

# THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

## General Manager's Monthly Activity Report for October 2015

October 31, 2015

This report identifies the actions and activities taking place during the month that support the objectives of the General Manager's Fiscal Year 2015/16 Business Plan.

### Metropolitan Celebrated Hispanic Heritage Month September 15—October 15

Metropolitan's Hispanic Employees Association hosted a number of events to bring awareness of the contributions made and the important presence of Hispanic and Latino Americans to the United States as well as events that support student scholarships and camaraderie. The main event was special guest speaker Honorable Judge Jose Sandoval sharing his life's story with employees. (*see photos below and page 31*)



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**COMPLETE PLANNING PROCESS FOR THE CALIFORNIA WATERFIX AND CALIFORNIA ECORESTORE**

Continue to take on a lead role in securing water supplies for the State Water Project (SWP) and working towards the completion of the State of California's Proposed Delta Improvements, Recirculated Draft Environmental Impact Report (RDEIR)/Supplemental Draft Environmental Impact Statement (SDEIS) for the California WaterFix and California EcoRestore.

Pursue decision on the State's Proposed Delta Improvements including the California WaterFix and California EcoRestore.

**Bay Delta Conservation Plan/California WaterFix—**In October, staff continued to work jointly with the State Water Project and Central Valley Project public water agencies to prepare and submit comments on the Bay Delta Conservation Plan (BDCP) and California WaterFix Recirculated Draft Environmental Impact Report/Supplemental Draft Environmental Impact Statement (RDEIR/SDEIS). Significant staff efforts contributed to the review of the RDEIR/SDEIS and the development of the joint public comment letter that was submitted by the State Water Contractors and the San Luis and Delta-Mendota Water Authority by the October 30 deadline. The comment letter expresses the public water agencies' continued support for critically needed infrastructure improvements in the Delta as a way of securing reliable water supply and helping improve environmental conditions for native species and their habitats, based on a sound business case that supports the magnitude of investment in public infrastructure. Part of the business case the public water agencies will be considering over the

upcoming months includes confidence in the project providing sufficient water supplies in a more stable and collaborative regulatory framework.

As reported previously, the California Department of Water Resources and U.S. Bureau of Reclamation submitted a joint petition for change in water right permit and license conditions for the State Water Project and federal Central Valley Project to add points of diversion of water on the Sacramento River associated with the California WaterFix project. The State Water Resources Control Board has received comments on the petition, and anticipates issuing a joint public notice of the water right change petition and notice of a hearing on the petition in late October or early November 2015. A pre-hearing conference to organize the format of the hearing and to discuss procedural matters, such as those raised in the various letters, is tentatively planned for late January or early February 2016. A hearing on some of the key issues could begin as early as April 2016.

**BAY-DELTA SOLUTIONS**

- Develop near- and long-term solutions that enhance the Delta ecosystem, improve water supply reliability, and protect water quality.
- Participate in the State Water Resources Control Board (SWRCB) process considering petition for an additional point of diversion for new conveyance facility.
- Continue to work on efforts related to improving water supply reliability and protecting water quality.

Pursue the best scientific research to protect and restore fish, wildlife, and the Delta's ecosystem while ensuring water supply reliability.

**Science Activities—**In 2014, Metropolitan funded scientific studies investigating the Delta ecosystem under conditions of severe drought. One of the studies, conducted by consultant Cramer Fish Sciences, evaluated the genetic diversity of Delta smelt collected from 2012 to 2014 to compare to results of a previous study evaluating Delta smelt genetic diversity from 2008 to 2011. Reduced genetic diversity can signal a decrease

## BAY DELTA INITIATIVES

Scientific research continued...

in the ability of Delta smelt to cope with stressful conditions, such as severe drought. The preliminary results of the study from 2014 suggest that the Delta smelt population was genetically robust in 2014. Another study will be needed to evaluate Delta smelt diversity in 2015.

Staff is developing a study proposal to model the potential for wind to drive certain physical processes in Suisun Bay and the Delta. Such linkages between wind and physical processes may include turbidity levels; salinity stratification; the location of X2, which is the freshwater-saltwater transition in the estuary; and water depth. These factors may, in turn, impact the ecosystem in the Bay-Delta.

Staff also continued to work on contracting for two new studies. Staff is working on contracts with the Jet Propulsion Laboratory and U.S. Geological Survey (USGS) to conduct a study addressing Remote Sensing of Suisun Bay. The Remote Sensing study would include development of algorithms to use in conjunction with the satellite database for multiple platforms to understand the dynamics in turbidity and how these dynamics will affect abundance of listed species. Staff is also working on contracts with ICF International, USGS, and Sureworks to conduct the Vertical Distribution Habitat Study, which will characterize the effects of depth and water clarity on the distribution of longfin smelt. The study will begin in Spring 2016.

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

State Water Resources Control Board—As reported previously, the SWRCB issued several curtailment notices directing water diverters in the Delta watershed to cease diversions, and multiple cases challenging the curtailment notices were filed in court by senior water right holders raising issues that include due process, and SWRCB jurisdiction, among others. The litigation is still in the court coordination process. A coordination judge has been appointed in Santa Clara County.

The SWRCB has scheduled an administrative civil liability hearing for Byron Bethany Irrigation District regarding alleged illegal diversion for 13 days in June 2015. The SWRCB also issued enforcement against the Westside Irrigation District. Both hearings (Byron Bethany and Westside) have been rescheduled for March 2016. The State Water Contractors issued notices to appear in both proceedings.

**Emergency Response – Ensure that Delta emergency response measures are implemented, including actions to develop a freshwater pathway after a major emergency event in the Delta.**

Delta Flood Emergency Response Program—The California Department of Water Resources started removing the emergency salinity barrier across West False River in the Delta in September, and expects to complete barrier removal by mid-November 2015. Approximately 150,000 tons of rock is being removed from the West False River barrier and being placed at the Rio Vista emergency stockpile site. While this rock may be used for a drought barrier in the future, DWR has indicated it is much more likely this rock will remain in place at the Rio Vista site for catastrophic emergencies when resources are stretched thin and access problems necessitate use of stockpiles in the Delta. This would increase overall rock stockpiles for Delta region emergency response by about 60 percent.

To accommodate this rock and provide additional rock storage capacity for emergency response, DWR has increased its total storage area at Rio Vista from about 40 to 80 acres. All-weather access ramps and roads being developed under the state Drought Program at this site will be completed in November 2015, providing a complementary benefit to the state's Delta Flood Emergency Program to purchase sheet pile and other materials for flood and earthquake emergency response.

# 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 our customers that will positively impact their business operations through improved quality, speed, simplicity, and cost improvements.

Records Management Program Assessment—Staff has completed the draft strategic plan document, which includes the future design of the Records Management Program and a plan to address gaps identified in the assessment findings.

Information Technology Strategic Plan—As part of IT's strategic initiatives, approximately 54 IT employees were trained in the area of service delivery framework. Additional sessions will be held for the remaining IT employees.

### Emerging Technology Initiatives

- Staff completed the database design for a new image services print job requisition. A web application is planned to replace the current EForm, which will result in improving the quality of service.
- Staff continued to provide support for existing SharePoint online collaboration sites.

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

Hiram Wadsworth Pumping Plant Upgrade—During this month, staff completed the following items:

- Held a workshop to plan for the installation process
- Accepted delivery of communications network parts/materials
- Approved vibration monitoring system drawings

Disaster Recovery Program—Staff conducted an IT disaster recovery exercise as part of an ongoing effort to maintain Metropolitan's ability to recover critical business processes in the event of a disaster. October's exercise involved executing recovery strategies that support Metropolitan's PeopleSoft system.

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.

This month, the annexation staff:

- Completed the County Water Company Annexation (104th Fringe Area) to Metropolitan and Eastern MWD on September 22, 2015, annexing 68.9 acres and completing the terms and conditions of Resolution No. 9185, approved by Metropolitan's Board on January 14, 2015. As a result of this annexation, Metropolitan's service area is now 5,180 square miles.
- Received completion documents from the Local Agency Formation Commission of Los Angeles County for the Jordan Downs Reorganization consisting of 41.72 acres. This reorganization from Central Basin MWD to the city of Los Angeles does not change Metropolitan's overall boundary.

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

Cyber Security Countermeasures—Staff received a draft report of the vulnerability assessment of the Supervisory Control and Data Acquisition network from the vendor. Staff is working on remediating the findings that were identified in the report.

# BUSINESS TECHNOLOGY

CORE

## BUSINESS PROCESSES AND INFORMATION TECHNOLOGY continued...

Foster a culture of innovation.

### Innovation at Metropolitan

- The initial pilot to provide employees the option to easily report repair requests from within the Metropolitan facilities through the use of their mobile devices was conducted with an iPhone app and the results are under review. A second pilot will be conducted to test a new Android application. Both the iPhone and Android apps are expected to be available to employees located at the Headquarters building in the third quarter.
- As part of the evaluation to secure mobile access for Metropolitan's business and operational systems, staff continued to review requirements for mobile connectivity.

### Business Outreach Innovation and Technology Program

H2o TechHub Team activities this month:

- Participated in the 2015 Cleantech OC Conference and Expo held at the UC Institute of Innovation. This year's conference focused on water conservation solutions, energy efficiency and energy storage. Staff participated in Metropolitan's booth and facilitated a panel of various Orange County water agency officials. The topic of the panel focused on the challenges in advancing water technologies in the public sector.
- Invited to display an exhibit at GloSho'15. Hosted by the Los Angeles Cleantech Incubator, this annual summit presents an array of thought leaders, investors, academics, policymakers and entrepreneurs as they explore the cutting edge of Cleantech investment, entrepreneurship and innovation.
- Joined forces with the Cal-Nevada section of American Water Works Association in hosting the first Innovation Pavilion at the annual AWWA conference in Nevada. The pavilion showcased emerging technologies from startups, entrepreneurs and resources from Metropolitan's innovation community. Over 20 booths displayed various working models of technologies that have potential water-related applications.

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

Energy Efficiency Projects—Completed the retrofit of the roadway lights at Metropolitan's headquarters with LED lamps. All electrical issues discovered during the infrared thermography survey of the DVL Visitor Center have been addressed.

Our Legacy E-Newsletter—The second quarter newsletter, *Create a Wonderful and Green Holiday Season*, was distributed to all employees on October 16. The issue focuses on tips for minimizing the environmental impacts of the holiday season, such as increased waste and energy consumption.

Spring Green Expo—The annual Spring Green Expo will be held on April 28, 2016. New features planned for the 2016 Expo include:

- Water education activities for children attending the Expo with their parents
- Outreach to local high schools for students to visit the Eco Innovators Showcase and attend a workshop introducing them to World Water Forum grant opportunities available to college students

# BUSINESS TECHNOLOGY

CORE

## BUSINESS PROCESSES AND INFORMATION TECHNOLOGY continued...

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

- Metropolitan's Business Outreach program continued its support and partnership with the Asian American Architects and Engineers Association at the 38th Annual Awards. AAa/e is committed to providing a platform for empowering professionals in personal and professional growth, business development, and leadership in the community. This year's theme was Innovate. Transform. Sustain. Metropolitan's General Manager Kightlinger received this year's leadership award.
- Metropolitan was proud to participate in the 4th annual California Disabled Veterans Business Alliance Procurement Conference. The Alliance empowers and provides resources to disabled veterans to promote and support them in establishing, maintaining, and growing viable business enterprises. Over 500 veterans were in attendance, along with representatives from public agencies and private sector businesses.
- Metropolitan supported the San Diego Asian Business Association as it celebrated its accomplishments for the year and recognized outstanding individuals within the community. Staff introduced small businesses to opportunities at Metropolitan and promoted the Innovative Conservation Program. Director Yen Tu was awarded the Community Service Award.

Metropolitan staff participated in conferences/expos and connected with businesses to promote contracting opportunities at Metropolitan. Featured events and participants included:

- American Association of Blacks in Energy – Regional Conference, Las Vegas
- Regional Hispanic Chamber of Commerce – 2015 Small Business Conference, Long Beach
- Asian Business Association – Annual Awards, Hollywood
- Black Business Association – 12th Annual Procurement Exchange Summit, Los Angeles
- Lake Havasu Chamber of Commerce – 15th Annual Business Expo, Lake Havasu
- Construction Management Association of America – Owner's Night, Ontario
- Orange County Hispanic Chamber of Commerce – Small Business Conference, Costa Mesa

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

Painting of all accent walls at Metropolitan's Headquarters has begun. Floors 9 and 10 were completed in October and the remaining floors will be scheduled at two per month. All floors are expected to be complete by April 2016.

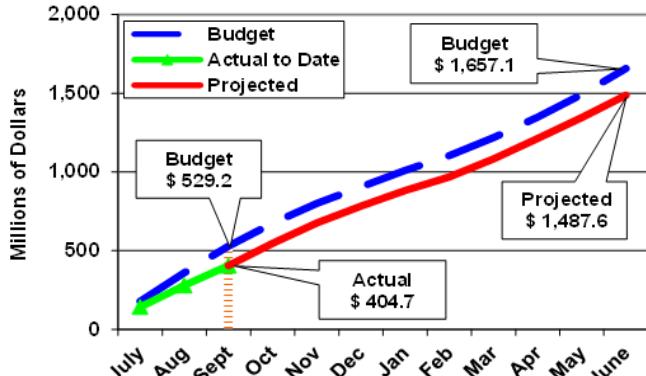
Simplify access to business information.

Procurement Training Academy—Staff selected the Articulate platform for the development of online training modules. Metropolitan is licensed to use the software and staff is trained to assist in the development and implementation process. This is a very cost-effective and efficient option for the new training program.

# CHIEF FINANCIAL OFFICER

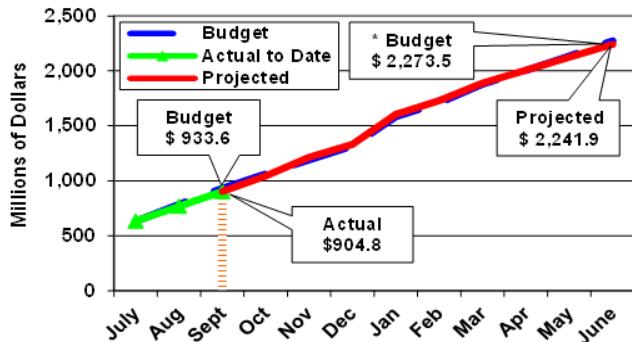
## FINANCIAL SUMMARY AS OF SEPTEMBER 30, 2015

Total revenues are expected to be \$170 million lower than budget at year end, mainly due to lower water sales.



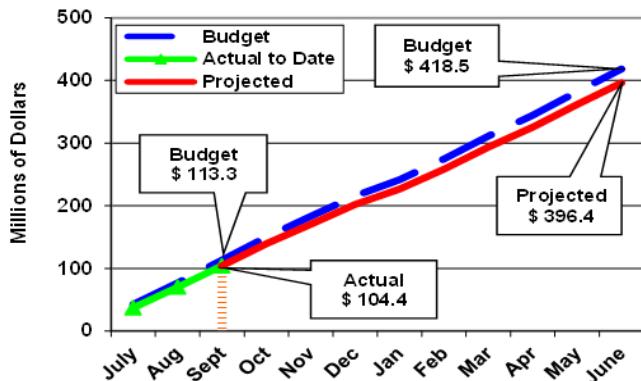
Excludes bond construction and other trust funds activity

Total expenses are expected to be \$32 million lower than budget by year end, mainly due to lower Capital Program and SWC expenses, and partially offset by higher supply program costs.

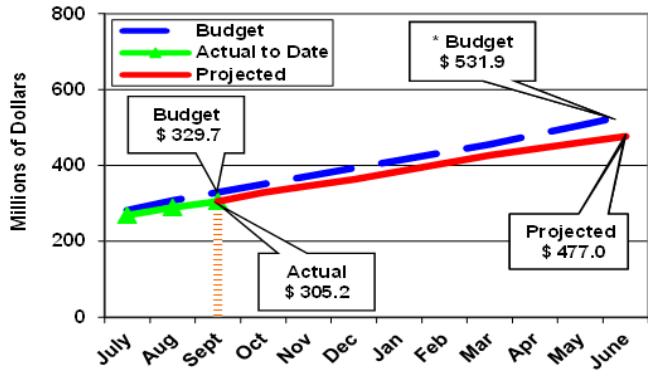


\* Includes \$310M, \$264M and \$8.8M Board-approved increases for Conservation, Riverside and Imperial County land purchase, and Water Supply Programs, respectively.

Metropolitan O&M expenses are expected to be \$22 million lower than budget at year end, mainly due to an effort to reduce controllable expenses by five percent.

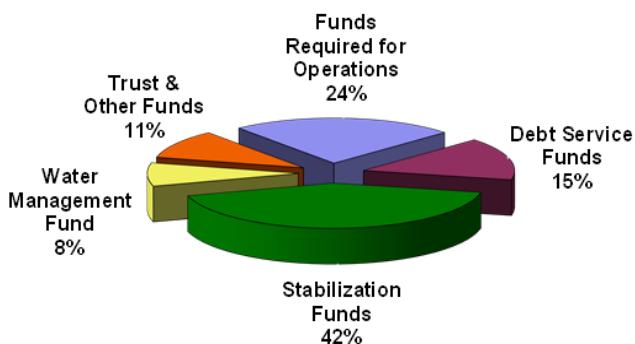


Capital Program expenses are expected to be \$55 million lower than budget by year end, mainly due to work prioritization and project rescheduling.



\* Includes \$264M Board-approved increase for Riverside and Imperial County land purchase.

### Cash and Investments at Fair Value \$ 1,006.6 million



### Summary Financial Statistics

	Year-End	Target	Projected
Fixed Charge Coverage	$\geq$	1.20 x	1.28 x
Revenue Debt Service Coverage	>	2.00 x	1.54 x
Revenue Bond Debt / Equity Ratio	<	100.0%	60.7%

### Credit Ratings

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

# CHIEF FINANCIAL OFFICER

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 were 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 operational and capital expenditures with no loss of principal and no policy violations, while generating a portfolio return that exceeded the benchmark.

CORE

## MANAGE FINANCES FOR LONG-TERM STABILITY AND SUSTAINABILITY

Minimize water rate increases, manage costs within the adopted budget, and strive to meet Board policies for all key financial ratios. To meet these objectives, Metropolitan will continue to focus on achieving cost reductions and efficiencies in all areas of its business with primary focus on staffing levels and capital program costs to ensure that these areas are sustainable and sufficient to meet long-term service area demand forecasts.

Effectively manage costs and communicate the results of Metropolitan's budget to meet Board policies and objectives.

Presentations were provided to the Finance and Insurance Committee on Metropolitan's FY 2014/15 Year-End Financial Review and FY 2015/16 Quarterly Financial Review.

STRATEGIC PRIORITY

## EMPLOYEE DEVELOPMENT

The proposed budget calls for Metropolitan to cease its managed attrition that has shrunk Metropolitan from 2,400 full-time employee positions to a current workforce of approximately 1,800.

Of significance to the Office of the CFO, a focus on increased planning, management, employee cross training, and employee development efforts will be needed to meet the challenge of increased retirements brought about by an aging workforce and to ensure continuity of services. Group staff will work to ensure that employees and managers are prepared to effectively carry out their roles as a result of changes in workplace business needs, technologies, as well as increased retirements.

Manage succession planning in preparation for anticipated retirements.

A training class on Project Planning was provided to interested Finance employees by Metropolitan's Human Resources Training Specialist.

## 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 Water System Operations 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:

- DVL Boat Ramp Extension—This project extends the boat ramp at the East Marina of Diamond Valley Lake, enabling boat launches to continue when the lake is at low level. Metropolitan force construction is 60 percent complete and scheduled to be complete by November 2015.
- Lakeview Pipeline Rehabilitation—This project installs a steel liner within the Lakeview Pipeline to strengthen the pipe and prevent water leakage. Preliminary design was completed in October 2015. A request to the Board to authorize final design is planned for December 2015.
- Lake Mathews Hydroelectric Plant Repairs—This project repairs the damaged concrete on the power plant building and forebay. Design is 85 percent complete and is scheduled to be complete by January 2016.

#### Right-of-Way and Infrastructure Protection Program

This program performs needed site improvements within the distribution system, including 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 enable system-wide improvements. Recent activities include the following:

- Orange County and Western San Bernardino County Operating Regions—Design of improvements is 65 percent complete and is scheduled to be complete by February 2016. The draft programmatic environmental impact report for the Orange County operating region was released for public review and comment. The public review comment period will close by the end of November 2015.
- Los Angeles County Operating Region—Preliminary design of improvements is 37 percent complete and is scheduled to be complete by February 2016.
- Riverside/San Diego County Operating Region—Preliminary design of improvements is 27 percent complete and is scheduled to be complete by February 2016.
- Colorado River Aqueduct Operating Region—Due to the unique needs and right-of-way considerations for the Colorado River Aqueduct, improvements within this region will be executed under a future stand-alone capital program.

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

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:

##### Diemer ORP

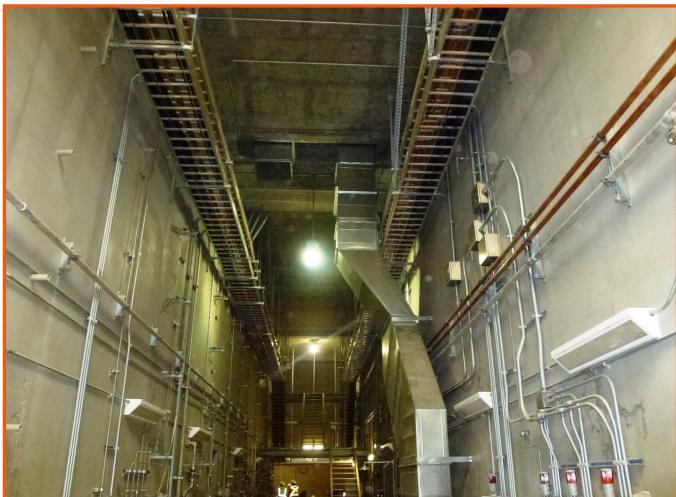
- Diemer ORP—Diemer South Slope Revegetation & Mitigation Improvements—Construction to re-vegetate the Diemer plant's south-facing slope is 60 percent complete and is scheduled to be complete by January 2016.

## INFRASTRUCTURE RELIABILITY continued...

### Water Quality/Oxidation Retrofit Program continued...

#### Weymouth ORP

- Main ORP Facilities—The Weymouth plant is the final facility to receive the ozonation process. Construction of the ozonation system is 85 percent complete and is scheduled to be complete by late 2016. The ozonation system will commence operation in 2017. (*see photo below*)
- ORP Chemical Upgrades—These chemical systems are needed for integration of the upcoming ozonation system into the plant's treatment process. Notice to Proceed was issued to the contractor in September 2015. (*see photo below*)



Weymouth ORP – Ozone contactor gallery



Weymouth ORP – Sulfuric acid tank farm

### Colorado River Aqueduct (CRA) Reliability Program

This program maintains the reliability of Metropolitan's CRA conveyance system. Recent activities include the following:

- Radial Gates Replacement—This project replaces eight corroded radial gates located along the CRA. The gates are used to dewater and isolate reaches of the canal. Design is 61 percent complete and is scheduled to be complete by June 2016.
- Eagle Mountain Pumping Plant Domestic Water Line Replacement—This project replaces deteriorated portions of the domestic water line. Construction is 90 percent complete and is scheduled to be complete by November 2015.
- 6.9 kV Switch House Building Seismic Upgrades—This project performs structural upgrades to the 6.9 kV switch houses at all five CRA pumping plants. Design is 30 percent complete and is scheduled to be complete by June 2016.
- Sump System Rehabilitation—This project rehabilitates the main and auxiliary sump systems at Metropolitan's five CRA pumping plants. The sump systems include parallel pumps and piping which circulate cooling water and collect drainage water from several sources. Design is 25 percent complete and is scheduled to be complete by April 2016.

**INFRASTRUCTURE RELIABILITY 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**

- East Washwater Tank Seismic Upgrades—This project upgrades the plant's east washwater tank to improve its ability to withstand a major seismic event. Construction is 95 percent complete and is scheduled to be complete by November 2015.
- Filter Rehabilitation—This project replaces the internal components of the plant's 48 filters, including the underdrains, media, launder troughs, and surface wash systems. Construction is 18 percent complete and is scheduled to be complete by May 2017.

**Skinner Plant**

- Administration Building HVAC System Replacement—This project replaces the Skinner Administration Building's heating, ventilating, and air conditioning system. Construction is 15 percent complete and is scheduled to be complete by March 2016.

**Jensen Plant**

- Washwater Tank Seismic Upgrades—This project upgrades the Jensen plant's two washwater tanks to improve their ability to withstand a major earthquake. Construction is 98 percent complete and is scheduled to be complete by November 2015.
- Module No. 1 Filter Valve Replacement—This project replaces 78 deteriorated filter valves within Module No. 1 with new AWWA-standard valves. Construction is 29 percent complete and is scheduled to be complete by November 2016.
- Solids Transfer System—This project enables Metropolitan to use four solids lagoons on the grounds of the Los Angeles Aqueduct Filtration Plant. The project installs 7,600 feet of solids transfer piping and a utility crossing structure across Bull Creek Channel. Construction is 95 percent complete and is scheduled to be complete by December 2015.
- LADWP Lagoon Refurbishment—This project rehabilitates four LADWP lagoons which will be used by Metropolitan. Construction is 45 percent complete and is scheduled to be complete by June 2016. *(see photo page 12)*

**Mills Plant**

- Chemical Unloading Facility Chlorine Containment—Construction of containment facilities is 53 percent complete and is scheduled to be complete by February 2017.
- Industrial Wastewater Handling Improvement—This project adds three 20,000-gallon wastewater storage tanks and a force main connection to the sanitary sewer system for safer and more efficient handling of the wastewater and to reduce the risk of an accidental release. Construction is 24 percent complete and is scheduled to be complete by April 2016.

## INFRASTRUCTURE RELIABILITY continued...

### Treatment Plant Reliability Program continued...

#### Diemer Plant

- Electrical Upgrades, Stage 2—This project replaces electrical equipment, improves backup capability, and upgrades the Diemer plant's electrical system to be consistent with current codes and industry practices. Construction is 79 percent complete and is scheduled to be complete by June 2016.
- East Filter Upgrades—This project upgrades the Diemer plant's east filters, including replacement of 127 deteriorated valves with AWWA-standard valves and seismic strengthening of the filter buildings. A construction contract was awarded in February 2015. Construction is 16 percent complete and is scheduled to be complete by November 2016. (*see photo below*)
- East Basin Rehabilitation—This project rehabilitates the aging mechanical equipment and its electrical and structural components inside the four east flocculation/sedimentation basins. Construction is five percent complete and scheduled to be complete by July 2017.



Jensen Plant LADWP Lagoon Refurbishment—New crushed rock layer for lagoon underdrain system



Diemer East Filter Upgrades—Removal of 48" drain valve from Filter No. 1

### Cost Efficiency and Productivity Program

This program provides economic savings through enhanced business and operating processes, and through reduced energy costs. Recent activities include the following:

- La Verne Solar Power Plant—This project constructs a 3-megawatt solar generating facility on the grounds of the Weymouth plant in La Verne. The solar power plant will hedge against projected increases and volatility in the price of electricity, and will enhance Metropolitan's long-term power use efficiency. Construction is 35 percent complete and is scheduled to be complete by May 2016.
- Yorba Linda Power Plant Turbine Replacement—This project on the grounds of the Diemer plant replaces the existing Pelton Wheel turbine with a Francis turbine capable of operating under post-Oxidation Retrofit Program hydraulic conditions. Manufacture of the turbine generator is complete and the equipment has been delivered to the site. Construction work includes plant modifications and turbine installation, commissioning and testing. Construction is 98 percent complete and is scheduled to be complete by November 2015.

**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.

- General Manager Kightlinger was a featured speaker at West Basin Municipal Water District's Water Issues and Drought Forum for Elected Officials. (October 14)
- Chairman Record addressed attendees at Metropolitan's Water Tomorrow public workshop. The event, which was webcast, provided a day-long opportunity to learn about the 2015 Integrated Regional Plan and engage with stakeholders in facilitated discussion on the future of Southern California's water supplies. (October 22)
- General Manager Kightlinger was interviewed for Studio Sacramento, a weekly public television series on KVIE. Topics included current and future water management policies, including water supplies, drought and Delta issues. The show aired beginning on October 23.
- General Manager Kightlinger spoke to the California Building Industry Association's Board of Directors meeting in Anaheim on the state of water in Metropolitan's service area, current conservation efforts, Water Tomorrow planning and support for the California WaterFix. (October 29)

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.

- Arranged interview with General Manager Kightlinger and New York Times reporter for a story about the success and effectiveness of Metropolitan's conservation rebates.
- Metropolitan staff participated on two Telemundo channel 52 Spanish-television regional issues programs, including a panel discussion with representatives from Los Angeles Department of Water and Power, National Resource Defense Council and California Water Alliance, to discuss drought and water conditions. (October 12)
- Arranged media inspection trip of the Colorado River Aqueduct, Diamond Valley Lake and Hoover Dam. Press contingent included eight reporters and photographers representing the Los Angeles Times, San Diego Union-Tribune, Associated Press, Riverside Press-Enterprise and Orange County Register. General Manager Kightlinger and Colorado River Resources Manager Hasencamp briefed reporters at Gene Camp about water supply issues on the river and the challenges of dealing with long-term drought in the basin. (October 14-15)
- Set up live interview with Metropolitan's Bill McDonnell and KNX radio to discuss Metropolitan's successful water conservation rebate program.
- Arranged interview with Colorado River Resources Manager Hasencamp and Bloomberg News reporter for a story about Metropolitan's water storage agreement with Southern Nevada Water Authority and impacts on Lake Mead.
- Provided information to Japanese-language TV station NHK about drought, Colorado River Aqueduct and conservation activities.

**Online Activities**

Participated in a CORO sponsored 24-hour hackathon on the role of art in shaping public awareness of water in Southern California. (October 19)

**EDUCATE THE PUBLIC AND STAKEHOLDERS ON CRITICAL WATER SUPPLY CONDITIONS AND CRITICAL WATER MANAGEMENT DECISIONS continued...**

Inform Southern Californians ... continued...

**Advertising and Outreach Campaign**

- The *Let's All Take a Turn* multilingual advertising campaign, in its fourth month, has now delivered 750 million impressions on TV, radio, digital and outdoor advertising, or roughly 40 times for every person in Southern California. Billboard advertising resumed for the month of October, and digital and social media will continue through the fall.
- Staffed an exhibit booth at the Eastern Municipal Water District's Save Water Workshop in Perris as part of the *Turn* campaign's outreach activities to promote awareness of water conditions and conservation. (October 17)
- Provided information to two documentary filmmakers, ARTE French/German TV network and Hyrax Films about *Turn* campaign billboards in Southern California for stories about drought and water conservation.
- Turn campaign and other posts on Facebook topped five million in September, the highest ever for Metropolitan's social media activities.
- More than 105,000 people visited the English and Spanish versions of bewaterwise.com for conservation tips and drought information, with nearly 80 percent who had not accessed the sites before.

Secure support for Delta conveyance improvements and habitat restoration projects to maintain State Water Project supplies, including any regulatory and/or legislative policies and funding needed to facilitate its implementation.

Metropolitan staff briefed the Building Industry Legal Defense Foundation during its annual Law and Policy Conference on California WaterFix and Metropolitan's upcoming Integrated Water Resources Plan. At the conference, the BILD Board of Directors reconfirmed their support for the California WaterFix.

Worked with member agencies and other organizations to submit letters supporting California WaterFix and California EcoRestore prior to the October 30 deadline for public comments on the project's Environmental Impact Report/Environmental Impact Statement.

**LEGISLATIVE, COMMUNICATIONS AND COMMUNITY RELATIONS**

- Develop near- and long-term solutions that enhance the Delta ecosystem, improve water supply reliability, and protect water quality.
- Participate in the State Water Resources Control Board (SWRCB) process considering petition for an additional point of diversion for new conveyance facility.
- Continue to work on efforts related to improving water supply reliability and protecting water quality.

Support Metropolitan's planning and operational objectives through communication and outreach to various stakeholders, including local government agencies and utilities and the Metropolitan workforce.

Participated in the Los Angeles County Office of Emergency Management workshop on emergency communications. (October 7)

# EXTERNAL AFFAIRS

CORE

## LEGISLATIVE, COMMUNICATIONS AND COMMUNITY RELATIONS **continued...**

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

### FEDERAL

General Manager Kightlinger and Deputy General Manager Zinke met in Washington, D.C. with Representatives Napolitano, Calvert, Lowenthal, Walters and Schiff in connection with promoting Metropolitan's priority federal policy objectives. (October 7)

General Manager Kightlinger testified before the Senate Energy and Natural Resources Committee on S. 1984, the California Emergency Drought Relief Act of 2015 (Feinstein, D-CA), and H.R. 2898, the Western Water and American Food Security Act of 2015 (Valadao, R-CA). Kightlinger also attended a Senate Energy and Natural Resources Subcommittee on Public Lands legislative hearing on S.414, the California Desert Conservation and Protection Act of 2015 (Feinstein). Staff worked with Feinstein's office to ensure Metropolitan facilities and operations are not impacted by proposed designation. (October 8)

Attended the House Natural Resources Subcommittee on Water, Power and Oceans legislative hearing in consideration of H.R.1294, legislation to amend the San Luis Rey Indian Water Settlement Agreement (Hunter, R-CA). (October 28)

### STATE

Governor Brown met his October 11 constitutional requirement to act on the 640 measures passed by the Legislature in the closing days of the 2015 legislative year. One of the bills, AB 401 by Assembly Member Dodd (D-Napa), directs the State Water Resources Control Board and Board of Equalization to develop a plan for establishing and funding low-income water rate assistance programs. The governor noted his plans to work with the Legislature and stakeholders next year to address Proposition 218, which he called "the biggest impediment to public water systems being able to implement low-income rate subsidy programs."

The governor signed AB 1095 by Assembly Member Garcia (D-Coachella) and announced a series of measures to help protect Salton Sea habitat and air quality in nearby communities, including restoration of 12,000 acres of shoreline habitat and up to 25,000 acres of additional exposed shoreline, and convening a scientific advisory committee. Another measure, AB 1095, will identify "shovel-ready" restoration projects at the Salton Sea.

On last day of session, 47 members of California Assembly urged the governor to convene a special session to respond to drought conditions. Noting forecasts calling for record-strong El Niño, the letter urged Governor Brown to expedite water storage, flood control and groundwater recharge projects.

### LOCAL

- Directors Abdo, LeFevre, Peterson, and Wunderlich, together with Metropolitan management and member agency staff, met with Congressman Ted Lieu to update him on the drought, water supply challenges, and actions agencies are taking to conserve supplies while meeting demand. (October 2)
- Communications and Legislation Committee Chair Kurtz, Metropolitan staff, and representatives from Central Basin and Los Angeles Department of Water and Power briefed Assembly Member Miguel Santiago (D-AD 53th) on drought conditions, water supply conditions and California WaterFix/EcoRestore developments. (October 5)

# EXTERNAL AFFAIRS

CORE

## LEGISLATIVE, COMMUNICATIONS AND COMMUNITY RELATIONS continued...

Federal, state and local water policy and legislative strategies continued...

- Directors Ackerman, McKenney, Kurtz, Touhey and Vasquez attended, and Metropolitan sponsored, the South Gate Chamber of Commerce's State of the Region event featuring Assembly Speaker-elect Anthony Rendon and Senator Isadore Hall. Approximately 200 local business and community leaders heard the Assemblyman outline his goals for the region when he assumes the role of Speaker. Vice Chair Ackerman provided opening comments. (October 16)
- Metropolitan sponsored and participated in a Community Leaders Briefing for Assembly Member Patty Lopez that provided information on water conditions, conservation, groundwater, sustainability and the impact of the drought on agriculture. Other participants included the Los Angeles Department of Water and Power, California State University, Northridge and the Ventura County Farm Bureau. (October 30)

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.

- Directors Atwater and Morris participated in a panel discussion and Metropolitan sponsored the American Society of Civil Engineers conference on Infrastructure Advocacy for the 21st Century in California. (October 2)
- Directors Gray, Murray, and Touhey attended, and Metropolitan was a major sponsor and participant at, the 10th Annual Taste of Soul community event in Los Angeles. Metropolitan's booth was co-located with other agencies in a water pavilion to provide a full range of information on conservation, rebates and water issues and assistance to thousands of people at the event. (October 17)
- Directors Morris, Atwater, and staff attended, and Metropolitan sponsored, CORO's Annual Water + Sustainability Conference. (October 20)

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

- Arranged interview with Los Angeles Times and KNX radio for stories about potential federal tax ramifications with turf removal rebates.
- Arranged interview with Water Resource Management Group Manager Upadhyay and Sacramento Bee reporter for a story about the possible impacts to Metropolitan and Southern California of a strong El Niño.
- Set up interview with Chief Financial Officer Breaux and Bloomberg News reporter to discuss possible funding sources, such as municipal bonds, to pay for construction of potential water recycling project with the Los Angeles County Sanitation Districts.
- Arranged interviews with Assistant General Manager/Chief Operating Officer Man and Engineering Services Group Manager Johnson, and reporters representing KPCC radio, Los Angeles Times and Orange County Register to discuss proposed water recycling project.

### Community Partnering Program

Metropolitan helped sponsor and staff exhibit booths at six events in October: the American Society of Civil Engineers Infrastructure conference; the Long Beach Partners of Parks Native Plant event; CORO Water + Sustainability Conference; the Los Angeles Literature Crawl; the West Basin Municipal Water District Harvest Festival; and the San Diego Industrial Environmental Association conference.

# EXTERNAL AFFAIRS

CORE

## LEGISLATIVE, COMMUNICATIONS AND COMMUNITY RELATIONS continued...

Provide public outreach ... continued...

### Press Releases

- Issued two press releases for the public workshop on Water Tomorrow, providing information about the public's opportunity to learn about and participate in the Integrated Water Resources Plan update and an online collaboration, Innovation Games.
- Issued press release about the launch of the fourth Southern California World Water Forum, drawing attention to the workshop and webinar at Metropolitan.

### Presentations and Community Outreach

- Staff participated in the Los Angeles Area Chamber of Commerce's annual Access LA City Hall. (October 7)
- Made presentation on the water supply and drought issues at the Harbor Association of Industry and Commerce (October 8) and the Southern California Contractors Association. (October 14)
- Staff spoke on the Integrated Resources Plan, water supply and drought issues at the International Right of Way Association's Fall Education Seminar. (October 16)
- Metropolitan and member agency staff participated on a water panel at the Valley, Industry and Commerce Association's annual Business Forecast Conference. (October 16)
- Metropolitan presented before the International Right-of-Way Association on water management issues, local water supply and weather conditions and conservation programs. (October 16)
- Sponsored and attended the Water Conservation Garden Enchanted Gala in El Cajon, CA. (October 17)
- Staff participated in the United Chambers of Commerce's Annual Mayor's Luncheon, which featured Los Angeles Mayor Eric Garcetti. (October 20)
- Sponsored and attended the Los Angeles Sustainability Collaborative Annual Awards event. (October 25)
- Sponsored and attended the San Diego Coastkeepers annual event. (October 28)
- Metropolitan sponsored and Chairman Record, Directors Peterson, Morris and staff attended the Southern California Water Committee annual meeting featuring NBC4 Weathercaster Fritz Coleman. State Water Resources Control Board chair Felicia Marcus was also honored at the event. (October 29)
- Staff participated in the 31st Annual Industrial Environmental Association's conference and provided information on current and future water management and supply issues. (October 30)
- Staff discussed drought, climate change, and El Niño with elected officials and regional water leaders at the Riverside County Water Task Force meeting. (October 30)

Coordinate with member agencies to advance Metropolitan's interests and Board-adopted policies.

- Met with member agency managers to discuss water supplies, Colorado River and Bay Delta issues, drought management, conservation program and the Integrated Resources Plan. (October 16)
- Convened planning meeting for member agency legislative coordinators on federal and state legislative activities and proposed 2016 legislative priorities. Debbie Davis-Franco, community and rural affairs advisor with the Governor's Office of Planning and Research, made a presentation on the affordable water quality initiative. (October 22)

## EXTERNAL AFFAIRS

CORE

### LEGISLATIVE, COMMUNICATIONS AND COMMUNITY RELATIONS continued...

Provide a suite of educational products and programs that promote conservation behaviors and critical thinking of the water issues facing Southern California.

World Water Forum Program—Director Morris made welcoming remarks to attendees at the World Water Forum College Grant Program kick-off event. The program is co-sponsored by Metropolitan, the U.S. Bureau of Reclamation, the Sanitation Districts of Los Angeles County, Friends of the United Nations and Water for People. U.S. Representative Grace F. Napolitano (D-Norwalk) and U.S. Representative Ken Calvert (R-Corona) are serving as honorary co-chairs for this cycle of the program. (October 16) ([see photos below](#))

General Education—Staff supported various events/activities throughout the month, which included:

- Early Childhood Symposium at the California Science Center,
- Drought Seminar at Fullerton College,
- Pre-K Directors Conference,
- Early Childhood event with BWB Solutions, and
- Girl Scout Troop learning activity.

Throughout the month the Education Unit directly interacted with over 2,400 students and teachers.

Education staff served over 400 students at the Thompson Middle School First Annual Eco Fair in Murrieta.

Diamond Valley Lake Education Program—Education staff conducted three teacher workshops for close to 70 teachers in partnership with the Eastern and Western Municipal Water Districts Docents, and staff at the Visitor Center hosted 300 guests.



Students from colleges throughout the region attended the event to learn more about the World Water Forum Program.



**EMPLOYEE DEVELOPMENT**

This strategic priority focuses on ensuring employees have the tools necessary to meet current job and future responsibilities to support Metropolitan's goals.

Foster learning and development to expand internal talent pool.

- Launched the second cohort of the 10-month Water System Operations Management Academy to develop and expand the internal pool for potential management candidates.
- The second cohort of 18 employees in the Water Leadership and Management certificate program co-taught by California State Polytechnic University, San Luis Obispo and California State University, Los Angeles was kicked off on October 9.
- The Augmented Leader Series of classes presented by University of California, San Diego's Rady School of Management began on October 8 at Metropolitan's Headquarters building. All these classes qualify for the tuition reimbursement program and are taken on the employees' own time.
- Classes delivered this month includes: Full-day *EXCEL Intermediate* workshop, two-hour modules of *WORD, EXCEL and PowerPoint, Speaking with Confidence, Integrated Budget Management System Overview, Everyday Business Writing*, two sessions of *Project Management Essentials*, and two sessions of *Success Signals-Communication Styles at Work*.
- Supported Career Launch efforts in Engineering Services by facilitating Success Signals and Influencing without Authority learning modules.

Acquire talent.

During the past month HR processed 24-filled positions. The use of technology continues to reduce costs and aid in the recruitment process. For example, the increased use of Skype and phone interviews has reduced travel expenses.

Foster management excellence.

Continued to provide coaching, change-management and team building support through internal staff and external consultants to seven managers and their teams.

**HUMAN RESOURCES EXCELLENCE**

Foster Human Resources Excellence with innovative and efficient processes that attract, hire and develop staff. Also, ensure Metropolitan is a high-performance workplace with excellent leadership and management practices.

Foster a high-performance culture.

Staff attended Chief Learning Officer Symposium to gain a better understanding of the latest in learning technologies, methodologies, and challenges in people development.

Manage job classifications

Worked with management to revise minimum requirements of classifications based on a newly developed, internally provided, training program.

## **HUMAN RESOURCES EXCELLENCE continued...**

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

- During the month of October, the Employee Relations Section continued to take the lead in MOU salary negotiations with Metropolitan's bargaining units. A final bargaining proposal consistent with Board parameters was presented to the bargaining units.
- Attended Annual California Public Employees Labor Relations Association training conference to gather up-to-date knowledge on public sector labor relations.
- Equal Employment Opportunity Investigations responded to three outside agency complaints of discrimination that were filed with the Equal Employment Opportunity Commission; one of which was successfully resolved. EEO staff is continuing work on one internal complaint of discrimination.

Manage total compensation benefits.

- HR Benefits conducted Open Enrollment Site visits to most Metropolitan locations providing one-on-one individual consultations to assist employees with their health and voluntary benefit questions and make their online election changes using MyHR (PeopleSoft Self-Service).
- Working with Metropolitan's new deferred compensation record keeper, HR Benefits has coordinated and scheduled several dates to offer and provide onsite individual financial consultations to employees at various worksites. These consultations will continue with quarterly site visits to all locations.
- Provided data, documents and information as requested to California Public Employees Retirement System Auditors for a Member Earnings and Retirement Enrollment audit.

Manage Human Resources Information Systems.

Open enrollment processing within the MyHR system was finalized, which allows Benefits staff to work with insurance providers to make all necessary changes by January 1, 2016.

Manage risk.

- The Risk Management Unit completed 39 incident reports communicating instances of Metropolitan property damage, liability, workplace injuries, regulatory visits and spills.
- Risk Management completed 45 risk assessments on contracts, including professional service agreements, construction contracts, entry permits, special events and film permits.

Control leave and disability costs.

- Conducted initial investigations on 10 injury incidents.
- Submitted 4 new claims to Metropolitan's workers' compensation claim administrator.
- Settlements were negotiated in 2 claims, and 6 claim files were closed.
- Conducted quarterly file review with Metropolitan's workers' compensation claim administrator.
- Conducted MedVan evaluations at Hinds, Eagle Mountain, Iron Mountain and Gene facilities.
- Arranged 15 medical evaluations (DMV, medical surveillance, hearing conservation, etc.).
- Coordinated random drug/alcohol tests at 2 facilities.
- Addressed 1 accommodation issue.

# REAL PROPERTY DEVELOPMENT AND 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.

Seek revenue-generating opportunities continued.

- An existing license issued to City of Perris was amended to increase the acreage for passive park purposes along a portion of the Colorado River Aqueduct right of way.
- An existing entry permit issued to City of Temecula was amended to extend the term to allow temporary construction activities for street improvement in association with the city's Western Bypass Bridge project. A license was issued to allow for use of the recently acquired residential property adjacent to the F. E. Weymouth Water Treatment Plant in the city of La Verne. Relocation benefits allow up to 90 days after close of escrow for a property owner to find a replacement property.
- An existing lease with Urban Park Concessionaires was amended to suspend the rent and fees due to reduced lake elevations at Diamond Valley Lake.
- A three-day film industry entry permit was granted to CBS TV to film scenes in various areas of the Joseph P. Jensen Water Treatment Plant for the television series *Scorpion*.
- An existing lease with Nextel of California was amended to extend the term an additional five years. This telecommunications equipment is located on Wash Water Tank No. 2 at the F. E. Weymouth Water Treatment Plant.

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.

Total visitors to the DVL Marina continued to decline as a result of low elevations and the private boat launch suspension effective May 2015. The lake elevation is at 39 percent of capacity. In the first four months of the FY2015/16, Diamond Valley Lake had 4,246 visitors, a drop of 54 percent from the same period in the previous year, and 79 percent from years when the lake capacity ranged from 70-100 percent. Rental boats are available and the DVL trail system remains open to the public.

Construction continues on the DVL Marina 50' ramp extension. Metropolitan forces began the concrete work, with rip-rap placement and installation of support cables to secure floating docks remaining. Project completion is anticipated in November.

Real Property Development and Management Group staff assisted External Affairs in hosting an on-water media tour.

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

- Staff provided market data research and completed a rental survey in support of the Washington, DC office lease renewal.
- Staff provided property research, valuation, and planning support to the proposed Recycled Water Supply Program.
- 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.

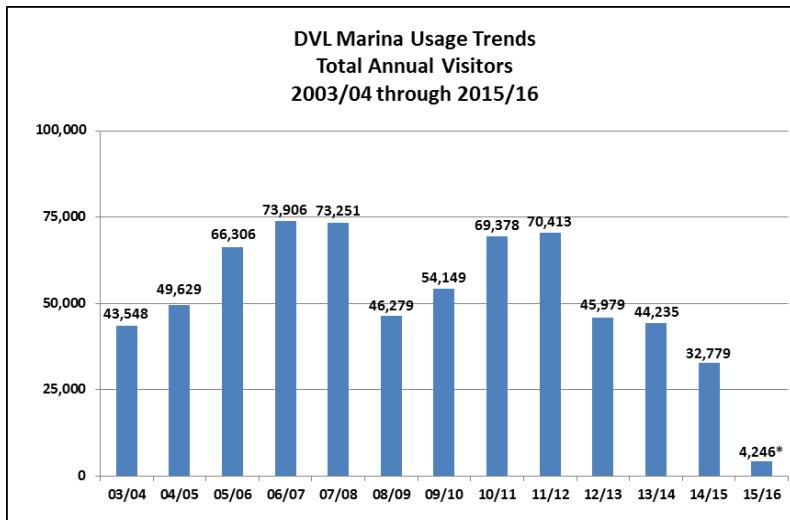
# REAL PROPERTY DEVELOPMENT AND MANAGEMENT

CORE

## REAL PROPERTY ACQUISITION, MANAGEMENT AND REVENUE ENHANCEMENT continued...

Evaluate additional use and rental of Metropolitan Headquarters building space.

An entry permit was issued to Altamed Health Services Corporation for use of parking spaces at Metropolitan's Headquarters Building for an event being held at Union Station. The entry permit also allowed for use of Metropolitan's courtyard area in conjunction with the event.



\*Actual thru October 2015  
(FY2015/16 projection is 31,000)

# WATER RESOURCE MANAGEMENT

STRATEGIC  
PRIORITY

## LOCAL PROJECTS AND INTEGRATED RESOURCES PLAN UPDATES

In late 2014, Metropolitan adopted a new Local Resources Program (LRP) to encourage the development of additional supplies within the region. Staff intends to monitor progress under this new LRP through fiscal year 2015/16 to see if additional recommendations are necessary to meet the regions long-term supply needs. Metropolitan's Integrated Resources Plan was adopted in 2010 and will be updated in 2015 with new resource targets.

LRP Application—Staff continues to meet with member agencies and sub-agencies to discuss the LRP and help them with the application process for their proposed projects. This month, staff met with Central Basin MWD to assist them with LRP application for proposed expansion to their existing water recycling project. Staff also met with Pasadena Water and Power to assist them with the LRP application process for their proposed first recycled water project.

LRP Update—Staff made a presentation on the LRP at the *American Water Works Association Annual Fall Conference 2015*. The presentation highlighted the LRP success in doubling the recycled water and groundwater recovery production in the region. Staff also provided an update on 2014 LRP refinements that increased LRP incentive to \$340/AF with three payment structure options.



## WATER RESOURCE MANAGEMENT



STRATEGIC  
PRIORITY

### LOCAL PROJECTS AND INTEGRATED RESOURCES PLAN UPDATES continued...

On-site Retrofit Pilot Program—Under the On-site Retrofit Pilot Program, Metropolitan has committed to provide about \$5.6 million for converting 5,655 acre-feet of potable water to recycled water at 171 sites including schools, parks, golf courses, cooling towers, and one ice rink.

CORE

#### WATER SUPPLY

Develop and execute water resource strategies that achieve the long-term reliability envisioned in the Integrated Resources Plan (IRP). Efforts include the negotiation and management of supply, storage, and water use efficiency programs, administration of imported supply contracts, development of new water resource policy recommendations in support of the IRP, collaborative planning with member agencies, and forecasting resource and facility needs.

Ensure cost-effective and reliable imported water supplies.

Diversion of Colorado River Water—Metropolitan submitted to the Bureau of Reclamation its proposed 2016 initial estimate of diversion of Colorado River water and Part 417 questionnaire. A meeting with Reclamation took place on October 15 to discuss the documents and receive preliminary approval.

Imported Alaskan Water—at the request of Congresswoman Hahn, staff participated in a meeting to learn more about a potential proposal to ship Sitka, Alaska water to Southern California to improve reliability. Staff provided information on Metropolitan’s demands, the region’s local supplies, and current cost of water.

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

CalDesal Conference—in early October, Metropolitan sponsored CalDesal’s fourth annual conference. The conference theme was *Desalination and Salt Management, California’s Next Water Frontier*. Panel topics included new regulations and technologies for seawater desalination, salinity control strategies, brackish groundwater desalination, and the importance of reliable supplies to the business community.

Streamline approvals for future Sacramento Valley water transfers.

Water Transfer Discussion Panel—Staff participated in a water transfer panel discussion convened by the Delta Stewardship Council. Other panelists included representatives from the California Department of Water Resources, State Water Resources Control Board, environmental groups, Sacramento Valley sellers, and San Joaquin Valley buyers. Metropolitan’s testimony focused on: (1) informing the Council about the existing, significant regulatory oversight for water transfers; and (2) explaining how adding additional council regulatory oversight would be an impediment to implementing water transfers.

# WATER RESOURCE MANAGEMENT

CORE

## WATER SUPPLY continued...

### Implement the Conservation Program effectively

Conservation Program Request for Proposals—Staff issued two RFPs related to the Conservation Program. An RFP for the Large Landscape Survey Program, which seeks respondents who can provide qualified landscape irrigation auditors for irrigation system surveys at non-residential sites located in Metropolitan's service area. A second RFP is for Residential Turf Removal Training, this RFP seeks respondents who can develop new curriculum and provide training for do-it-yourself residential turf removal.

Los Angeles County Sanitation Districts Industry Advisory Council Update—Staff gave a presentation to the Los Angeles County Sanitation Districts Industry Advisory Council. The presentation discussed the current status of the drought, and what the state, cities, Metropolitan, and other water agencies are doing to help conserve water. The presentation included examples of what industries have done to conserve water.

Community Outreach—Staff continued to promote conservation efforts throughout the state by presenting at multiple events. This month staff presented at the WaterSmart Conference in Las Vegas, West Basin's Water Issues and Drought Forum for Elected Officials, the School Facilities Planning and Financing Workshop, and Green California Schools and Community Colleges Summit and Exposition.

Staff participated in a seminar in Long Beach entitled *California Water Challenges: Risks & Opportunities*. The seminar was sponsored by Ecolab/NALCO and addressed the challenges posed by California's drought-related mandates. Staff gave a presentation on the status of the drought and what Metropolitan and its member and retail water agencies are doing to help conserve water.

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

Wave Powered-Desalination—Staff met with representatives from Sentry Financial Corporation and Teledyne Brown Engineering to discuss wave-powered desalination as an emerging technology. Wave-powered energy production and desalination is an area of active research both in the United States and internationally, with several promising technologies nearing commercialization. Wave power has the advantage of potential higher reliability than solar or wind. Earlier this year, an Australian company successfully demonstrated wave-powered desalination and power production at a military base near Perth, Australia. Likely near-term applications for the technology include providing water and power to remote and off-grid coastal locations. Next steps include continuing the information exchange with the Sentry/Teledyne on the technology, capabilities, costs, water quality, and other basic parameters.



#### 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.

Storage	As of 10/31/15	% of Capacity
DVL	317,512 AF	39
Lake Mathews	133,330 AF	73
Lake Skinner	32,062 AF	73

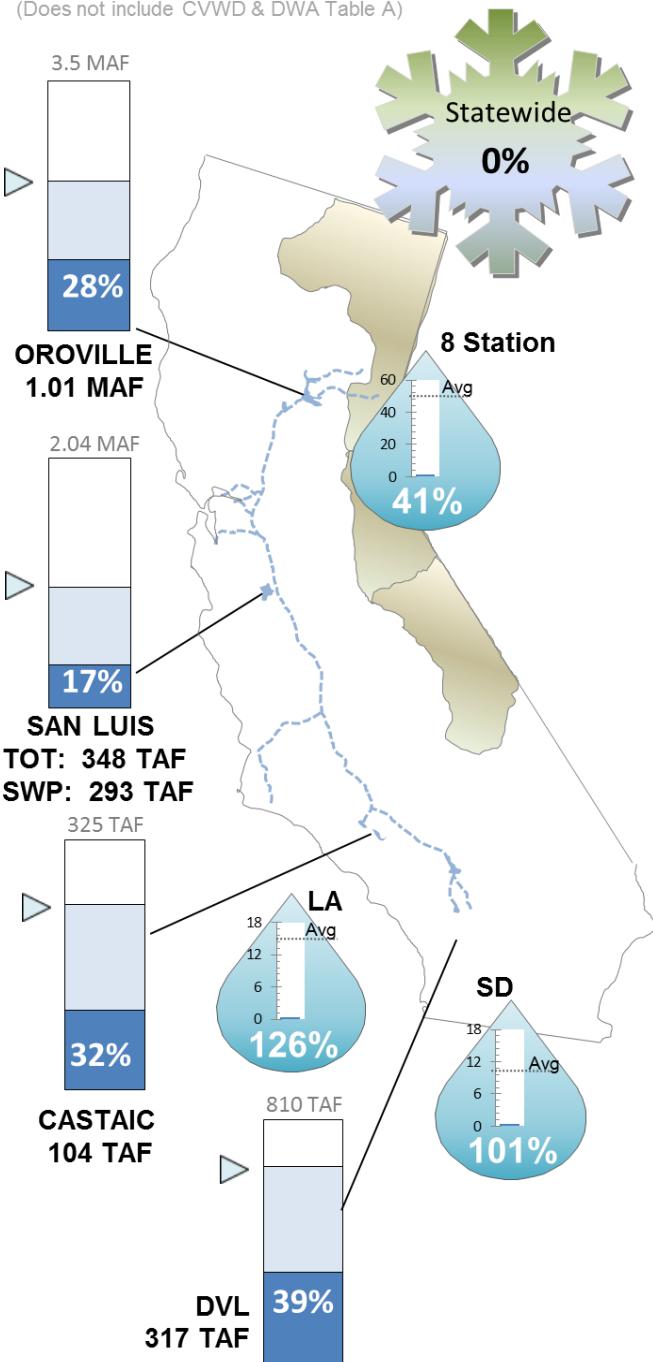
# WATER SUPPLY CONDITIONS as of October 31, 2015

## 2015 SWP Allocation

382,300 AF

20% of Table A

(Does not include CVWD & DWA Table A)

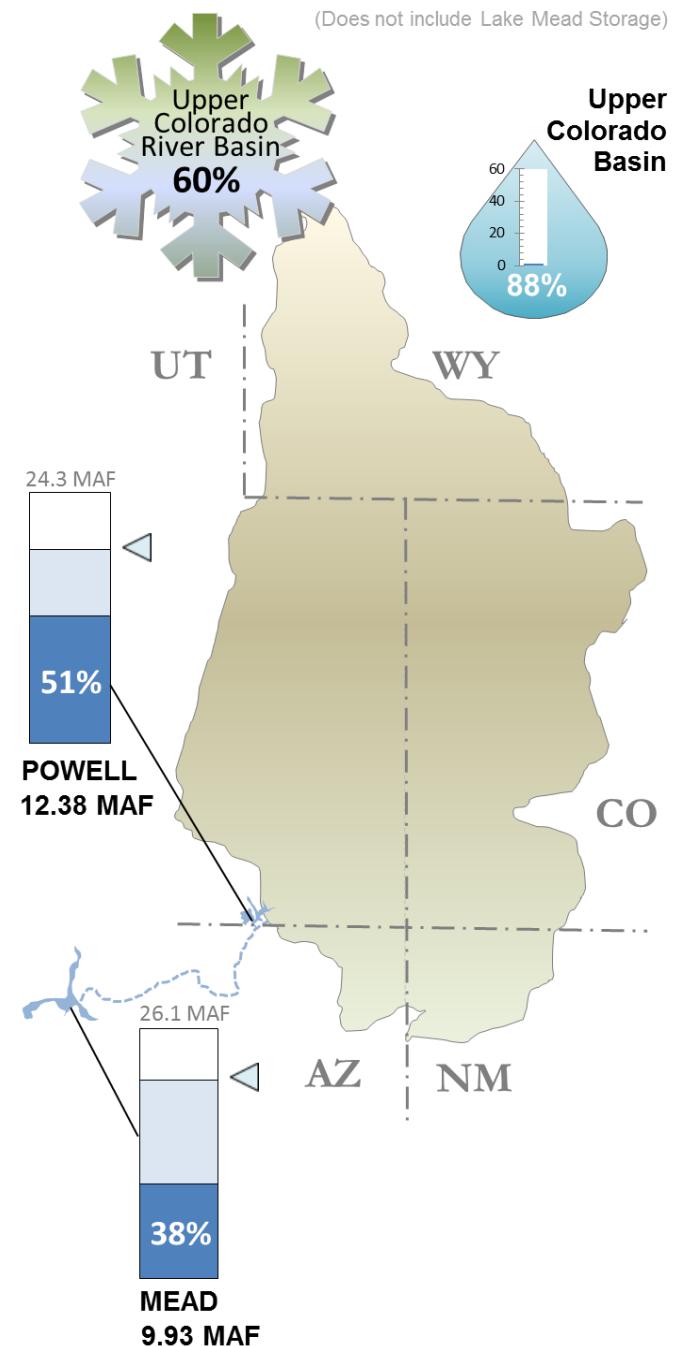


## 2015 Colorado River

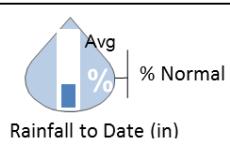
925,000 AF

74% of full CRA

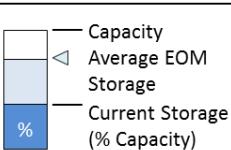
(Does not include Lake Mead Storage)



Regional  
Snowpack



Avg  
Rainfall to Date (in)  
% Normal



Capacity  
Average EOM  
Storage  
Current Storage  
(% Capacity)



# WATER SYSTEM OPERATIONS

## CORE

## PROVIDE RELIABLE WATER SUPPLIES

System Operations delivered approximately 131,000 acre-feet of water to meet member agency demands in October, which averaged approximately 4,220 AF per day. Treated water deliveries for October totaled 62,000 AF, or 47 percent of total deliveries for the month. Due to increased conservation and rising storage in Lake Mathews, the Colorado River Aqueduct transitioned to a seven-pump flow in the middle of month. Year-to-date CRA diversions are 979,000 AF with 99,000 AF delivered in October. State Water Project imports averaged 1,450 AF per day or 45,000 AF for the month. This was an increase of 4,000 AF from September. System Operations continued the strategy of minimizing the use of SWP water wherever possible. For the month of October, the use of SWP water accounted for 35 percent of Metropolitan's deliveries.

Storage at Diamond Valley Lake remained the same at 317,000 AF or 39 percent full. The Inland Feeder deliveries remained at zero for the month of October. SWP blends to the Weymouth, Diemer, and Skinner plants remained at zero percent due to the low SWP allocation of 20 percent. The Greg Avenue pump station remained on-line for the month of October. By the end of the month, the pumps at Greg Avenue had delivered 34,800 AF of CRA water to the western side of Metropolitan's distribution system since the beginning of the year. The pumps at Greg Avenue have accounted for 32 percent of the Sepulveda feeder year-to-date deliveries.

System Operations continued to maximize power generation throughout the month. In October, Metropolitan's hydroelectric plants generated an average of 15.8 megawatts per hour for 11,800 megawatt-hours for the month.

## CORE

## OPTIMIZE MAINTENANCE

Staff continued the system-wide coatings program aimed at preventing corrosion and extending the life of pipelines and infrastructure. Coating projects completed this month included structures on the East Orange County Feeder No. 2, San Diego Pipelines Nos. 1, 2, and 3, and internal coatings on fittings adjacent to the large butterfly valves at the Perris Control Structure. Additionally, staff made minor mortar lining repairs at the San Dimas hydroelectric plant.

Field crews perform preventive maintenance on large valves across the distribution system to ensure reliability and longevity of these critical infrastructure components. Some repairs and maintenance require removal of valve components and transportation to the La Verne Shops for work that cannot be accomplished on-site. Staff removed a 30-inch conical plug valve operator on the Upper Feeder to address internal wear. The operator was able to be removed without requiring a shutdown of the pipeline. (*see photo right*)



Staff loading and securing the operator for a 30-inch valve for transportation to the La Verne Shops

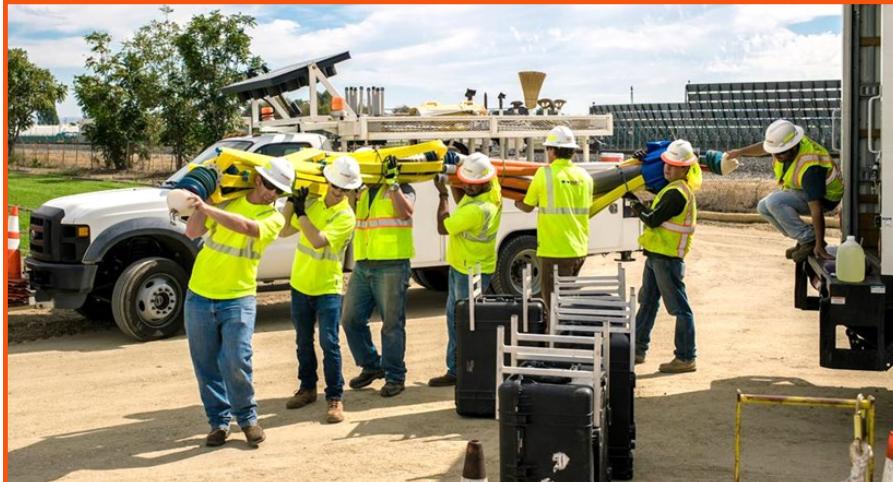
# WATER SYSTEM OPERATIONS

CORE

OPTIMIZE MAINTENANCE continued...

Staff completed inspection of a 10-mile section of prestressed concrete cylinder pipe (PCCP) on the Sepulveda Feeder stretching from Van Nuys to the Sepulveda Pressure Control Structure in West Los Angeles. PCCP inspection normally requires complete dewatering of a pipe to allow a crew to travel through the pipe with specialized electromagnetic inspection equipment that looks for distressed pipe segments. To avoid dewatering of large pipelines for inspection during this time of drought, staff tested a new pipe inspection technology. The inspection device is a free-swimming, neutrally-buoyant device with spring-loaded fins to center it within the pipe.

This device, once inserted, travelled with the water flow through the pipe and performed the same type of electromagnetic testing as the dry units. The unit was tracked as it moved along the pipe and was removed at a downstream valve location. The recorded testing data was downloaded into a computer for analysis. Performing this type of inspection with the pipe full saved labor hours for approximately 20 staff that would have been necessary to support a full shutdown and dewatering of the pipeline. (*see photos below*)



(above) Pipe inspection device during staging for insertion into the pipeline on the Sepulveda Feeder. (right) Pipe inspection device being lowered into the pipeline on the Sepulveda Feeder .

The La Verne Shops refurbished the pump shaft and impeller assembly for the California Department of Water Resources' Oso Pumping Plant Unit No. 3. The work consisted of taking critical measurements, inspecting the assembly, polishing the bearing journal, coating all water contact surfaces with a corrosion-resistant epoxy, and balancing the complete assembly.

# WATER SYSTEM OPERATIONS

CORE

**OPTIMIZE MAINTENANCE continued...**

This month, staff placed concrete for the 61-feet by 50-feet ramp extension of the existing board ramp at Diamond Valley Lake. Additional construction activities include the installation of support cables to secure the floating docks, and the placement of rip-rap to protect the ramp extension. This new ramp will provide safe access for boaters during periods of lower lake elevations. (*see photos below*)



Diamond Valley Lake boat ramp extension.



Staff utilizing special concrete finishing tools to create V-grooves for traction in the ramp at the East Marina.

Staff began preparations for the installation of a flow meter in the canal connecting the Diamond Valley Lake Forebay and the San Diego Canal. Staff installed a new Doppler flow meter that will provide flow measurement and water level indication to optimize system operations. (*see photo below*)



Connection between Wadsworth pumping plant and San Diego Canal where Doppler flow meter (inset) was installed.

Staff performed maintenance at two hydroelectric plants. This maintenance cleaned, inspected, and tested generators and power distribution equipment to ensure continued reliable operation. (*see photo below*)



# WATER SYSTEM OPERATIONS

## CORE

## IMPROVE SECURITY AND EMERGENCY RESPONSE

Staff continued to work with representatives from the Inland Empire Utilities Agency, the San Diego County Water Authority, and the Eastern, Western, and Three Valleys Municipal Water Districts to design one of Metropolitan's largest emergency exercises to date. The *Desert Shake* exercise took place on November 4, and simulated a large earthquake near the San Andreas Fault in Southern California. A multi-agency Exercise Design Team has been meeting for the past five months to jointly develop this emergency response and recovery exercise. The *Desert Shake* scenario is based on information from Metropolitan's recent vulnerability study, as well

as other seismic research, and tested new emergency management technologies and partnerships.

On October 6, staff conducted a transfer of system-wide operational control from the Operations Control Center control room in Eagle Rock to the Mills water treatment plant in Riverside. The purpose of the test was to prove the feasibility of quickly relocating the Operations Control Center to another facility. The Operations Control Center remotely controls about 90 percent of Metropolitan's distribution system. The ability to operate Metropolitan's system from alternative locations greatly improves system resiliency.

## CORE

## PROTECT SOURCE WATER QUALITY

On October 6-7, Metropolitan staff and representatives from the California Department of Water Resources and other State Water Contractors attended the annual Municipal Water Quality Investigations meeting held at the Castaic Lake Water Agency in Santa Clarita. Participants discussed State Water Project water quality and operational issues, security concerns, and challenges under current drought conditions. In addition, participants visited key locations along the SWP east branch

## CORE

## MANAGE THE POWER SYSTEM

Metropolitan submitted greenhouse gas allowances to the California Air Resources Board in compliance with Cap-and-Trade regulations. The allowances covered the greenhouse gases associated with the electricity Metropolitan imported into California to help satisfy the energy demands of the Colorado River Aqueduct pumps. This is the first time Metropolitan has submitted allowances to CARB and satisfied Metropolitan's obligation for electricity imports in 2014. The value of the submitted allowances was approximately \$2.8 million.

## 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 2015.

# WATER SYSTEM OPERATIONS

## 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 2014 through August 2015 were 636, 639, and 588 mg/L for Weymouth, Diemer and Skinner plants, respectively.

Staff replaced two pumps in the 180-foot deep stilling well in the Magazine Canyon Shaft on the Foothill Feeder. This completed the overhaul of the oil/water separation process after having been in operation for over 25 years protecting influent source water for the Jensen plant. The system removes and separates crude oil that naturally seeps into the feeder through a half-mile section of the 20-foot diameter Newhall Tunnel. Oil is collected for regular offsite disposal and water is reclaimed for return to the Foothill Feeder.

Staff removed, repaired and re-installed chemical injection piping at the Weymouth plant ensuring treatment plant operations and reliability. The ability to feed water treatment chemicals at the beginning of the treatment process is crucial to meeting drinking water standards for particle removal. Staff identified several small leaks on the rapid mix piping system, prompting needed repair. Urgent repairs were completed over a 24-hour period to ensure treatment plant reliability and meet system demands. The root cause of the corrosion issues are under review by Engineering staff.

## CORE

## PROVIDE TECHNICAL SUPPORT TO MEMBER AGENCIES

On October 15, a Member Agency Water Quality Manager Meeting was held at Headquarters. Various water quality topics were discussed, including a regulatory update by staff from the Association of California Water Agencies. During an afternoon session, Metropolitan provided a workshop on chloramine chemistry and nitrification to assist the member agencies with efforts in managing their distribution systems.

## CORE

## SUPPORT EDUCATION AND OUTREACH INITIATIVES

On October 21, staff arranged for Directors of the Engineering and Operations Committee to tour Lake Perris and the Eagle Mountain pump plant. Ten board members toured the facilities. Stops included a section of the canal, sand-traps, electrical switchyard, pumping plant, local machine shop, and the residential village at Eagle Mountain. Board members also viewed Department of Water Resources construction activities taking place to refurbish the Lake Perris Dam. Attendees were briefed on project status and items such as completed and planned Capital Investment Plan projects that will ensure system and water supply reliability.

Staff facilitated two desert facility tours for a total of 80 participants this month. Guests were invited on a boat tour of the Copper Basin reservoir, a walking tour of the William P. Whitsett Pumping Plant located on Lake Havasu, and a visit to the Alan Preston Museum, which is full of historical artifacts dating back to early construction and operation of the Colorado River Aqueduct.

Staff also conducted plant tours during the month of October at the Diemer, Jensen, Skinner, and Weymouth plants. Tour participants included Board members, member agencies, local government officials, and non-profit organization members who learned about water treatment processes, source water protection, and drought response initiatives.

# WORKFORCE

## CORE

### FOSTER WORKFORCE DIVERSITY

Hispanic Heritage Month activities included a Dodger night and a vendor fair with proceeds benefiting student scholarships.



## CORE

### HUMAN RESOURCES EXCELLENCE—EMPLOYEE RECOGNITION

Ninety-four employees with 20 or more years of service were invited to be honored on October 28.



**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:** OfficeoftheGeneralManager@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)