

# THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

## General Manager's Monthly Activity Report for June 2016

June 30, 2016

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 Celebrates 75th Anniversary of Delivering Water to Southern California

Metropolitan commemorated the 75th anniversary of the first deliveries of water to Southern California from the Colorado River Aqueduct with a series of events including a keynote speech by historian Dr. Kevin Starr to 500 attendees at the Union Station concourse and presentations to the 13 original cities that supported construction of the system and received its water starting in 1941. A new museum exhibit display at Metropolitan Headquarters and aerial video of the Colorado River Aqueduct system were also unveiled. These activities were supported by new content, photos and videos on the mwdh20 website, social media posts, events at 17 field facilities and a series of informational materials were prepared for the celebration.

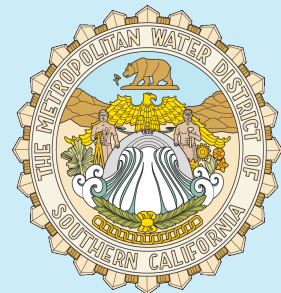
*(see photos below and page 11)*



Museum Exhibit at Metropolitan's Headquarters Building.

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# BAY DELTA INITIATIVES

## STRATEGIC PRIORITY

### 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.

California WaterFix and California EcoRestore—The State Water Resources Control Board will hold a public hearing to receive evidence on the joint petition filed by the Department of Water Resources and the U.S. Bureau of Reclamation requesting change in the new point of diversion for the California WaterFix Project. The first portion of the hearing (Part 1A), concerning potential injury to other legal water right holders, is scheduled to commence on July 26, 2016 and will be dedicated to the petitioners' case and cross-examination of petitioners' witnesses. DWR and USBR submitted extensive testimony to the SWRCB on May 31, 2016. The second portion of the hearing (Part IB) will be comprised of testimony from other parties and is scheduled to commence in the Fall. Part II of the hearing will address effects on aquatic resources and will commence after certification of the Environmental Impact Report for the California WaterFix project. Metropolitan is a party in the proceedings, and in collaboration with other public water agency participants, is preparing to participate.

## CORE

### 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.

Near Term – 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.

Habitat Restoration—The State and Federal Contractors Water Agency (SFCWA), of which Metropolitan is a member, has been pursuing opportunities for habitat restoration in the Suisun Marsh to comply with the biological opinion for Delta smelt issued in 2008 by the U. S. Fish and Wildlife Service. This biological opinion requires that 8,000 acres of intertidal and associated subtidal habitat be developed in the Delta and Suisun Marsh. SFCWA is working cooperatively with DWR to achieve this result in a timely and cost-effective manner. Towards this end, SFCWA has contracted with Westervelt Ecological Services to develop the Tule Red Duck Club property in Suisun Marsh. Metropolitan, Westlands Water District and the Santa Clara Valley Water District jointly funded acquisition of the property in 2011, which the Metropolitan Board approved. The property is expected to generate over 420 acres of new tidal habitat. SFCWA has been working with Westervelt over the last four years to perform site reconnaissance and obtain required permits. Other significant actions have included preparing the Delta Stewardship Council Consistency Determination document, final design, plans and specifications, hydraulic modeling, habitat crediting prospectus and credit purchase agreement. The project has been cleared by the Council to proceed. Currently, the project managers are working diligently to complete the construction contractor bidding process and move the project toward implementation.

### **BAY-DELTA SOLUTIONS** continued...

Science/Regulatory – Pursue the best scientific research to protect and restore fish, wildlife, and the Delta’s ecosystem while ensuring water supply reliability.

Science/Regulatory—Metropolitan is refining the Delta smelt lifecycle model that it developed through consultants a few years ago. R2 Resources consultants, working under contract with Metropolitan, are updating an environmental dataset of physical, chemical, and biological parameters for the Bay Delta. The updated dataset will be completed by the end of June and used by Dr. Mark Maunder and Dr. Richard Deriso (under contract to Metropolitan) to rerun the Delta smelt lifecycle model using the updated data. A key objective of this modeling is to test theories advanced by the U. S. Fish and Wildlife Service that increases in Delta outflows in spring and summer would increase Delta smelt populations.

Staff is working with other investigators to conduct a salmon predation study funded by a grant from CDFW. The project team is coordinating with state and federal agencies to obtain Endangered Species Act take permits and access to sites for conducting the study. Some of the permits have been acquired and additional permits are being reviewed by the Interagency Ecological Program to be prepared for the study in 2017-2018. Access to the site is also going through the review and approval process.

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 Management Plan—The California Office of Emergency Services (Cal OES) is planning to issue a draft Northern California Catastrophic Flood Response Plan in late August for public review. The plan describes broader initiatives of Cal OES and the Federal Emergency Management Agency to meet citizen needs in major emergencies, and interfaces with operational plans of the California Department of Water Resources and the U.S. Army Corps of Engineers, who are responsible for repair of levee failures.

The revised DWR Emergency Response Tool to assess real-time levee repair times and resources in actual emergencies has reached the testing phase. DWR flood management and operations staff are performing drills to work through internal operational strategies. Initial runs to assess time and resources to implement the emergency freshwater pathway will be performed in July 2016.

## **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.

IT Collaboration Tools—Staff continued to provide support for existing SharePoint Online collaboration sites and conducted additional SharePoint training sessions customized for the Engineering Services Group.

Enterprise Content Management—The project team is planning to combine the two proposed project phases into one to streamline the project and reduce the deployment time. In addition, staff continues developing the scope of work for a request for proposals for consulting services to assist in the design, procurement, and implementation of Enterprise Content Management software.

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

Voice Over Internet Protocol Technology—Staff continued with pilot testing of 14 phones to facilitate system testing of the new telephone system. The next step is to schedule the deployment of an additional 200 phones for the IT pilot at Metropolitan's Headquarters, 6th and 7th floors.

Network Communications Infrastructure—In preparation of the Telephone Replacement Project pilot, the project team completed upgrades to the 6th and 7th floor equipment rooms and started the installation of switches at Metropolitan's Headquarters building. Staff continued to make progress on the remaining floors at the Headquarters building to verify the upgraded electrical power equipment and cooling for the new HVAC units.

Emergency Radio Communications System—The project team successfully completed the firmware upgrades of the Emergency Radio Communications System project. Staff plans to continue with the rollout of mobile and handheld devices in the eastern sector of Metropolitan's service area.

Simplify access to business information.

Metropolitan's Web Redesign—Staff worked collaboratively with External Affairs on the Colorado River Aqueduct's 75th Anniversary content on mwdh20.com. In addition, staff provided support on the new H2Love.com™ site for new advertising campaign.

MWD's Warehouse Inventory—The project is in its final phase, which includes data migration, testing/quality assurance and then site launch. A launch date of mid-July is planned.

Procurement Training Academy—Development of the online procurement training module has been completed. The training module is in the test phase, with the rollout of the training scheduled for July 2016.

# CHIEF FINANCIAL OFFICER

## 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.

Continued to provide guidance in the BC Plan development process and to review and approve BC Plans submitted by each group. Completed the report documenting the results of Business Recovery Exercise 2016 conducted in conjunction with Information Technology. All issues identified in previous exercise with several mission essential applications that relied on Metropolitan's email system were successfully tested and resolved.

## CORE

### **FINANCIAL MANAGEMENT**

Manage Metropolitan's finances in an ethical and transparent manner and provide consistent, clear, and timely financial reporting

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.

The San Diego County Water Authority underpaid its water invoices for the period December 2015 through March 2016. Metropolitan has assessed interest on the late payments. The total amount outstanding is \$2,232,502.72. Metropolitan staff continues to work with the SDCWA staff to resolve the associated issues.

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.

Ensure adequate financial controls are utilized.

Issued the annual report on Internal Controls over Financial Reporting with the conclusion that controls are effective for the fiscal year ending June 30, 2015.

## CORE

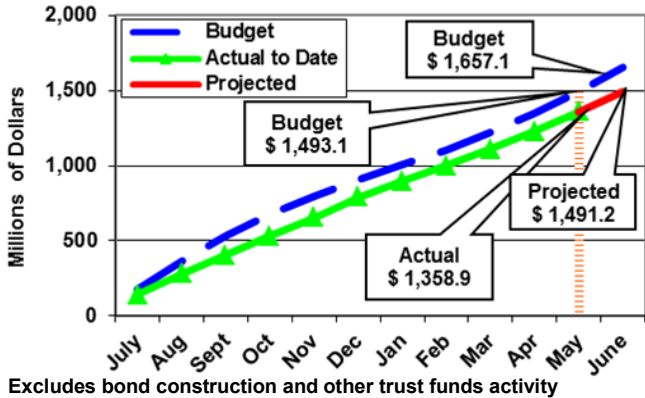
### **MANAGE RISK**

- The Risk Management Unit completed 48 incident reports communicating instances of Metropolitan property damage, liability, workplace injuries, regulatory visits and spills.
- Risk Management completed 67 risk assessments on contracts, including professional service agreements, construction contracts, entry permits, special events and film permits.

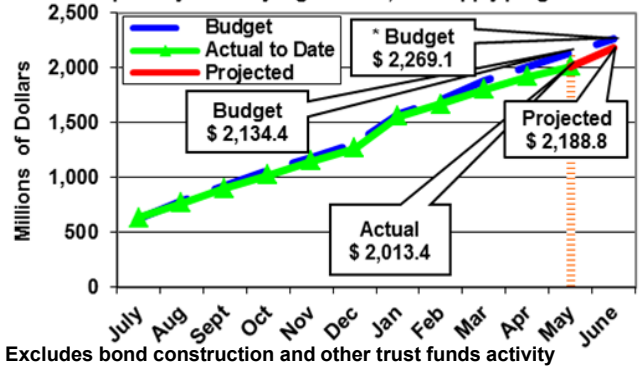
# CHIEF FINANCIAL OFFICER

## FINANCIAL SUMMARY AS OF MAY 2016

Total revenues are expected to be \$166 million lower than budget at year end, mainly due to lower water sales.

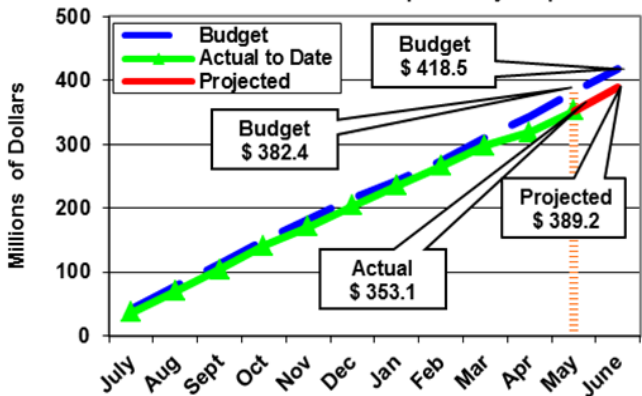


Total expenses are expected to be \$80 million lower than budget by year end, mainly due to lower Demand Management, Capital Program and O&M expenses, and partially offset by higher SWP, and supply program costs.

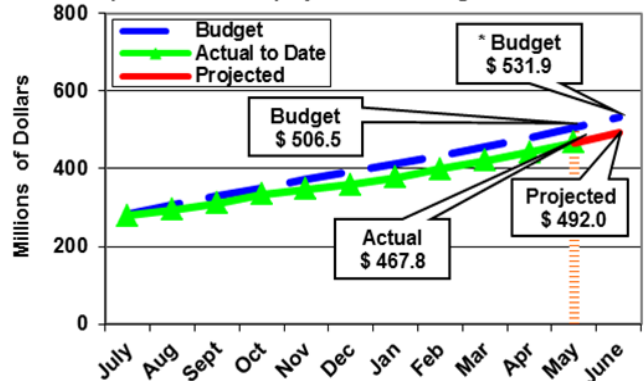


\* Includes \$305.6M, \$264M and \$9.8M Board-approved increases for Conservation, Riverside and Imperial County land purchase, and Water Supply Programs, respectively

Metropolitan O&M expenses are expected to be \$29 million lower than budget at year end, mainly due to an effort to reduce controllable expenses by five percent.

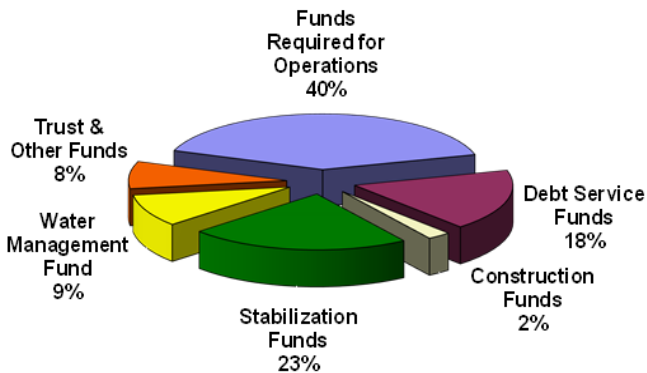


Capital Program expenses are expected to be \$40 million lower than budget by year end, mainly due to work prioritization and project rescheduling.



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

### Cash and Investments at Fair Value \$ 1,451.4 million



### Summary Financial Statistics

	Target	Year-End Projected
Fixed Charge Coverage	≥ 1.20 x	1.23 x
Revenue Debt Service Coverage	> 2.00 x	1.37 x
Revenue Bond Debt / Equity Ratio	< 100.0%	61.5%

### Credit Ratings

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

## 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:

- Greg Avenue Pump Station Rehabilitation—This project improves the operational reliability of the Greg Avenue Pump Station by replacing the existing pump and upgrading the electrical and control systems. This pump station provides a backup supply of treated water to the West Valley area when the Jensen plant is out of service. Design is 89 percent complete and is scheduled to be complete by October 2016.
- Middle Feeder Relocation—Metropolitan's 72-inch-diameter Middle Feeder is located within a 40-foot easement that crosses the Southern California Edison Mesa Substation in the city of Monterey Park. SCE intends to expand the existing substation to meet future regional power demands. In December 2015, the Board authorized a cost-sharing agreement with SCE to relocate 3,300 feet of the Middle Feeder to a new alignment within SCE's property. Design is now complete, and SCE anticipates awarding a construction contract by July 2016.
- Etiwanda Pipeline Lining Repairs—This project replaces the Etiwanda Pipeline's damaged interior mortar lining with a polyurethane coating. The pipeline will be relined in three stages. Construction of the Stage 2 repairs is 15 percent complete and is scheduled to be complete by March 2017. Design of the Stage 3 repairs is 90 percent complete and is scheduled to be complete by September 2016. *(see photo below)*
- Lakeview Pipeline Rehabilitation—This project installs a steel liner within the Lakeview Pipeline to strengthen the pipe and prevent water leakage. Design is 12 percent complete and is scheduled to be complete by October 2017.
- Palos Verdes Reservoir Cover Replacement—This project replaces the reservoir's existing floating cover and liner, and modifies the existing spillway, control tower, and outlet structures. Construction is nine percent complete and is scheduled to be complete by November 2017. *(see photo below)*



Etiwanda Pipeline – Excavation for new pipe outlet



Palos Verdes Reservoir – Existing control tower

**INFRASTRUCTURE RELIABILITY continued...**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 Operating Region—Final design of improvements for the Orange County region is 80 percent complete and is scheduled to be complete by September 2016.
- Western San Bernardino County Operating Region—Final design of improvements for the Western San Bernardino County region is 65 percent complete and is scheduled to be complete by November 2016. The draft programmatic environmental impact report for this region is expected to be released for public review and comment by January 2017.
- Los Angeles County Operating Region—Preliminary design of improvements is 65 percent complete and is scheduled to be complete by September 2016.
- Riverside/San Diego County Operating Region—Preliminary design of improvements is 60 percent complete and is scheduled to be complete by October 2016.

Colorado River Aqueduct (CRA) Reliability Program

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

- Employee Housing Rehabilitation—This project will construct eight new houses at four pumping plants (Hinds, Eagle Mountain, Iron Mountain, and Gene). Construction is 90 percent complete and is scheduled to be complete by July 2016.
- Sand Trap Rehabilitation—This project replaces deteriorated sand trap equipment located upstream of the Iron Mountain, Eagle Mountain, and Hinds Pumping Plants. Construction is 35 percent complete and is scheduled to be complete by August 2017.
- Expansion Joint Repair—This project repairs 16 expansion joints located on the pump delivery lines at each CRA pumping plant. Repairs will be completed in two stages. The first stage repaired three expansion joints and was completed in February. The second stage will repair the remaining 13 joints. Design of the Stage 2 repairs is 95 percent complete and is scheduled to be complete by July 2016.
- Canal Improvements—This project replaces deteriorated concrete panels and installs parapet walls along portions of the open canal to increase freeboard during periods of high flow. Construction is 60 percent complete and is scheduled to be complete by September 2016.
- Motor Cable Replacement—This project replaces the aging 6.9 kV electrical cables that supply power to the nine pump motors at each pumping plant. The power cables run from the switch house to each pump through a cable tunnel. Preliminary design is 95 percent complete and is scheduled to be complete by July 2016.
- Radial Gate 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 65 percent complete and is scheduled to be complete by April 2017.
- Desert Wastewater System Replacement—This project replaces the wastewater collection systems and community septic tanks at all five CRA pumping plants. Construction at the Hinds and Eagle Mountain Pumping Plants was completed in June 2016. Final design for the Iron Mountain and Gene Pumping Plants is 60 percent complete and is scheduled to be complete by December 2016. Preliminary design for the Intake Pumping Plant is 50 percent complete and is scheduled to be complete by October 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:

**Mills Plant**

- Chemical Unloading Facility Chlorine Containment—Construction of containment facilities is 83 percent complete and is scheduled to be complete by February 2017.
- Industrial Wastewater Handling Improvements—This project adds three wastewater storage tanks and a force main connection to the municipal sewer system to enable safer and more efficient handling of the wastewater and to reduce the risk of an accidental release. Construction is 60 percent complete and is anticipated to be complete by October 2016.

**Diemer Plant**

- East Filter Upgrades—This project upgrades the plant's east filters, including replacement of 127 deteriorated valves with AWWA-standard valves and seismic strengthening of the filter buildings. Construction is 81 percent complete and is scheduled to be complete by November 2016.
- 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 34 percent complete and scheduled to be complete by July 2017.

**Jensen Plant**

- Module No. 1 Filter Valve Replacement—This project replaces 78 deteriorated filter valves within Module No. 1 with new AWWA-standard valves. Construction is 82 percent complete and is scheduled to be complete by November 2016.
- LADWP Lagoon Refurbishment—This project rehabilitates four LADWP lagoons, which will be used for a period of 50 years by Metropolitan. Construction is 70 percent complete and is scheduled to be complete by January 2017.
- Electrical Upgrades, Stage 1—This project replaces electrical equipment, provides backup in the event of individual component failures, and upgrades the electrical system to be consistent with current codes and industry practices. The work will be completed in three stages. Construction of the first phase is 30 percent complete and is scheduled to be complete by February 2019.

**Weymouth Plant**

- 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 40 percent complete and is scheduled to be complete by December 2017. *(see photo right)*

Weymouth Plant Filter Rehabilitation—  
Contractor's temporary deck crane system



**INFRASTRUCTURE RELIABILITY continued...**

Water Quality/Oxidation Retrofit Program (ORP)

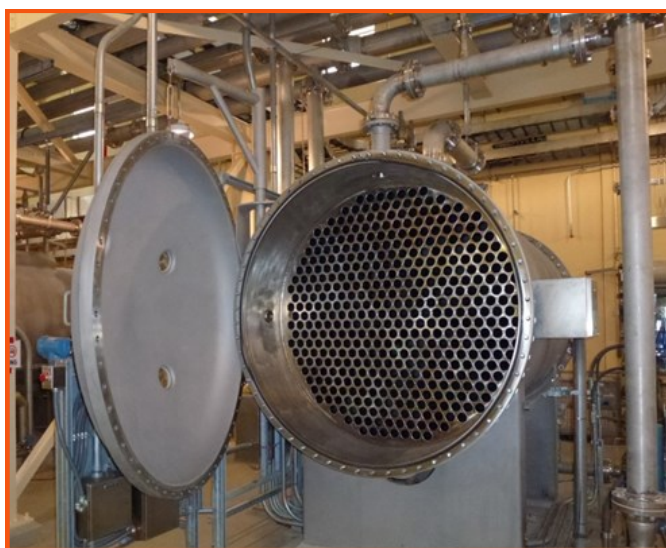
This program adds ozonation facilities which reduce disinfection by-products and improve water quality at Metropolitan’s five water treatment plants. Recent activities include the following:

**Weymouth ORP**

- Main ORP Facilities—Construction of the ozonation system is 97 percent complete and is scheduled to be complete by late 2016. Incoming water now flows through the ozone contactors. The ozonation system will begin start up and testing in early 2017.
- ORP Chemical Upgrades—These chemical systems are needed for integration of the upcoming ozonation system into the plant’s treatment process. Construction of the project is 22 percent complete. The ORP-related upgrades are scheduled to be complete by April 2017, and the bromate control upgrades are scheduled to be complete by May 2018.



Weymouth ORP – Inlet bypass structure



Weymouth ORP – Interior of ozone generator

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:

- Sepulveda Feeder Urgent PCCP Repairs—This project repairs approximately 8,300 feet of existing PCCP segments with steel liner in two separate reaches. Consistent with the long-term rehabilitation effort planned for the Sepulveda Feeder, the steel liner has been designed as a stand-alone pipe that can accommodate full internal and external pressures on the line. Construction was completed in June 2016.
- Second Lower Feeder PCCP Rehabilitation—This project rehabilitates the remaining 28 miles of existing PCCP segments within the Second Lower Feeder. Design of the valve and pipe procurement is approximately 44 percent complete and is scheduled to be complete by September 2016. The programmatic EIR is expected to be released for public review and comment by July 2016.

## ENGINEERING SERVICES

### CORE

#### INFRASTRUCTURE RELIABILITY

##### 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 and commissioning of the system was completed in June 2016.
- Jensen Solar Power Plant—This project constructs a 1-megawatt solar generating facility on the grounds of the Jensen plant in Granada Hills. A request to the Board for award of a construction contract is planned for August 2016.

## EXTERNAL AFFAIRS

75th Anniversary of delivery of Colorado River Water continued from cover page. Pictures below of Dr. Kevin Starr addressing attendees and representatives of the 13 original cities that supported the construction with Chairman Randy Record.



## 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.

- Metropolitan staff made presentations to local business and community leaders as part of former Director Hawkins' Central Basin Municipal Water District Water Education Tour. The participants heard about Metropolitan's investments and planning activities to meet current and future needs, including the Integrated Water Resources Plan, imported and local water supplies, and California WaterFix/EcoRestore. (June 24)
- Metropolitan sponsored and Assistant GM/COO Man spoke at the Building Industry Association's Water and Energy Summit about statewide and local water supplies and conservation. (June 29)

Communicate and cultivate support for Metropolitan's key initiatives related to Colorado River supplies.

Arranged interview with General Manager Kightlinger and Los Angeles Times columnist to discuss current Colorado River issues, including the impact of historic low water levels in Lake Mead.

Set up separate interviews with General Manager Kightlinger, KPCC public radio and Water Deeply reporters to discuss negotiations among lower basin states regarding drought planning.

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 press spokesman Bob Muir was named Communicator of the Year by the National Association of Government Communicators, an organization of 800 public affairs professionals from federal, state, regional and local public agencies, for his exemplary work with media related to California's historic and unprecedented drought. Metropolitan also received eight individual awards for media projects, educational programs, exhibits and online tools to promote public awareness and understanding of various water issues and activities. The awards were presented at the NAGC conference in Washington DC. (June 9) *(see photo to right of Bob)*
- Metropolitan senior management led by General Manager Kightlinger conducted interviews with reporters from the New York Times, Associated Press, Sacramento Bee, KNX radio and KPCC on the state's new emergency drought regulations and results of the 'stress test' analysis.
- Introduced new digital and social media advertising in English and Spanish languages featuring the new "H2Love" logo, which has been trademarked by Metropolitan. Began advertising in community and in-language newspapers. Announced official partnership with LA Galaxy Major League Soccer team which will include new videos with players sharing their water saving messages, promotional activities at the StubHub Center in Carson, participation with the team and players at community events, and a series of social media promotions to generate public attention and awareness of the need for permanent water conservation actions.



# 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

Chairman Record, Vice Chair Ackerman, Directors Kurtz and Gray, General Manager Kightlinger, Assistant General Manager Zinke and other members of Metropolitan's senior management traveled to Washington, DC and participated in policy discussions with U.S. Department of Interior leadership, Senator Murkowski (R-Alaska), Senator Flake (R-Arizona), Senator Feinstein (D-California), Representatives Roybal-Allard (D-Downey), Chu (D-Monterey Park), Napolitano (D-Norwalk), Calvert (R-Corona), Bass (D-Los Angeles), Bishop (R-Utah) and committee staff for Senate Energy and Natural Resources Committee, House Transportation Infrastructure Committee, House Natural Resources Committee, and House and Senate Appropriations Committees. Discussions focused on federal drought legislation, the Water Resources Development Act, the Energy Reform bill, hydropower reform, the EPA Water Sense Program and tax parity for water conservation rebates.

As part of the trip, Metropolitan hosted a reception at its Washington, D.C. office to commemorate the Colorado River Aqueduct 75th Anniversary. Attending the event were members of Congress, Administration officials and representatives from organizations representing various water and natural resources agencies and interests. (June 7-8) *(see photos below)*

Group Manager Upadhyay and staff participated in the Texas Water Conservation Association conference, including discussion of coalition efforts to secure tax parity for water conservation rebates. (June 15-16)

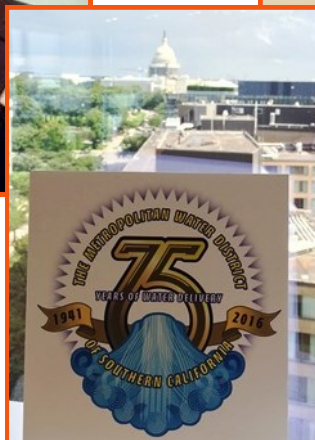
Staff participated in Western Coalition of Arid States annual conference in New Mexico to discuss a variety of federal issues, including drought legislation and tax parity for water conservation. (June 23-25)



Representative Calvert and Chairman Record.



Representative Roybal-Allard, General Manager Kightlinger and Congressional Representative Chu.



## 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.

#### STATE

- Metropolitan staff joined with more than 150 local business leaders in the Los Angeles Area Chamber of Commerce's Access Sacramento event. During the two-day series of meetings, the group heard from Senate President pro Tem de Leon (D-Los Angeles) and Secretary of State Padilla on key statewide issues. Metropolitan staff participated on the water team and met with Assembly Speaker Rendon (D-Paramount), Assemblymembers Gomez (D-Los Angeles), Levine (D-San Rafael) and Harper (R-Huntington Beach) and legislative staff. (June 8-9)
- California WaterFix—Metropolitan worked with other water agencies, statewide associations, labor and the business community to prevent AB 1713 (Eggman, D-Stockton) from moving forward for further legislative action. The bill would have prohibited construction of California WaterFix unless expressly authorized by voters.
- State Budget—On June 15, the Legislature passed SB 826, the FY 2016/17 state budget. The \$170.9 billion spending plan includes funding for emergency drought response and smelt habitat restoration projects, but does not include expenditures for the 40 percent of discretionary cap-and-trade auction revenues, estimated at \$3.1 billion. An expenditure plan for the Greenhouse Gas Reduction Fund is expected to be negotiated later by the Legislature and the Governor.
- Proposition 218—SB 1298 by Senator Hertzberg (D-Los Angeles) proposes substantive changes to Proposition 218 to give local governments more authority to finance local water projects, encourage water conservation and assist low-income Californians (e.g., lifeline rates). As currently drafted the bill has raised concerns among Association of California Water Agencies, water agencies and Metropolitan.
- Water Markets—Assemblymember Levine (D-San Rafael), Chair of the Assembly Water, Parks and Wildlife Committee, released proposed amendments to AB 2909 to expedite two categories of water transfers: reoccurring and environmental beneficial transfers.

#### LOCAL

- Metropolitan participated in the League of California Cities Annual Economic Summit in Los Angeles. The event was attended by more than 400 local elected officials from throughout the region. (June 15)
- Metropolitan staff attended the Valley Industry and Commerce Association's Annual Hall of Fame Dinner. More than 600 business leaders and elected officials attended the event to honor businesses that have made a significant contribution to the San Fernando Valley. (June 16)
- Staff attended the Glendale Chamber of Commerce Annual Installation Dinner, which was attended by more than 400 local business leaders and local elected officials. (June 18)
- Directors DeJesus, Kurtz, Atwater, and Metropolitan and member agency staff participated in a legislative briefing with Assemblymember Holden (D-Pasadena). The briefing provided current information drought and water supply conditions, conservation actions, and Metropolitan water policy priorities including the California WaterFix. (June 24)
- Metropolitan participated in the Valley Industry and Commerce Association's Annual Congressional Luncheon which featured Representatives Cardenas (D-North Hollywood) and Sherman (D-Sherman Oaks). Over 300 business leaders and elected officials attended. (June 30)

**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.

- Metropolitan served as the event sponsor for the La Verne Chamber of Commerce event and staff spoke to the 150 attendees about the drought, importance of continued efforts to conserve water and the need for long-term water supply reliability within and outside the region. (June 2)
- Staff attended the United Chambers of Commerce of the San Fernando Valley Small Business Breakfast. Representatives from more than 300 businesses and staff from 25 legislative offices were in attendance to honor 13 business leaders. Metropolitan was recognized as a key supporter for UCC's programs and efforts. (June 3)
- Directors Abdo, Wunderlich, Morris, Lowenthal, Peterson and staff participated in Heal the Bay's anniversary event in Santa Monica with 1,200 community leaders and elected officials. (June 9)
- Metropolitan sponsored and staff attended the Western Riverside Council of Governments General Assembly and Leadership Address. More than 800 community and business leaders gathered to hear Australia's former Prime Minister Gillard speak about drought management strategies. (June 23)
- Metropolitan staff attended the United Chamber of the San Fernando Valley Mixer which was attended by 500 business leaders throughout the San Fernando Valley and state and local legislatives staff. (June 30)

Community Partnering Program

- Sponsored and supported exhibit booth at the Costa Verde Garden Club at the South Coast Botanical Garden. (June 1)
- Sponsored the Los Angeles County Parks Summit at the Arboretum in Arcadia. (June 2)
- Sponsored a graywater workshop in Hermosa Beach with Cooperative Resources and Service Project. Metropolitan will also support future workshops in Inglewood, Carson, Hermosa Beach and Hawthorne, (June 20)

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

- Provided outreach and information to 450 residents in Fontana for the Etiwanda Pipeline Repair Project that will require 24-hour work for the next four months.
- Continued outreach activities to inform and respond to residents and businesses in the vicinity of the Sepulveda Feeder urgent repair project in Van Nuys.
- Met with planning staff for the city of Compton to discuss the upcoming Middle Feeder Valve Replacement Project.

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

Media Releases

- Results of the state's "stress test" showing how Metropolitan can meet three-year demands and call for continued conservation. (June 15)
- Metropolitan named official partner of LA Galaxy soccer team as part of water conservation advertising and outreach campaign. (June 16)

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

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

- Arranged interviews with Legal Counsel Stites and reporters from Associated Press, Stockton Record, Sacramento Bee and San Francisco Chronicle to discuss decision by a state appellate court to review lower court ruling in Metropolitan's favor regarding the pending purchase of several Delta islands.
- Set up interview with Group Manager Upadhyay and Associated Press reporter on Metropolitan's turf removal rebate program and its impact on regional water savings.
- Arranged interviews for Metropolitan staff with Voice of San Diego reporter for a story about water cost savings and salinity in water impacting Southern California avocado farmers.
- Arranged interview with KABC-TV reporter and spokesman Bob Muir at Diamond Valley Lake for a story about the lake re-opening its boat ramp because of the lake's increased water level.
- Issued new report highlighting Metropolitan's leadership in environmental stewardship.
- Distributed the executive summary of Integrated Water Resources Plan and cover letter from General Manager Kightlinger to more than 600 elected officials and water agency managers in communities throughout Metropolitan's service area.

GM Blogs and Newsletter

Produced the June edition of Metropolitan's e-newsletter, Your Water, and distributed to more than 15,000 recipients.

Posted a new General Manager H2Outlook blog Conservation: *How are we Doing?* and two new H2oTalk video blogs on Diamond Valley Lake and current water supply conditions.

Bewaterwise.com

Over 65,000 people visited the English and Spanish versions of bewaterwise.com for tips and ideas on how to conserve water.

Online and Social Media

- Paid online search on Google Search and the Google Content Network continued this month. Links to bewaterwise.com appear when keywords such as "water," "California weather," and "water rebates" are searched for by Southern California users.
- Metropolitan secured the domain name H2love.com™ to support water conservation campaign.
- A Facebook video on fire safe and water-wise gardens was produced in-house and had more than 45,000 views.
- Metropolitan streamed its first Facebook Live event broadcasting the 75th Anniversary of Colorado River Aqueduct ceremony to more than 1,000 viewers.
- Metropolitan concluded its series of historical tweets telling the stories of the men and women who helped build the Colorado River Aqueduct. Over the four month period, 324 tweets were carefully researched, written and posted and had more than 40,000 views.

Inspection Trips

Metropolitan hosted approximately 230 guests on seven inspection trips to the State Water Project, Colorado River Aqueduct and Diamond Valley Lake.



## 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.

### General Education

- Attended and supported a workshop with Hollywood High School STEM Academy Student Engineering Project and the annual Hollywood High School Mini Water Forum; Wilson High School, Tree People, the Association of Science Teachers, Orange County Department of Education; and Educate LA.
- Provided outreach and career day presentations at San Antonio Elementary School; City Scholars Leadership Training; Inspired Garden Conservation Education, and Science Night at Cal Tech in Pasadena.
- Hosted a field trip to Diamond Valley Lake for University of La Verne students and faculty.
- Conducted webinars for World Water Forum College Grant Program participants.
- Worked with history teachers throughout the service area to promote the 75th Anniversary of Colorado River Aqueduct deliveries.
- Distributed more than 700 pieces of water curriculum as well as directly interacted with over 3,100 students and teachers.
- Participated and hosted a water conservation education booth at Los Angeles County Parks *Parks After Dark* event. (June 17) (*see photo below*)

### Diamond Valley Lake Education Program

- More than 400 students participated in water education programs at the Diamond Valley Lake Visitor Center. Education staff convened monthly docent meeting and coordinated programs with Valley-Wide Recreation.
- Docents staffed the Visitor Center and hosted over 450 visitors and guided 574 visitors to the viewpoint. Docents also attended and assisted at the Colorado River 75th Anniversary event held at Union Station.
- Work is currently underway to make physical improvements and repairs to the Visitor Center. New audio-visual equipment, education materials, tables and interactive exhibits has been ordered to improve the quality of the visitor experience.

### Tweets

The Education Unit's tweets on education programs received over 50,000 impressions using #solarcup, #waterart, #thinkh2o, #mwdeducates through @bewaterwiseh2o and @mwdh2o. .

### Student Art Program

The *Student Water is Life* Art Exhibit toured Elsinore Valley Municipal Water District and Diamond Valley Lake Visitor's Center. These events were promoted in articles and on social media.



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

Foster a culture of innovation.

- Business Outreach's H2O TechHub team participated in the U.S. Wastewater TAG 17 at the Orange County Sanitation District, which identified emerging wastewater technologies to accelerate their market uptake through a global innovation forum. Also participating were the Orange County Sanitation District, Los Angeles Sanitation District, East Bay Municipal Water District, Inland Empire Utilities Water District, and Escondido Water District. (June 7)
- The H2O TechHub team, Water Resource Management and Engineering participated via webcast in U.S. Water TAG 13, hosted by the Denver Water District. Other participants included Los Angeles Department of Water and Power, Las Vegas Water District, Southern Nevada Water District, Water Research Foundation and the City of Santa Barbara. (June 9)
- Staff attended the American Water Works Association Annual Conference and Exposition and participated on panels to discuss breaking down barriers to innovation and financing resources. (June 22)
- Metropolitan participated in the Israel-California water conference in Los Angeles with policy leaders, regulators, public authorities, agricultural and industrial customers and researchers. (June 29-30)

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

During Small Business Month, Metropolitan supported small and disabled veteran businesses throughout the region by participating in the following award programs, conferences and events:

- Sponsored and participated in Hispanic Lifestyle's 2016 Southern California Business Expo & Conference panel discussion, *Doing Business with Government Agencies and Utilities*. Metropolitan partnered with California Department of General Services, Southern California Gas Company and Southern California Edison to present information about business opportunities to more than 400 businesses attending the event. (June 9)
- Metropolitan was an event sponsor at the *Connecting Women to Power Business Conference* at California State University, Dominguez Hills. More than 1,000 entrepreneurs and leaders from major corporations, government agencies, and partner organizations shared information and advice to help women business owners compete in today's global business climate. (June 16)
- Supported the National Association of Women Business Owners LA 30th Annual Leadership and Legacy Luncheon. (June 17)
- Metropolitan collaborated with the Department of General Services, Port of Long Beach, Metro, Southern California Edison and the California Public Utility Commission in a workshop on small business certifications, hosted by the Regional Hispanic Chamber of Commerce. (June 23)
- Business Outreach attended and was a presenter at the 13th Annual Latinas in Business Awards – National Latina Business Owners, Los Angeles Chapter. More than 500 people attended the event. (June 24)
- Participated in a business matchmaking event hosted by the U.S. Small Business Administration, Small Business Development Centers. (June 30)

# HUMAN RESOURCES

## STRATEGIC PRIORITY

### 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.

- Session 8 of the Water System Operations Management Academy, held at the Jensen plant, was focused on *Optimizing Performance* and covered topics like *SMART Goals*, *Giving Performance Feedback*, *Decision Making*, as well as an overview of water quality and safety.
- Classes delivered this month included: 2-hour modules of *WORD* and *EXCEL*; full-day *EXCEL Part 3*, *Access Beginner*, and *SharePoint Introduction* modules; and *Moving from Conflict to Collaboration*.
- Coordinated the delivery of 21 sessions of the *Personal Security Awareness Training* and two *Drug and Alcohol Awareness* classes at various Metropolitan facilities.
- Designed, developed in-house and launched through MyLearning, two online, interactive and SCORM (Sharable Content Object Reference Model) compliant training programs of the *Contract Administration Academy and Agreement Administrator Certification*.

Acquire talent.

During the past month Staffing has filled 17 positions and received 17 new requisitions. These included 10 student interns for desert locations. Staffing is currently recruiting for 54 positions.

Foster management excellence.

- Module 5 of Metropolitan Management University (MMU), focused on *Interpersonal Effectiveness*, was delivered on June 22 at Headquarters.
- Module 2 of the Second Session of MMU, focused on *Business Acumen*, was delivered at Headquarters on June 21. (*see photo page 21*)
- Continued to provide coaching, change-management and team building support through HR staff and external consultants to eight managers and their teams.
- Hosted a pilot of four new half-day programs for front-line and mid-level managers to improve leadership skills and provide input to finalize the program.

## CORE

### 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.

Facilitated four meetings of the employee-led Quality Talk Circle in the Real Property Development and Management Group to brainstorm, clarify and categorize problem solving and improvement opportunities.

**HUMAN RESOURCES EXCELLENCE continued...**

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

Staff has been involved in discussions with the bargaining units over Metropolitan's new MIR3 communications system. This system, once implemented, will allow employees to be notified at all times in the event of an emergency.

Manage total compensation benefits.

- HR Benefits organized and coordinated the quarterly Deferred Compensation Advisory Committee meeting on June 1 to discuss key issues including plan and investment updates, plan changes and upcoming regulation changes.
- HR Benefits worked with Information Technology and HR Information System to complete the mandatory IRS Affordable Care Act 1094-C employer reporting prior to the June 30 extended deadline.
- HR Benefits surveyed all deferred compensation participants who have taken a distribution from their 401(k) and/or 457(b) plan(s) under its new record-keeper TIAA Financial Services to monitor customer service and verify that participant needs are meeting or exceeding expectation.

Manage Human Resources Information Systems.

- Partnered with Information Technology and Water System Operations to evaluate reverse 911 and emergency response employee communication system functionality.

Enhance Human Resources' professionalism

Conducted another HR staff lunch and learn session with iHub's Ellen Jackson on *Taking the iPad From a Toy to a Tool* as part of the HR Fitness series.

Provide excellent Human Resources' customer service.

- Commenced with coordination of Employee Appreciation Day at all of Metropolitan's locations.
- Launched the Met Store, which provides employees an opportunity to purchase Metropolitan merchandise and apparel.
- Launched the new Service Awards gift program that allows recipients to select Service Awards gift from a website with a variety of options.
- Coordinated the semiannual Service Awards luncheon recognizing employees with 20 or more years of service. There were over 60 recipients in attendance. ([see photos on page 21](#))

Control leave and disability costs.

- Conducted initial investigations on 12 injury incidents.
- Submitted 5 new claims to Metropolitan's workers' compensation claim administrator.
- Settlements were negotiated in 2 claims and finalized in 3 claims, and 9 claim files were closed.
- Conducted MedVan evaluations at Jensen facility.
- Arranged 16 medical evaluations (DMV, medical surveillance, hearing conservation, etc.).
- Coordinated random drug/alcohol tests at 1 facility.
- Addressed 4 accommodation issues.

# HUMAN RESOURCES

Services Awards Luncheon



Instructor Kelly Bowen leading an MMU Cohort2 Module 2: Business Acumen class.



## 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 infrastructure reliability,

A construction notice was issued to the Museum Heights Condominium residence in Brentwood, CA regarding a two-month partial driveway closure due to the Sepulveda Feeder Urgent Repair project.

A License Agreement was executed with Riverside County Transportation Commission to replace a 1975 License Agreement that had been revoked. This License allows Metropolitan to continue to operate and maintain its existing Box Spring Feeder pipeline in Riverside County. The License fee was a one-time payment of \$40,000.

Seek revenue-generating opportunities.

- An existing entry permit with Canyon Crossings Corporate Center was amended to extend the term to allow for maintenance of a portion of the Box Springs Feeder right of way in conjunction with an adjacent development.
- An entry permit was issued to Kinder Morgan, Inc. to allow temporary access and staging for vehicles and equipment near the Rialto Pipeline in the County of San Bernardino.
- Southern California Gas Company was issued an entry permit to allow for a temporary construction staging and laydown area on a portion of the Foothill Feeder right of way in Newhall.
- County of Riverside was issued an entry permit to allow for access to perform site inspections and surveys for a proposed road project near Lake Mathews.

Foster staff training and development.

- Staff is 99 percent complete on all required training. Additionally, staff attended the following Metropolitan classes: All Employee Safety Training; Access Beginning; Excel Beginning Workshop
- Staff attended the National Uniform Standards of Professional Appraisal Practice Update Course sponsored by the Southern California Chapter of the Appraisal Institute.

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

- Staff provided assistance with the Colorado River Aqueduct 75th Anniversary celebration and reopened the courtyard's fountain, which was closed in May 2014 in support of Governor Brown's executive order to conserve water.
- A new service contract was executed for building automation system maintenance at Headquarters.
- The result of the energy audit yielded a recommendation to install motion sensors in all restrooms and conference rooms at Headquarters. To date, work is 35 percent complete and is scheduled to be complete by October 2016.

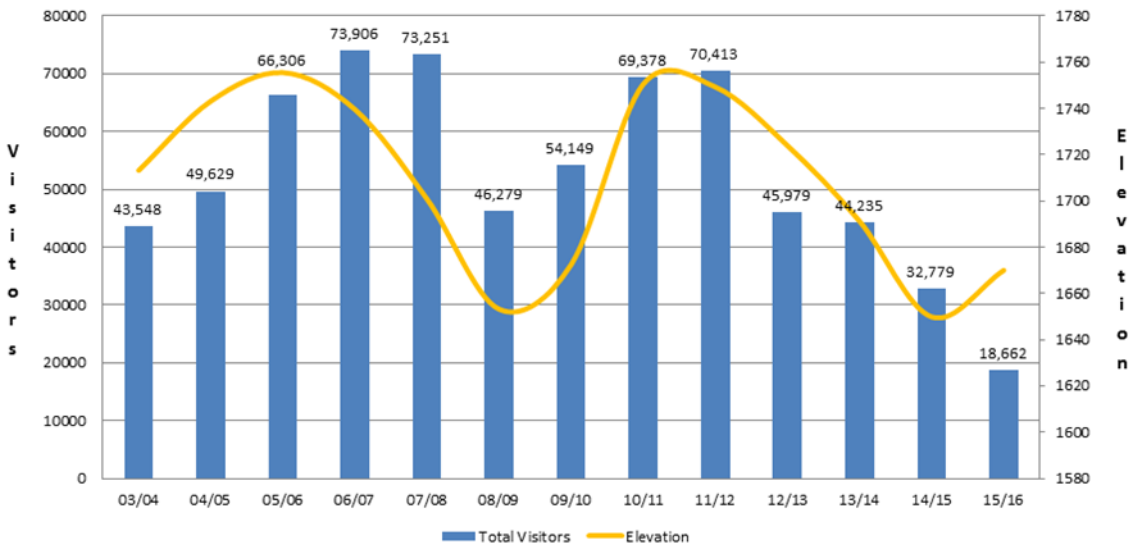
**REAL PROPERTY ACQUISITION, MANAGEMENT AND REVENUE ENHANCEMENT continued...**

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.

An existing entry permit with Valley-Wide Recreation and Park District was amended to allow non-exclusive use for the purpose of holding special events within Valley-Wide’s existing park at DVL.

Total visitors to the DVL Marina in June continued to increase as a result of rising elevations and the reopening of the launch ramp to private boats on May 18.

## Diamond Valley Lake Visitor / Elevation Data



## 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.

Implement the Conservation Program effectively.

California Avocado Commission Seminar—On Tuesday May 17, 2016, staff and The California Avocado Commission led a seminar in Fallbrook designed to help California avocado growers in Metropolitan’s service area save water and money. The seminar summarized Southern California’s current water sources, Metropolitan’s Integrated Water Resources Strategy, and potential ways for growers to reduce water use and costs in the avocado grove primarily via Metropolitan’s Water Savings Incentive Program.

Water Savings Incentive Program—On May 17, staff verified installation of new water saving equipment at Stone Brewing Co. in Escondido, California. Metropolitan has a Water Savings Incentive Program agreement with Stone to provide about \$66,000 in incentives for water use efficiency improvements at the brewery that will be installed over multiple phases. Staff verified installation of Phase 1-related equipment, and will continue to monitor Stone’s progress toward maximizing their water use efficiency over the coming year.

Incentives for Commercial and Industrial Facilities—On May 19, participated in a panel presentation and discussion with Municipal Water District of Orange County staff at the Southern California Facilities Expo and Conference, held at the Anaheim Convention Center. The focus of the panel was to highlight incentive offerings for commercial and industrial facilities and discuss examples of water efficiency improvements that have already been made with assistance from incentive programs.

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

May 2016 Emergency Regulation—The California State Water Resources Control Board adopted the May 2016 Emergency Regulation on mandatory water conservation for urban water suppliers. In accordance with this regulation, Metropolitan worked with its member agencies and provided information on water supply availability under a prescriptive “stress test” of supply reliability. Metropolitan posted its findings that it can provide water supplies to its member agencies demands under the conditions of the regulations, along with the analysis and documentation of supplies, on its website on June 15, 2016.

Ensure reliable and cost-effective water management programs.

Water Summit Participation—WRM staff participated in a Lessons Learned From Emerging Electronic Water Exchanges and Water Transfers panel discussion at the 3rd Annual California Water Summit held in Sacramento on June 2, 2016.

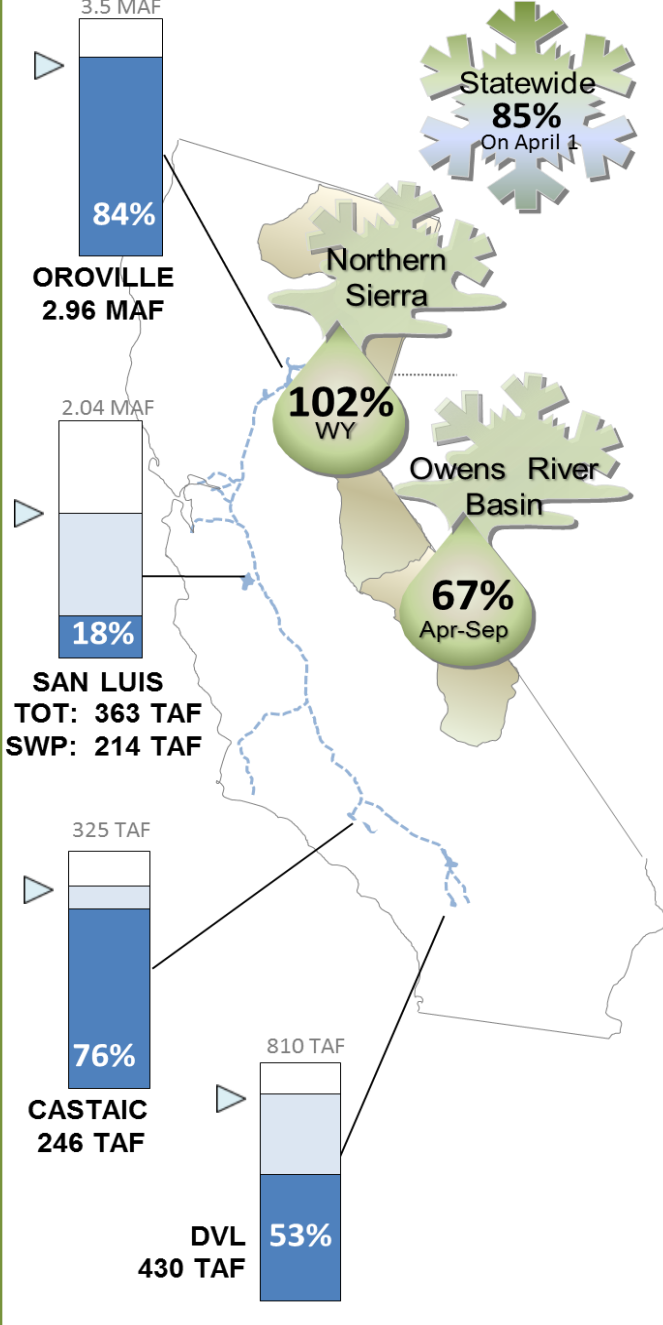


# WATER SUPPLY CONDITIONS as of June 30, 2016

## 2016 SWP Allocation

1,146,900 AF  
60% of Table A

(Does not include CVWD & DWA Table A)

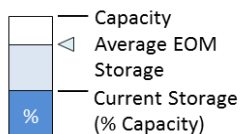
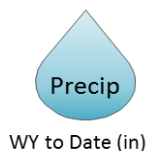
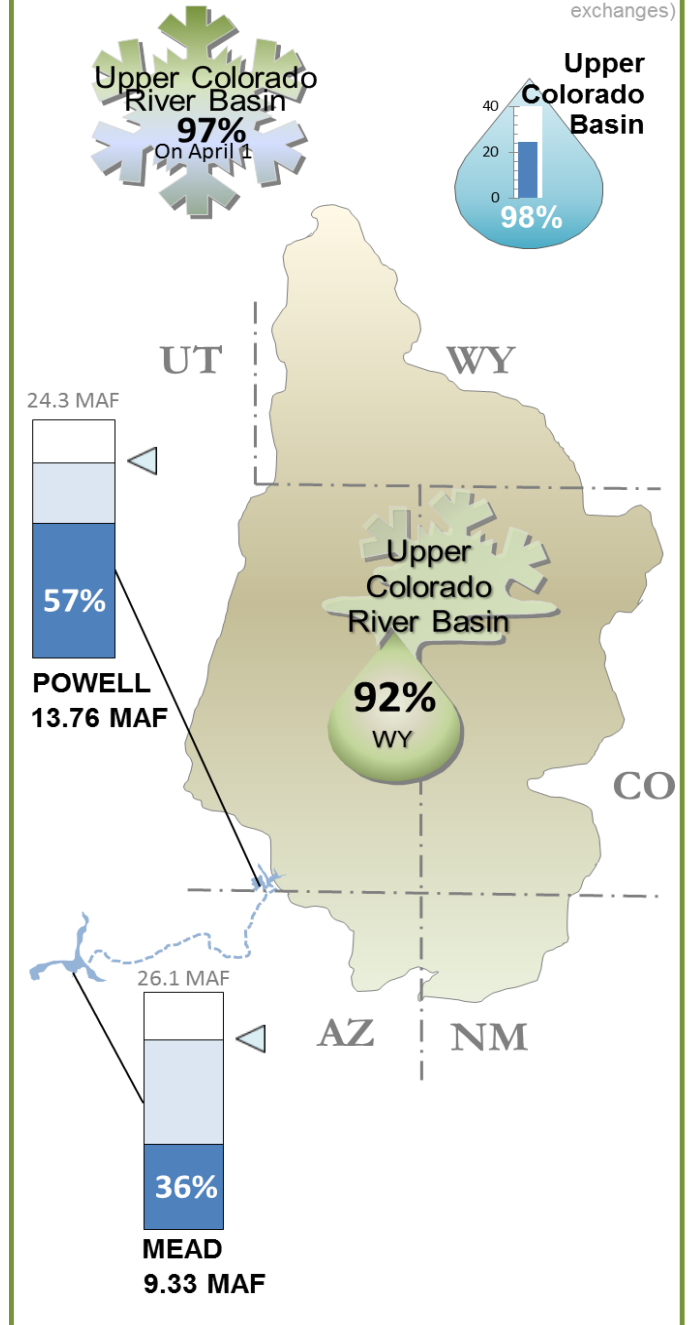


## 2016 Colorado River

865,000 AF

69% of full CRA

(Does not include storage withdrawals or exchanges)



# WATER SYSTEM OPERATIONS

## CORE

### PROVIDE RELIABLE WATER SUPPLIES

System Operations delivered approximately 139,000 acre-feet of water to meet member agency demands in June, which averaged approximately 4,630 AF per day. This was a slight increase from May's total monthly system delivery. Treated water deliveries for June totaled 68,000 AF, or 49 percent of total deliveries for the month. This was an increase of 5,000 AF from May deliveries. In June, 95,250 AF of Colorado River water was pumped. This was an average of 3,175 AF per day. Year-to-date CRA diversions are 480,000 AF. State Water Project imports averaged 3,130 AF per day for 94,000 AF for the month, which was the same as May imports.

System Operations began blending operations on June 24 with a blend target of 20 percent for the Weymouth, Diemer, and Skinner treatment plants. With the start of blending operations, the Perris and San Dimas hydroelectric plants were restarted to recover energy from the SWP supplies. Surface storage continued to increase with Diamond Valley Lake storage increasing by 37,000 AF to 432,000 AF or 53.3 percent full as Inland Feeder deliveries continued at 620 cfs. The refill of Metropolitan's flexible storage account in DWR's Castaic Lake continued in June as well. Total storage at Castaic Lake increased 21,000 AF to a total of 224,000 AF or 70 percent full.

System Operations continued to maximize power generation throughout the month. In June, Metropolitan's hydroelectric plants generated an average of 23 megawatts per hour for 16,600 megawatt-hours for the month. This is the highest monthly hydroelectric generation since March 2014.

## CORE

### OPTIMIZE MAINTENANCE

Staff continued the system-wide coatings program aimed at preventing corrosion and extending the life of pipelines and infrastructure. This month, projects included structures and equipment on Hinds Pumping Plant platforms. These platforms allow access to check the delivery lines and expansion joints. *(see photos below)*



Access platforms at the Hinds plant before (left) and after (right) coating.

# WATER SYSTEM OPERATIONS

## CORE

## OPTIMIZE MAINTENANCE continued...

Staff overhauled a 66kV circuit breaker at Etiwanda Hydroelectric Power Plant. This tie-in breaker uses sulfur hexafluoride (SF6) gas as an insulator to prevent electric discharges during breaker operation. This is the first SF6 gas-filled breaker refurbished by Metropolitan. The work was completed on time and within budget under a minor capital project. As part of the rehabilitation work, the existing SF6 gas was collected and replaced. *(see photo right —staff inspected and refurbished a gas-filled circuit breaker at Etiwanda)*



To ensure eight-pump reliability, a pump unit at the Intake Plant was disassembled and repaired, due to an increasing flow of water leaking from a packing seal. While disassembled, a new sleeve was fabricated and installed, the pump casing was blasted and recoated, and the pump lower seal-ring was replaced. The pump repair and refurbishment will be completed and the unit will be ready for service by the end of June. *(see photos below)*



Disassembly of Pump Unit #3 at Intake Plant.



Removal of rotating sleeve for Pump Unit # 3 at Intake Plant.

# WATER SYSTEM OPERATIONS

## CORE

## OPTIMIZE MAINTENANCE *continued...*

The Etiwanda Hydroelectric Plant includes six needle valves that control and direct water onto the turbine in order for it to rotate and generate power. This month, staff reassembled four refurbished needle valves and transported them back to Etiwanda for installation. Throughout the project, senior staff has trained apprentices on the methods of assembly and refurbishment. *(see photo right)*



Apprentices from La Verne and Orange County Conveyance and Distribution assembled a needle valve under Hydro staff direction.



Metropolitan's reservoirs and canals are prone to algae blooms throughout the year, especially during the summer months. These algae blooms can cause taste and odor problems that may not be corrected in the subsequent water treatment process. As a preventive measure, copper sulfate is applied to the water to control the algae blooms. To allow staff to move quickly and effectively deploy copper sulfate, new storage facilities are under construction at Lake Mathews and Lake Skinner. Staff began working at both sites to install these prefabricated facilities. *(see photo left – copper sulfate storage container being off loaded and prepared for placement on storage pad at Lake Mathews.)*

Staff is implementing condition-based maintenance at the Mills and Skinner plants. Condition-based maintenance focuses on performing maintenance based on results from diagnostic testing of equipment or equipment evaluations. This differs from time-based maintenance that is performed at regular intervals irrespective of the equipment's condition. Water System Operations' initial implementation focuses on larger pumps and is expected to be completed by December 2016. *(see photo right)*



Staff verifying calibration of vibration sensor used for condition-based maintenance of equipment.

# WATER SYSTEM OPERATIONS

## CORE

### OPTIMIZE MAINTENANCE *continued...*

A contractor has completed installation of the steel liner to reinforce 8,300 feet of the Sepulveda Feeder prestressed concrete cylinder pipe from Skirball Center Drive to the Van Nuys Airport. At three of the four construction entry sites, the preassembled steel liner segments were inserted through an open section of the pipeline allowing placement of the liner using a traveling cradle. At the fourth site, pipe segments were lowered through a 48-inch diameter manway, and then the pipe was assembled and welded inside the pipeline. All pipe repairs have been completed and entry point excavation sites backfilled and asphalted where applicable. The completed and forthcoming new PCCP repair projects will improve reliability of the Sepulveda Feeder and minimize risk to Metropolitan and the member agencies.

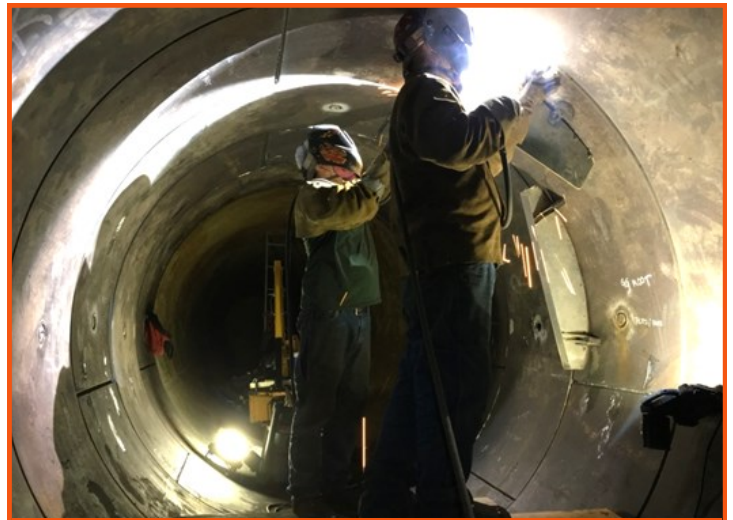
During the Sepulveda Feeder repairs, additional pipe reaches were inspected. These electromagnetic inspections revealed that there are two new distressed pipe sections warranting repair. An 80-foot-long section located due east of the Getty Center along Sepulveda Boulevard will be repaired during the months of July and August. This repair extends the original Sepulveda Feeder shutdown and does not require any additional dewatering. (*see photos below*)



Completion of the new pipe segments at a construction entrance site on Haynes Street in Los Angeles.



Pipe segments are welded and ready for grouting near Van Nuys Airport.



Welding of the pipe segments near Skirball Center Drive.

# WATER SYSTEM OPERATIONS

## CORE

### MANAGE THE POWER SYSTEM

On June 7, staff attended the Boulder Canyon Project (Hoover) Coordinating Committee meeting in Las Vegas. This annual meeting provides contractors with Hoover power information from the Western Area Power Administrator and the Bureau of Reclamation on the current financial and operational status and plans for the Hoover power plant and transmission system. The federal agencies plan to have all generator units and transmission lines available for the summer high demand period. This will provide an economic and reliable source of power for Colorado River Aqueduct pumping operations.

On June 9, staff met with a firm that will provide verification of Metropolitan's CY2015 greenhouse gas (GHG) emissions attributable to the energy used for CRA pumping operations. Metropolitan must report its emissions annually to the Air Resources Board and the report must be approved by an independent, state-certified verifier. Non-hydro, imported energy that Metropolitan acquires for the CRA has associated GHG emissions that the state requires to be offset with allowances or permits as part of the Cap-and-Trade program.

In June, Metropolitan's 3-megawatt solar power system at La Verne was completed, successfully tested, and approved by Southern California Edison. Staff completed a functional system test to verify plant controls and reliability under a loss of station power. *(see photo below of solar panels installed at La Verne complex)*



## CORE

### PROTECT SOURCE WATER QUALITY

On May 24, staff submitted comments to the California Department of Toxic Substances Control and U.S. Department of the Interior requesting improvements of a groundwater model used to evaluate the effectiveness of the Topock Chromium-6 Groundwater Remediation Project in protecting the Colorado River. On June 22, Metropolitan participated with the Topock Technical Work Group to discuss the groundwater model and related issues. Development of subsequent environmental documentation is also underway, with construction of the project expected to begin in 2017.

# WATER SYSTEM OPERATIONS

## CORE

### IMPROVE SECURITY AND EMERGENCY RESPONSE

Metropolitan is in year four of a five-year emergency exercise plan designed to give each member agency the opportunity to participate in a large emergency exercise. This year's exercise will focus on Metropolitan's Western Conveyance and Distribution region, and include activation of Metropolitan's Emergency Operations Center and the Western Region Incident Command Center. The following member agencies are also planning to participate in this year's exercise: the Los Angeles Department of Water and Power and the Cities of Beverly Hills, Glendale, Burbank, San Fernando, and Santa Monica. The Los Angeles County Office of Emergency Management and California Office of Emergency Services are also participating in this year's exercise. These collaborative exercises give staff from various agencies the opportunity to become familiar with one another before a real emergency.

Staff attended the quarterly meeting for the communities in Los Angeles County's Disaster Management Area C, which includes cities in the San Gabriel Valley. The meeting was held in the City of Monterey Park's Emergency Operations Center and included a presentation by the Los Angeles County Public Works Department on emergency debris management.

In late May, Security staff began training all employees in personal security awareness. This required training, developed in partnership with Human Resources, increases employee awareness and understanding of appropriate protective measures in the event of workplace violence.

## CORE

### OPTIMIZE WATER TREATMENT AND DISTRIBUTION

Flow-weighted running annual averages for total dissolved solids from March 2015 through February 2016 were 644, 648, and 618 mg/L for the Weymouth, Diemer and Skinner plants, respectively. The salinity at these plants began to decline as Colorado River water supplies were blended with SWP supplies beginning June 22.

Staff completed a 14-day chlorination of the Lakeview Pipeline to manage quagga mussels following the use of Colorado River water. The mobile chlorination trailer was used to inject bleach just down stream of the Perris Pressure Control Structure.

Metropolitan completed an extensive assessment of its treatment plants as part of the Partnership for Safe Water Plant Optimization Program. The Program encourages water utilities to conduct in-depth analyses of its treatment plants to identify unit processes that are fully optimized, as well as develop actions necessary to ensure continued improvement to meet current and foreseeable water quality regulations and consumer satisfaction. As a result of this effort coordinated amongst multiple internal groups, Metropolitan was recognized at the 2016 American Water Works Association's Annual Conference for the Partnership's Presidential Award for the Robert B. Diemer Treatment Plant. *(see photo right)*



Metropolitan staff accepting Partnership for Safe Water, Presidential Award, from U.S. E.P.A representative and AWWA President-elect.

# WATER SYSTEM OPERATIONS

## CORE

### DEVELOP WORKFORCE

The Water System Operations Apprentice and Technical Training Programs help develop and train personnel to become qualified electricians and mechanics responsible for maintaining Metropolitan's water treatment and distribution systems. Mechanical apprentices with the Class of 2017 began Basic Machine Shop classes this month. Class was held at Mount San Antonio College's machine shop in Walnut, California. Topics covered included machine shop principles, safety, and practical application of machine shop operations. *(see photo below)*

Water System Operations and Human Resources partnered to provide the WSO Management Academy, a training program designed to prepare eligible employees for the potential transition into a Team Manager position. The program consists of a series of classes intended to help employees determine if management is right for them; develop necessary management skills such as communication and leadership; and provide a realistic preview of management roles and responsibilities. On June 15, Session 8 was held at the Jensen plant. This session focused on optimizing performance. Attendees participated in exercises for setting SMART (Specific, Measurable, Assignable, Realistic, Time-based) goals, giving performance feedback and making decisions. The session included a tour of the Jensen plant and concluded with an overview of Metropolitan's Water Quality and Safety and Environmental Services sections. *(see photo below)*

Class of 2017 mechanical apprentice participating in practical exercise during machine shop class



WSO Management Academy attendees discussing critical decision making skills

## CORE

### PROVIDE TECHNICAL SUPPORT TO MEMBER AGENCIES

Metropolitan held a Member Agency Water Quality Managers Workshop on June 16. The topic of the workshop was algae blooms and cyanotoxins with presentations from Metropolitan staff, Southern Nevada Water Authority, and the State Water Resources Control Board. Metropolitan staff discussed its algae management plan, limitations of current analytical methods for detection of algal toxins and effectiveness of ozone in reducing levels of cyanotoxins. The representative from Southern Nevada Water Authority discussed their activities to monitor a cyanobacteria bloom in Lake Mead. The last presentation by a staff member of the Division of Drinking Water discussed EPA's recently released health advisories for two cyanotoxins.



# WATER SYSTEM OPERATIONS

## CORE

### PREPARE FOR FUTURE LEGISLATION AND REGULATION

On June 27, Metropolitan staff submitted comments and testified at a State Water Resource Control Board hearing on new drinking water regulatory fees. Metropolitan and other California water industry associations commented on the need to equitably charge fees to larger water systems while still providing increased assistance to small and severely disadvantaged communities.

## CORE

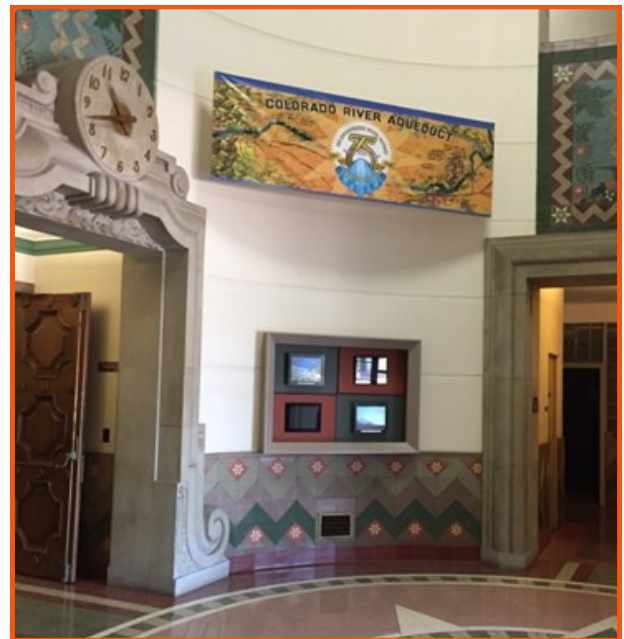
### SUPPORT EDUCATION AND OUTREACH INITIATIVES

Staff assisted with three, three-day tours of the Colorado River Aqueduct this month. A total of 107 participants visited the Gene Field Headquarters. Staff conducted five plant tours during the month of June for approximately 150 participants at the Skinner, Jensen, and Weymouth plants. Of note, staff conducted a plant tour and provided presentations on water treatment and pertinent water quality topics for educators representing Los Angeles area schools. *(see photo below)*

Staff at field facilities participated in the recognition of Metropolitan's 75th Anniversary of the delivery of water from the Colorado River to the cities of Southern California since June 1941, complimenting the events at Headquarters. Staff joined together for a retrospective view of the era through an update on aqueduct employment and construction safety in the 1930's, Metropolitan's 1932 film *Thirst*, the 2011 video *The Construction of the Colorado River Aqueduct*, and an interview with a former aqueduct worker. *(see photos below)*



Metropolitan staff providing water treatment process overview to regional educators and participants.



75 years of water deliveries recognized with banners, era-related presentations and review of commemorative materials in La Verne at Metropolitan's first water treatment plant.



# WATER SYSTEM OPERATIONS

## 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 June 2016.

The National Safety Council designated June as National Safety Month. The theme this year is Safe For Life. This month, staff will be conducting refresher training on hazard communication of chemicals, which includes how to read labels and Safety Data Sheets, understanding the new hazard warning pictograms, and review of the chemical inventory.

#### 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 6/30/16	% of Capacity
DVL	426,240 AF	53
Lake Mathews	157,051 AF	86
Lake Skinner	37,301 AF	85

**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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