislation Committee meeting.

Provide a suite of educational products and programs to educate students about water and foster water stewardship in younger generations.

- Submitted Final Report (2010-2014) to U.S. Bureau of Reclamation, officially closing out the third funding cycle of the World Water Forum college grant program; facilitated site visits with USBR representatives; collected Final Reports from the colleges.
- Completed roster of Diamond Valley Lake field trips for the 2014/15 school year; convened annual docent training workshop; and facilitated school workshops for more than 90 students from three elementary schools.
- In partnership with the Los Angeles Department of Water and Power and several environmental groups, facilitated Los Angeles Unified School District Drought Awareness workshops in Playa Vista and Granada Hills for 200 educators.
- In partnership with Irvine Ranch Water District, co-facilitated a workshop for students at a Campers' Conference;
- There were approximately 4,823 unique visits to the Education Web Site from September 16 – October 15, 2014.

Support Metropolitan's operations through communication and outreach to various stakeholders (including local government agencies and utilities) regarding water resources; water supply system operations and maintenance; water quality protection and water treatment; infrastructure replacement, refurbishment and development; and emergency management.

- Metropolitan provided a tour of the Diemer treatment plant for the Inland Empire Utilities Agency operations staff.
- Metropolitan met with the City of Fontana to discuss ways to lower noise levels for future phases of the Etiwanda Pipeline Rehabilitation Project.
- Metropolitan staff participated in a regional emergency communications training hosted by the County of Orange.

EXTERNAL AFFAIRS

CORE: LEGISLATIVE, COMMUNICATIONS AND COMMUNITY RELATIONS continued....

Provide public outreach in coordination with member agencies to increase awareness of water issues and communicate Metropolitan's interests and Board-adopted policies.

- Arranged interview with Chairman Record and KABC-TV reporter at Chairman's home for a story about the chairman's use of extensive drought-tolerant landscaping and other water-saving measures to significantly lower his water use.
- Arranged live, on-air interview with General Manager Kightlinger and KNX News Radio to discuss water recycling.
- Set up interview with Chairman Randy Record and KCRW's Warren Olney of Which Way, LA? program to discuss Chairman's water use at home.
- Arranged interview with Metropolitan's Water Resource Management Group Manager Upadhyay and Los Angeles Daily News reporter for a story about residential turf removal.
- Set up interview with General Manager Kightlinger and KABC-TV reporter for a story about possible water rationing in the San Gabriel Valley and general water supply conditions in Southern California.
- Arranged separate interviews with COO Man and L.A. Newspaper Group and Orange County Register reporters for a story about the latest statewide conservation numbers released by the State Water Resources Control Board.
- Set up interview with Group Manager Upadhyay and National Public Radio reporter to discuss what Metropolitan is doing to prepare for a possible long-term drought.
- Arranged interview with Group Manager Upadhyay and KNBC-TV reporter for a story about water supply conditions in Southern California.
- Arranged interview with Principal Government and Regional Affairs Representative Cetina to appear on CNN Español for a segment on the Southland's water supply picture and promoting bewaterwise.com.
- Set up interview with CFO Breaux and Bloomberg News reporter to discuss Metropolitan's water reserves and potential impacts to bond refinancing.
- Arranged interview with COO Man and Riverside Press-Enterprise reporter for a story about the National Weather Service's dry weather forecast through the end of the year.
- Set up interview with Group Manager Upadhyay and Los Angeles Register reporter for a story about what cities are doing to become water independent and develop local water supplies.
- Arranged interview with Water Resource Management Manager Upadhyay and freelance writer for a story about turf removal and related rebates and their impact on San Diego-area golf courses.
- Issued press release about Metropolitan's Board of Directors approving increases in incentives for local investment in water recycling, groundwater clean-up and seawater desalination.
- Issued joint press release with Central Arizona Project, Denver Water, Southern Nevada Water Authority and Bureau of Reclamation about western municipal water suppliers' soliciting water conservation project proposals to reduce demand on the Colorado River.
- Issued press release and press advisory about Metropolitan's new educational exhibit at its Headquarters building commemorating the work of watercolorist Rex Brandt and his paintings of Colorado River Aqueduct construction in the 1930s.
- Issued press release about three new directors, representing the city of Anaheim and Orange and San Diego counties, joining the Metropolitan Board of Directors.

Water Awareness and Conservation Advertising Campaign

Spanish television augment began running on September 22 and will continue through October 19. Our Spanish television augment includes news programming on Univision and Telemundo and custom news segments, vignettes and 15-seconds conservation tips.

60-second radio spots and 15- and 10-second traffic reports continued to run in October throughout the Southland. In addition to English, radio advertisement and traffic report sponsorships were also featured on Spanish, Mandarin, Cantonese, Vietnamese and Korean stations.

Geo-targeted advertising video, mobile displays and banners driving visitors to bewaterwise.com continued through the month of October.

CBS California Friendly® Yard Makeover Contest, in partnership with the California Landscape Contractors Association, ended on October 12, 2014. Participants were eligible to win one \$5,000 California Friendly® yard makeover or one of seven \$450 gift cards.

EXTERNAL AFFAIRS

CORE: LEGISLATIVE, COMMUNICATIONS AND COMMUNITY RELATIONS continued....

Support board member and executive management communications and working relationships with elected officials, other government leaders, business, agriculture, non-governmental organizations, community leaders and other stakeholders to improve awareness and understanding of water policy issues.

- On October 2, Metropolitan participated in the Municipal Water District of Orange County's Water Policy Forum featuring Association of California Water Agencies President John Coleman who discussed ACWA's priorities related to the California Water Action Plan and the November Water Bond.
- On October 2, Metropolitan hosted and Chief Operating Officer Man served as the opening speaker for the 13th Annual Building Industry Legal Defense Foundation – Law and Policy Conference. This year's BILD conference discussed issues affecting building and land development, including water supply/drought, wetlands/waters of the United States and endangered species.
- On October 2, Metropolitan participated in the San Gabriel Valley Water Forum in Pomona featuring Natural Resources Secretary John Laird.
- On October 3, Metropolitan Executive Legislative Representative Cole provided a briefing on the 2013-14 state legislative session, including the 2014 Water Bond to the Water Advisory Committee of Orange County.
- On October 6-7, General Manager Kightlinger was the keynote speaker at the Los Angeles Cleantech Institute's Global Showcase for entrepreneurs and industry. In addition, the General Manager participated in a panel discussion on water innovation and climate change with Director Koretz, State Assembly Member Rendon, ACWA Executive Director Tim Quinn and UCLA Institute of the Environment Interim Director Gold.
- On October 9, Chairman Record was a speaker and panel participant at the Southwest California Legislative Council's annual Legislative Summit. He was joined by Congressman Calvert (R-Riverside), Assemblywoman Melendez (R-Lake Elsinore), and South Coast Air Quality Management District Executive Director to discuss state and regional water and government regulation issues that affect the region. There were more than 300 community leaders in attendance.
- On October 12, Metropolitan staff joined Director Dake for the Los Angeles Sustainability Collaborative's 5th Annual awards event.
- On October 16, Director Peterson and staff attended the Association of Water Agencies of Ventura County's monthly Waterwise Breakfast, where Chairman Record provided an update on Southern California's Adaptation Plan.
- On October 17-18, Vice Chairs Gray and Murray and Director Arceneaux participated in the 9th Annual Taste of Soul Family Festival and spoke at various staged events. Metropolitan had a large booth at the event featuring conservation information and family friendly educational activities, which was popular with the estimated 300,000 attendees.
- On October 23, Metropolitan hosted the Valley Industry and Commerce Board meeting at Metropolitan's Headquarters for a meeting with representatives from Mayor Garcetti's office.
- On October 23, Metropolitan participated in the Southern California Water Committee's 30th annual board meeting and dinner featuring Senate President Pro Tem De Leon. Metropolitan was honored at the event for its significant contribution to water conservation and water use efficiency.
- On October 29, Chief Financial Officer Breaux spoke about the impacts of water supply conditions on the economy at the 5th Annual Inland Empire Economic Forecast produced by the Inland Empire Center for Economics and Public Policy at Claremont McKenna College. More than 500 business, government and community leaders gathered at the Citizens Business Bank Arena.
- On October 30, Metropolitan participated in the Building Industry Association of Orange County's monthly general membership workshop entitled *Is Your Project Thirsty? Strategies for Development in Water-Starved Southern California*.

HUMAN RESOURCES

STRATEGIC PRIORITY: EMPLOYEE DEVELOPMENT

Increase cross-training and employee development efforts to meet the challenges of increased retirements due to an aging workforce. Expand recruitment and retention initiatives to keep pace with retirements and to ensure a diverse workforce who is prepared for the future needs of Metropolitan. Define competencies critical to future needs of the organization.

Acquire talent.

- Selected supplemental labor vendors to provide support to Water System Operations workforce.
- Started the Request for Proposal process for an Applicant Tracking system, with the goal to increase communication with candidates and managers.
- Used LinkedIn advertising and sourcing more actively to find viable candidates for positions.

Partner with senior leadership to address future business, organizational, cultural and people challenges.

Worked with the Board Chairman and Home Committee Chairs to discuss Board expectations for Department Head action plans.

Foster learning and organizational development to support development of internal talent pipelines.

- The first session of the Water System Operations Management Academy was held on October 15, with 30 participants.
- Partnered with Chief Financial Officer management to create a customized training curriculum to help prepare finance staff for future opportunities. Program starts in November.
- Held the following class, *How Your Finance Team Can Lead Your Organization on the Path to Performance Improvement*.
- Partnered with Engineering to present a paper at the Mentoring Conference at the University of New Mexico regarding the Mentoring Program that was implemented in collaboration between HR and Engineering.

Foster management excellence.

- Completed Day 3 of another cohort of New Manager Orientation.

CORE: HUMAN RESOURCES EXCELLENCE

Foster Human Resources excellence with innovative and efficient processes that attract, hire and develop the right people with the right skills at the right time; provide management with the tools to swiftly and proactively address employee issues and poor performance; enable cost-effective workforce management together with the tools to continually improve workforce skills, competencies, productivity and customer support.

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

Ensure a high-performance culture.

Continued meeting with individual Group Managers to discuss action plans for Voices 2014 follow-up.

Manage classification and compensation.

Reviewed and processed several job analyses and management requested promotions.

Set high-performance standards.

Met with Group Managers to discuss experience and potential ways to improve the MyPerformance Evaluation Process.

HUMAN RESOURCES

CORE: HUMAN RESOURCES EXCELLENCE continued.....

Identify, assess and manage risk.

- The Risk Management Unit completed 60 incident reports communicating instances of Metropolitan property damage, liability, workplace injuries, regulatory visits and spills.
- Risk Management completed 91 risk assessments on contracts, including professional service agreements, construction contracts, entry permits, special events and film permits.

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

- Completed technical set-up of benefits administration system for open enrollment. These major changes include automating medical credits and annual leave accrual and updating taxability of domestic partner benefits, which reduces manual work for payroll and benefits staff and eliminates duplicate work.
- Launched online open enrollment set-up to allow employees to make changes to all health benefits.

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

- Finalized all online open enrollment elections to make changes to health benefits as necessary.
- Reviewed and provided statistics on performance evaluation trends to management.

Control Workers' Compensation Costs.

- Conducted initial investigations on 21 injury incidents.
- Submitted 15 new claims to Metropolitan's workers' compensation claim administrator.
- Settlements were negotiated in 2 claims, finalized in 1 claim, and 13 claim files were closed.
- Conducted MedVan evaluations at Hinds, Eagle Mountain, Iron Mountain and Gene facilities.
- Arranged 21 medical evaluations (DMV, medical surveillance, hearing conservation, etc.).
- Coordinated random drug/alcohol tests at 1 facility.
- Addressed 3 accommodation issues.

Provide proactive, swift, and consistent employee relations and positive labor relations.

During the month of October, Employee Relations had discussions with the bargaining units on a wide range of issues. This included a Labor Management Committee meeting with representatives of Management and Professionals Association, which addressed a number of Human Resources-related issues of concern to MAPA.

Maintain compliance and effectiveness in benefit programs.

- Interviewed top firms as part of the Deferred Compensation Third Party Provider Request for Proposal.
- Finished site visits to provide one-on-one consultations for open enrollment.
- Reviewed open enrollment elections to ensure compliant and accurate enrollments.

REAL PROPERTY DEVELOPMENT & MANAGEMENT

CORE: 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.

Implement strategies for right-of-way planning and acquisition support of Bay-Delta Initiatives and infrastructure reliability and protection programs.

- An entry permit was acquired to allow access onto the property for construction repairs to the Lakeview Pipeline Intertie Project.
- Staff provided scope of work and budget estimates on options for the proposed relining of Calabasas Feeder and the potential construction of a bypass pipeline.
- Staff provided property research, valuation, and planning support to Bay-Delta Initiatives related to potential near- and long-term projects in the Delta.
- Staff continues to work with Legal and Engineering Services to assure that Metropolitan has appropriate access for repair projects and appropriate rights for existing and proposed facilities within the Right of Way and Infrastructure Protection Program.

Pursue development of the Diamond Valley Lake area, including the DVL Visitor Center and marina facilities, to support recreation, develop additional leasing and revenue opportunities for Metropolitan, and benefits the surrounding community.

In Fiscal Year 2014/15, Metropolitan received \$5,780 through September 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 646,000 visitors at its marina facilities and 152,000 private boats have launched since the 2003 public opening.

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

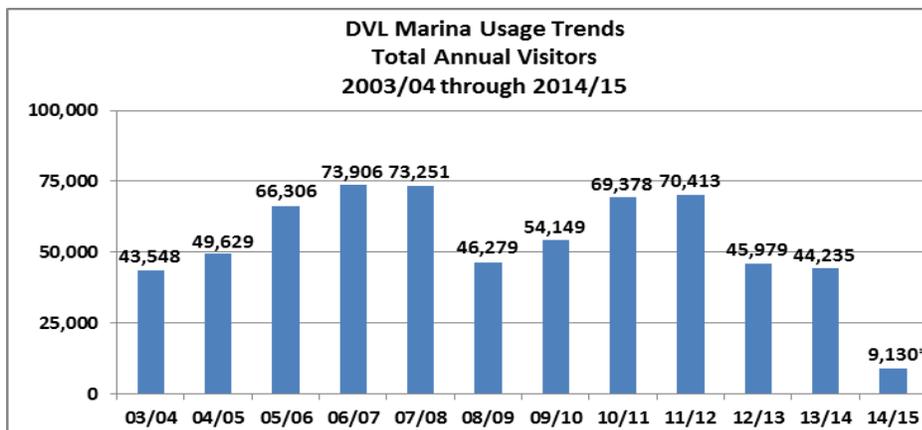
- A permanent easement was granted to Southern California Edison Company to facilitate the electrical services at Metropolitan's Chemical Unloading Facility along the Colorado River Aqueduct in the city of Perris.
- A permanent easement was granted to the city of Fontana for a public street over Metropolitan's Rialto Pipeline.
- An entry permit was issued to the city of Rancho Cucamonga for construction of its Wilson Avenue road improvements over a portion of the Rialto Pipeline.
- An entry permit was issued to the city of Moreno Valley to perform studies regarding reconfiguration of the State 60 off-on ramps at Theodore Street near Metropolitan's Inland Feeder.
- An entry permit was issued to Warner Brothers to park its vehicles at the Sunset Garage during the filming of its television series, *Stalker*.

Evaluate additional use and rental of Metropolitan's Headquarters Building.

A one-day entry permit was issued for the use of 90 parking spaces at the Metropolitan Headquarters Building for an event being held at the Union Station train terminal.

Foster staff training and development.

Staff attended two International Right of Way Association courses: *Right of Way Agent's Development Program* and *Principles of Real Estate Law*.



*Thru October 2014

WATER RESOURCE MANAGEMENT

STRATEGIC PRIORITY: LOCAL PROJECTS AND INTEGRATED RESOURCES PLAN UPDATES

Review Local Resources Program and conservation rebate programs during this drought period to review what new actions might be appropriate, learn from this experience as to how to improve Metropolitan programs and work with the public and member agencies on expanding conservation efforts. Metropolitan's IRP was adopted in 2010 and will be updated in 2015 along with the state-required Regional Urban Water Management Plan.

Implement the Local Resources Program.

On-site Retrofit Pilot Program—The On-Site Retrofit Program has approved \$1,072,500 million to convert 30 sites to collectively use about 1,100 AFY of recycled water. The Program provides public and private property owners financial incentives of up to \$195/AF for five years of estimated water use to convert potable water irrigation or industrial water systems to recycled water.

Implement the Conservation Program effectively.

WaterSmart Innovations 2014 Conference—Southern Nevada Water Authority hosted the WaterSmart Innovations Conference and Exposition, where staff presented at five sessions. WSI is the largest urban water-efficiency conference of its kind, gathering public water agencies, manufacturers, academia, and other companies and organizations.

Devices Rebate Program—Activity is strong on device rebate requests both from commercial and residential customers. As of September 2014, reservation requests were at \$18.5 million and Metropolitan has paid almost \$6 million.

Turf Removal Program—As of September 2014, the Turf Removal Program has received reservation requests for \$69 million and has paid \$2.6 million in rebates. Commercial customers drive the reservation requests with \$48 million, which roughly represents 24 million square feet of turf slated to be removed.

CORE: WATER SUPPLY

Develop and execute water resource strategies that achieve the long-term reliability envisioned in the Integrated Resources Plan (IRP).

Ensure cost-effective and reliable imported water supplies.

Metropolitan's 2015 Water Order—Metropolitan and U.S. Bureau of Reclamation staff met to discuss Metropolitan's submission of its 2015 Colorado River Diversion Request and Part 417 Questionnaire to ensure approval of Metropolitan's 2015 water order.

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

Water Supply Allocation Plan (WSAP)—In October, there were continued discussions at a Member Agency workgroup and Member Agency Managers Meeting on the process to review Metropolitan's Water Supply Allocation Plan. Following completion of the review process, staff will bring forth any recommended revisions to the WSAP for board consideration.

Water Utility Climate Alliance (WUCA)—Metropolitan staff attended the annual General Managers Retreat of the Water Utility Climate Alliance to advance work and research in climate change impacts adaptation. Comprised of ten of the nation's largest water providers, WUCA provides leadership and collaboration on climate change

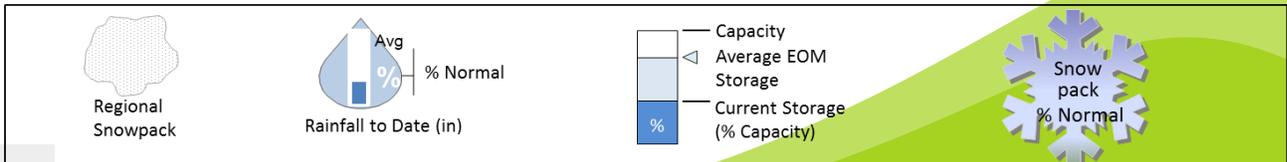
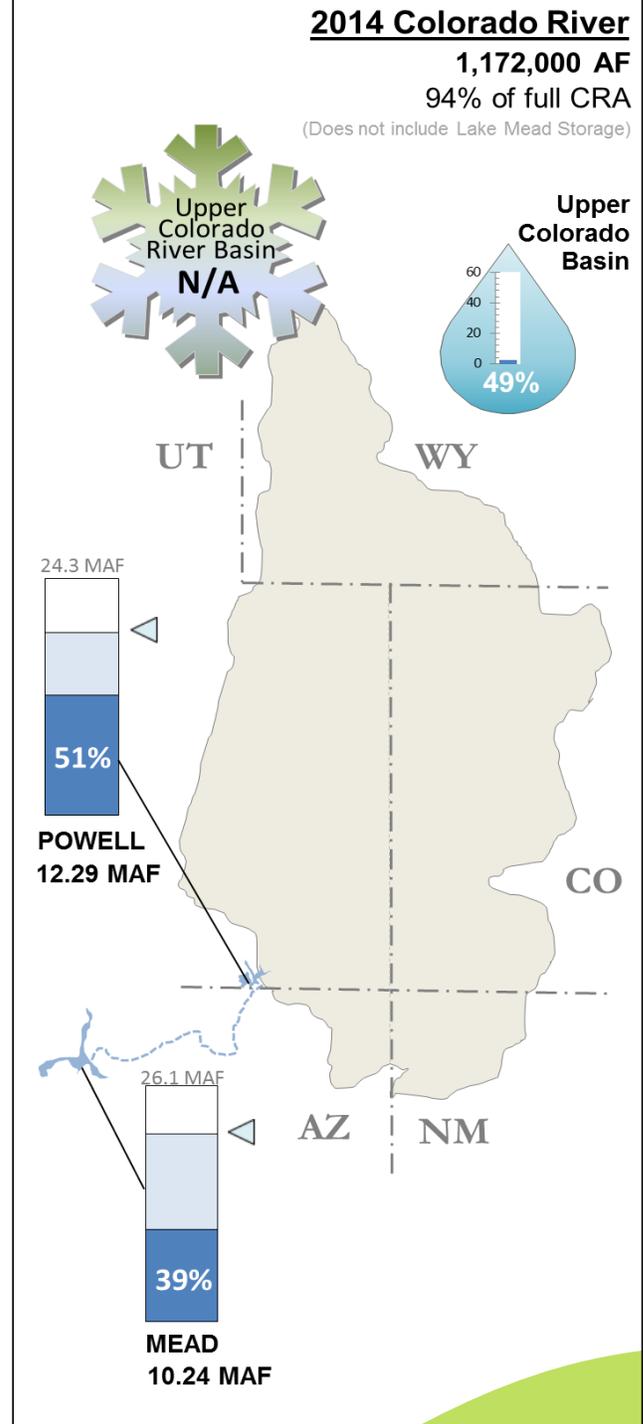
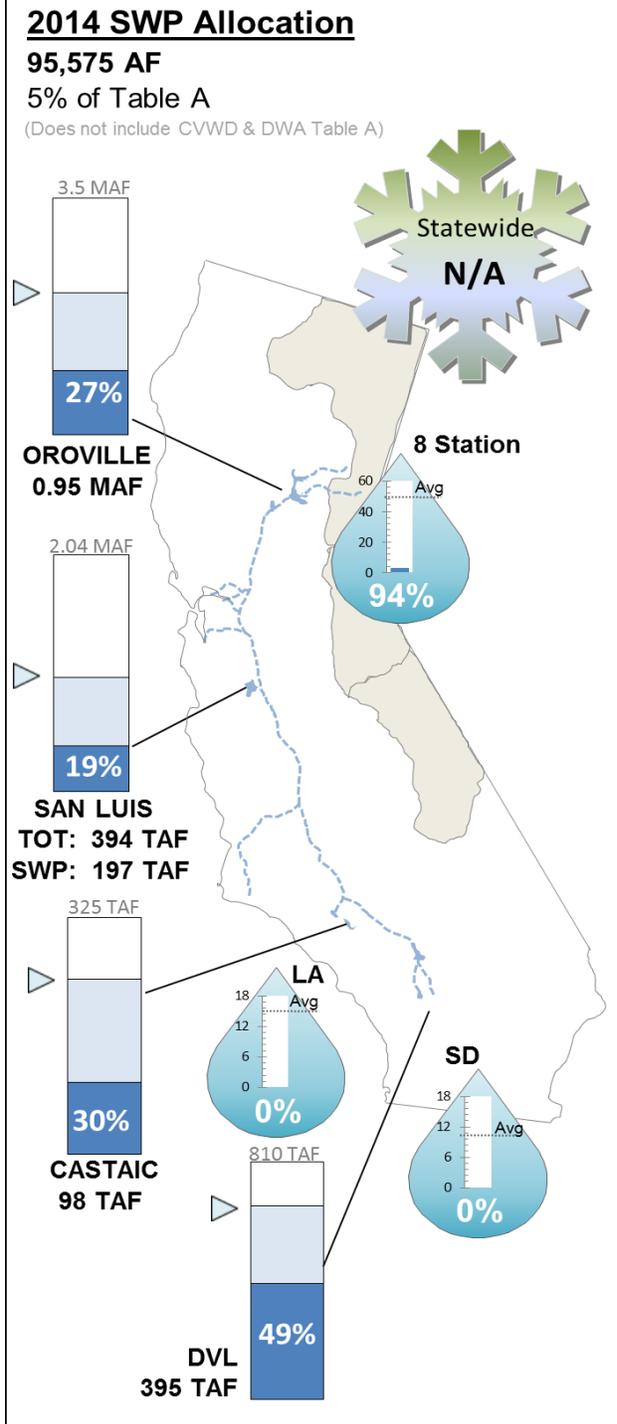
issues affecting the country's water agencies. The annual meeting provided an opportunity to share perspectives on climate change challenges and emergent opportunities, reflect on 2014 accomplishments, and review a 2015 Work Plan for collaborative efforts.

Collaborate with member agencies to coordinate planning efforts, develop policy recommendations, and promote consistent public communications in water resource management issues.

CalDesal Conference—Metropolitan participated in CalDesal's 3rd Annual Conference. The conference featured panels on salinity management, new technology, integrating science and policy, Central Coast desalination issues and desalination energy use. Metropolitan staff helped plan the conference and moderated one of the five panels. Metropolitan was also a conference sponsor.

California Public Utility Commission (PUC)—Metropolitan staff participated in a California Public Utility Commission meeting on developing a methodology for calculating the energy benefits of water supply conservation. Metropolitan is collaborating with the member agencies and has been engaged in the PUC process since last year.

WATER SUPPLY CONDITIONS as of Oct. 31, 2014



WATER SYSTEM OPERATIONS

CORE: PROVIDE RELIABLE WATER SUPPLIES

System Operations delivered approximately 185,000 acre-feet of water to meet member agency demands in October, which averaged approximately 5,950 AF per day. This was a decrease of about 150 AF per day from September deliveries. Treated water deliveries for October totaled 88,500 AF, or 47 percent of total deliveries for the month. In October, 104,500 AF of Colorado River water was pumped as the CRA remained on an eight-pump flow. State Water Project imports averaged 1,700 AF per day for 53,000 AF for the month; this was an increase of 11,000 AF from September. System Operations continued the strategy of minimizing use of water from the State Water Project wherever possible. For the month of October, the use of SWP water accounted for 28 percent of Metropolitan's deliveries. This was a five percentage increase from September SWP deliveries.

Storage at Diamond Valley Lake decreased to 393,000 AF or 48 percent full. This was a 15,000 AF decrease from September 30. Inland Feeder deliveries remained suspended in October. SWP blends to the Weymouth, Diemer, and Skinner plants remained at zero percent due to the low SWP allocation of five percent. For the month of October, 3,960 AF were pumped from Lake Perris to the Mills plant to meet member agency demands. The Mills plant used Lake Perris water exclusively until October 21. At that time, the Lakeview pipeline was shut down for nine days for modifications and the Mills plant returned to Lake Silverwood water.

In October, Metropolitan's hydroelectric plants generated an average of 10.3 megawatts per hour for 7,700 megawatt-hours for the month.

CORE: OPTIMIZE MAINTENANCE

The Greg Avenue pump station returned to service on October 8 and is moving treated Colorado River supplies into the Jensen service area. The two pump motors, installed in the early 1960s, were completely refurbished with new windings and bearings after an electrical fault led to a shutdown of one pump on September 14. As a proactive step, the second motor was also rehabilitated during the shutdown. Monitoring data indicate that both units are running smoothly after re-commissioning. [\(See photos below\)](#)



Metropolitan staff at vendor's shop performing inspections and witnessing the pump motor rewinding process.



Greg Avenue pump station motor being coupled to the pump.

WATER SYSTEM OPERATIONS

CORE: OPTIMIZE MAINTENANCE continued.....

Staff continued the system-wide coatings program aimed at preventing corrosion and extending the life of pipelines and infrastructure. Projects completed this month included several structures on the Calabasas, Santa Monica, and Orange County Feeders in Los Angeles County. In addition to coating work, staff inspected underground structures for groundwater intrusion that can be detrimental to coatings and distribution system equipment. Any water entering through concrete construction joints or minor wall cracks was sealed off to extend the life of equipment and coatings.

Staff performed preventive maintenance on the butterfly valves, screens and actuators on the exterior of Lake Mathews Outlet Tower #2. The current lower lake elevation allowed for the inspection, cleaning and maintenance of the lower tier valves to be performed in dry conditions from a floating barge platform, which helped expedite the work.

Staff began the annual Lake Mathews Shoreline clearing. Working with contract labor crews from the California Department of Forestry, vegetation was removed from the shoreline areas to ensure full operational capacity of the lake and to prevent vegetation growth below the high water mark. Invasive tamarisk plants were specifically targeted because of their high water use and salt deposition characteristics that could impair lake operations.

(see photo right—Lake Mathews Shoreline after cleaning nuisance vegetation)



A 53-day San Diego Pipeline No. 3 shutdown began on October 19 and will continue through December 12, 2014. The purpose of the shutdown is to allow San Diego County Water Authority to reinforce its portion of the pipeline to facilitate Cal Trans' expansion of Highway 76 in northern San Diego County. During the outage, San Diego and Metropolitan staff will inspect their respective portions of the pipeline, and Metropolitan staff will convert 19 blow-off structures to pumping wells and replace valves under a Board-approved infrastructure reliability project.

Staff manufactured replacement bearing oil cooling coils for one of the desert pump units, as coils are no longer available from the manufacturer. The coils act as a heat exchanger to cool the bearings on the 12,500 HP motor units. In-house manufacturing capability allowed staff to quickly return the unit to service without affecting Colorado River Aqueduct pumping capacity. Two additional replacement coils were also manufactured as spares. *(see photo to the right, Hinds Unit 6 newly fabricated cooler coil)*



WATER SYSTEM OPERATIONS

CORE: OPTIMIZE MAINTENANCE continued.....

The La Verne Shops manufactured multiple adapter spools and flange assemblies for the San Diego Pipeline No. 4 Pumping Well Piping Replacement Project. This project is part of an infrastructure reliability program to enable easier dewatering of the pipeline. These assemblies will be installed during the scheduled shutdown of the San Diego Pipeline No. 4 in November 2014.

CORE: MANAGE THE POWER SYSTEM

During September, Metropolitan made forward energy purchases to support Colorado River Aqueduct pumping requirements in October 2014. A total of 31,200 megawatt-hours of off-peak energy was purchased for approximately \$1.1 million. Payment for the energy is made after a confirmation of delivery.

CORE: IMPROVE SECURITY AND EMERGENCY RESPONSE

Metropolitan has numerous facilities in Riverside County and partners regularly with the county's emergency responders. On September 15, staff participated in a one-day tabletop exercise with other public agencies in western Riverside County. Participating agencies discussed response to a magnitude 7.1 earthquake on the Elsinore fault.

On October 15, Metropolitan's Emergency Management Program Manager testified at an informational hearing for the Select Committee on Science, Innovation, and Public Policy. The committee gathered information on the potential benefits that an earthquake early warning system would have on various types of infrastructure in the state. Metropolitan has been beta-testing the "ShakeAlert" system for over a year. Staff testimony described potential ways in that water utilities could benefit from an earthquake early warning system in the future.

CORE: DEVELOP WORKFORCE

The Water System Operations Apprentice and Technical Training Program provides trained, qualified employees to maintain Metropolitan's water treatment and distribution systems. The Class of 2015 Mechanics toured a local valve manufacturing facility. Students observed the entire manufacturing process, including pattern making, casting, and final machining.

CORE: PROVIDE TECHNICAL SUPPORT TO MEMBER AGENCIES

A Member Agency Water Quality Managers meeting was held at Headquarters on October 9, 2014 with approximately 125 attendees. Presentations were provided by staff and representatives from the U.S. Environmental Protection Agency, American Water Works Association, and the Division of Drinking Water of the State Water Resources Control Board to commemorate the 40th and 100th anniversaries of the Safe Drinking Water Act and the first United States drinking water standards, respectively.

Storage	As of 10/31/14	% of Capacity
DVL	394,707AF	49
Lake Mathews	44,272 AF	24
Lake Skinner	29,609 AF	67

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

WATER SYSTEM OPERATIONS

CORE: PROTECT SOURCE WATER QUALITY

On October 14, staff participated in the 2014 Santa Ana River Watershed conference in Riverside. The conference, hosted by the Santa Ana Watershed Project Authority, brought together agencies, environmental and community groups, academics, regulators, and other key stakeholders to discuss strategies to address current drought-related challenges facing the Santa Ana River watershed.

On October 27, staff met with representatives from the Nevada Division of Environmental Protection, the Nevada Environmental Response Trust, and other key Colorado River stakeholders regarding remediation of the Tronox and AMPAC perchlorate plumes in Henderson, Nevada. Staff is actively engaged in these remedial efforts to ensure long-term protection of the Colorado River. Following the site visits, Metropolitan also held its quarterly meeting of the Lower Colorado River Water Quality Partnership with Southern Nevada Water Authority and Central Arizona Project.

On October 28, staff participated in the annual Lake Mead Water Quality Forum meeting in Las Vegas. Metropolitan is a member of the Forum, which allows for information exchange and coordination with key stakeholders on Colorado River water quality issues.

CORE: OPTIMIZE WATER TREATMENT AND DISTRIBUTION

State Water Project target blends at the Weymouth, Diemer and Skinner water treatment plants remained at zero percent for October. Flow-weighted running annual averages for total dissolved solids from September 2013 through August 2014 were: 580, 578, and 514 mg/L for Weymouth, Diemer and Skinner plants, respectively.

Ozone is used as the primary disinfectant at Metropolitan's water treatment plants. Over the past several years, staff developed a new calibration method for ozone residual analyzers. The new method was approved by the State Water Resources Control Board, Division of Drinking Water as an alternative calibration method and is available to other water agencies. The new method reduces the labor required to calibrate the analyzers and reduces common interferences that hindered the older method.

(see photo below)



Skinner staff performing ozone residual analyzer calibrations using the new Portable Ozone Calibration Device method.

WATER SYSTEM OPERATIONS

CORE: PREPARE FOR FUTURE LEGISLATION AND REGULATION

On September 9, 2014, the State Water Resources Control Board (Control Board) released a draft policy for implementing the Drinking Water State Revolving Fund (Revolving Fund) for public comment. Staff provided written comments on the proposed changes, and with some modification, the Control Board adopted the new policy on October 21. Metropolitan received Revolving Fund funding for the Mills Ozone Retrofit Project in 2003, and is likely to apply for funding for bromate control projects at the Weymouth and Mills plants.

On October 20, the Environmental Protection Agency published a preliminary regulatory determination form to regulate one contaminant (strontium) and to not regulate four other contaminants (1, 3-dinitrobenzene, dimethoate, terbufos and terbufos sulfone). By way of background, the Safe Drinking Water Act requires EPA to identify and determine to regulate at least five contaminants every five years. Metropolitan does not expect the pending maximum contaminant level for strontium to impact its operations, as strontium has not been detected in treated waters above the EPA Health Reference Level. Staff will work with the Association of California Water Agencies to comment on the regulatory determinations before the December 19, 2014 deadline.

CORE: ENSURE WATER QUALITY COMPLIANCE, WORKER SAFETY AND ENVIRONMENTAL PROTECTION

Metropolitan complied with all water quality regulations and primary drinking water standards during the month of October 2014.

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.

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