

# THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA



## General Manager's Monthly Activity Report for January 31, 2017

January 31, 2017

This report identifies the actions and activities taking place during the month that support the objectives of the General Manager's Fiscal Year 2016/17 Strategic Priorities and the Core Business of the GM's work groups.

### Preparing for the future—Water System Operations

The Apprenticeship Program hosted a completion ceremony for Class of 2016 mechanics and electricians on January 17. The ceremony acknowledged the apprentices' successful completion of 36 college credits. Outstanding achievement awards were presented to top performing students in each discipline. Representatives from Water System Operations, American Federation of State, County and Municipal Employees Local 1902, California's Division of Apprenticeship Standards, and Santiago Canyon College were in attendance to recognize the Class of 2016's accomplishment. (*see graduates below*)



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## ADMINISTRATIVE SERVICES

### CORE

#### **BUSINESS PROCESSES**

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.

Eform Management Program—Staff completed the first mobile accessible eform last month and is now ready to expand this technology pilot program to all Administrative Services Section personnel in January.

Warehouse Operations—An assessment was made by Water System Operations and Engineering staff on the scope of the expansion project at Soto Street Warehouse. The expansion project is expected to begin this quarter and will increase availability of key operational material and improve business operations.

Purchasing Operations—Staff surveyed multiple public agencies to acquire feedback for improving the procurement acquisition approval process for goods and non-professional services. An analysis of this feedback will be performed and findings to management will be presented later this month

Simplify access to business information.

Printing and Scanning Equipment—Staff replaced outdated printing and scanning equipment used to produce reprographics jobs and services throughout Metropolitan. The updated equipment and software enables Imaging Services staff to process jobs more efficiently. In-line features and automation delivers higher quality prints and digital information.

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

Plans are in progress for the 10th Annual Spring Green Expo and ECO Innovator event scheduled for April 20. January staff activities include:

- Finalizing stages for the live website.
- Opening registration for vendors and students.
- Partnering with Water Resource Management to discuss seminar topics.

Foster a workplace culture of innovation.

Point of Use Dispensing Machines—Staff selected two locations for the machines. Facility maintenance, control systems, and electrical teams will benefit from 24/7 onsite access to frequently used items such as fasteners, tools, and personal protective equipment. Staff will review the logistics and contract issues with the vendor and assess the inventory count for dispensed items.

Implement comprehensive workforce succession planning and employee development programs.

Student Internships—The Administrative Services Section hired a student intern to work on the 10th Annual Spring Green Expo. The intern is majoring in Geography and Environmental Studies with an emphasis on sustainability. These fields of study are suitable for providing support to this event.

## BAY DELTA INITIATIVES

### STRATEGIC PRIORITY

#### COMPLETE THE BAY DELTA CONSERVATION PLAN/ CALIFORNIA WATERFIX ENVIRONMENTAL IMPACT REPORT/STATEMENT

Pursue efforts in a lead capacity to complete environmental documentation, financing agreements, and associated permits necessary to implement California WaterFix and EcoRestore.

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

At the request of U. S. Fish and Wildlife Service (USFWS), National Marine Fisheries Service (NMFS) and the California Department of Fish and Wildlife (CDFW), Delta Science Program staff has convened a phased independent scientific peer review process to review and evaluate the methods and scientific information used in developing the California WaterFix Biological Opinions. Phase 2B of the science review was held on January 23 and 24. The panel is reviewing sections of the draft NMFS and USFWS Biological Opinions, including the NMFS' analytical approach and USFWS' analytical framework, status of the species and critical habitat, environmental baseline, and effects analysis sections. The panel is also reviewing the proposed approach to establishing longfin smelt outflow criteria as modeled in the California Endangered Species Act permit for WaterFix. Staff reviewed the NMFS and USFWS draft Biological Opinions for WaterFix and attended the science peer review.

### CORE

#### BAY-DELTA SOLUTIONS

- Develop near- and long-term solutions that enhance the Delta ecosystem, improve water supply reliability, protect water quality, and mitigate environmental impacts.
- Participate in the State Water Resources Control Board (SWRCB) process considering petition for an additional point of diversion as part of the CA WaterFix project.
- Continue to work on efforts related to meeting the co-equal goals of contributing to a restored Delta ecosystem and ensuring a reliable water supply for California.

**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.

#### Delta Operations

Staff assisted DWR's Operations staff and the multi-agency Delta Conditions Team by providing recommendations on water project operations during December 2016 and January that would maximize export levels while protecting Delta smelt from entrainment by the state and federal water projects. A series of major storms has pushed Sacramento flows to well above 100,000 cubic feet per second and San Joaquin River flows to over 15,000 cfs for much of January. The storms have brought turbidity into the Delta. Currently turbidity in the South Delta is well above the 12 nephelometric turbidity unit level generally thought to represent a turbidity bridge that could cause Delta smelt salvage. Project pumping has been carefully calibrated to avoid pulling turbidity towards the pumps. Currently both the state and federal water projects are now at full capacity (approximately 13,000 – 14,000 cfs total), yet only a single Delta smelt has been salvaged to date (representing an expanded salvage of four). The high flows have likely moved Delta smelt away from the export facilities into downstream locations, possibly as far west as San Pablo Bay. Close to full capacity pumping is projected if flows remain high from the San Joaquin River.

## BAY-DELTA SOLUTIONS continued...

**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.

### Bay Delta Solutions

On January 4, U.S. Secretary of the Interior Sally Jewell issued a Secretarial Order directing the Department of the Interior to take timely actions to address the effects of drought and climate change on California’s water supply and imperiled wildlife. The Order provides direction for Bureau of Reclamation and U.S. Fish and Wildlife Service to complete the work necessary to make regulatory and other decisions associated with various water initiatives in the Bay-Delta, including:

- Complete the Biological Opinions and Record of Decision for WaterFix;
- Use the WaterFix Adaptive Management Framework to help guide scientific studies and monitoring, assist with project operations, and achieve the co-equal goals for the Bay Delta;
- Acquire water and develop detailed description of specific physical and biological objectives for Delta Smelt Resiliency Strategy outflow actions;
- Complete the recently re-initiated consultation under the Endangered Species Act on long-term operations of the Central Valley Project and State Water Project;
- Engage in active development of voluntary agreements for flow requirements to provide information to the State Water Resources Control Board as part of its Bay-Delta Water Quality Control Plan initiative;
- Work with National Marine Fisheries Service to incorporate the winter-run Chinook “Species in the Spotlight” Action Plan into priorities in the Adaptive Management Framework.

**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

On December 20, 2016, California Department of Fish and Wildlife announced Proposition 1 grant funding awards. Metropolitan was awarded a Proposition 1 grant for a study “Investigating the factors that affect distribution, abundance and recruitment of age-0 longfin smelt in the Upper San Francisco Estuary.” To date factors that affect longfin smelt abundance are poorly understood and this limits the ability to develop targeted management actions to benefit longfin smelt. The study will fill several key information gaps on the role of habitat and food availability in the early life history of longfin smelt. Staff will be working with Fish and Wildlife, the administrator of the Prop 1 funding, to develop the contracts.

Staff is participating on the Interagency Ecological Program workshop planning committee. The committee developed an agenda for its 2017 Annual Workshop, which will be held March 1-3, 2017. The workshop agenda includes presentations on scientific studies funded by Metropolitan. In addition, the committee is coordinating with invited speakers and coordinating the implementation of the workshop.

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

**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

Staff met with DWR to review recently completed Emergency Response Tool model simulation runs demonstrating that the emergency freshwater pathway can be developed and partial exports resumed within six-months of a severe levee breach scenario involving up to 20 island failures. The scenario included several breaches of the freshwater pathway levees and levee slumping predicted by Metropolitan’s seismic stability studies over a significant segment of the pathway. Modeling included measures to divert San Joaquin River flow toward the south Delta to flush saline water from the freshwater pathway and expedite resumption of exports. The model also allows closure of some waterways in the northwestern Delta to facilitate diversion of fresh water toward the central Delta and freshwater pathway.

The completion of the Emergency Response Tool model and simulation runs is an essential step to finalize the Delta Flood Emergency Management Plan. Staff will meet with DWR to discuss the timeline for completion of the Plan. This document will include runs simulating development of the freshwater pathway, along with model runs simulating lesser levee breach and island flooding scenarios.

## CHIEF FINANCIAL OFFICER

### CFO PRIORITY

#### **MAINTAIN STRONG FINANCIAL POSITION**

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

Manage rates and charges to help maintain low rates, minimize their variability, and recover costs consistent with Board policy.

The Finance and Insurance Committee was updated on the progress of the Treatment Charge Workgroup at its January 2017 meeting.

Manage Risk to protect Metropolitan's assets against exposure to loss.

The Risk Management Unit completed 40 incident reports communicating instances of Metropolitan property damage, liability, workplace injuries, regulatory visits and spills.

Risk Management completed 82 risk assessments on contracts, including professional service agreements, construction contracts, entry permits, special events and film permits.

### 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.

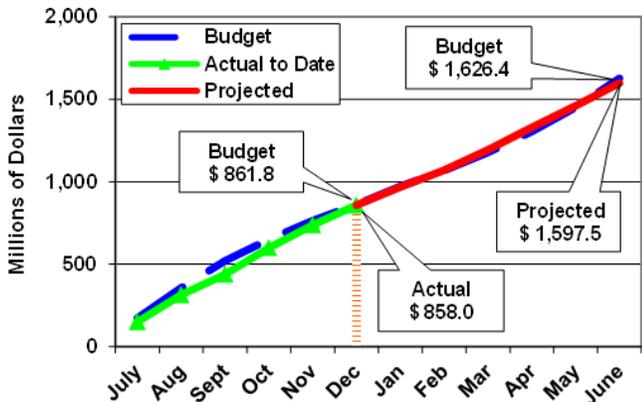
Update capital financing plans and work with rating agencies and investors to communicate financial needs and capabilities, ensure cost-effective access to capital markets, and maintain long-term bond ratings of AA or better.

On January 10, 2017, Metropolitan's Board adopted the Twenty-Second Supplemental Resolution to the Master Revenue Bond Resolution authorizing the sale of up to \$80 million of Water Revenue Bonds, 2017 Authorization. These will be variable rate bonds with the transaction anticipated to close by March 1, 2017.

# CHIEF FINANCIAL OFFICER

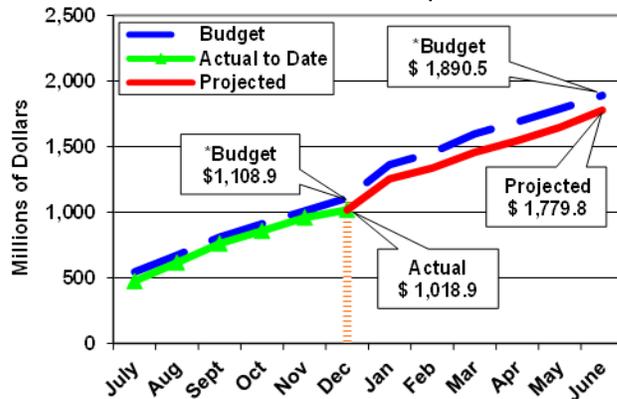
## FINANCIAL SUMMARY AS OF December 31, 2016

Revenues are expected to be \$29M under budget at year end, mainly due to lower water sales.



Excludes bond construction and other trust funds activity

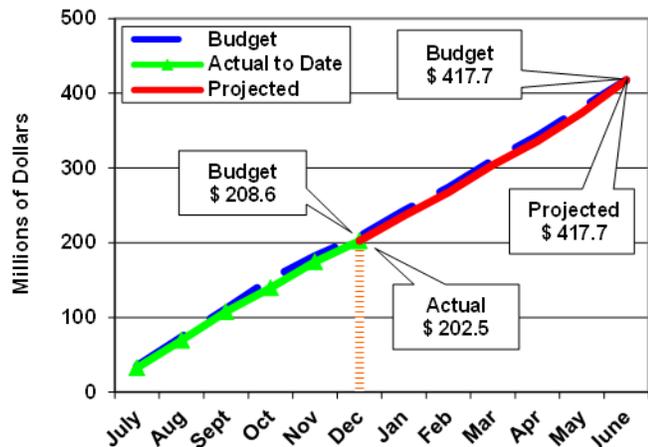
Expenses are expected to be \$111M under budget at year end, mainly due to \$80M lower cost of SWP and \$22M lower cost of Delta Wetlands land purchase.



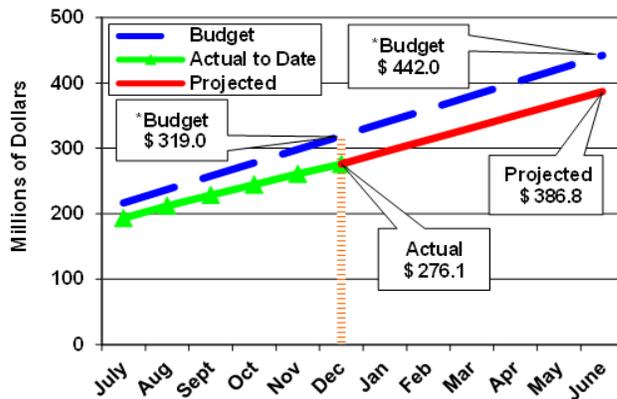
Excludes bond construction and other trust funds activity

\* Includes \$196M Board-approved purchase of Delta Wetlands, of which \$174M has been spent.

O&M expenses are expected to be on budget at year end.

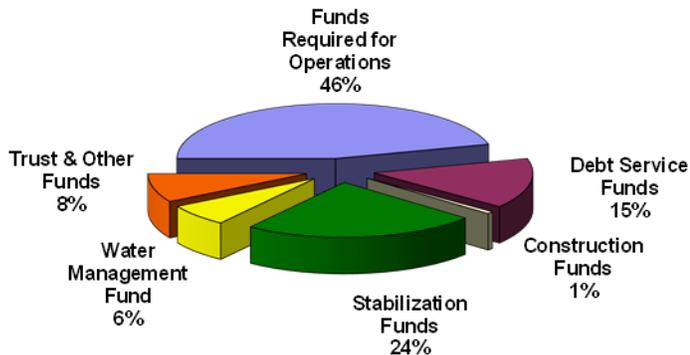


Capital Program expenses are expected to be \$55M under budget at year end, including \$22M lower cost of Delta Wetlands land purchase and \$33M lower CIP costs due to work prioritization and project rescheduling.



\* Includes \$196M Board-approved purchase of Delta Wetlands, of which \$174M has been spent.

### Cash and Investments at Fair Value \$ 1,368.4 million



### Summary Financial Statistics

	Target	Year-End Projected
Fixed Charge Coverage	≥ 1.20 x	1.48%
Revenue Debt Service Coverage	> 2.00 x	1.73%
Revenue Bond Debt / Equity Ratio	< 100.0%	62.0%

### Credit Ratings

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

## CORE

### INFRASTRUCTURE RELIABILITY

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

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

#### Distribution System Reliability Program

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

- 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 95 percent complete and is scheduled to be complete by March 2017. Design of the Stage 3 repairs is 98 percent complete and is scheduled to be complete by February 2017.
- Lake Mathews Hydroelectric Plant Repairs – This project replaces spalled concrete and corroded steel reinforcement at the Lake Mathews Hydroelectric Plant. Design is complete and a request to the Board for award of a construction contract is planned for March 2017.
- DVL East Dam Electrical Upgrades – This project provides permanent electrical service to the seepage monitoring structures at the DVL East Dam and to the East Marina area. This project will connect to a new 12kV electrical service owned by Edison. Construction is 55 percent complete and is scheduled to be complete by August 2017. *(see photo below)*
- Sepulveda Canyon Control Facility Bypass – This project enhances the operational reliability of the Sepulveda Feeder by adding a bypass to the Sepulveda Canyon Control Facility, which will maintain deliveries from the Jensen plant into the Central Pool when the control facility is out of service. Preliminary design is 44 percent complete and is scheduled to be complete by December 2017.
- Allen-McColloch Pipeline Cathodic Protection – This project installs cathodic protection at 11 locations along the AMP. Construction is 5 percent complete and is scheduled to be complete by June 2017
- Orange County Feeder Cathodic Protection – This project installs cathodic protection at three locations along the Orange County Feeder. Final design is five percent complete and is scheduled to be complete by September 2017.



DVL East Dam Electrical Upgrades –  
Excavation for electrical duct bank

**INFRASTRUCTURE RELIABILITY continued...**

Prestressed Concrete Cylinder Pipe (PCCP) Rehabilitation Program

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

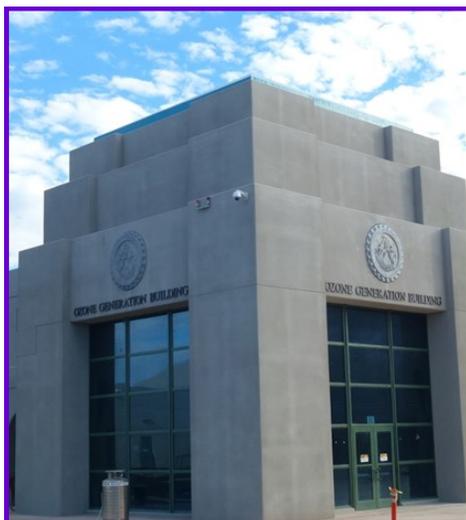
- Second Lower Feeder PCCP Rehabilitation – This project rehabilitates the remaining 28 miles of existing PCCP segments within the Second Lower Feeder. Design of the valve and pipe procurement is approximately 60 percent complete and is scheduled to be complete by early 2017. Final design of the first pipeline rehabilitation package is 28 percent complete and is scheduled to be complete by August 2017.
- Programmatic EIR – Metropolitan’s Board certified the programmatic EIR in January 2017. Future CEQA requirements will be determined on project-by-project basis.
- PCCP Inspections – A key component of Metropolitan’s strategy for management of its PCCP feeders is to perform regular monitoring of the lines. Electromagnetic inspections of portions of the Rialto Pipeline and Second Lower Feeder were completed in November 2016. Results from the inspection found no new wire breaks for either feeder.

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

- ORP Chemical & Bromate Control Upgrades – These chemical systems are needed for integration of the new ozonation system into the plant’s treatment process. Construction is 48 percent complete. The upgrades are scheduled to be complete by May 2018. *(see photos below)*
- Main ORP Facilities –Construction of the ozonation system is 99 percent complete and is scheduled to be complete by early 2017. Completion activities include control system integration, start-up and testing, permitting with the State Division of Drinking Water, and preparation of Operations and Maintenance manuals.



Weymouth ORP—New ozone generation building



Weymouth ORP—Applying slurry seal on pavement

## 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 Containment System – Construction of the containment system is 95 percent complete and is scheduled to be complete by April 2017.

**Diemer Plant**

- East Basin Rehabilitation – This project rehabilitates aging mechanical equipment and the electrical and structural components within the east flocculation/sedimentation basins. Construction is 60 percent complete and is scheduled to be complete by July 2017.
- Administration Building Seismic Upgrades – This project provides seismic and fire safety upgrades to the Administration Building at the Diemer plant, which houses the plant's control room, Incident Command Center, laboratory, and administrative offices. Construction is two percent complete and is scheduled to be complete by April 2018.

**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 99 percent complete and is scheduled to be complete by January 2017.
- LADWP Lagoon Refurbishment – This project rehabilitates four Los Angeles Department of Water and Power lagoons, which will be used for a period of 50 years by Metropolitan. Construction is 92 percent complete and is scheduled to be complete by July 2017.
- Electrical Upgrades, Stage 1 – This project replaces electrical equipment, provides backup in the event of individual component failures, and upgrades the Jensen electrical system to be consistent with current codes and industry practices. The work will be completed in three stages. Construction of Stage 1 is 62 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 75 percent complete and is scheduled to be complete by December 2017. *(see photo below)*



Weymouth Filter Rehabilitation – Concrete formwork for sections of the gullet wall

## INFRASTRUCTURE RELIABILITY continued...

Colorado River Aqueduct (CRA) Reliability Program

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

- CRA Auxiliary Power – This project replaces the auxiliary power system at each CRA pumping plant. These systems provide electricity that powers critical support systems for the CRA main pumps. Preliminary investigations are 25 percent complete and are scheduled to be complete by July 2017.
- Sand Trap Rehabilitation – This project replaces deteriorated sand trap equipment located upstream of the Iron Mountain, Eagle Mountain, and Hinds Pumping Plants. Construction is 66 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 the CRA pumping plants. Repairs will be completed in two stages. The initial stage addressed three expansion joints and was completed in February 2016. The second stage will repair the remaining 13 joints.
- Copper Basin & Gene Wash Reservoirs Discharge Valve Replacement – This project replaces the deteriorated fixed cone valves at the base of the reservoirs. These valves are used to discharge water from the reservoirs when needed. The procurement contract for the valves was awarded in December 2016 and the delivery of the valves is scheduled to be complete by January 2018. Final design of the valve installation package is 10 percent complete and is scheduled to be complete by December 2017.
- Conduit Structural Protection – This project adds protection over the aqueduct cut-and-cover conduits at 22 locations where there is vulnerability to heavy vehicle and equipment loading. Design is 10 percent complete and is scheduled to be complete by December 2017.
- Conduit Structural Protection – This project adds protection over the aqueduct cut-and-cover conduits at 22 locations where there is vulnerability to heavy vehicle and equipment loading. Design is 10 percent complete and is scheduled to be complete by December 2017.
- 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 that circulate cooling water and collect drainage water from several sources. Rehabilitation will be completed in two stages. In Stage 1, sump isolation valves will be installed to isolate the circulating water system from the pumping plant's inlet lines, eliminating the need to shut down the aqueduct for future sump repairs. These valves will be installed during the CRA February 2017 shutdown. The second stage will perform full scale rehabilitation of the sump system. Final design for Stage 2 is 60 percent complete and is scheduled to be complete by November 2017.

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:

- Jensen Solar Power Plant – This project constructs a 1-megawatt solar generating facility on the grounds of the Jensen plant in Granada Hills. Construction is 20 percent complete and is scheduled to be complete by August 2017.

**STRATEGIC  
PRIORITY**

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

External Affairs will develop and maintain relationships with the public, legislative leaders, government officials, non-governmental organizations, and other stakeholders, and implement effective and diverse communication and outreach strategies on the value of water, current water supply conditions and the importance of Metropolitan actions to promote stewardship, planning and investments to benefit the region.

Recognizing there is a new normal that is directly impacting California water conditions, inform key stakeholders, media, businesses and the public on the need for sustained conservation actions, support for new water supply projects and continued investment in imported water systems to maintain water supply reliability and protect the environment.

- General Manager Kightlinger appeared on the KNBC-4 public affairs program, news conference with Conan Nolan and discussed current Southern California water conditions, California WaterFix and other key issues. (January 27)
- At the VerdeXchange conference, General Manager Kightlinger spoke on Water Supply: A Look Forward. The conference was attended by business leaders, policymakers and green tech entrepreneurs and considered how to address climate change impacts to the marketplace. Metropolitan sponsored the event and hosted an exhibit booth. (January 30-31)
- Arranged separate interviews with General Manager Kightlinger, Group Manager Upadhyay and other Metropolitan representatives and reporters for stories about the impact of large winter storms on Metropolitan’s water supplies, the drought and conservation. Reporters represented the Los Angeles Times, Sacramento Bee, Southern California Newspaper Group, KPCC radio, KABC-TV, Channel 18 Chinese language TV, Voice of San Diego, Riverside Press-Enterprise, National Public Radio, CNBC, Capitol Weekly, CBS-LA and Water Deeply.
- Media interest in California WaterFix decisions and the recently enacted federal water bill on infrastructure investments generated numerous media requests. General Manager Kightlinger participated on KPCC-radio’s AirTalk program, provided interviews to Arizona Daily Star, Sacramento Bee and Voice of America’s Go Green Radio on California WaterFix and met with the Los Angeles Times editorial page editor.
- Arranged interview with Assistant General Manager/Strategic Water Initiatives Manager Patterson and Los Angeles Times columnist George Skelton to discuss a proposed option for a one-tunnel California WaterFix project.
- Set up interview with General Manager Kightlinger and Christian Science Monitor reporter on interstate negotiations to preserve water supplies on the Colorado River.
- Arranged board presentation to Mark Cowin, retiring director of the California Department of Water Resources.

Increase awareness and advance public understanding of the current and anticipated risks to Southern California’s water supply reliability and the need to prepare for potentially drier and more volatile supply conditions and impacts due to climate change.

Metropolitan sponsored and staff attended the California Climate Change Symposium in Sacramento, participating in discussions with state and local officials, business and environmental organizations and other stakeholders on drought and water management, the water-energy nexus and related issues on ways to effectively adapt to new extremes. (January 25-26)

**LEGISLATIVE, COMMUNICATIONS, COMMUNITY RELATIONS, PUBLIC AND BUSINESS OUTREACH**

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. Inform the public about Metropolitan projects, facilities, operations and initiatives to gather input and support, foster competitive and diverse business opportunities and facilitate innovation and technology sharing.

**LEGISLATIVE SERVICES** - Develop and implement local, state and federal legislative and regulatory strategies consistent with Board-adopted policies. Promote interaction between Metropolitan leadership and various stakeholders, including elected officials, to facilitate support for, and garner greater understanding of, water policy issues.

**Federal**

Representative Valadao (R-CA) introduced H.R. 23, the "Gaining Responsibility on Water Act (GROW)," a measure that contains several provisions from the Congressman's previous legislation to address drought issues. Staff is reviewing the bill and will report to the Board on the measure and other water-related legislation.

In the House, Speaker Ryan and Minority Leader Pelosi retained their positions as leaders of their party's Congressional conference. Committee leadership assignments are expected to largely remain the same as the previous Congress, but subcommittee assignments will be adjusted based on election results.

Senator McConnell will continue as Majority Leader, and Senator Schumer is the Senate Democratic Leader. Committee leadership posts will be largely similar to the previous Congress, with the exception of the Senate Committee on Environment and Public Works, which oversees U.S. Environmental Protection Agency, Army Corps of Engineers, Department of Transportation and the United States Fish and Wildlife Service. Senator Barrasso is the new Chairman, Senator Carper takes the ranking Democratic position and California's newly elected Senator Harris will be serving on this Committee.

**State**

New state Senate committee chairs were announced including: Senator Lara (D-Bell Gardens) as chair of the Appropriations Committee; Senator Mitchell (D-Los Angeles) as the new chair of the Budget and Fiscal Review Committee; Senator Hueso (D-San Diego) will return as chair of the Energy, Utilities and Communications Committee; Senator McGuire (D-Healdsburg) is the new chair of the Governance and Finance Committee; and Senator Hertzberg (D-Los Angeles) will chair the Senate Natural Resources and Water Committee.

In the Assembly, committee chair assignments include: Assembly Member Gonzalez Fletcher (D-San Diego) as returning chair of Appropriations; Ting (D-San Francisco) will continue to serve as chair of the Budget Committee; Aguiar-Curry (D-Winters) will chair the Local Government Committee; Garcia (D-Bell Gardens) will chair Natural Resources; and Garcia (D-Coachella) will assume the chairmanship of Water, Parks and Wildlife Committee.

Metropolitan participated in the California Contract Cities Association annual trip to Sacramento. The delegation of 100 city managers and city council members met with 45 state elected officials to discuss key issues, including stormwater capture. (January 8-11)

Chairman Record, General Manager Kightlinger, Assistant General Manager Zinke and Executive Legislative Representative Cole met with Senator Hertzberg, Assembly member Garcia, Department of

## LEGISLATIVE SERVICES continued...

Water Resources Acting Director Bill Croyle and other Natural Resources Agency staff to discuss State Water Project and Colorado River issues and the proposed Joint Metropolitan/County Sanitation Districts of Los Angeles Regional Recycled Water Project, among other issues. (January 23)

Assistant General Manager Patterson and Group Manager Upadhyay were invited to brief the Sacramento office staff for the Los Angeles County Caucus of the Legislature in water resource issues. Assistant General Manager Zinke and Executive Legislative Representative Cole also participated in the briefing. (January 27)

**Local**

- Metropolitan briefed Jeff Pemstein, chairman of the California Building Industry Association, on the latest developments related to water issues.
- Staff joined with other Los Angeles area business leaders for a welcome reception for incoming Central City Association President and Chief Executive Officer Jessica Lall, and Bay Delta Initiative Manager Arakawa presented an update on California WaterFix to the organization's Transportation, Infrastructure and Energy Committee. (January 11-12) *(see photo below)*
- Director Blois attended and Metropolitan sponsored the Economic Development Collaborative of Ventura County's annual dinner and water workshop. More than 200 business and water leaders discussed current water issues impacting Ventura County. (January 19)
- Metropolitan sponsored and staff attended the Los Angeles Area Chamber of Commerce event with Secretary of State Alex Padilla, who spoke about California elections and future governance of the state. (January 20)
- Metropolitan hosted and staff attended the Los Angeles County Business Federation (BizFed) Officer Installation reception. (January 24)
- Director DeJesus and Metropolitan staff attended the Southern California Water Committee Quarterly Luncheon at which Wade Crowfoot, the new Chief Executive Officer of the Water Foundation, discussed state water policy and investment issues. (January 27)
- Metropolitan sponsored and staff attended the Los Angeles Area Chamber of Commerce 2017 Inaugural Dinner. (January 31)

**Inspection Trips**

Approximately 200 stakeholders participated in seven inspection trips to learn about the State Water Project, Bay-Delta issues and the Colorado River.



California WaterFix presentation at CCA leaders meeting.

**MEDIA AND COMMUNICATIONS** - Communicate Metropolitan's policy priorities, actions and initiatives through various means to raise public awareness, enhance the district's visibility and cultivate support for district priorities. Update and develop new communications tools, materials and platforms to ensure Metropolitan information reaches diverse audiences throughout its service area in a cost-effective, timely, relevant manner that reflects current communications trends.

#### **Media Interviews and Communication Activities**

- Arranged interview with Colorado River Resources Manager Hasencamp and San Diego Union-Tribune reporter to discuss ongoing negotiations with Mexico on Colorado River water supplies and storage.
- Arranged interview with Colorado River Resources Manager Hasencamp and Desert Sun reporter regarding Colorado River drought contingency planning. Also provided information to KQED public radio/San Francisco about discussions on drought contingency planning activities.
- Staff assisted Water Education Foundation writer with information on climate change impacts to water systems and operations.
- Provided information to Coast News-Encinitas reporter about Metropolitan's two-year budget and water rate increases.

#### **Press Releases**

- Statement from General Manager Kightlinger regarding the release of final California WaterFix environmental documents.
- Statement thanking President Obama and Congress for approving the Water Infrastructure Improvement for the Nation Act.
- Statement regarding release of feasibility study on regional recycling program in conjunction with the Sanitation Districts of Los Angeles County.
- Statement regarding addition of Charles Treviño, representing the Upper San Gabriel Valley Municipal Water District, to Metropolitan's Board of Directors.

#### **Website**

More than 26,500 people visited the English, Spanish, and Chinese versions of bewaterwise.com for tips and ideas on how to conserve water in their homes, businesses and communities.

#### **Online**

- Paid online search on Google Search and the Google Content Network continued this month and increased website traffic to bewaterwise.com website for users searching keywords.
- Distributed new edition of Metropolitan's e-newsletter "Your Water" to more than 12,000 recipients.
- Sent bi-weekly e-newsletters on California WaterFix issues to approximately 1,000 local and state elected officials, business leaders and community organizations.

#### **Social Media**

Tweets on Metropolitan's education programs received over 5,000 impressions using #solarcup, #waterart, #thinkh2o, #mwdeducates through @bewaterwiseh2o and @mwdh2o.

**LEGISLATIVE, COMMUNICATIONS, COMMUNITY RELATIONS, PUBLIC AND BUSINESS OUTREACH**  
continued...

**PUBLIC OUTREACH AND MEMBER SERVICES** - Conduct public outreach to increase awareness and input on Metropolitan projects and initiatives and ensure impacted communities are aware of Metropolitan construction and maintenance activities. Enhance public awareness of Metropolitan's systems and facilities and the role they play in regional supply reliability while protecting environmental resources. Serve as liaison to Metropolitan's member agencies and facilitate their engagement with the district.

Metropolitan provided an overview of California's water issues and infrastructure to Nestle Waters North American water resource managers.

**Public Outreach and Member Services**

- Provided 300 notices to homes and businesses in the El Sereno area of Los Angeles about upcoming 24-hour work for the Collis Avenue Valve Structure Replacement Project.
- Distributed 830 notices in English and Spanish to impacted residents and business in Santa Ana for the Orange County Feeder Shutdown, coordinated with the City of Santa Ana and met with neighborhood associations to provide information to residents and businesses about the Orange County Feeder Relining Project.
- Staff began initial outreach to property owners in the vicinity of the Colorado River Aqueduct in preparation for the shutdown in February.
- Metropolitan met with the member agency general managers to discuss water supply conditions, Colorado River issues, operations, and other issues (January 13)

**EDUCATION AND COMMUNITY RELATIONS** - Facilitate public engagement in and understanding of water resource issues through community relations activities and education projects. Build awareness of and appreciation among Southern California youth for the value of clean, reliable water supplies and the importance of good water stewardship.

This month, the Education Unit directly interacted with more than 1,100 students and teachers and distributed 6,800 pieces of curriculum.

Staff supported various events and outreach presentations, including:

- a teacher's workshop on new water quality training curriculum
- a Colorado River Aqueduct inspection trip for 36 K-college level educators
- the California Education's Environmental Literacy Steering Committee quarterly meeting at Metropolitan's Headquarters
- field trips for students from the Diamond Valley Middle School and Cole Canyon Elementary School,
- the Student Art Recognition event.



Educators Inspection Trip, Parker Dam

## EDUCATION AND COMMUNITY RELATIONS continued...

**Diamond Valley Lake Education Program**

The Visitor Center hosted more than 200 visitors and guided nearly 250 visitors to the Viewpoint. Many of this month's visitors participated in the Western Science Center's old-fashioned holiday event that continued into early January.

**Student Art Program**

The Student Art Exhibit was hosted at Jurupa Community Services District, Ventura County Waterworks Districts, City of Corona Department of Water and Power and Las Virgenes Municipal Water District. The artwork is also showcased on social media and Metropolitan websites.

Facilitate opportunities for small businesses to work with Metropolitan. Help position Metropolitan as a leader in water resource/systems innovation.

In January, Metropolitan supported small- and disabled-veteran businesses throughout the region by participating in the following award programs, conferences and events:

- Staff attended the Sustain OC Air/Water/Energy advisory board committee at University of California, Irvine to highlight job creation and economic growth in the cleantech industry for representatives from business, government and academia. (January 10)
- Staff participated in the member agency seawater desalination quarterly meeting and provided information about business resources that are available through the H2O Techconnect portal (January 11).
- Metropolitan's Innovation Team arranged for representatives from engineering, operations, and information technology programs to visit the Los Angeles Cleantech Incubator to evaluate opportunities to use advanced industrial equipment for pilot projects, trials and prototyping projects. (January 12).
- Staff facilitated a meeting between Metropolitan and Los Angeles Department of Water and Power staff to discuss new in-line pipe technologies and ways to apply these technologies for use by both agencies. (January 18).
- Metropolitan participated in the ARCS Foundation's Achievement Rewards for College Scientists board meeting. (January 19)
- Staff gave presentations to representatives from 40 businesses, entrepreneurs and public agencies at the Los Angeles Cleantech quarterly meeting. (January 19).
- Metropolitan was invited by the Los Angeles Mayor's Innovation Group to help evaluate and provide feedback on five water technologies and recommendations for resources and opportunities. (January 24).
- Staff participated in Cleantech San Diego's Smart Water: Tapping Technologies for Water Utilities conference to discuss data-driven technologies across the water sector. (January 25)
- Staff participated in matchmaking sessions with San Diego-area small businesses at a Business Matchmaking event to promote contracting opportunities in the public sector. (January 31)

**STRATEGIC  
PRIORITY**

**EMPLOYEE DEVELOPMENT**

Recruitment activity will be expanded to fully replace all retirements and add some positions to bring the work force to approximately 1,800 positions over the next two years. Increased cross-training and employee development efforts will be needed to meet the challenge of increased retirements brought about by an aging workforce.

Partner with district and group leadership to support learning, development and workforce planning initiatives.

Part 2 of Word and Excel classes were held at Gene worksite for 12 employees. The classes were taught by faculty of Corporate University, a consortium of community colleges in California.

Two-hour modules of software training were conducted on the following topics:

- PowerPoint – creating slides
- Visio – developing organizational charts
- Access – advanced queries
- Excel – advanced functions

Other classes held included: Agreement Administrator training and Records Management Database training.

A Lunch 'n Learn panel discussion on Entrepreneurial Mindset was sponsored by Ashford University, one of the Consortium University Partnerships. Forty employees attended the session and five employees who recently graduated from Ashford University were recognized. *(see photo below)*

Seek diverse, high-quality talent, and establish partnerships to discover additional outreach opportunities that aid in staffing positions.

During the past month Staffing has filled 10 positions and received 17 new requisitions. Staffing is currently recruiting for 134 positions. The announcement for the upcoming Apprenticeship Program recruitment was launched and applications will be accepted beginning in late February.

Staff began analyzing the new applicant tracking/recruitment system capabilities and is working with the vendor to establish an implementation schedule.



Lunch 'n Learn—Entrepreneurial Mindset

**HR  
PRIORITY**

**PREPARE FOR A FUTURE WORKFORCE AND CHANGING ROLES**

Partner with groups to develop programs for skill development, knowledge capture, change management, and employee engagement to ensure Metropolitan’s capability as an agile organization preparing for future changes and challenges.

Implement strategies to prepare management and employees for change, unknown challenges, and future retirements.

- Supported deployment of the fifth cohort for the mentoring program in the Engineering Services Group.
- Provided a Teamwork training module for the launch of the next cohort of Career Launch for 13 new engineers.
- Provided continued facilitation for a Talk Circle that is examining ways to improve effectiveness in the Real Property Group.

**HR  
PRIORITY**

**ENSURE EFFECTIVE PEOPLE MANAGEMENT**

Provide consultation, guidance, standards, policies, procedures and learning opportunities to ensure that employee experience is enhanced as they are appropriately managed, evaluated, engaged, motivated, developed, recognized and valued.

Ensure Metropolitan managers have the foundational knowledge and on-going support to effectively manage employees.

- The third cohort of 16 managers in Metropolitan Management University was instructed on Module 4, which focused on Performance Management and Employee Relations.
- Three managers attended an Institute for Management Studies full-day seminar on influence, entitled Increasing Your Personal Impact: Maximize Your Power to Influence Others.
- Met with bargaining unit representatives to start planning for a Metropolitan Management Academy available to all eligible employees.

**HR  
PRIORITY**

**PARTNER WITH CUSTOMERS ON HR SOLUTIONS**

Collaborate and partner with customers at all levels to support strategic decisions on workforce planning, hiring strategies, advancement and learning opportunities, disciplinary issues and other challenges as they arise.

Establish partnerships focused on strategic solutions to various human resource management challenges.

- Staff continues to work with workforce planning and succession management actions in the Water Resource Management Group.
- Staff is partnering with Administrative Services management to provide training and development to assist with future career opportunities and succession planning.
- Staff is also providing coaching for managers to address personal development and other management issues.

## CORE

### **COMPLY WITH EMPLOYMENT LAWS AND REGULATIONS**

Ensure all policies, programs and practices comply with ever-change laws and regulations.

Effectively administer all Human Resources policies, programs, and practices in compliance with applicable federal and state laws and Metropolitan Administrative Code, Operating Policies, and Memorandum of Understanding.

#### Workers' Compensation/Medical Screening:

- Conducted initial investigations on 9 injury incidents.
- Submitted 4 new claims to Metropolitan's workers' compensation claim administrator.
- Settlements were finalized in 2 claims, and 9 claim files were closed.
- Finalized 2016 OSHA Logs for posting at all facilities.
- Conducted MedVans at Mills, Lake Skinner and Lake Mathews facilities
- Arranged 7 medical evaluations (DMV, medical surveillance, hearing conservation, etc.).
- Addressed 3 accommodation issues.

## CORE

### **PROVIDE EXCELLENT HR SERVICES**

Human Resources provides a wide range of services and support from pre-hire to post-retirement care. To ensure our services add value and meet the needs of all employees, we will review and revise HR policies, procedures and practices as appropriate to continually improve service and better utilize technologies.

Administer all HR services with efficiency and a focus on customer service excellence, consistency, and flexibility.

- During the month of January, Employee Relations staff worked closely with two bargaining units (the Management and Professional Employees Association and the Association of Confidential Employees) in an effort to resolve Memorandum of Understanding negotiations. Status updates will be provided to the Organization, Personnel and Technology Committee in February.
- Negotiations are also ongoing with the two other bargaining units, AFSCME Local 1902 and the Supervisors Association. Status updates will likewise be provided to the Organization, Personnel and Technology Committee in February.
- Employee Relations and Equal Employment Opportunity Investigations staff will also be presenting training to new managers as part of the ongoing Metropolitan Management University training program.
- Benefits completed a customer satisfaction survey sent to all Metropolitan participants in 401(k) and 457(b) Deferred Compensation Plans to assess satisfaction with services provided by record-keeper TIAA Financial Services. 2,700 surveys were distributed and feedback was received from 45 percent of active employees, 41 percent of non-active participants with email addresses, and 2.7 percent from non-active participants who received a mailed surveys. The results are now being analyzed.
- Participated in an outside mediation process to collaborate on revising/clarifying Metropolitan's recruitment process.

## HUMAN RESOURCES

### CORE

#### COMPLY WITH EMPLOYMENT LAWS AND REGULATIONS

Ensure all policies, programs and practices comply with ever-change laws and regulations.

Effectively administer all Human Resources policies, programs, and practices in compliance with applicable federal and state laws and Metropolitan Administrative Code, Operating Polices, and Memorandum of Understanding.

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- Addressed 3 accommodation issues.

## INFORMATION TECHNOLOGY

### CORE

#### INFORMATION TECHNOLOGY

Collaboratively work with customers to deliver information technology options, services, and solutions in the areas of enterprise and business applications, Engineering and Water System Operations applications, mobile/wireless computing, telecommunications, network services, information security, and personal computing.

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

- Hiram Wadsworth Pump Plant – Staff is finalizing the Final Design documents for final phase of the control and electrical protection systems at the Hiram Wadsworth Pumping Plant project (Construction and Commissioning).
- Network Communications Infrastructure - IT staff continued to deploy Cisco switches and routers at various Metropolitan facilities. Also completed the task of removing old network equipment and preparing equipment for salvage.

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

Unmanned Aerial Vehicles (UAV) - Staff completed a UAV Flight Manual and two staff members completed the UAV Pilot license certifications.

Mobile Applications – Staff completed Quality Assurance testing of the On-Call Labor mobile application. User testing is underway.

## REAL PROPERTY ACQUISITION, MANAGEMENT AND REVENUE ENHANCEMENT

Manage Metropolitan's real property assets with a focus on enhancement of returns 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, protection programs, and Bay-Delta Initiatives.

- A new permanent easement to maintain drainage improvements was acquired from Young S. and Chun Hea Kim Living Trust. This allows Metropolitan rights to install, operate, and maintain a below-grade pipe to convey surface storm water from Metropolitan's Garvey Reservoir to the city of Monterey Park's storm drainage system.
- Staff negotiated the terms and coordinated the execution of a new permanent easement from Irvine Community Development Corporation to Southern California Edison, which will allow Edison to power Metropolitan's new cathodic protection equipment on the Allen-McCulloch Pipeline project.
- A permanent easement for ingress and egress was granted to Englehardt Holdings, LLC, for Metropolitan to access its Rialto Pipeline, in exchange for Metropolitan giving consent of a lease assignment to Englehardt Holdings, LLC on Metropolitan property.
- A ten-year lease was acquired from the California State Lands Commission for Metropolitan to operate its Bouldin Island boat dock on the Mokelumne River.

Seek incremental revenue-generating opportunities for real estate assets in traditional and alternative market segments such as telecommunications, solar/wind generation, agriculture, and sustainable technology and research.

A five-year ground lease was issued to HayDay Farms effective January 1, 2017 covering 7,972 gross acres in the Palo Verde Irrigation District.

Pursue development and improvement 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 benefit the surrounding community.

Metropolitan and the Riverside County Regional Park and Open-Space District (Parks) are collaborating to develop north-south trail connections in the Multi-Species Reserve and to the County's regional trail system. The effort has been introduced to the Reserve Management Committee (RMC), which has jurisdiction over the Reserve. Metropolitan and members of the RMC inspected the proposed trails to assess the feasibility of the alignments. The proposed alignments will be presented jointly by Parks and Metropolitan for RMC concurrence at the committee's next meeting on February 1, 2017.

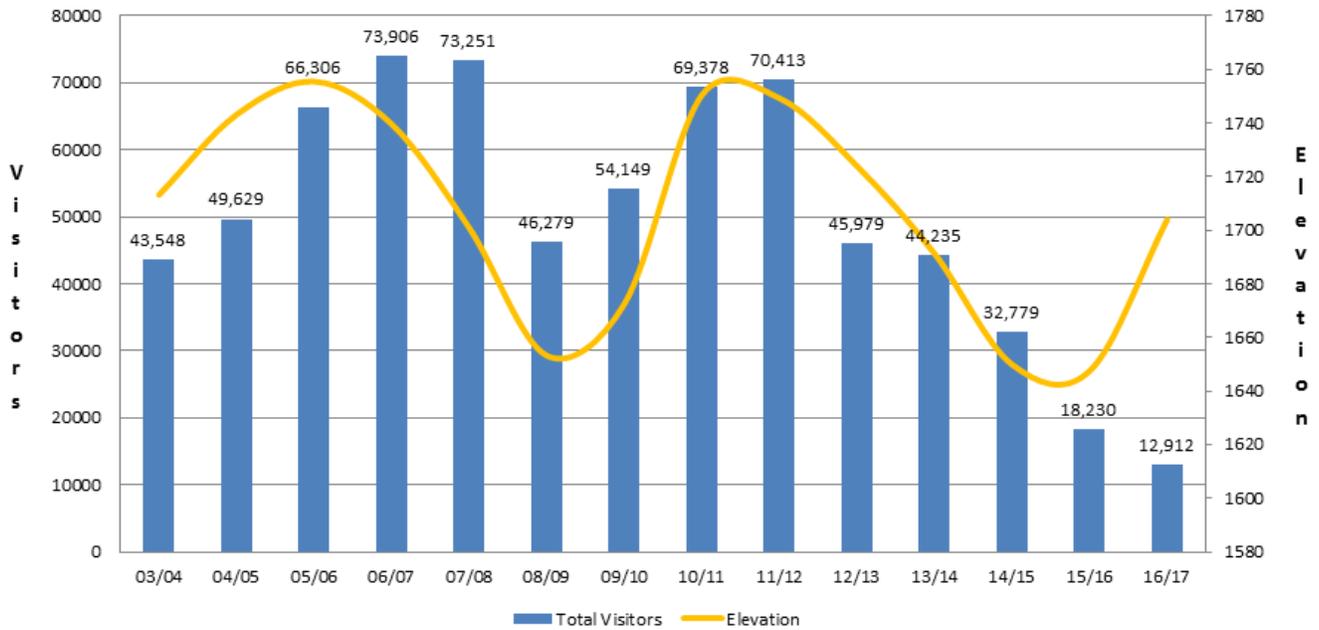
Foster staff training and development.

- Staff attended Metropolitan-sponsored courses High Rise Safety Training and Agreement Administrator Workshop, Rollover Agreements.
- Staff attended the Appraisal Institute sponsored course Productivity Tools for Appraisals, and Analyzing Tenant Credit Risk and Commercial Lease Analysis.
- Staff attended the Building Owners and Managers Association course Design, Operations and Maintenance I.

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

Due to energy conservation efforts in 2006, sections of the exterior lighting at the Headquarters building were de-energized. The fixtures have been restored with energy-efficient lighting.

## Diamond Valley Lake Visitor / Elevation Data



This graph shows visitor trends with respect to lake elevation on a fiscal year basis since the opening of the Marina. Note that in FY08/09 and FY15/16, access for private boat launching was suspended due to extremely low lake levels. Visitor attendance is expected to increase as the lake levels continue to rise.

## ◆..... WATER RESOURCE MANAGEMENT .....◆

### 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.

State Water Project Allocation - A series of atmospheric river events have brought heavy precipitation up and down the State of California since the start of the water year. The northern California watersheds that provide water supplies for the State Water Project have already received their normal years' worth of precipitation, bringing current totals to double what is expected for this time of year. These hydrologic conditions have increased storage in key state reservoirs, brought high river flows into the Delta, allowed for maximum permitted exports and increased the water year runoff forecast to above normal. As a result, the SWP allocation has increased to 60 percent and further increases are expected.

Implement the Conservation Program effectively.

Irrigation Show and Education Conference Participation - Staff participated in roundtable discussions at the Irrigation Association's 2016 Irrigation Show and Education Conference in Las Vegas, Nevada. Metropolitan staff also led a presentation/discussion examining water use efficiency entitled Innovative Irrigation Management - Using Irrigation Technologies for Specialized Projects.

Implement the Local Resources Program.

On-site Retrofit Program - Under the On-site Retrofit Program, Metropolitan has retrofitted 212 sites for an estimated water savings of about 6,635 acre-feet per year. There are an additional 90 sites under construction.

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

Seawater Desalination Meeting - Metropolitan held a member agency seawater desalination meeting on January 11. The meeting included reports on member agency seawater desalination activities; a legislative briefing from Paul Kelley, the executive director of CalDesal; and discussions of permitting and operating challenges under the new Ocean Plan regulations. Staff from six member agencies considering seawater desalination participated in the meeting. Staff intends to hold biannual meetings with the member agencies to support local seawater desalination projects and provide regional facilitation on regulatory and related issues.

Ensure reliable and cost-effective water management programs.

Water Use Study - Water Resource Management staff has contracted with the Irrigation Training and Research Center at the California Polytechnic State University, San Luis Obispo, to conduct a detailed analysis and review of water use in the Palo Verde Irrigation District. The study will use a combination of methods including estimation of water use by satellite image interpretations, review of the United States Bureau of Reclamation accounting methodology, and review of water use measurement accuracy. The results of this work will be a common basis for further discussion with PVID on opportunities to improve water efficiency in the valley.

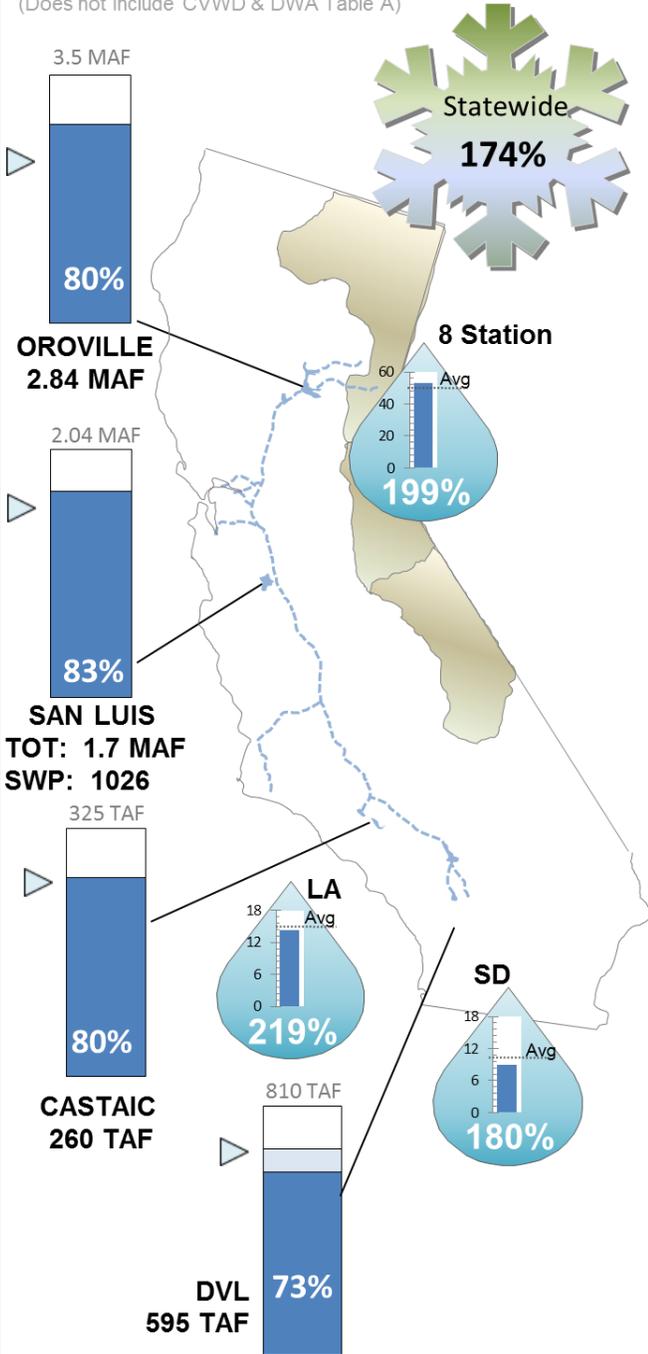
# WATER SUPPLY CONDITIONS as of January 31, 2017

## 2017 SWP Allocation

1,146,900 AF

60% of Table A

(Does not include CVWD & DWA Table A)

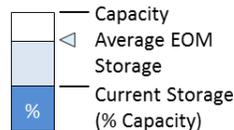
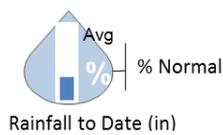
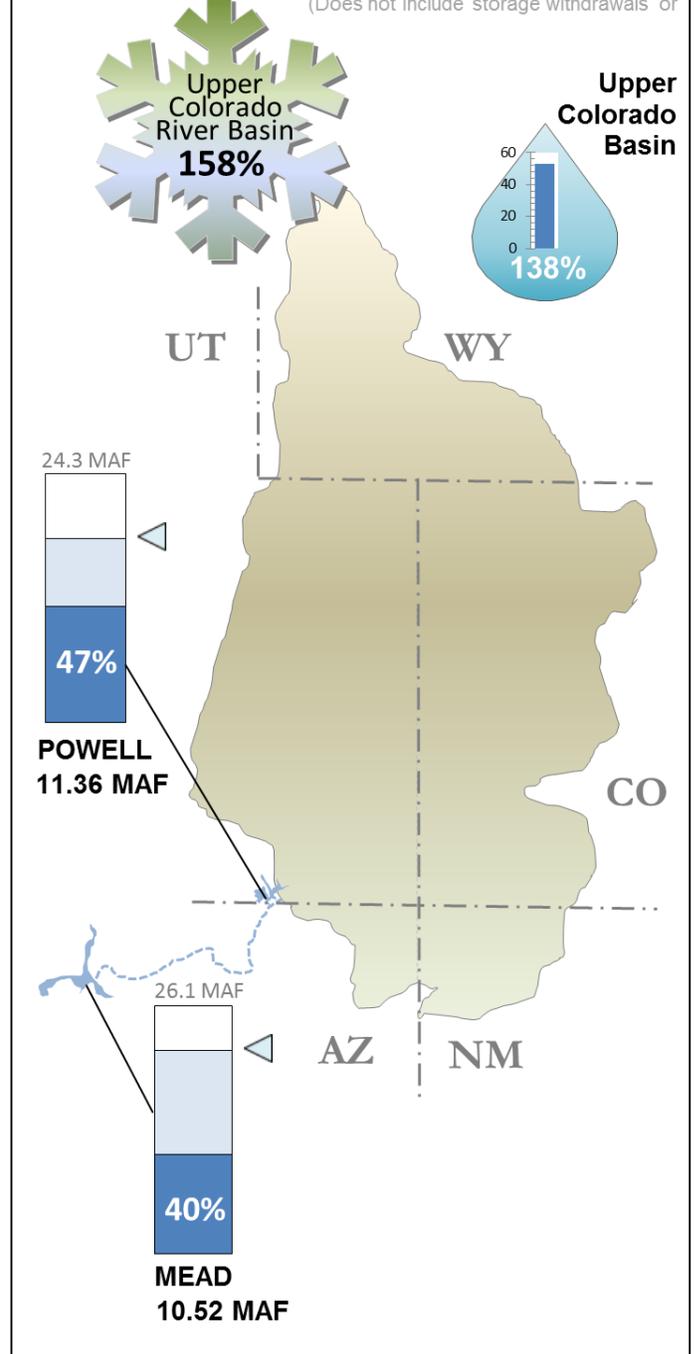


## 2016 Colorado River

865,000 AF

69% of full CRA

(Does not include storage withdrawals or



**STRATEGIC  
PRIORITY**

**DEVELOP WATER SUPPLIES AND MANAGE WATER RESERVES**

Staff will work closely with the Board to manage Metropolitan’s water supply reserves in the face of the unprecedented drought conditions in California and throughout the Southwest. If El Niño conditions create more supply, staff is prepared to maximize storage opportunities. The actions will include implementation of storage withdrawals, coordination of deliveries with the member agencies, close monitoring of drought conditions and possible allocation actions as part of the Water Surplus and Drought Management plan, and targeted outreach on conversation efforts. The past year’s successful implementation of the Water Supply Allocation Plan will be reviewed and a determination will be made on what actions to take for FY2016/17.

Manage water reserves.

In response to heavy rain and snowfall for the water year-to-date, staff developed strategies to store State Project Water and Colorado River Water and rebuild storage reserves that had been depleted during the recent record drought. During the month of January, staff initiated deliveries into Diamond Valley Lake, the Advanced Delivery Account storage/exchange with Desert Water Agency and Coachella Valley Water District, and Flexible Storage accounts in Castaic Lake and Lake Perris. Additional storage actions are being evaluated and will be implemented as conditions warrant.

SWP blends at the Weymouth, Diemer and Skinner plants were initiated this month and will continue due to the State Water Project allocation increase to 60 percent from 45 percent on January 18. The use of SWP water accounted for 49 percent of Metropolitan’s member agency deliveries, which excludes 28,600 AF that was delivered into DVL. Storage at DVL increased to 595,000 AF or 73.4 percent full.

**STRATEGIC  
PRIORITY**

**EMPLOYEE DEVELOPMENT**

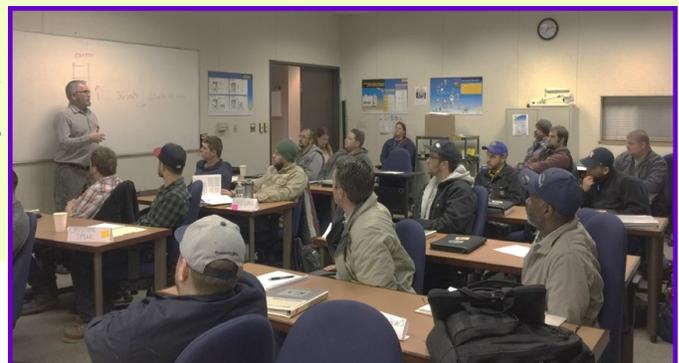
The proposed budget calls for Metropolitan to cease its managed attrition that has shrunk Metropolitan from 2,400 full-time employee positions to a current workforce of approximately 1,750. Recruitment activity will be expanded to fully replace all retirements and actually add some positions to bring the work force to approximately 1,800 positions over the next two years. Increase employee cross-training and employee development efforts will be needed to meet the challenge of increased retirements brought about by an aging workforce.

Manage vacancies.

WSO filled 6 vacant positions in December 2016,

Prepare employees for new opportunities.

The Class of 2020 mechanics and electricians completed their probationary periods in 2016. This month, the participants signed agreements to be classified as apprentices with the State of California and began their first period of academic instruction. The first period provides foundational knowledge for the mechanical and electrical fields, focusing on industrial safety and health, tools, mathematics, measurements, blueprints, basic electricity, and basic mechanics. *(see photo right of first day of class)*



## WATER SYSTEM OPERATIONS

### CORE

### PROVIDE RELIABLE WATER SUPPLIES

System Operations delivered approximately 72,000 acre-feet of water to meet member agency demands in January, which averaged approximately 2,320 AF per day. This was a decrease of 45 percent, or 1,870 AF per day from December deliveries. This decrease in deliveries was primarily due to heavy precipitation in Metropolitan's service area during the month, which led to lower demand, as well as interruptions in replenishment deliveries due to the abundance of local runoff. Treated water deliveries for January were 44,000 AF or 61 percent of total deliveries. This was a decrease of 5,000 AF from December deliveries. In January, 71,530 AF of Colorado River water was pumped. This was an average of 2,307 AF per day. The CRA began January at a seven-pump flow, decreased to a 4-pump flow on January 17, and decreased further to a 2-pump flow on January 23, due to high storage levels in Lake Mathews. State Water Project imports averaged 2,064 AF per day for 64,000 AF for the month. This was a decrease of 3,000 AF from December SWP imports.

For a two-week period in January, the Jensen plant increased its flows to meet the treated water demand for the City of Los Angeles Department of Water and Power, in support of the agency's planned shutdown of their Los Angeles Aqueduct Filtration Plant to perform routine maintenance.

### CORE

### OPTIMIZE MAINTENANCE

Gene Wash and Copper Basin reservoirs are small unlined reservoirs that provide storage regulation and operational flexibility for pumping operations along the Colorado River Aqueduct. This water is delivered from Intake Pump Plant to the Gene Wash reservoir and from the Gene Pump Plant to Copper Basin reservoir. Aquatic vegetation growth naturally occurs in most unlined reservoirs, which often contributes to reservoir and system operational problems such as taste-and-odor issues. Over the past four to five years, staff noticed greater aquatic vegetation growth in both reservoirs, which has been attributed to the water having a greater clarity as a result of quagga mussels filtering the water as they feed on algae in Lake Havasu and the Colorado River. To help prevent potential pump blockages and system clogging at the pump plants, an outside contractor was hired to remove the overgrowth of vegetation in the reservoirs. The contractor used a self-powered floating machine to remove the vegetation and bring it to the shore. The dried vegetation was then removed by staff and disposed of offsite near the Gene facility. The contractor work was accomplished in approximately 16 days. Staff is currently evaluating the efficacy of the vegetation removal process at both locations to develop an ongoing maintenance program. *(see photo right of vegetation being removed)*



Staff repaired a minor leak at the Perris Hydroelectric Power Plant. The work included welding a new stainless steel flange onto the scroll case drain valve in the facility. The drain valve allows water to be drained between the turbine shut-off valve and the turbine when the plant is out of service. The 7.9 megawatt HEP is located in the city of Perris and is operated using water delivered from the State Water Project's Santa Ana Valley Pipeline.

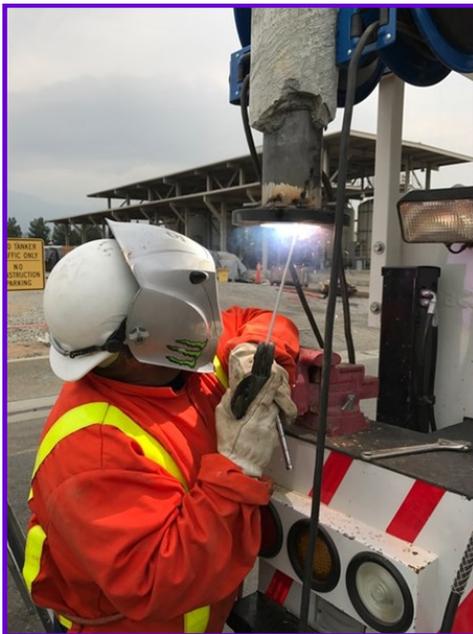
# WATER SYSTEM OPERATIONS

## CORE

## OPTIMIZE MAINTENANCE continued...

Staff completed the rebuild of an eight-inch regulating valve at the Irvine Regulating Structure. The Irvine Regulating Structure is located northeast of Newport Beach at the interconnection of the Orange County and Irvine Cross Feeders. The facility provides flow regulation by controlling the downstream hydraulic pressure. The structure also provides pipeline protection by relieving excessive pressure surges. (see photo right)

Staff completing rebuild of an 8-inch regulating valve at Irvine Regulating Structure.



Staff welding lateral connections.

Staff began modification of the domestic water system at the Weymouth plant to increase flexibility of the plant's chlorine injection system. The chlorine injection system will be modified to work in combination with the new ozone disinfection system. The current improvements include installation of approximately 1,300 linear feet of new 16-inch diameter mortar-lined steel pipe and associated vacuum valve/air release valve assemblies, as well as new piping to the dry polymer tank farm, Oxidation Demonstration Plant, and filter buildings. The project also provided an opportunity for staff to install 300 linear feet of six-inch earthquake resistant ductile iron pipe. The new pipe is being installed as a pilot to assess its ability to withstand earthquake damage relative to conventional steel pipe. (see photos left & below)

Staff placing a concrete encasement for the domestic water line at the Weymouth plant.



Installing compacting aggregate base to the pipeline trench

# WATER SYSTEM OPERATIONS

## CORE

## OPTIMIZE MAINTENANCE continued...

Staff at the Skinner plant installed a 15,000-pound isolation drop gate in the ozone contactor structure to dewater the influent pipeline for repairs to a 48-inch diameter butterfly valve. This repair work to the butterfly valve will ensure proper isolation of the treatment module and will reduce incidental flow to the washwater reclamation plant. There was no impact to treated water deliveries while maintenance was performed as other portions of the ozone system remained in operation.



Left: Crane operator lifts isolation drop gate for the Skinner plant ozone contactor structure. (Note - the yellow circle shows where the drop gate will be positioned.)

Right: Staff positioning isolation gate for installation.



Significant storms during January caused damage to patrol roads and some on-site locations in Metropolitan's service area. Staff monitored for damage and erosion as part of regular patrolling of Metropolitan facilities. Immediate steps such as sandbagging and diverting water flows were taken to mitigate the effects of these storms. Repair of these areas is beginning as the storms have begun to subside. *(see photo below)*

Washout of patrol road along the CRA at Mile Marker 192.75 in the city of Desert Hot Springs.



## WATER SYSTEM OPERATIONS

### CORE

#### OPTIMIZE MAINTENANCE *continued...*

The La Verne Shops manufactured three Venturi meter cleaning tool assemblies for the Weymouth plant. The assemblies are used to clean Venturi valve ports and are designed to allow staff to perform maintenance while pipelines are full and under pressure. Clogged Venturi valves can cause erroneous water flow readings.

Staff performed mechanical seal replacement on the Greg Avenue pumps. These pumps are located on the East Valley Feeder near the city of Burbank. They are used to pump water from the Colorado River to the western portion of the distribution system during periods when State Project Water is not available. The mechanical seals are precision engineered to reduce pump leakage down to negligible amounts when compared to the original manufacturer seals.

### CORE

#### MANAGE THE POWER SYSTEM

Metropolitan's hydroelectric plants generated an average of 11.3 megawatts per hour for 8,400 megawatt-hours for the month.

On January 23, staff met with representatives of the Arizona Electric Power Cooperative (AEPCO) to negotiate arrangements to transition the Colorado River Aqueduct electrical transmission system from Southern California Edison control. The transition will occur when the existing Service and Interchange Agreement with Edison expires on September 30, 2017. After that date, it is anticipated that Metropolitan will be working directly with AEPCO on operations and energy scheduling for the CRA.

### CORE

#### IMPROVE SECURITY AND EMERGENCY RESPONSE

On January 4, staff attended the Los Angeles County Operational Area Training and Exercise Steering Committee meeting at the Los Angeles County Emergency Operations Center. This quarterly meeting focuses on emergency training and exercises in the county, and includes representatives from lead county emergency response departments, cities, and special districts. Staff also participated in Riverside County's quarterly Operational Area Planning Committee meeting on January 12 in Beaumont. Participating in these types of planning meetings ensures that Metropolitan is coordinating with emergency response agencies before a disaster strikes.

Staff provided support to the Los Angeles County Fire Department Urban Search and Rescue Canine group to facilitate emergency response exercises at the Jensen plant. The Department conducts annual real-time exercises to maintain emergency response capability. A focus for this exercise was to locate trapped personnel in the tunnels and pipe galleries that are located on the plant site. Areas of the plant not in operation were utilized during the exercise to ensure safety. *(see photo right of canine group performing search and rescue)*



## WATER SYSTEM OPERATIONS

### CORE

### PROTECT SOURCE WATER QUALITY

On January 17 and 18, staff participated in workgroup meetings held in Henderson, Nevada for the Topock Chromium-6 Remediation Project. Stakeholders discussed the site's groundwater model used to support the final remedy and the project's subsequent environmental impact report, which is currently under public review through February 27, 2017. Metropolitan will be providing comments during this environmental review period, supporting the implementation of the final groundwater remedy, which will ensure continued protection of Colorado River water supplies. Construction of the project is anticipated to begin in late 2017.

Invasive quagga mussels were discovered in early December in the California Department of Water Resources' Angeles Tunnel connecting Pyramid and Castaic Lakes. Staff increased monitoring and inspections on the West and East branches of the SWP to assess the extent of the invasion and are coordinating activities with the DWR and Los Angeles Department of Water and Power. Additional mussels were discovered at the DWR's Castaic hydroelectric facility but no mussels were found during an inspection of Metropolitan's Foothill hydroelectric plant on January 4. No larval stage mussels (veligers) were found in water samples collected from the West and East branches of the SWP during the first week of January. Metropolitan organized and hosted a quagga mussel workshop on January 25 to bring together state, member agencies, and other local agencies to review and discuss strategies for minimizing the impact of mussels on operations and State Water Project water deliveries.

### CORE

### PROVIDE TECHNICAL SUPPORT TO MEMBER AGENCIES

The La Verne Shops continued manufacturing components for the LA-29 service connection. This service connection is being modified to install a flow meter. The work includes manufacturing the pipe components for the service connection and the stainless steel components that will house an acoustic flow meter. (*see photos below*)



Machining of the 30-inch stainless steel flange (left); and (right) welded assembly of the 54-inch by 30-inch reducer for the LA-29 service connection.

## WATER SYSTEM OPERATIONS

### CORE

#### OPTIMIZE WATER TREATMENT AND DISTRIBUTION

The Weymouth Plant Ozone Retrofit Project is progressing and is scheduled to go online in the fall of 2017. The ozone retrofit in La Verne will complete Metropolitan's ozone retrofit program at the five treatment plants. The ozone startup contractors arrived onsite on January 10. They will work with the primary contractor and Metropolitan staff to start up and complete the project. Work is in progress to program the programmable logic controllers and test all equipment through multiple scenarios to verify the ozone production system operates as designed. Startup contract staff will remain onsite working closely with Metropolitan staff and provide training on operations and maintenance of the ozone system and related equipment. *(see photo below)*

Startup contractor staff working on encoding programmable logic controllers and creating operator graphics for the ozone process at the Weymouth plant.



### 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 January 2017.

Metropolitan qualified for \$20,000 in incentive funding from the California Energy Commission's Natural Gas Vehicle Incentive Program. This funding can be applied to the purchase of a compressed natural gas (CNG) truck in lieu of a diesel truck. Staff will submit the documentation to claim the \$20,000 funding for a budgeted CNG truck.

### CORE

#### SUPPORT EDUCATION AND OUTREACH INITIATIVES

Staff conducted five treatment plant inspection trips during the month of January for approximately 150 participants at the Weymouth, Diemer, and Skinner plants. Of note, chemistry students from Whittier College learned about water treatment processes while touring the Weymouth plant, and staff from Nestle Waters International also visited the Weymouth plant to learn about local water resources. Staff members at the plants provided oral presentations on water treatment facilities, pertinent water quality and treatment issues, and plant operations and maintenance activities.

## CORE

## PREPARE FOR FUTURE LEGISLATION AND REGULATION

On January 13, the Environmental Protection Agency published the final amendments to the Risk Management Program (RMP) Rule in the Federal Register. The changes become effective on March 13, 2017. Metropolitan’s use of chlorine is covered by the RMP rule. Staff worked with the American Water Works Association to provide input on the proposed rule, including participating in conference calls and a meeting in Washington, D.C. with the White House’s Office of Management and Budget. The water sector’s primary concern with the proposed rule was the potential inclusion of an inherently safer technology provision for water/wastewater, which EPA ultimately did not include in the final rule. The water/wastewater sector has an excellent safety record related to chlorine usage and the inclusion of inherently safer technology was not recommended at this time. The other amendments address incident investigation, root cause analysis, process hazard analysis, third party audits, emergency response coordination and public meetings and information disclosure. Staff is reviewing the revisions that apply to the water sector and will revise in-house programs and procedures accordingly.

On January 18, staff participated in AWWA’s workgroup meeting to develop comments in response to EPA’s notice on their six-year review of federal drinking water regulations. Existing regulations may be revised as a result of this review. Staff will continue to track regulatory developments and participate in the review and comment process.

**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 1/31/17	% of Capacity
DVL	595,585 AF	77
Lake Mathews	162,012 AF	90
Lake Skinner	37,356 AF	88

**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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