

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA



General Manager's Monthly Activity Report for July 2017

July 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 2017/18 Strategic Priorities and the Core Business of the GM's work groups.

BAY DELTA INITIATIVES

GM 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.

California WaterFix is a proposed project to improve the state's water delivery system in the Delta. Metropolitan is considering the proposed project to improve long-term State Water Project water supply reliability, along with aiding in the restoration of the Delta's fragile ecosystem. This proposed project is the product of more than a decade of review, planning, and rigorous scientific and environmental analysis by water experts, engineers and conservationists, as well as extensive public comment. On July 21, the California Department of Water Resources completed its environmental review process by certifying the 2016 Final Environmental Impact Report, along with adopting the findings of fact, statement of overriding considerations, and mitigation monitoring and reporting program. At the same time, DWR, as the lead agency in compliance with the California Environmental Quality Act, approved California WaterFix and will be filing the Notice of



Determination (NOD) with the State Clearinghouse in Sacramento. With the culmination of this action, focus now shifts toward actions to pursue implementation. Once the NOD is published, the statute of limitations for initiating litigation is 30 days. Relying on DWR's environmental documentation, Metropolitan, as a responsible agency under CEQA, will now be able to review and consider this information and deliberate on the next steps Metropolitan can take on California WaterFix. With three white papers (infrastructure, operations, and cost allocation) being presented to the Board in July and August outlining key aspects of the proposed project, and a Special Board Meeting in September to further discuss this matter; the Board of Directors will be presented with a set of actions to consider.

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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.

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 that will benefit customers using technology and best business practices that will positively increase collaboration, productivity, and operational efficiency.

The proper management of Metropolitan's records is critical for succession planning, recording history and preparing for the future. The first step in this effort is to properly identify electronic information and minimize redundant, old and trivial information through a process called Digital Asset Optimization. HBR Consulting LLC was selected to perform this work, which will lay the foundation towards

implementing a Metropolitan-wide Information Governance Program and eventual deployment of an Enterprise Content Management system.

The Contracting Services Unit was awarded the prestigious 2017 Achievement of Excellence in Procurement Award. This award acknowledges adherence to and implementation of procurement industry best practices, use of cutting-edge technology and innovation, expedient and efficient processes (as measured by key metrics), and employee development and education.

ANNEXATIONS

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

This month, Metropolitan's Board reviewed and approved an annexation proposal from Western Municipal Water District. Western's Board of Directors adopted Resolution 2944, requesting formal terms and conditions for the annexation and imposition of water standby charges for the 51st Fringe Area Annexation. The board action extends Metropolitan's and Western's service area to a 78.5 acre area extending public water service to the Skyline Heights Project, with plans to construct 292 single-family homes near the Cleveland National Forest with annexation to the city of Corona. Western MWD and Metropolitan will provide 92.78 acre-feet of imported water, completing the full new demand of 177.45 acre-feet per year with the aid of 84.67 AFY of reclaimed water for irrigation and outside uses. Western is in compliance with Metropolitan's annexation code section 3100. The charge and fee of \$439,576 will be collected prior to the Local Agency Formation Commission's recording and annexation completion.

BAY DELTA INITIATIVES

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—Implement innovative solutions that will benefit customers using technology and best business practices that will positively increase collaboration, productivity, and operational efficiency.

State Water Resources Control Board

The California WaterFix Petition proceedings before the State Water Resources Control Board are ongoing. Part 1 of the hearings addresses the potential effects of the proposed project on legal users of water. Staff is participating in the rebuttal phase of Part 1 in collaboration with the State Water Contractors. The Sur-Rebuttal for Part 1 of the hearing was completed in July. Staff anticipates that the closing briefs for Part 1 will be scheduled by the Control Board soon. Part 2 of the hearings is expected to be scheduled soon, since the Environmental Impact Report is approved and Federal Endangered Species Act permits have been issued addressing potential impacts to fish and wildlife from the proposed project.

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

Staff continues to participate in the Collaborative Science and Adaptive Management Program (CSAMP). Staff worked with the Delta Smelt Scoping Team to prepare briefing materials and presentations for the CSAMP Policy Group meeting in July, which was focused on discussing the science underlying the Fall X2 action in the U.S. Fish and Wildlife Service Biological Opinion for Delta smelt, and monitoring plans for this fall. Staff also provided technical input to the design of monitoring studies to evaluate the outcomes of fall flow conditions in 2017.

Staff assisted in the development and submission of multiple project proposals for Proposition 1 grant funding. The proposals focused on: (1) development of tagging technologies for Delta smelt; (2) assessment of effects of containments on juvenile salmon rearing in floodplain and river habitats; (3) effect of water exports on juvenile salmon entrainment, survival, and predation; and (4) evaluation of how habitat attributes and network location of marsh habitat in the Delta influence observed use and growth of juvenile salmon.

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 recover mission essential functions thus ensuring continuity of operations and resiliency in the event of a disaster.

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

- Conducted Business Continuity tabletop exercises for the Engineering Services Group at La Verne and Headquarters. Exercise feedback was positive overall and a debrief report was distributed to the Engineering Management team.
- Provided a management response to audit regarding the testing of Oracle's General Ledger module.
- In preparation for Business Continuity plan updates, the main planning contacts for each group were updated and a kickoff meeting was scheduled.
- Provided an overview of the Business Continuity Program to Information Technology Group Manager Eckstrom and discussed collaboration on IT Disaster Recovery planning.
- Participated in the monthly Cyber Security steering committee meeting.
- Scheduled a series of Business Continuity plan exercises for the Water System Operations Group.
- Developed a three-year roadmap of Business Continuity activities and target completion dates.
- Continued making enhancements to the Business Continuity plan template in Fusion.
- Continued facilitating planning meetings to expand usage of the MIR3 emergency communication system to all employees and facilities.

CHIEF FINANCIAL OFFICER

CORE: FINANCIAL MANAGEMENT

Manage Metropolitan's finances in an ethical and transparent manner and provide consistent, clear, and timely financial reporting. Update Metropolitan's capital financing plans and work with rating agencies and investors to communicate Metropolitan's financial needs, strategies, and capabilities, thus ensuring Metropolitan has cost-effective access to capital markets and the ability to finance ongoing future needs. In addition, actively manage Metropolitan's short-term investment portfolio to meet ongoing liquidity needs and changing economic environments.

Ensure that internal controls are in place to provide assurance that assets are safeguarded and financial information is fairly stated.

In June 2017, the Chief Financial Officer's Office issued its report on the effectiveness of internal controls over financial reporting, including information technology controls and security for the fiscal year ending June 30, 2016. This report is the basis for the annual reporting to the Executive Committee on the effectiveness of internal controls pursuant to Administrative Code §2700(b)(2).

In his report to senior management, the Controller reported that no material weaknesses were noted and concluded that the internal controls over financial reporting and information technology security are effective for the fiscal year ending June 30, 2016.

One control deficiency carried over from fiscal year 2015 was noted, with corrective action to be taken as described below:

Deficiency	Risk	Remediation	Completion Date
Periodic reviews of user access to systems are not performed (Oracle, PeopleSoft, and Water Information System).	Users may be granted inappropriate access to data without the data owner's knowledge.	IT security will generate reports of users' roles in the subsystems to be reviewed and updated by data owners on an annual basis.	June 30, 2017 (original target date: June 30, 2016)

CHIEF FINANCIAL OFFICER

CORE: FINANCIAL MANAGEMENT ... continued...

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 July 3, 2017, Metropolitan closed on \$449.5 million of new money and revenue bond refundings. Refunding series included the \$178.2 million, 2017 Series B bonds, with a low all-in true interest cost of 1.42 percent; one new money variable rate issue, \$80 million, 2017 Series C; and two variable rate refundings, 2017 Series D and E, totaling \$192 million. The variable rate new money and refunding bonds were priced at a rate equal to the SIFMA Index Rate plus five basis points. The new money transaction will finance a portion of fiscal year 2017/18 capital expenditures. In addition, the combined savings for the July bond refundings and for bond refundings that closed in June 2017 are approximately \$8.0 million per year.

ENGINEERING SERVICES

CORE: INFRASTRUCTURE RELIABILITY

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

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

Distribution System Reliability Program

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

- 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. The first two stages have been completed, while design of the Stage 3 repairs is scheduled to be complete by August 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 these facilities to the new incoming electrical service from Southern California Edison. Construction is 95 percent complete and is scheduled to be complete by August 2017. Edison energized the new 12kV power lines on June 27, 2017. *(see photo page 6)*
- Orange County Feeder Lining Repairs—This project replaces the deteriorated internal lining along an 11-mile portion of the Orange County Feeder within the cities of Santa Ana, Costa Mesa, and Newport Beach. Construction of the initial two-mile reach is complete. Final design for the remaining three reaches is 68 percent complete and is scheduled to be complete by April 2018.
- Palos Verdes Reservoir Rehabilitation—This project replaces the reservoir's existing floating cover and liner and modifies the existing spillway, control tower, and outlet structures. Construction is 35 percent complete and is scheduled to be complete by August 2018. *(see photo page 6)*
- Whitewater Siphons Erosion Protection—This project provides erosion protection of the Whitewater Siphons below the Whitewater River on the CRA. Construction is 10 percent complete and is scheduled to be complete by March 2018.

ENGINEERING SERVICES

CORE: INFRASTRUCTURE RELIABILITY continued...



DVL East Dam Electrical Upgrades – Placement of concrete for ductbank



Palos Verdes Reservoir Rehabilitation – Floor level of the secondary inlet structure's box culvert

Right-of-Way and Infrastructure Protection Program

This program performs needed site improvements throughout 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.

- Orange County Operating Region—Final design of improvements within this region is divided into two specification packages. The first is 99 percent complete and is scheduled to be complete by October 2017, while the second package is 95 percent complete and is scheduled to be complete by May 2018.
- Western San Bernardino County Operating Region—Final design of improvements within this region is 80 percent complete and is scheduled to be complete by October 2018. The draft programmatic environmental impact report for this region is planned to be released for public review by September 2018.
- Los Angeles County Operating Region—Preliminary design of improvements is 99 percent complete and is scheduled to be complete by January 2018.
- Riverside/San Diego County Operating Region—Preliminary design of improvements is 99 percent complete and is scheduled to be complete by September 2017.
- Colorado River Aqueduct Operating Region—Due to the unique needs and right-of-way considerations for the CRA, improvements within this region will be executed under a future stand-alone capital program.

Colorado River Aqueduct (CRA) Reliability Program

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

- Sand Trap Rehabilitation—This project replaces deteriorated sand trap equipment located upstream of Iron Mountain, Eagle Mountain, and Hinds Pumping Plants. Construction is 93 percent complete and is scheduled to be complete by August 2017.

ENGINEERING SERVICES

CORE: INFRASTRUCTURE RELIABILITY continued...

Colorado River Aqueduct Reliability continued...

- Expansion Joint Repairs—This project repairs 16 expansion joints located on the pump delivery lines at the five CRA pumping plants. Construction is 25 percent complete and is scheduled to be complete by December 2017.
- Copper Basin & Gene Wash Reservoirs Discharge Valve Rehabilitation—This project rehabilitates the discharge structures at Copper Basin and Gene Wash Reservoirs. The project scope includes replacement of the fixed cone valves at the base of the dams; upgrade of the electrical systems; and access improvements to safely enable construction personnel, materials, and equipment to reach the work site. Fabrication of the valves is 20 percent complete, and valve delivery is scheduled for February 2018. Preliminary design to improve access is underway and will be complete by summer 2017. Final design of the valve installation is 40 percent complete and is scheduled to be complete by December 2017.
- CRA UPS Replacement—This project will replace the uninterruptible power supply (UPS) systems at the five CRA pumping plants. Each plant has a UPS system to prevent fluctuations in power quality and to serve as a backup in case of loss of power. Design is 97 percent complete and is scheduled to be complete by September 2017.
- Overhead Crane Replacement—This project replaces the overhead crane systems within each pump house and the portable pump-bay crane systems, including bridges, trolleys, hoists, drive trains and system controls. Preliminary design is 90 percent complete and is scheduled to be complete by August 2017.
- CRA Potable Water Replacement—This project replaces the domestic water lines at all five CRA pumping plants. Preliminary design is 90 percent complete and is scheduled to be complete by August 2017.
- CRA Motor Cable Replacement—This project replaces the electrical cables that provide power to the main pump motors. Design is 79 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. Design is 90 percent complete and is scheduled to be complete by December 2017.

Prestressed Concrete Cylinder Pipe (PCCP) Reliability Program

This program was established to enhance the reliability of Metropolitan's water distribution system and to reduce the risk of costly emergency repairs of PCCP pipelines. The priority pipelines included in the program are the Second Lower Feeder, Sepulveda Feeder, Calabazas Feeder, Rialto Pipeline, and the Allen-McColloch Pipeline. Recent activities include the following:

- Second Lower Feeder PCCP Rehabilitation—This project rehabilitates the remaining 28 miles of PCCP segments within the Second Lower Feeder. Long-term rehabilitation of the Second Lower Feeder will be staged over a period of eight to ten years, with multiple construction and procurement contracts. The scope of the initial construction contract for Reach 1 includes lining approximately 4.4 miles of existing PCCP segments with a steel liner. Final design for Reach 1 is complete and a request to the Board for award of a construction contract is planned for August 2017. Final design of the second and third reaches is five percent complete and is planned to be complete by July 2018.
- Second Lower Feeder Pipe Fabrication—This contract fabricates approximately 18,000 feet of 75-inch-diameter welded steel liner pipe. Pipe fabrication is 10 percent complete and scheduled to be complete by June 2018.
- Second Lower Feeder Shutoff Valve Procurement—This contract will provide 216 shutoff valves that will replace deteriorated valves along the length of the Second Lower Feeder. These valves range in diameter from 4 inches to 16 inches, and are used to control and isolate flow at air release/vacuum valve locations, dewatering vaults, and blowoff structures.

ENGINEERING SERVICES

CORE: INFRASTRUCTURE RELIABILITY continued...

Water Quality/Oxidation Retrofit Program (ORP)

This program adds ozonation facilities that perform primary disinfection at Metropolitan's five water treatment plants while reducing disinfection by-products. Recent activities include the following:

Weymouth ORP

- Main Ozonation Facilities—The main ORP construction contract was completed in May 2017. Remaining activities include control system integration, start-up and testing, permitting with the State Division of Drinking Water, and preparation of Operation and Maintenance manuals. These remaining activities are 75 percent complete and are scheduled to be complete by December 2017.
- ORP Bromate Control Upgrades—Chemical system upgrades are needed for integration of the new ozone system into the Weymouth plant's treatment process. Construction is 86 percent complete and is scheduled to be complete by June 2018.

Treatment Plant Reliability Program

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

Weymouth Plant

- Filter Rehabilitation—This project replaces the internal components of the Weymouth plant's 48 filters, including the underdrains, media, launder troughs, and surface wash systems. Construction is 93 percent complete and is scheduled to be complete by December 2017.
- Diemer Plant
- East Basin Rehabilitation—This project rehabilitates aging equipment and structural components within the east flocculation/sedimentation basins. Construction is 95 percent complete and is scheduled to be complete by October 2017.
- Administration Building Seismic Upgrades—This project provides seismic and fire safety upgrades to the Administration Building at the Diemer plant. Construction is 20 percent complete and is scheduled to be complete by April 2018.

Jensen Plant

- 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 80 percent complete and is scheduled to be complete by February 2019.
- Ozone System PLC Upgrade—This project replaces obsolete processors and communication modules that control and operate the Jensen ozonation system. The work is two percent complete and is scheduled to be complete by March 2018.

Mills Plant

- Chemical Unloading Facility Containment System—The Notice of Completion was issued on July 5, 2017. Construction of the containment system is complete.

ENGINEERING SERVICES

CORE: INFRASTRUCTURE RELIABILITY continued...

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 92 percent complete and is scheduled to be complete by October 2017. *(see photo right)*



Jensen Solar Power Plant – Construction of equipment pads

EXTERNAL AFFAIRS

GM 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 was the opening keynote speaker on California WaterFix and other water infrastructure investments at the California Construction Expo. Metropolitan sponsored and co-hosted the event for more than 1,500 industry professionals. With over \$150 billion in public work programs currently underway or planned, companies networked with prime contractors, professional consultants, and more than 30 state and city agencies. (July 20-21) [add photos]
- General Manager Kightlinger delivered the keynote address at the International Conference on Water Reclamation and Reuse conference and spoke about Metropolitan's leadership to advance projects that will provide greater water supply reliability for the region, including the proposed regional recycled water project and California WaterFix. (July 24)
- Chairman Record provided an update on California WaterFix to the Inland Action Group, an organization of regional leaders working to address economic issues in the Inland Empire. (July 18)
- General Manager Kightlinger provided an update and responded to questions on California WaterFix to the Pasadena City Council at their regularly scheduled council meeting. (July 10)
- General Manager Kightlinger provided an overview of Metropolitan's water resource issues and priorities at the Rancho California Water District meeting and participated in a tour of the district. (July 20)

EXTERNAL AFFAIRS

GM STRATEGIC PRIORITY: Educate the Public and Stakeholders on Critical Water Supply Conditions and Critical Water Management Decisions continued...

- General Manager Kightlinger provided an update on California WaterFix at the Southern California Water Committee's Quarterly luncheon, which also featured a report on the organization's public opinion poll showing support for the project. (July 28)
- Media interest in California WaterFix remains high and interviews were arranged for General Manager Kightlinger to speak with reporters from the Sacramento Bee, Capitol Public Radio, and a Los Angeles Times editorial writer on California WaterFix milestones and Metropolitan's process for making a decision on the project.
- White papers, companion fact sheets and other informational resources on the proposed infrastructure and operations for California WaterFix were produced for the Board's committee meetings, and widely distributed to the public, media, organization, community leaders and elected officials.

MODERNIZING THE SYSTEM:

CALIFORNIA WATERFIX INFRASTRUCTURE

The first in a series of three policy papers prepared for the consideration of Metropolitan's Board of Directors in advance of planned summer meetings and decisions in Fall 2017.

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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 partnered with the California Education and Environmental Initiative to host a workshop to share informational resources and discuss current issues including climate change, water and energy conservation, and water supply in Southern California. (July 20)

EXTERNAL AFFAIRS

CORE: 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

- Metropolitan sent a letter in support of the appointment of Brenda Burman as Commissioner of the U.S. Bureau of Reclamation.
- Staff met with members of the Southern California Congressional delegation and key staff to discuss California WaterFix and pending legislative issues. (July 13)
- Provided information to the House and Senate Appropriations Committees to promote funding for the U.S. Geological Survey's earthquake early warning program that protects water and other infrastructure throughout California. (July 17–19)

EXTERNAL AFFAIRS

CORE: LEGISLATIVE, COMMUNICATIONS, COMMUNITY RELATIONS, PUBLIC AND BUSINESS OUTREACH continued...

State

The Legislature and Brown Administration are working to implement the governor's framework to Make Water Conservation a California Way of Life. Senator Hertzberg (D-Los Angeles), Chair of the Senate Natural Resources and Water Committee, is working with Assembly Water Committee Chair Garcia (D-Coachella) to resolve the various policy differences among several bills. Negotiations on a compromise legislative package will take place over the summer recess.

SB 623 by Senator Monning (D-Carmel) would establish the "Safe and Affordable Drinking Water Fund" and provide financial assistance to communities and individuals for safe and affordable drinking water. The author and proponents plan to amend the bill in the Assembly to include a public goods charge.

Local

- Directors Morris and Trevino attended and Metropolitan sponsored the San Gabriel Valley Public Affairs Network "New Faces" event featuring state Senator Portantino (D-La Canada-Flintridge) and Assemblymember Rubio (D-Baldwin Park). More than 250 San Gabriel Valley elected, business and community stakeholders attended the event held in Monrovia. (July 7)
- Staff attended the Valley Industry and Commerce Association Annual Congressional Luncheon with Congressional representatives Sherman and Cardenas. More than 400 business leaders and local elected officials attended the event held in Studio City. (July 7)
- Metropolitan coordinated and participated in the Los Angeles Business Federation's (BizFed) Business Roundtable meeting with State Senator Lara (D-Bell Gardens). Assistant General Manager Zinke spoke on Southern California water issues, California WaterFix and water conservation. (July 7)
- Staff gave a presentation on California WaterFix to the Westside Council of Chambers of Commerce. (July 10)
- Staff joined six members from the Valley Industry and Commerce Association to meet with state legislators on issues impacting businesses in the valley, including California WaterFix. The delegation met with Speaker Rendon; Senators Connie Leyva, Anthony Portantino, Scott Wiener and Patricia Bates; and Assemblymembers Cristina Garcia, Sabrina Cervantes, Matt Dababneh and Dante Acosta. (July 12)
- Metropolitan staff attended a BizFed Leadership Roundtable featuring Assemblymember Friedman (D-Glendale). Assistant General Manager Zinke discussed Metropolitan's interest in the Friedman's conservation and drought preparedness legislation, California WaterFix and Metropolitan's regional recycled water demonstration project. (July 21)
- Metropolitan staff attended the Central City Association's Elected Officials reception. (July 26)
- Staff attended the United Chambers of Commerce of the San Fernando Valley's annual State of the County Address honoring Los Angeles County Supervisors Barger and Kuehl. More than 300 business leaders and local elected officials attended the event in Woodland Hills. (July 26)



Public service announcement with LA Galaxy goalie Brian Rowe (read story page 12)

EXTERNAL AFFAIRS

CORE: LEGISLATIVE, COMMUNICATIONS, COMMUNITY RELATIONS, PUBLIC AND BUSINESS OUTREACH continued...

Media and Communications - Communicate Metropolitan's policy priorities, actions and initiatives through various means to raise public awareness, enhance Metropolitan's visibility and cultivate support for Metropolitan 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

- Arranged separate interviews with General Manager Kightlinger and *San Diego Union-Tribune* and *Voice of San Diego* reporters for stories about state appellate court decision in the San Diego County Water Authority rate case.
- Set up interview with Bay-Delta Initiatives Manager Arakawa and *Water Deeply* reporter about Metropolitan's potential role in the proposed Sites Reservoir.
- Provided information to the *Riverside Press-Enterprise* about higher water levels returning to Diamond Valley Lake and the benefits of regional storage.
- Arranged interview with *Pasadena Post* reporter to discuss use of fluoride in drinking water.
- Set up interview with Water System Operations staff and reporter for *Chemical & Engineering News* for a story about the ways that water districts identify and treat odors in drinking water.

Water Conservation Campaign

Metropolitan's H2Love water conservation campaign was prominently featured at the LA Galaxy soccer game on July 19, including the debut of the public service announcement with goalie Brian Rowe encouraging all Southern Californians to conserve water. Sponsorship activities with the LA Galaxy continue this month with stadium signage, videos and social media promotions. ([see photo page 11](#))

More than 3,200 H2Love-themed radio spots began to air on 75 broadcast stations in the Oxnard, Los Angeles, Riverside and San Diego markets. Social media placements included photos, animated GIFs (Graphics Interchange Format) and short videos.

Communication Activities

- Worked with the California Natural Resources Agency's California WaterFix outreach team to create new communication pieces relating to cost and environmental benefits.
- Organized speakers training on California WaterFix for Metropolitan staff.
- Created fact sheets, short videos for social media and a new PowerPoint presentation describing how California WaterFix and California EcoRestore will help meet the state's co-equal goals of water supply reliability and Delta ecosystem benefits.
- Created new video, *Innovation Happens Here*, to highlight Metropolitan's leadership on innovative approaches to water management. The video was shown at the General Manager's *State of MWD* broadcast and posted on the website.
- Issued bi-weekly Conservation Updates to Member Agency Public Information Officers with information on the water conservation campaign and other outreach programs.

Press Releases

- Statement on the state appellate court decision in the San Diego County Water Authority rate case
- Board action to award \$13.9 million contract to construct the Regional Recycled Water Program demonstration facility
- Statement on California WaterFix Notice of Determination

EXTERNAL AFFAIRS

CORE: LEGISLATIVE, COMMUNICATIONS, COMMUNITY RELATIONS, PUBLIC AND BUSINESS OUTREACH

Media and Communications continued...

Social Media

Metropolitan's education programs received more than 6,000 impressions using #solarcup, #waterart, #thinkh2o, #mwdeducates through @bewaterwiseh2o and @mwdh2o on Twitter, Facebook and Instagram.

Online

- Issued the July e-newsletter on current activities and issues, and two e-newsletters on California WaterFix.
- Paid online search on Google Search and the Google Content Network continue this month. Links to bewaterwise.com appear when keywords such as "water," "California weather," and "water rebates" are searched for by Southern California users.
- An updated WaterTomorrow portal was created to allow easy access to online resources for many of Metropolitan's key initiatives, including California WaterFix, recycled water, innovation, the Colorado River and conservation programs. *(see photo right)*



Website

More than 23,500 people visited the English, Spanish, and Chinese versions of bewaterwise.com for tips and ideas on how to conserve water. New features have been added including a Garden of the Month video series.

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 Metropolitan.

Member Services

Staff met with Member Agency general managers to discuss California WaterFix infrastructure, Colorado River issues and system operations, and with the Member Agency Public Information Officers to discuss California WaterFix and the summer water conservation media and outreach campaign.

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.

Student Art Program

The 2017 Student Art exhibit completed its six-month road show during which time it was featured at 21 member and retail agencies.

Several hundred art entries for the 2018 calendar have been received from member agencies, and 36 will be selected to appear in the calendar.

EXTERNAL AFFAIRS

CORE: LEGISLATIVE, COMMUNICATIONS, COMMUNITY RELATIONS, PUBLIC AND BUSINESS OUTREACH

Education and Community Relations continued...

Diamond Valley Lake Education Program

The Visitor Center hosted 200 visitors and guided 350 people to the Diamond Valley Lake viewpoint.

General Education

Staff supported field trips, activities and classroom presentations for Our Redeemer Lutheran School, the Greater Los Angeles African American Chamber of Commerce scholarship luncheon and staff from the U.S. Bureau of Reclamation. The education unit directly interacted with more than 135 students and teachers.

Education staff met with and provided information to the members of the Desert Compadres 4-H club as part of their visit to Metropolitan and participation at the June board meeting.



Business Outreach and Innovation - Facilitate opportunities for small businesses to work with Metropolitan. Help position Metropolitan as a leader in water innovation.

Metropolitan supported small business throughout the region through its participation and sponsorship of the following programs, conferences and events:

- Joined with staff from the Manufacturing Unit to provide Weymouth plant shop tours to certified Disabled Veteran Business enterprises. (July 11) *(see photo below)*
- Attended the Los Angeles Latino Chamber of Commerce Business Matchmaking event to discuss job and contracting opportunities with small businesses. (July 18)
- Participated in the American Indian Chamber of Commerce of California's annual expo, which was attended by more than 800 participants. The event brings chamber and tribally owned businesses together to network for business capacity building and tribal leader economic development sessions. (July 23-25)



- Innovation and Technology team hosted the quarterly Technology Approval Group workshop. Five emerging technologies were presented to 40 participants representing Metropolitan and other water agencies. (July 6)

HUMAN RESOURCES

GM 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 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 Metropolitan and group leadership to support learning, development and workforce planning initiatives.

The fourth cohort of managers of Metropolitan Management University participated in Module 6, a simulated online decision making and recognition curriculum. Thirteen managers completed all required modules and graduated from MMU.

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 19 positions and received ten new requisitions.
- Staffing is currently recruiting for 134 positions.

Implement employee engagement programs to ensure Metropolitan is a competitive organization.

- Staff participated on a luncheon Panel at the Long Beach Douglas Park Business Leaders meeting to discuss employee development initiatives and creating a culture of engagement, organized by the Forbes School of Business at Ashford University.
- Completed the design of a pilot Wellness program that was shared with Executive management. Implementation will occur over the next few months.

HUMAN RESOURCES

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.

- Five managers attended a one-day Institute for Management Studies seminar on Essential Skills to Successfully Lead Others.
- Staff continues to support workforce planning and succession management actions in the Real Property and Water Resource Management Groups.
- Staff is also providing coaching and coordinating with external coaches to address personal development and other management issues for ten managers.

HUMAN RESOURCES

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.

Continued to support the Desert Housing Working group to implement improvements and long-term plans for housing in the desert area.

HUMAN RESOURCES

HR PRIORITY: PREPARE FOR 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.

The first cohort of the MWD Management Academy attended a full-day Session 4, focused on overviews of Engineering Services and Water System Operations. Topics covered included Capital Investment Plan, California Environmental Quality Act, Information Technology and a tour of the Diemer treatment plant. Staff continued to administer the CPI 260 Assessment tool and debriefed the results and conducted one-on-one coaching sessions for the participants. (*see photo right of academy employees*)



Two-hour modules of software training were conducted at Headquarters and the Weymouth plant on the following topics:

- Excel—VBA Looping and Flow
- Word—Mail Merge, Advanced Features, Tips and Tricks
- PowerPoint—Creating and Designing Slides, Tips and Tricks, Inserting Graphics and Multimedia
- Excel—Formulas-Functions-Expressions, Advanced Features, Intermediate workshop
- Outlook—Tips and Tricks, Managing Email Effectively

Classroom sessions were also delivered on *Preparing for Interviews, Moving from Conflict to Collaboration, Accelerating Teamwork, Dealing with Difficult People, Customer Service Skills*, and four sessions of *Personal Security Awareness Training*.

Implemented a cross-training opportunity within Human Resources to provide growth and learning opportunity.

HUMAN RESOURCES

CORE: COMPLY WITH EMPLOYMENT 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 11 injury incidents
- Submitted 4 new claims to Metropolitan's workers' compensation claim administrator
- Negotiated settlement in 1 claim, finalized in 2 claims, and 12 claim files were closed
- Conducted MedVan evaluations at Diemer and Lake Mathews facilities
- Arranged 32 medical evaluations (DMV, medical surveillance, hearing conservation, etc.)
- Coordinated random drug/alcohol tests at 2 facilities
- Addressed 2 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 Services and Water System Operations applications, mobile/wireless computing, telecommunications, network services, information security, and personal computing.

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

- As part of developing mobile applications, staff re-scoped an inventory app to track iHub equipment checkouts.
- To assist managers with business decisions, staff is developing reports and dashboards from Water Planning consolidated database. Next step is to provide a demo to business customers.
- Staff prepared an initial draft of Preventative Maintenance portfolio.
- Staff hosted five of 12 workshops for Project Managers.
- IT Group Manager continued to monitor IT performance using weekly reports, Service Level Agreements, and customer feedback.

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

The final design and pilot implementation phase of the control system at Wadsworth pumping plant is close to completion. The fourth and final phase (construction) has been approved by the Board. The Control System Upgrade Phase 2 was approved at the June board. The agreement with professional services has been signed and executed.

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

- Staff assisted External Affairs by procuring an Apple Store account and deploying Aqueduct Virtual Reality Application.
- Migrated SharePoint Online from commercial cloud tenant to government cloud tenant for enhanced security and compliance.

REAL PROPERTY

CORE: 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 rights for future operational business needs.

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.

- An entry permit previously issued to United States Navy was amended to extend the term to allow access for surface and subsurface soil and water sampling.
- An entry permit was issued to the Department of Forestry and Fire Protection to grant access for purposes of controlled burns in the Lake Mathews area.
- A lease was executed with New Cingular Wireless PCS, LLC to allow temporary equipment and processing of land-use approvals.

Foster staff training and development.

Staff attended Metropolitan-sponsored courses:

<i>New Employee Orientation</i>	<i>Management Academy</i>
<i>Dealing with Difficult People</i>	<i>Conflict to Collaboration</i>
<i>Communication Training</i>	<i>EEO Program</i>
<i>Defensive Driver</i>	<i>High Rise Safety</i>
<i>Securing the Human Awareness Training</i>	<i>Understanding Sexual Harassment</i>
<i>Understanding Unlawful Workplace Harassment</i>	<i>IIPP and Ergonomic Refresher</i>
<i>Ergonomic and Safe Lifting</i>	<i>Hazard Communication and GHS Essentials and Injury and Illness Prevention Program Overview.</i>

Staff attended the International Right of Way Association-sponsored, *Ethics and the Right of Way Profession, Principles of Real Estate Negotiation; Intro to Property/Asset Management, Bargaining Negotiations; and Problems in the Valuation of Partial Acquisitions.*

Management completed the *EEO Program for Managers: Project Management Essentials, and Accelerating Teamwork.*

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

Staff completed the LED lighting upgrade of the Headquarters building courtyard fountain and landscape lighting. The upgrade results in increased lighting performance and lower maintenance cost.

Staff coordinated and completed employee moves and office reconfigurations involving Environmental Planning, External Affairs, Real Property, and Administrative Services. The effort included establishing employee collaboration areas and re-alignment of staff seating assignments.

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.

Cyclic Agreements—Staff worked with member agencies to implement cyclic agreements to manage the extraordinary supplies that are currently available. The cyclic agreements will help the region both manage the extraordinary supplies and pre-deliver full service water to member agencies. Staff developed a form agreement for Member Agencies and procedures for in-lieu certification.

State Water Project Contract Charges—Metropolitan received calendar year 2018 State Water Project contract charges, total charges are \$551 million, which is \$46 million lower than 2017. The fixed portion of the charges is \$398 million which is \$23 million lower than 2017. The \$23 million reduction is a result of continuing correction of past overcharges. Current year operating costs have increased over last year. Variable charges for the benchmark 60 percent Table A allocation are \$152 million, \$22 million lower than 2017. While the variable estimate is tentative, it is positive signal that DWR anticipates substantial generation from SWP facilities and lower purchased energy costs next year.

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

State Water Resources Control Board Advisory Panel Workshop—Staff participated in SWRCB's Constituents of Emerging Concern (CEC) Science Advisory Panel workshop, a statewide planning effort, to update the state's CEC monitoring framework and Recycled Water Policy. The Science Advisory Panel reconvened to update recommendations and incorporate the latest science, review potential health risks associated with new CECs (e.g., antibiotic resistant bacteria, micro plastics, etc.), and expand coverage to all non-potable and potable recycled water projects. Participants provided feedback to the panel and SWRCB on new treatment technologies, concerns about how the recommendations are incorporated into the regulatory process, and approaches to better educate the public. Additional meetings are planned before a formal public comment period and final report are due in February 2018.

Water Utility Climate Alliance—Metropolitan staff participated at the Water Utility Climate Alliance midyear retreat on June 27- 28 in Tyson Corner, Virginia. Held annually, the midyear retreat allows member utilities to reconnect and plan for next year. Project managers presented on the progress of 2016-2017 work plan items, including training to be held in September at the National Center for Atmospheric Research in Boulder, Colorado. This technical training program is for water sector professionals – primarily consultants and water utility staff – and is focused on the use of climate science in long-term planning for water and wastewater utilities and methods for making decisions under conditions of deep uncertainty. The broader goal of the effort is to develop an agenda and content that can be replicated and delivered by other entities to similar audiences nationwide. As next year will be the 10-year anniversary of WUCA, members thought it a good time to highlight WUCA and its work.

WATER RESOURCE MANAGEMENT

CORE: WATER SUPPLY continued...

Implement the Conservation Program effectively.

Southern California Gas Company's Energy-Smart Landscape Series—On July 12, 2017, staff presented at the Southern California Gas Company's Energy-Smart Landscape Series, held at the Energy Resource Center in Downey. The focus of the class was *Managing Landscapes that Slow, Stop, and Clean Stormwater and Runoff*. The presentation covered sources of water supply in Southern California, an update on the drought conditions, and the future of conservation in light of the Water Supply Watch condition.

Ensure reliable and cost-effective water management programs.

Palo Verde Irrigation District Water Balance Study—A water balance study is underway to examine current and historic crop consumptive water use, return flows, and other losses within the Palo Verde Irrigation District. This work is being carried out by California State Polytechnic University, San Luis Obispo's Irrigation Training and Research Center under a consulting contract with Metropolitan. This study will also evaluate the assumptions and methodologies used in computing the water savings under the Metropolitan/PVID land fallowing program.

WATER SYSTEM OPERATIONS

GM 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. Should 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.

Manage Water Reserves

State Water Project imports into the service area were maximized in July. This was due to efforts to divert Colorado River Aqueduct deliveries into storage and increase SWP deliveries under the 85 percent SWP allocation. For the month of July, the use of SWP accounted for 84 percent of Metropolitan's deliveries excluding 28,800 acre-feet that were delivered into Diamond Valley Lake. Some water was also released from Diamond Valley Lake this month to help meet summer demands, so storage was essentially unchanged from last month at 714,000 AF or 88 percent full. Water reserves continue to be managed according to the Annual Operating Plan and Water Surplus and Drought Management Plan principles. Deliveries to Semitropic and Kern Delta banking programs continue and staff is working with these partners to increase scheduled storage at every opportunity. Deliveries of Colorado River water to groundwater storage in the Advance Delivery Account with Desert Water Agency and Coachella Valley Water District were 42,500 AF in July, for a year-to-date delivery amount of about 180,000 AF. Lake Mead's Intentionally Created Surplus storage is continuing to fill by keeping CRA deliveries at a low four-pump flow,

WATER SYSTEM OPERATIONS

GM 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 seven vacant positions in June 2017.

WATER SYSTEM OPERATIONS

CORE: PROVIDE RELIABLE WATER SUPPLIES

Metropolitan delivered approximately 159,000 acre-feet of water to meet member agency demands in July, which averaged approximately 5,130 AF per day. This was an increase of 730 AF per day from June deliveries. Treated water deliveries for July totaled 90,000 AF, or 56 percent of total deliveries for the month, which was an increase of 17,000 AF from June deliveries. The Colorado River Aqueduct operated at a four-pump flow, and 57,300 AF of Colorado River water was pumped in July. This was an average of 1,848 AF per day. Year-to-date CRA diversions are 305,900 AF. SWP imports averaged 4,310 AF per day for 133,600 AF for the month. This was an increase of 17,700 AF from June SWP imports. This increase was due to the maximized deliveries on the East Branch of the SWP at all times and further expansion of Jensen plant deliveries to supply more SWP water into the Central Pool. The targeted blends for the Weymouth, Diemer, and Skinner plants were 75 percent for the month of July.

Staff continued to maximize power generation throughout the month. Metropolitan's hydroelectric plants generated an average of 42 megawatts per hour for 31,300 megawatt-hours for the month.

WATER SYSTEM OPERATIONS

CORE: OPTIMIZE MAINTENANCE

Staff continued its preventative maintenance program of coating pipeline structures, treatment plants and distribution facilities. Recently completed work included 50 percent completion of preventative maintenance coating on the Eastern Region portion of the Colorado River Aqueduct, re-striping of road markings at the Mills Chlorine Facility, recoating the chemical tank farm and a large spherical valve at the Wadsworth Pump Plant facility at Diamond Valley Lake, completion of coating repairs and touch ups on San Diego Pipeline No. 5 structures, and recoating faded bollards at the Diemer plant. *(see photo right)*



Coating repairs on the 144-inch spherical valve at Diamond Valley Lake

WATER SYSTEM OPERATIONS

CORE: OPTIMIZE MAINTENANCE continued...

Staff completed the safe removal and refurbishment of an eight-inch regulating valve at the Coastal Junction Pressure Control Structure in Irvine. This control structure is used to regulate the pressure in the East Orange County Feeder No. 2. The Coastal Junction PCS has ten branch lines through which water can be delivered, each one containing a regulating valve and upstream and downstream shutoff valves. *(see photo below)*



Rebuilding an 8-inch regulating valve for Coastal Junction Pressure Control Structure

Staff completed flow testing of the fixed cone valves at the Lake Mathews forebay. The purpose of the test was to determine the amount of overspray that may potentially impact the forebay outlet tower during planned contractor work to repair the upper portion of the outlet tower. The flow test was conducted at multiple flow rates between 85 – 600 cubic feet per second. *(see photos below)*



Lake Mathews forebay flow test at 85 cfs



Lake Mathews forebay flow test at 600 cfs

WATER SYSTEM OPERATIONS

CORE: OPTIMIZE MAINTENANCE *continued...*

Algae growth was removed from approximately 11,000 square feet of concrete on the influent channel of the Live Oak Reservoir in La Verne. Staff isolated the channel by closing the reservoir intake valves. High pressure water blasters were utilized to loosen and capture the algae and remove it from the channel. The reservoir was returned to service after the work was completed.

The Diemer plant has been experiencing minor ozone leaks at the ozone generator outlet manifold due to damaged threads at the isolation valves. Staff made modifications to the piping manifold by permanently welding stainless steel flanges to the connections on all four generators. This modification permanently eliminates the leaks from the threaded connections and makes future valve replacement efforts simpler.

Staff installed and tested a temporary voltage regulator controller at Etiwanda Hydroelectric Plant to replace a failed controller. The voltage regulator is required for the plant to operate by allowing the plant to adjust to changing power demand in Southern California Edison's power distribution system. Staff developed this solution in order to safely generate power during the summer. A manufactured voltage regulator has been ordered by staff and will be installed later this year to provide a long-term solution to the line voltage issue.

Staff cleaned and replaced the carbon brushes at Perris Hydroelectric Plant. The carbon brushes are mechanical devices that transmit control power into the rotating portion of the generator in order to regulate voltage and power output from the unit. These brushes wear over time and require periodic replacement.

The La Verne Shops fabricated a 1 foot by 10 feet steel grating for the Upper Feeder discharge blow-off structure in Rancho Cucamonga. After fabrication, the steel grating was galvanized to prevent it from rusting. The discharge structure was modified to accommodate a street widening project. Staff performed various modifications to the existing structure that included concrete saw cutting, removal and replacement of the concrete lid, demolition of a portion of the existing curb and gutter, and installation of the grating to match the new alignment of the street improvements. *(see photos below)*



Staff fabricating a 1-ft x 10-ft steel grating in the La Verne Shops for the Upper Feeder discharge blow-off structure



Installed galvanized steel grating at the Upper Feeder discharge blow-off structure

WATER SYSTEM OPERATIONS

CORE: MANAGE THE POWER SYSTEM

In July, Metropolitan hosted a series of meetings to develop new metering requirements for the Colorado River Aqueduct electric system. The metering facilities will measure Metropolitan's CRA energy use in real-time and provide certified values to the California Independent System Operator (CAISO) and other agencies after the termination of the Service and Interchange Agreement with Southern California Edison on September 30, 2017. The meetings with SCE, CAISO and the Arizona Electric Power Cooperative have been productive, with all entities working to ensure the necessary metering installations are complete prior to the termination of the Agreement.

WATER SYSTEM OPERATIONS

CORE: IMPROVE SECURITY AND EMERGENCY RESPONSE

Staff monitored multiple brushfires in or near Metropolitan's service area during the months of June and July. The following fires did not impact Metropolitan operations, but were close enough to warrant special attention: the Mart Fire in San Bernardino County on June 29, the Manzanita Fire near the CRA in Beaumont on June 29, the Eagle Fire near Lake Mathews on July 7, a fire near Lake Skinner on July 13, and the Bridge Fire on July 14 near Highland in San Bernardino County. Fire officials project that this will be a busy fire season due to recent heavy rains and heavy vegetation growth in the area. Staff will continue to closely monitor fire activity in or near Metropolitan's service area in an effort to be ready and to respond quickly if needed.

Planning has started for a joint earthquake response exercise on October 19 with Metropolitan, several member agencies and SCE. This multi-agency exercise will give Metropolitan emergency response staff the opportunity to practice how they would respond to a large earthquake on the San Andreas Fault. Participating Metropolitan member agencies include City of Long Beach, Los Angeles Department of Water and Power, Central Basin MWD, West Basin MWD, and City of Torrance. This exercise is part of Metropolitan's five-year plan to include every member agency in at least one annual exercise and offers these agencies the unique opportunity to exercise with responders from SCE, San Diego Gas and Electric, and Southern Gas Company to simulate a truly coordinated response. Exercises such as these help Metropolitan and other utilities reach out to each other prior to an emergency and reinforce strong working relationships. Member agencies not included in this year's exercise will have similar opportunities to participate in future annual emergency exercises.

WATER SYSTEM OPERATIONS

CORE: PROTECT SOURCE WATER QUALITY

Staff participated in a stakeholder meeting on June 26 for the Clean Colorado River Sustainability Coalition in Needles, California. Metropolitan is a member of the Coalition, which is comprised of key stakeholders in the lower Colorado River basin who are focused on protecting the river's water quality. The Coalition and participants discussed development of a lower Colorado River watershed management plan. Completion of this watershed plan is anticipated by late-2018.

On July 18 and 19, staff participated in workgroup meetings held in Boulder City, Nevada for the Topock Chromium-6 Groundwater Remediation Project. Stakeholders discussed recent project activities including field investigations and status of the Subsequent Environmental Impact Report. Construction of the project is expected to begin in early 2018.

WATER SYSTEM OPERATIONS

CORE: OPTIMIZE WATER TREATMENT AND DISTRIBUTION

To maximize water deliveries from the State Water Project, the 50-million-gallon finished Water Reservoir # 2 at the Jensen plant was returned to service. This helps to ensure that demands and backup storage needs in the Central Pool portion of the system are satisfied. Staff developed a schedule and implemented a plan that quickly returned the large reservoir to operation in three weeks. Staff inspected the Reservoir #2 inlet channel, replaced sample pumps, cleaned chemical injection lines, and disinfected the reservoir and inlet channel to prepare for the return of Reservoir #2 to service. This reservoir was previously out of service due to the low flows experienced at the Jensen plant during the record drought that led to low State Water Project allocations in several years prior to 2017. *(see photo right)*



View of the floating cover atop Reservoir #2 at Jensen plant filled with 45 million gallons of water

Staff installed a new magnetic flow meter at service connection CB-20 in the City of Upland. This flow meter is used for measuring water delivered to Inland Empire Utilities Agency for groundwater replenishment. The flow meter was installed by staff after it was tested by a third party.

Staff performed chlorine evaporator maintenance at the Weymouth plant in the Chlorine Containment Handling Facility. The evaporator is a critical component of the chlorine feed process. Maintenance is performed at regular intervals to ensure the equipment continues to operate reliably and safely.

State Water Project target blends at the Weymouth, Diemer, and Skinner plants were 75 percent for July 2017. Flow-weighted running annual averages for total dissolved solids from May 2016 through April 2017 were 547, 574, and 570 mg/L for Weymouth, Diemer and Skinner plants, respectively.

WATER SYSTEM OPERATIONS

CORE: PROVIDE TECHNICAL SUPPORT TO MEMBER AGENCIES

Staff continues to participate and track efforts of the State Water Resources Control Board to update the California Environmental Laboratory Accreditation Program regulations. These new regulations are more stringent than existing regulations and will require all public and private laboratories in California conducting drinking water testing to evaluate resources necessary for meeting the new standards. Metropolitan will continue to keep our member agencies informed of the changes associated with the new regulations.

WATER SYSTEM OPERATIONS

CORE: PREPARE FOR FUTURE LEGISLATION AND REGULATION

Staff submitted comments to the Division of Drinking Water (DDW) on the proposed two-step plan review of the existing maximum contaminant level (MCL) for perchlorate. DDW was obligated to review the perchlorate MCL as part of a normal regulatory process after the Office of Environmental Health Hazard Assessment lowered the public health goal for perchlorate from 6 parts per billion (ppb) to 1 ppb in 2015. Metropolitan's comment letter encouraged DDW to assess the number of laboratories qualified to analyze perchlorate at lower levels if DDW intends to lower the existing MCL. Staff also recommended that DDW develop guidance for water systems to conduct the monitoring at lower detection levels, as this may reveal an increase in the number of affected water systems.

On July 18, staff provided testimony at a State Water Resources Control Board hearing on adoption of an MCL for 1,2,3 -trichloropropane (1,2,3 TCP). 1,2,3 TCP is a cleaning and degreasing solvent and also associated with pesticide products. It is considered a potential cancer causing substance and has been detected in numerous drinking water sources in California. Staff recommended a compliance period to allow drinking water agencies in California sufficient time to make necessary arrangements to meet the proposed MCL. The Control Board elected not to include this compliance period upon promulgation of the MCL. 1,2,3-TCP has not been detected in any of Metropolitan's water supply sources.

WATER SYSTEM OPERATIONS

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

The Environmental Protection Agency announced on June 12 a delay in the implementation of the Risk Management Program (RMP) Rule amendments until at least February 2019 to reassess the need for the regulation. The EPA is seeking additional time to review the rule so that they can evaluate the comments raised by multiple petitioners (over 50,000 comments) and consider other issues for potential public comment. The RMP rule affects Metropolitan's chlorine facilities, and staff has been engaged with an American Water Works Association workgroup to provide input on the proposed amendments and track the progress of the rule-making and its implementation.

Metropolitan complied with all water quality regulations and primary drinking water standards during the month of June 2017. Bacterial monitoring plans for the domestic water systems at the Eagle Mountain and Hinds pumping plants were approved by the County of Riverside Department of Environmental Health, as required by the Long Term 2 Enhanced Surface Water Treatment Rule.

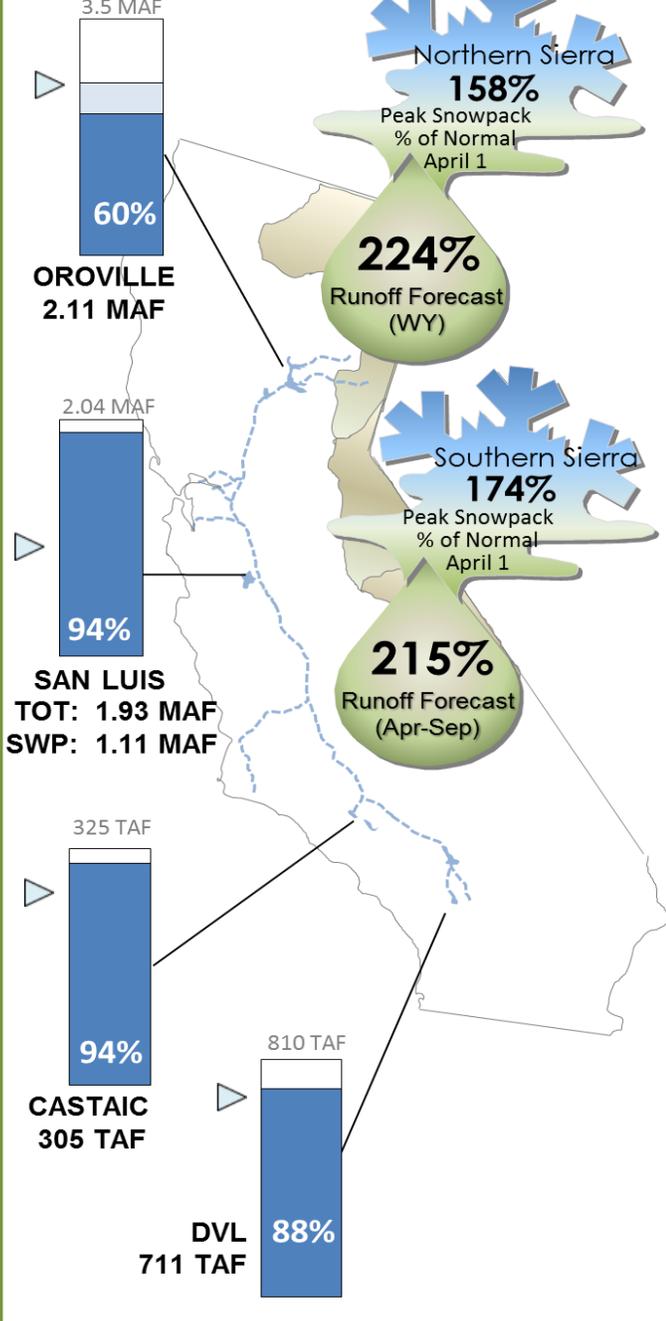
WATER SUPPLY CONDITIONS as of July 31, 2017

2017 SWP Allocation

1,624,775 AF

85% of Table A

(Does not include CVWD & DWA Table A)

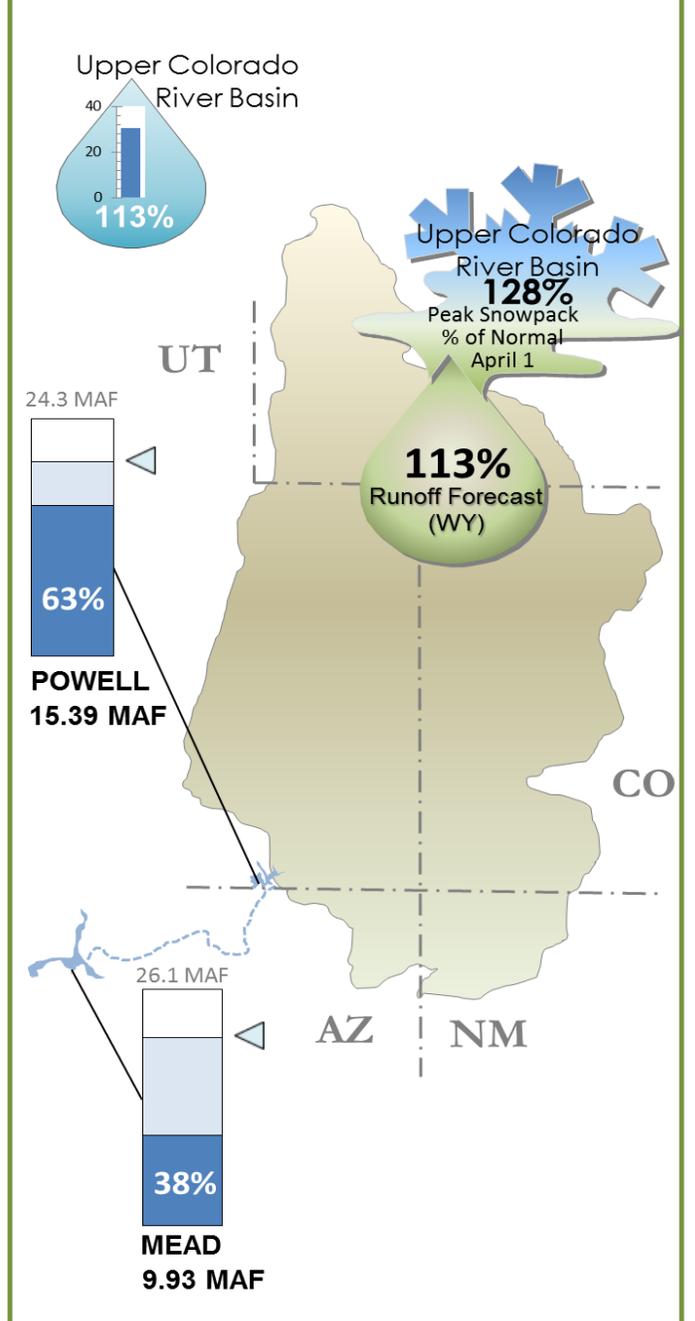


2017 Colorado River

908,000 AF

73% of full CRA

(Does not include storage withdrawals)



Regional Snowpack

Precip
WY to Date (in)

Capacity
Average EOM Storage
Current Storage (% Capacity)

Peak Snowpack % of Normal April 1
Runoff Forecast WY

Employees celebrate diversity and cultural awareness.

**THE METROPOLITAN FRENCH CLUB'S
2017 FRENCH FILM FESTIVAL**



Four French Films
Each Shown Over
Two Lunch Periods
(~ 1/2 Each Period)



July 5 (Wed.) and 6 (Thurs.)

The Umbrellas of Cherbourg is the 1964 romantic musical about a young woman who sells umbrellas in a small town and falls in love with the local mechanic, though their fate together remains uncertain. Introducing Cather-



US 2-450
11:30 AM to 12:30 PM
Bring Your Lunch!
Enjoy French Culture!



Society of
Women Engineers
Metropolitan Water District of Southern California

Celebrating One-Year Anniversary of formation

Storage	As of 7/31/17	% of Capacity
DVL	710,913 AF	88
Lake Mathews	141,108 AF	78
Lake Skinner	37,917 AF	86

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

General Manager: Jeffrey Kightlinger
Office of the GM No. 213-217-6139
Email: OfficeoftheGeneralManager@mwdh2o.com

700 No. Alameda Street
 Los Angeles, CA 90012
 General No. 213-217-6000