

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA



General Manager's Monthly Activity Report for September 2017

September 30, 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.

In July and August, staff presented three white papers to the Board outlining key aspects of California WaterFix (infrastructure, operations, and



cost allocation). A Special Board Meeting was held on September 26 to further discuss this matter to help support a Board decision on the project and associated agreements. There were discussions, presentations and comments by more than 60 speakers who represented diverse communities, industries, and perspectives,

A California WaterFix Dialogue:
QUESTIONS AND ANSWERS

SEPTEMBER 2017

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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.

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

- The first quarter newsletter was distributed to employees. This edition highlighted creating and maintaining a sustainable wardrobe. Although the word sustainable is not normally associated with one's wardrobe, this edition provides great tips on eco-friendly maintenance of clothes and streamlining one's closets. *(see photo right)*
- The planning for the 11th Annual Spring Green Expo and ECO Innovator Showcase event for April 19, 2018 is underway.
- Rideshare Services sent an Electric Vehicle Charging survey to employees at various field locations to obtain information to potentially add additional charging stations at select sites. Over 270 responses were received and are being evaluated.



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

- Officially commenced work on Digital Asset Optimization, Taxonomy Design and Thesaurus Development Project as part of the Enterprise Content Management Program.
- The Human Resources Group served as a pilot to identify and review record types, define a process for handling immaterial records, and develop a system for classifying and searching records.

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.

Member Agency Annexation Requests:

Metropolitan has completed the 107th Fringe Annexation to Eastern Municipal Water District and Metropolitan. Metropolitan's Board of Directors approved the terms and conditions on April 10, 2017 as Resolution No. 9219 at the request of Eastern Board of Directors on July 20, 2016 in Resolution No. 2016-091. This action was completed by the Riverside County Local Agency Formation Commission, who filed the Certificate of Completion of FALCO 2017-04-5 Reorganization to include Concurrent Annexations to Eastern Municipal Water District and Metropolitan (107th Fringe) and was filed with the Riverside County Clerk and Recorder on September 12, 2017 as document number 2017-0377848.

BAY DELTA INITIATIVES

CORE: BAY DELTA SOLUTIONS

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 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. Closing briefs for Part 1 are due to the SWRCB on November 8, 2017. On August 31, the SWRCB issued a ruling regarding the schedule for Part 2 of the hearings. Part 2 of the hearings will address the effects of the proposed project on fish and wildlife, including consideration of appropriate Delta flow criteria. Opening briefs for Part 2 are due November 30, 2017, and Part 2 of the California WaterFix hearing will commence January 18, 2018.

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 continued its participation in the Collaborative Science and Adaptive Management Program (CSAMP), including the Delta Smelt Scoping Team Outflow workgroup and the Flow Alteration Project Work Team, to develop detailed workplans for the Directed Outflow Project. The Directed Outflow Project includes Principle Investigators from ICF; University of California, Davis; U.S. Fish and Wildlife Services; and San Francisco State University. Sample collection for the project started in September.

Staff, in collaboration with state and federal water contractors, completed development of an effects analysis on potential alternative actions for the Fall X2 action (contained in the Delta Smelt Biological Opinion) for 2017. The analysis was provided to the U.S. Bureau of Reclamation for their request to the U.S. Fish and Wildlife Services for reinitiation of consultation on the 2008 Biological Opinion for Delta smelt, for the proposed change in implementation of the Fall X2 action.

Staff continued to work with ESSA Technologies Ltd. on a project to evaluate the reliability of environmental correlations with fish populations in the Delta. In September, ESSA developed a draft list of equations to be tested in the study.

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

Delta Flood Emergency Management Plan

The Department of Water Resources has developed a Flood Emergency Response Information Exchange system to improve flood emergency preparedness, response and recovery in the Delta and elsewhere in the state. The U.S. Army Corps of Engineers utilizes an internal data exchange system with similar functionality and framework to DWR's.

A contract for the northern portion of the Stockton Weber site to provide two additional loading and off-loading facilities, space for additional rock storage, and rehabilitation of a major warehouse for flood emergency response materials is expected to be complete in December 2017. Remaining project funds are being identified for large sheet pile to be stored to close at least two major levee breaches in the event of an emergency. Purchase will be done under available DWR contracts.

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.

- Continued working with the business units on BC plan updates.
- Hosted the semiannual Southern California User Group Meeting for Fusion BC software customers.
- Participated in a panel discussion about workplace recovery at the annual Red Cross Disaster Preparedness Academy.

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.

In August, the Board adopted a resolution maintaining Metropolitan's ad valorem tax rate at 0.0035 percent of assessed property values, which is anticipated to generate \$115.8 million in revenues. The certified assessed property valuations for Metropolitan's six-county service area total \$2.7 trillion for fiscal year 2017/18.

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

The Risk Management Unit completed 69 incident reports communicating instances of Metropolitan property damage, liability, workplace injuries, regulatory visits and spills.

Risk Management completed 49 risk assessments on contracts, including professional service agreements, construction contracts, entry permits, special events and film permits.

CHIEF FINANCIAL OFFICER

CORE: MANAGE FINANCES FOR LONG-TERM STABILITY AND SUSTAINABILITY

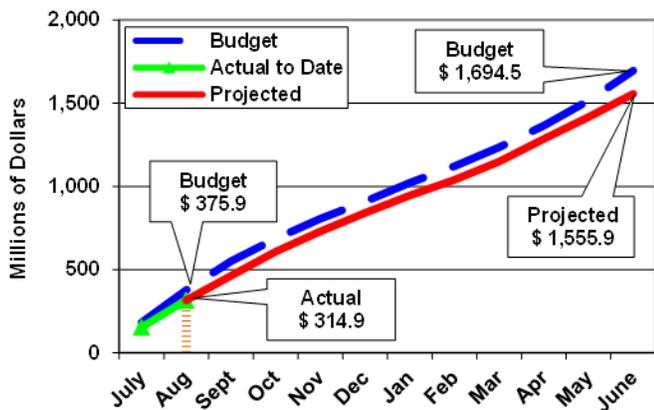
Minimize water rate increases, manage costs within the adopted budget, and strive to meet Board policies for all key financial ratios. To meet these objectives, Metropolitan will continue to focus on achieving cost reductions and efficiencies in all areas of its business, with primary focus on staffing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

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

The review of Metropolitan's biennial budget was provided at the September Finance and Insurance Committee meeting.

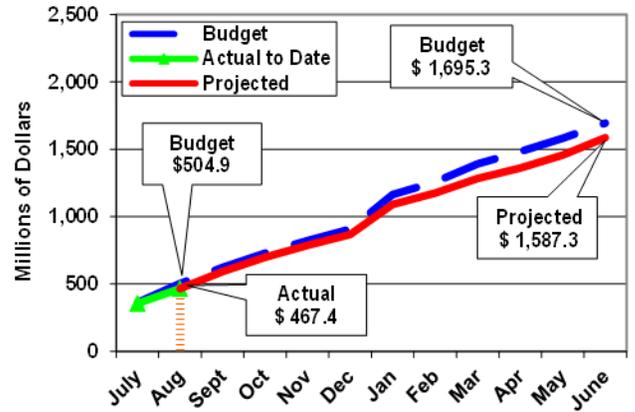
FINANCIAL SUMMARY AS OF AUGUST 31, 2017

Revenues are expected to be \$139M under budget at year end, primarily due to lower water sales.



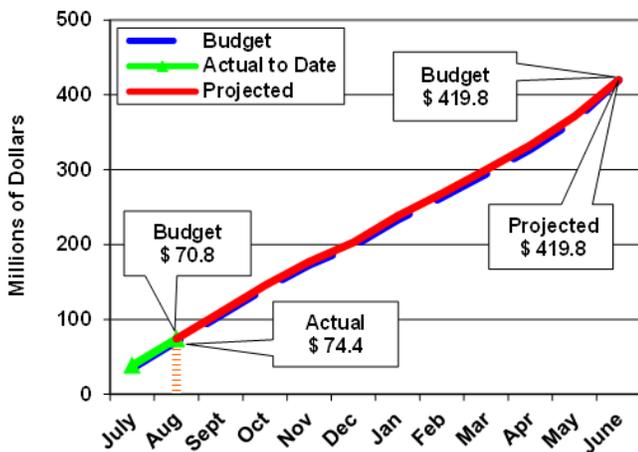
Excludes bond construction and other trust funds activity

Expenses are expected to be \$108M under budget at year end, primarily due to lower SWP, CRA power, and water supply program costs.

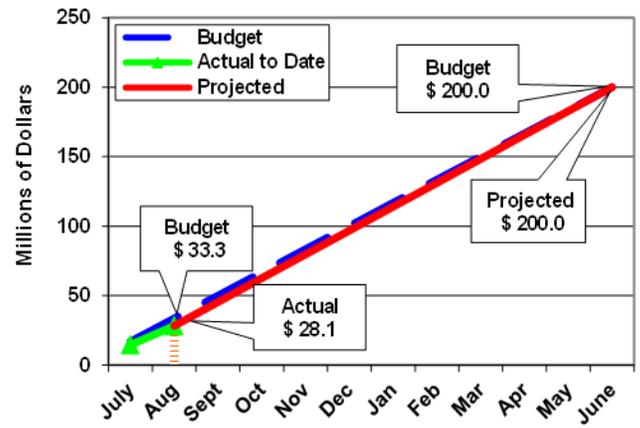


Excludes bond construction and other trust funds activity

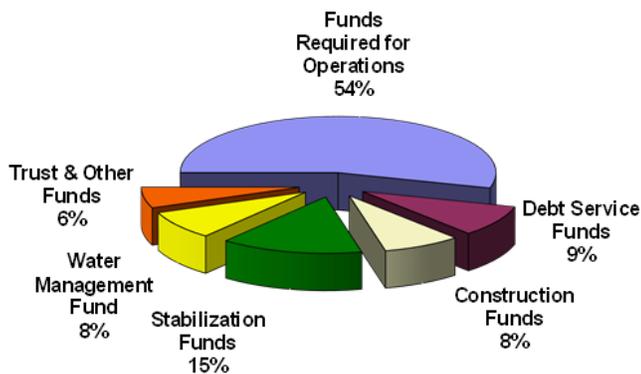
O&M expenses are expected to be on budget at year end.



Capital Program expenses are expected to be on budget at year end.



Cash and Investments at Fair Value
\$ 1,106.5 million



Summary Financial Statistics

	Target	Year-End Projected
Fixed Charge Coverage	≥ 1.20 x	1.23 x
Revenue Bond Coverage	> 2.00 x	1.36 x
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 Global	AA	AAA

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 is being relined in three stages. The first two stages have been completed and design of the Stage 3 repairs is scheduled to be complete by December 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. Construction was completed in September 2017.
- 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 75 percent complete and is scheduled to be complete by April 2018.
- Jensen Finished Water Reservoir No. 2 Cover Replacement—This project replaces the floating cover and liner and improves the existing inlet configuration for the reservoir. Preliminary design is ten percent complete and is scheduled to be complete by May 2018.
- Mills Finished Water Reservoir Rehabilitation—This project rehabilitates the Mills plant's finished water reservoirs, including replacement of the floating covers and liners, refurbishment or replacement of existing reservoir gates, installation of a new drop gate, and installation of enhanced security features. Preliminary design is ten percent complete and is scheduled to be complete by May 2018.
- Whitewater Siphons Erosion Protection—This project provides erosion protection of the Whitewater Siphons below the Whitewater River on the Colorado River Aqueduct. Construction is 12 percent complete and is scheduled to be complete by March 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 50 percent complete and is scheduled to be complete by August 2018. (*see photo right*)

Palos Verdes Reservoir Rehabilitation – Palos Verdes Feeder inlet line



ENGINEERING SERVICES

CORE: INFRASTRUCTURE RELIABILITY continued...

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 is divided into two specification packages. The first package is 99 percent complete and is scheduled to be complete by October 2017, while the second package is 99 percent complete and is scheduled to be complete by May 2018.
- Western San Bernardino County Operating Region—Final design of improvements 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 March 2018.
- Riverside/San Diego County Operating Region—Preliminary design of improvements is 99 percent complete and is scheduled to be complete by October 2017..

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 was completed in September 2017.
- Expansion Joint Repairs—This project repairs 16 expansion joints located on the pump delivery lines at the five CRA pumping plants. Construction is 30 percent complete and is scheduled to be complete by December 2017.
- Copper Basin and 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 28 percent complete, and valve delivery is scheduled for February 2018. Preliminary design to improve access is underway and will be complete by October 2017. Final design of the valve installation is 55 percent complete and is scheduled to be complete by January 2018.
- CRA Motor Cable Replacement—This project replaces the electrical cables that provide power to the main pump motors. Design is 85 percent complete and is scheduled to be complete by December 2017.
- Intake Power Line and Communication Replacement—This project relocates a power transmission line that serves Intake Pumping Plant and several remote CRA facilities. Design is 95 percent complete and is scheduled to be complete by October 2017.
- Employee Housing Rehabilitation—This program will perform comprehensive improvements to Metropolitan-provided employee housing and short-term accommodations at the CRA pumping plants. Project No. 1 will construct 10 houses: two each at Hinds, Eagle Mountain, and Gene; and four houses at Iron Mountain. Construction is five percent complete and is scheduled to be complete by March 2018. Project No. 2 will refurbish 89 houses that require minor or moderate levels of renovation. Construction is three percent complete and is scheduled to be complete by May 2019. Project No. 3 will refurbish the guest lodges and kitchens at Eagle Mountain and Iron Mountain. Design is two percent complete and scheduled to be complete by September 2018.

ENGINEERING SERVICES

CORE: INFRASTRUCTURE RELIABILITY continued...

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, Calabasas 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. Notice to Proceed was issued in September 2017. Construction is five percent complete and is scheduled to be complete by August 2018. A planned shutdown of the feeder is scheduled to begin in November 2017. Final design of the second and third reaches is 15 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. Fabrication is 30 percent complete and is scheduled to be complete by June 2018.
- Second Lower Feeder Shutoff Valve Procurement—This contract provides 216 shutoff valves that will replace deteriorated valves along the length of the Second Lower Feeder. These valves range in diameter from 4 to 16 inches and are used to control and isolate flow at air release/vacuum valve locations, dewatering vaults, and blowoff structures. Notice to Proceed was issued in September 2017 and staff is reviewing submittals. Delivery of the valves is scheduled for late 2019.

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 Operations and Maintenance Manuals. These remaining activities are 85 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 90 percent complete and is scheduled to be complete by June 2018.

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 94 percent complete and is scheduled to be complete by October 2017. (*see photo page 9*)

ENGINEERING SERVICES

CORE: INFRASTRUCTURE RELIABILITY continued...

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 95 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 97 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 30 percent complete and is scheduled to be complete by April 2018.

Mills Plant

- Electrical Upgrades, Stage 1—This project replaces electrical equipment, provides backup in the event of individual component failures, and upgrades the Mills electrical system to be consistent with current codes and industry practices. The work will be completed in three stages. Notice to Proceed was issued in September 2017.

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 83 percent complete and is scheduled to be complete by February 2019. Final stage of Stage 2 is 60 percent and is scheduled to be complete by June 2018. *(see photo below)*
- Ozone System PLC Upgrade—This project replaces obsolete processors and communication modules that control and operate the Jensen ozonation system. The work is five percent complete and is scheduled to be complete by March 2018.



Jensen Electrical Upgrades, Stage 1 –
Conduit and cable installation to
switchgear



Jensen Solar Power Plant – Final grading

ENVIRONMENTAL PLANNING SECTION

GM STRATEGIC PRIORITY: PURSUE DECISION ON THE STATE'S PROPOSED DELTA IMPROVEMENTS INCLUDING THE CALIFORNIA WATERFIX AND ECORESTORE

Continue providing a leadership role toward completion of financing agreements and associated permits necessary to implement California WaterFix and EcoRestore. Also, target outreach on conservation efforts.

Provide environmental and technical services to support long-term Delta solutions, to improve water supply reliability and water quality, and facilitate protection and enhancement of Delta ecosystems and associated species including the California WaterFix and EcoRestore.

- Staff prepared comparative matrices for two habitat expansion projects on the lower Yuba River per a request from State Water Contractors.
- Staff reviewed over 100 Federal Energy Regulatory Commission filings related to Oroville and South State Water Project; the number of these filings has increased substantially since the spillway collapse in February.

ENVIRONMENTAL PLANNING SECTION

GM STRATEGIC PRIORITY: EMBARK ON STRATEGIC REVIEW OF METROPOLITAN'S MISSION AND PROGRAMS

Periodically, the Board reviews its policies and mission to ensure responsiveness to evolving laws, plans, and resources in an effort to accommodate the needs of member agencies.

Continue cultural resources planning and education to protect and preserve the historic legacy of Metropolitan.

- Completed mapping of known cultural resources in the vicinity of the Foothill Feeder and potential mitigation site (Stickleback Movie Ranch) for endangered species permits for the unarmored threespine stickleback.
- Completed mapping of known cultural resources in the vicinity of Metropolitan-Palo Verde lands.

ENVIRONMENTAL PLANNING SECTION

CORE BUSINESS: REGULATORY COMPLIANCE

Responsible for providing planning, CEQA, and regulatory support for all discretionary actions undertaken by Metropolitan. The Environmental Planning Section is also responsible for reviewing and commenting on federal rulemaking and state and federal legislation; implementing multi-agency habitat management agreements; reviewing and commenting on all external projects that may impact Metropolitan; and providing technical support for public outreach and education activities.

Provide timely and professional planning services and CEQA and regulatory support in an environmentally responsible manner for Engineering Services, Water System Operations, Water Resource Management, External Affairs, and Real Property.

Construction Monitoring

- Staff completed the Mitigation Monitoring and Reporting Program for the Orange County Relining Project – Reach 1.
- Executed a \$400,000 agreement with Rincon Consultants for construction monitoring of the Upper Feeder Expansion Joint Replacement Project at the Santa Ana River crossing.
- Executed an agreement with Helix Environmental for \$1.95 million for construction monitoring and preparation of future environmental documentation for the Prestressed Concrete Cylinder Pipeline Rehabilitation Program.

ENVIRONMENTAL PLANNING SECTION

CORE BUSINESS: REGULATORY COMPLIANCE *continued...*

Provide timely and professional planning services and CEQA and regulatory support in an environmentally responsible manner for Engineering Services, Water System Operations, Water Resource Management, External Affairs, and Real Property.

CEQA Environmental Clearances

Staff provided timely and professional environmental planning clearances for 12 Water System Operations projects, 1 real property action, and 16 board letters.

Regulatory Permitting and Compliance

- Staff executed a Streambed Alteration Agreement with California Department of Fish and Wildlife for three maintenance projects at Lake Skinner.
- Completed purchase of 0.27 acre of mitigation credits from the Riverside-Corona Resource Conservation District for the Upper Feeder Expansion Joint Replacement Project.
- Staff participated in site visits, meetings, and ongoing consultation with federal and state regulatory agencies in support of regulatory permitting efforts for the Orange County Feeder Blowoff Structure Rehabilitation Project, Whitewater Colorado River Aqueduct Siphons Erosion Protection Project, and Foothill Feeder Inspections Project.
- Staff is coordinating with U.S. Army Corps of Engineers to amend the Water Resources Development Act agreement for dedicated Army Corps staff to work on Metropolitan projects.
- Staff is assisting Legal in drafting a response letter to San Bernardino County regarding the applicability of Surface Mining and Reclamation Act to the CRA operations.

Legislative Support

Staff is coordinating with the Association of California Water Agencies on a response to the Federal Register notice soliciting input on Department of the Interior reform regarding the Migratory Bird Treaty Act.

External Project Review

Staff reviewed and commented on 19 CEQA notices for various external projects that may impact Metropolitan facilities and/or operations.

Other

- Staff provided content for two articles featured by External Affairs on social media and the Water Talk article reporting on a deer rescue at Hinds pumping plant and on the Western Science Center. In addition, an Environmental Planning Section staff member was featured in a Water Talk article.
- Staff organized snake and venomous animal awareness training for WSO and conducted an environmental awareness module during shutdown training.
- Staff presented a CEQA Overview for the Engineering Services Group Brown Bag Technical Series at Weymouth and Headquarters.

ENVIRONMENTAL PLANNING SECTION

CORE BUSINESS: RESERVE MANAGEMENT

Manages more than 30,000 acres of ecological reserves and partners with other organizations to preserve and support native species and their habitat while ensuring the proper operation and maintenance of Metropolitan's facilities.

Continue to actively manage reserve lands to ensure compliance with state and federal permits and multi-agency cooperative management agreements including the Memorandum of Intent (MOI) between Metropolitan, Riverside County Parks, and other members of the Diamond Valley Lake Ad Hoc Committee.

Southwestern Riverside County Multi-Species Reserve

The Reserve Management Committee for the Multi-Species Reserve approved Reserve Manager task orders at its quarterly meeting in August to authorize implementation of the Annual Work Plan as proposed. Management activities for Fiscal Year 2017/18 will focus on management of designated habitat for the endangered Stephens' kangaroo rat, health assessment and habitat management for native oak trees, treatment and eradication of invasive plants, vegetation maintenance for fire management, interpretive programs, and other activities pertaining to species and habitats covered under the Multi-Species Habitat Conservation Plan.

In cooperation with Riverside County Parks, the seasonal Lake Skinner Equestrian Trail was fully opened to the public following annual maintenance by Environmental Planning and Water System Operations. The trail will be open until December 1. In addition to water quality protection, seasonal closure of the Lake Skinner Equestrian Trail is required to avoid impacts to the federally endangered Quino checkerspot butterfly. Staff proposed new maintenance procedures to the U.S. Fish and Wildlife Service to remove the butterfly host plant from the trail to allow year-round use of the trail by hikers and equestrians (subject to water quality) potentially by the 2019 spring season. The proposal was approved by USFWS and the Reserve Management Committee and fieldwork is proceeding under the direction of Metropolitan staff.

Lake Mathews Multiple Species Reserve

Riverside County Habitat Conservation Agency (RCHCA) initiated collaboration with Metropolitan, University of California, Riverside (UCR) researchers, U.S. Fish and Wildlife Service (USFWS), and other regional land managers to address critical concerns pertaining to the rapid spread of the invasive plant species *Oncosiphon piluliferum* (stinknet, globe chamomile). The plant is prominent in areas of the Lake Mathews Reserve and substantial resources are anticipated to be needed to protect the habitats that are covered under the Lake Mathews Reserve Multiple Species Habitat Conservation Plan. A research proposal to provide much-needed information about control methods for stinknet has been submitted by UCR to the Lake Mathews Reserve RMC for consideration at its quarterly October meeting.

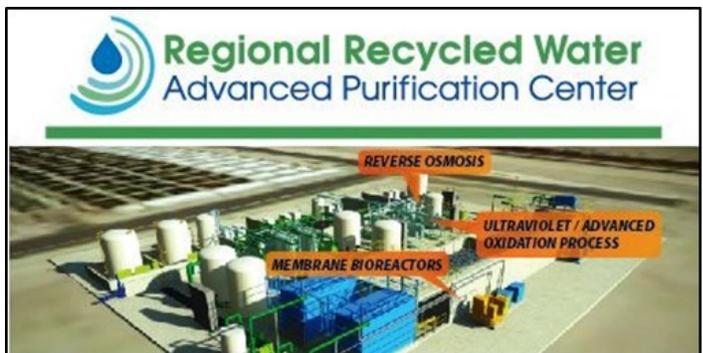
EXTERNAL AFFAIRS

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.

Chairman Record, Directors Dake, Faessel, Gray, Lefevre, Morris, Murray, Peterson and Vasquez Wilson, General Manager Kightlinger, and other Metropolitan executive management and staff joined with more than 200 attendees at the groundbreaking event for the new Regional Recycled Water Advanced Purification Center in Carson. The project is a joint venture between Metropolitan and the Sanitation Districts of Los Angeles County. Congresswoman Napolitano (D-El Monte), Senator Bradford (D-Compton), and Carson Mayor Robles spoke at the event and expressed their support for the project and the importance of recycled water for Southern California. Other attendees included representatives from the Sanitation Districts of Los Angeles and leaders from the community, business and environmental organizations. The demonstration facility is expected to operate for about a year and produce data that will be used to inform future decisions about building a full-scale recycling facility. (September 18)



Media interest in California WaterFix and the upcoming vote by Metropolitan's Board to consider investing in the project remains high. Chairman Record, General Manager Kightlinger and Assistant General Manager Zinke participated in Editorial Board meetings with the Los Angeles Times (September 19), San Diego Union-Tribune (September 20) and the Southern California News Group (September 21). Separate interviews were arranged with General Manager Kightlinger, Assistant General Manager Patterson and senior management with reporters from the Voice of San Diego, Los Angeles Times and other publications to discuss the costs, operations, benefits and the decision-making process for Metropolitan directors.

Chairman Record and staff attended and Metropolitan sponsored the Western Science Center's Science under the Stars event to promote education and awareness of science and actions to promote a sustainable future. (September 9)

California WaterFix Presentations

Metropolitan management and staff made presentations and attended events to provide information about California WaterFix to business groups, public agencies, community organizations and conferences:

- Lakeside Water District Board Meeting (September 5)
- West Basin Caucus – Finance/Cost Allocation (September 6)
- State of California Small Business Council Meeting (September 6)
- San Diego Regional Chamber of Commerce (September 7)
- Inland Empire Utilities Agency (September 7)
- Central Basin Caucus (September 7)

EXTERNAL AFFAIRS

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

California WaterFix Presentations

- Cucamonga Valley Water District (September 12)
- Burbank City Council (September 12)
- Beverly Hills Chamber – Government Affairs Committee (September 14)
- Long Beach Water Commission Presentation (September 14)
- Gateway Water Management Authority (September 14)
- Beverly Hills Chamber of Commerce (September 14)
- Hollywood Chamber of Commerce (September 14)
- Montclair City Council (September 18)
- Pasadena City Council (September 18)
- Glendale City Council (September 19)
- Beverly Hills City Council (September 19)
- Los Angeles Latino Chamber of Commerce (September 19)
- Diamond Valley Lake Docents (September 20)
- Padre Dam Municipal Water District (September 20)
- San Diego Associations of Yacht Clubs (September 21)
- Los Angeles Economic Development Commission Water Committee (September 22)

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 General Manager Kightlinger appears in a new documentary, *Beyond the Brink*, which is intended to advance public awareness of risks of a changing climate and competing land use to California's water supply reliability, management of natural resources and food security. The premier showing of the film was at an event hosted by the University of California, Merced Sierra Nevada Research Institute and attended by Metropolitan staff. (September 14)

Metropolitan launched a new series of social media posts to educate the public about the impacts that climate change will increasingly have on Southern California water supplies and steps to make communities and infrastructure more resilient to climate change impacts in the future. Topics include increased conservation, need for more water storage, impacts of rising sea levels on water supplies, declining snowpack and other impacts on water resources.

EXTERNAL AFFAIRS

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

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's Washington, D.C. advocacy team met with key Congressional staff to discuss federal legislation of current interest to the Board of Directors. (September 6)

Assistant General Manager Patterson met with members of Congress, committee staff and key Administration officials at the U.S. Department of the Interior, Bureau of Reclamation and National Oceanic and

EXTERNAL AFFAIRS

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

Legislative Services—continued...

Atmospheric Administration Fisheries in connection with those agencies' role in approving permits associated with California WaterFix. (September 20)

State

The state legislature's 2017 session ended on September 15. Among the legislative measures of interest to Metropolitan and its member agencies that were approved and sent to the Governor for action by October 15 are:

- SB 5 by Senate President pro Tem de León (D-Los Angeles) and Assembly Member Garcia (D-Coachella) would place a \$4 billion park/water bond slated on the June 2018 ballot.
- AB 574 by Assembly Member Quirk (D-Hayward), sponsored by WateReuse California and California Coastkeeper Alliance, seeks to define potable reuse terms and requires regulations for potable reuse.
- SB 231 by Senator Hertzberg (D-Los Angeles) adds a definition for "sewer" to the Proposition 218 Implementation Act. The definition is significant because the election requirements are on fees for services other than water, sewer and trash services.

Legislation that did not pass this year and may be reconsidered in 2018 include:

- Conservation measures proposed by SB 606 by Senators Hertzberg (D-Los Angeles), Skinner (D-Berkeley), and AB 1668 by Assembly Member Friedman (D-Glendale) will be the focus of renewed attention in 2018. Last May, Metropolitan's board adopted a set of Legislative Priorities to direct staff's engagement on legislation to implement specific actions designated to make water conservation a California way of life.
- SB 49 by Senators DeLeon (D-Los Angeles) and Stern (D-Agoura Hills) seeks to enact the California Environmental, Public Health, and Workers Defense Act of 2017, which prohibits a state or local agency from amending or revising its rules to be less stringent than the federal baseline standards pertaining to environmental protection.
- SB 100 by Senator DeLeon (D-Los Angeles) would establish the 100 Percent Clean Energy Act of 2017 to increase the existing Renewables Portfolio Standard requirement to 60 percent by 2030 and create a planning goal for meeting all of the state's retail electricity supply with 100 percent clean energy.
- SB 623 by Senator Monning, (D-Carmel) creates the Safe and Affordable Drinking Water Fund, administered by the State Water Resources Control Board and includes funding from fees and taxes on fertilizer sales, milk production and potable water connections of public water systems. Metropolitan will continue to engage with the member agencies, bill proponents and other stakeholders over the fall recess in anticipation of further action during the 2018 legislative year. (September 1)

Local

- Director Trevino, Assistant General Manager Zinke and staff attended the San Gabriel Valley Economic Partnership Recognition Awards event with Assembly Member Rubio (D-Baldwin Park) and former state Senator Huff (R-Diamond Bar). The event was attended by more than 300 businesses, municipal and water industry leaders. (September 9)
- Sponsored the event and Planning and Development Manager Goshi presented at the Southern California Edison Water Symposium on ways Metropolitan and its member agencies plan to meet future challenges to Southern California's water reliability. (September 12)
- Assistant General Manager Zinke and staff made a presentation on California WaterFix and regional water issues at the Building Industry Association City County Legislative meeting in San Diego. (September 15)

EXTERNAL AFFAIRS

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

- Staff made a presentation and attended the United Chambers of Commerce's Annual Los Angeles Police Department Captains Luncheon staff with more than 100 business leaders. (September 20)
- Metropolitan sponsored a Community Leaders Water Forum for Assembly Member Nazarian in Van Nuys. The event was attended by over 100 community leaders and staff presented on water supply reliability and the California WaterFix. (September 22)
- Participated in the Los Angeles Area Chamber of Commerce's ACCESS City Hall advocacy day. (September 27).
- Staff attended the California Contracting Cities Association fall conference. More than 75 local elected officials attended including Assemblymembers Obernolte (R-Big Bear Lake), Assemblymember Garcia (D-Bell Gardens), Senators Hernandez (D-Montebello), Senator Mendoza (D-Artesia) and Galgiani (D-Stockton) and LA County Supervisor Solis. (September 29-October 1)

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.

Communication Activities

- Arranged Delta inspection and informational trips for San Diego-based print and television reporters.
- Prepared new outreach materials for California WaterFix, including white paper fact sheets, presentation slides, briefing books and video content.
- Submitted letter to the editor to the Compton Herald to clarify misinformation in a previous publication about California WaterFix.
- Special Projects Manager Westford made presentations and responded to mischaracterizations by San Diego County Water Authority officials at the following meetings:
- Lakeside Water District Board Meeting (September 5)
- San Diego Chamber of Commerce, with Planning and Development Manager Goshi (September 7)
- Special Projects Manager Westford made presentation on California WaterFix at the San Diego Association of Yacht Clubs. (September 21)

Media Interviews

- Arranged interview with General Manager Kightlinger on KNX radio and ABC and NBC television about the regional recycled water project groundbreaking.
- Set up interview with General Manager Kightlinger and *Desert Sun* reporter to discuss Palo Verde Irrigation District lawsuit regarding Metropolitan's PVID land leases.
- Set up interview with Colorado River Resources Manager Hasencamp and *Arizona Capitol Times* reporter for a story about potential storage arrangements between Metropolitan and the Central Arizona Project.
- Arranged interview with Water Systems Operations Group Manager Green and Southern *California Newspapers Group* reporter for a story about quagga containment in Metropolitan's distribution system.
- Set up separate interviews with Chairman Record, Ethics Officer Ghaly and outside legal counsel and *Los Angeles Times* reporter for a story about the Board of Directors' review of the Ethics Office. Also provided related information and arranged interview with General Manager and *Voice of San Diego* reporter on the Ethics Office.
- Made initial arrangements with PBS production team for *10 Things That Changed America* for a segment on the Colorado River Aqueduct.

EXTERNAL AFFAIRS

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

Media and Communications - continued...

- Arranged interviews with senior engineering staff and *Los Angeles Times* columnist for a story about a program to repair and replace prestressed concrete cylinder pipes in Metropolitan's service area.

Press Releases

- Dedication of the children's water conservation garden at the Ernest E. Debs Regional Park in Los Angeles with project partners L.A. Galaxy, Audubon Society and L.A. Conservation Corps.
- Joint press release with the Arizona G&T Cooperatives about Metropolitan entering into an agreement that will provide Metropolitan with energy management and scheduling services.
- Statement from Chairman Randy Record about the resignation of Metropolitan's Ethics Officer.
- Joint press release with Sanitation Districts of Los Angeles on groundbreaking ceremony for Regional Recycled Water Project demonstration facility.
- Statement from General Manager about Westlands Water District's vote regarding California WaterFix.

Water Conservation Campaign

Advertising for the H2Love conservation campaign continued in September with 485 outdoor billboards and transit signs, radio, digital media, customized English and Spanish-language channels on Pandora streaming radio and wraps on busses and commuter trains. Staff is also producing original videos and carousel ads for Facebook that have reached more than 100,000 people. A short video on the H2Love light show on the Santa Monica pier Ferris wheel had more than 430,000 views on Facebook and is the most engaged post on LinkedIn.

Online and Social Media

- Issued GM blogs on California WaterFix, including comparison of the proposed project to other major infrastructure investments, and the costs and allocation of those costs to Metropolitan.
- Issued editions of *Your Water*, *California WaterFix*, *Business Outreach* and *Conservation Update* E-newsletters to member agency, employee and general audiences.
- 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.
- The series of short-animated graphics videos on California WaterFix have been viewed more than 500,000 times. Other new Metropolitan-produced videos on water recycling and conservation have also reached large audiences. (*see photo right*)



Website

Visits to bewaterwise.com steadily increased over the summer and topped 40,000 views in September.

New web pages were created for the Regional Recycled Water Project demonstration facility and for additional California WaterFix outreach tools.

EXTERNAL AFFAIRS

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

Media and Communications 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 Metropolitan.

Public Outreach for Metropolitan Projects

Staff met with the Long Beach Public Works, city council offices and the Long Beach Unified School District to discuss the Second Lower Feeder Relining Phase 1 Project scheduled to begin in October 2017, and with Carson Public Works to discuss Phase 2 of the project scheduled to begin in Fall 2018.

Metropolitan met with the Newport Beach City Engineer to discuss the Orange County Feeder Relining Project planned for Fiscal Year 2018/19.

Member Services

At the September member agency managers meeting, staff made presentations on the FY 2017/18 shutdown plan, legislation, Lake Oroville Dam repairs, and U.S. Bureau of Reclamation activities in Southern California.

Metropolitan staff helped arrange for Eastern Municipal Water District's General Manager Jones to provide a presentation on the California WaterFix before the Western Riverside Council of Governments. The Council represents multiple city councils and county supervisors in Riverside County. Their board approved sending a letter of support on CA WaterFix to Metropolitan. (September 11)

Community Partnering Program

Metropolitan sponsored and provided conservation information at the following events:

- Los Angeles County Fair Premier Event (September 1)
- Southern California Edison Water Symposium (September 12)
- San Diego Coastkeeper Water Education Event (September 13)
- Orange County Coastkeeper Conservation Garden (September 21)
- Descanso Garden Water Symposium (September 23)

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.

General Education

The Education unit welcomed the new school year with a multimedia outreach campaign that includes mailings, the e-newsletter *H2knOw* and social media posts. (*see photo page 19*)

Diamond Valley Lake Education Program

The Visitor Center hosted nearly 500 visitors and guided 275 visitors to the viewpoint. A virtual reality tour of the Colorado River Aqueduct is being incorporated into the features of the DVL Visitor Center.

Student Art Program

Staff received 194 art posters from member agencies and will select the final 36 to showcase in the Student Art 2018 calendar.

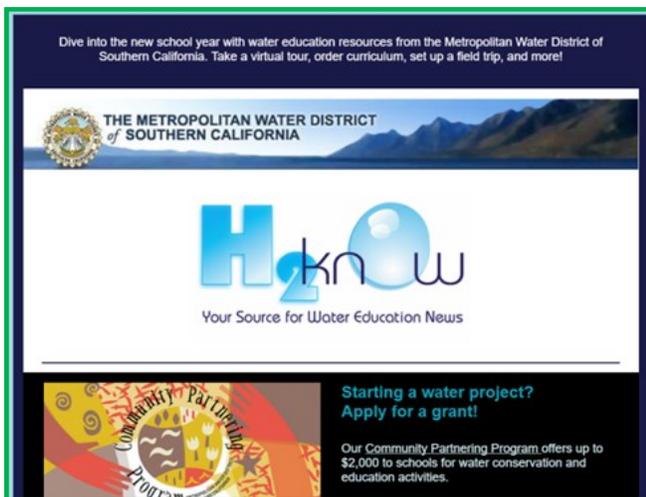
EXTERNAL AFFAIRS

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

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:

- Partnered with the Department of General Services to host its annual Southern California Small Business Advisory Council Meeting. The Business Outreach Program was presented a Certificate of Appreciation for partnership. (September 6) *(see photo below)*
- Attended the annual Orange County Black Chamber of Commerce Awards Dinner, which acknowledged veteran-owned businesses. (September 9)
- Hosted the National Latina Business Women Association, Los Angeles Chapter and made a presentation on California WaterFix. (September 11)
- Sponsored and participated in the Women Business Enterprise Council's Strategic Procurement conference. Metropolitan presented a workshop on *Government Contract Opportunities* to more than 500 women-owned and small businesses. (September 12)
- Participated in the Quarterly Water Cluster and Agriculture Cluster Meetings at the Los Angeles Cleantech Incubator (LACI). One topic included was How SplashLink, Metropolitan, LACI, the Water Cluster, and Innovation Community are helping those affected by recent hurricanes. (September 13)
- Exhibited at and attended the Pacific Southwest Minority Development Council - San Diego Business Conference Matchmaking & Expo with more than 200 small businesses. (September 18)
- Participated as a panelist and exhibited at the Asian Business Association Orange County's BMW-PROCON Business Matchmaking and Procurement Conference. (September 21)
- Attended and served as a panelist for a procurement and matchmaking sessions at the Regional Hispanic Chamber of Commerce Business Development conference. (September 29)



Education Unit's e-newsletter H2knOw



Certificate of Appreciation from Department of General Services

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.

Staff partnered with Real Property and Water Resource Management staff and management to facilitate a Customer Service issues and solutions workshop for working with the Palos Verdes Irrigation District.

Additional training modules were delivered at Headquarters and Weymouth water treatment plant on the following topics:

- *Managing Emotions in the Workplace*
- *Customer Services Skills*
- *Excel – Database and Tables, Tips and Tricks*
- *WORD – Images, Shapes and Hyperlinks*
- *Advanced Excel – Formulas and Functions*
- *Outlook for Managers; Outlook – Managing Emails, Increasing Productivity*
- *One Note Workshop*
- *Skype for Business Users*

Staff also delivered two *Success Signals for Communicating Styles* and one *Project Management Essentials* classes.

The following classes were delivered by Starlight Education, an external vendor:

- *Managing Emotions in the Workplace*
- *Organizational Skills (2 classes)*
- *Dealing with Difficult People*

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 32 new requisitions. Staffing is currently recruiting for 113 positions.
- Staffing has partnered with External Affairs in creating a Metropolitan Life page on LinkedIn to inspire potential candidates to consider employment opportunities with Metropolitan.
- Classification/Compensation staff conducted the annual Department Head Salary Survey.

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

Employee Appreciation events have been scheduled and the first event occurred on September 21 for Weymouth, Diemer, Soto and Sunset employees.

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.

- Staff continued Korn Ferry Voices 360° Feedback surveys for the cohort of 15 Unit Managers participating in the Metropolitan Management University Graduate Development Program.
- Two managers attended a one-day external seminar at the Institute for Management Studies on *Dealing with Difficult People*.

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.

Staff partnered with the Ethics Department to design instructional content for an online e-course on procedures for Filing Form 700: Statement of Economic Interests.

Continued to partner with Water System Operations and the bargaining units to address the Desert Housing Project. Visited desert sites to explain the project plan and timing.

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.

Class 6 of the open MWD Management Academy met at the Jensen plant. The focus of the day's curriculum was recruitment and employee development.

Cohort 5 of the Metropolitan Management University for team managers was kicked-off with Module One focused on policy and compliance issues for managers.

HUMAN RESOURCES

CORE BUSINESS: 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.

-
- HR Benefits launched Open Enrollment, which runs from September 18 through October 10. Staff will be making site visits offering one-on-one consultations to all employees to review their annual benefit elections, including any new Memorandum of Understanding changes.
 - Benefits also worked with the Deferred Compensation Committee and Contracts to post on September 7 a Request for Proposal for a new Deferred Compensation Record Keeper.
 - HR Benefits worked with Information Technology to implement a paperless IRS 1095-C form to comply with the Affordable Care Act. This means, instead of HR printing and mailing statements, employees may elect to receive their IRS mandated statement electronically by logging in to MyHR to view, print or email it.
 - Completed annual Department Head Evaluations of General Manager, General Counsel and General Auditor with participation by 84 percent of the Board.
 - Received Board approval on a five-year agreement with American Federation of State, County and Municipal Employees Local 1902.
 - Continued contract negotiations with the Supervisors Association.

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 18 injury incidents.
- Submitted 11 new claims to Metropolitan's workers' compensation claim administrator.
- Negotiated settlements in 2 claims and finalized 3 claims while closing an additional 3 claim files.
- Arranged 12 medical evaluations (DMV, medical surveillance, hearing conservation, etc.).
- Coordinated 1 drug/alcohol test.
- 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 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.

- Staff conducted a mission with External Affairs to capture footage of Los Angeles County Sanitation Joint Pollution Plant in Carson, CA. In addition, staff attended InterDrone International Conference to learn about what other organizations are doing to deliver professional mapping and surveying services.
- IT has commenced with a pilot program to evaluate the feasibility of using Intune (cloud-based Mobile Device Management) for mobile security.
- IT and HR staff are working collaboratively with a consultant to begin the file share optimization process. The end goal is to remove redundant, obsolete, and trivial files from the network shared drives.
- IT and HR staff are working collaboratively with a consultant to begin the analysis for new functional-based taxonomy. This effort is in preparation for a new Enterprise Content Management system implementation.
- IT Quality Assurance and Quality Control Team conducted workshops for Project Managers and key stakeholders. Nine of 11 workshops are completed.

Deploy security technologies to properly balance and enhance Metropolitan's cyber security position.

- IT Cyber Security staff attended firewall training to enhance their knowledge of new features. Furthermore, staff initiated Proof of Concept for new security tool to manage Metropolitan's endpoint devices.
- Staff attended briefings with two external agencies, Metropolitan Transportation Authority and Orange County, to review their implementation and use of Mobile Device Management tools.

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

- As a part of the Headquarters data center storage upgrade, the project team completed all data migration and user acceptance testing. The repurposed Headquarters storage device is schedule to move to Lake Mathews by the end of the September.
- Staff completed the Oracle E-Business upgrade. The Oracle Recovery Manager is now installed on Oracle database servers. It is used to create database backup and to do database recovery either as needed or in the event of a disaster.
- The project team had a kickoff meeting to discuss responsibilities and a tentative schedule for the Headquarters Seismic Retrofit Upgrade project. Construction will begin in November 2018.
- The project team deployed new phones for Headquarters floors 1-8, Sunset, Credit Union and HR. Currently, the project team is working on the phone deployment for the La Verne Complex.
- As a part of the microwave radio project at Diamond Valley Lake, the project team installed all antennas and radios in the Los Angeles Basin and desert locations. Currently, the final testing and commissioning is underway.
- The Preliminary Design Report to upgrade the Disaster Recovery Facility at Lake Mathews is expected to be completed by the end of the month.

INFORMATION TECHNOLOGY

CORE: INFORMATION TECHNOLOGY continued...

Simplify access to business information.

- Staff completed the production of new Spanish and Chinese language translations of Bewaterwise.com.
- IT Quality Analysts are currently testing the meter reading web service, which is expected to wrap up soon.

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.

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

- A 10-month license was acquired from Sares-Regis Group for access, construction staging, and contractor workspace as a part of the Second Lower Feeder PCCP Relining Project.
- A permanent easement was acquired from the cities of Long Beach and Los Angeles to protect Metropolitan's pipeline easement rights on the Palos Verdes Feeder, after the vacation of Butte Street in Los Angeles.
- A fallowing easement was acquired as part of an exchange for quitclaiming an existing fallowing easement as requested by landowners, Gloria J. Stroschein and Debra Lou Keenan, Co-Trustees, in the Palo Verde Irrigation District of Imperial County. The exchange was necessitated due to the landowners selling their property.
- A permanent road easement was acquired from D. Thompson Properties LLC for ingress and egress to the Upper Feeder Pipeline alignment in conjunction with the development of their commercial property.

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

As an energy conservation effort, staff has begun an LED lighting retrofit project for Headquarters elevator lobbies. The upgrade result will increase lighting performance and reduce maintenance costs. To date, two of 12 floors have been completed and the expected completion is December 2017.

Staff partnered with Metropolitan's Construction Services Unit to perform sidewalk concrete repair of damage caused by tree roots along roadway behind the Headquarters building. The repair mitigates a possible safety issue for staff and visitors.

Foster staff training and development.

- Staff completed the following International Right of Way Association-sponsored course, *Eminent Domain Law Basic for ROW Professionals*.
- Staff attended 16 various Metropolitan-sponsored courses.
- Management attended Metropolitan Management University Module 1 and MMU Graduate Module 3.

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.

Implement the Local Resources Program

Staff is working with several member agencies and subagencies with the application process for proposed projects including:

- Calleguas and City of Oxnard on Camarillo Desalter project for approximately 3,500 AFY,
- Central Basin for its Recycled Water Expansion Project for approximately 3,000 AFY,
- San Diego County Water Authority and City of Oceanside on Oceanside's future recycled water projects for an additional 3,000 AFY,
- Western MWD and Elsinore Valley MWD on EVMWD's Groundwater Recovery Project (1,500 AFY), and
- WBMWD and California Water Services on CalWater Groundwater Recovery Project (1,000 AFY).

On-site Retrofit Program—This program has provided over \$7.8 million in incentives to 284 sites to convert potable water systems to recycled water. An additional 29 sites are under construction. Water savings are estimated at 8,950 acre-feet per year. The majority of the projects completed are for landscape irrigation, with a few industrial projects. Additional projects are being solicited from member agencies.

Implement the Conservation Program effectively.

Staff participated in several events to facilitate implementation of the water conservation program including:

- Strategies for Saving Building Owners Money and Water at the Los Angeles Buildings Conference and Expo at the Pasadena Convention Center,
- The Southern California Gas Company landscape water/energy efficiency workshop for commercial customers at the Gas Company's Energy Resource Center in Downey.

Presented an overview of the Innovative Conservation Program at the Water Cluster September meeting at LACI – Los Angeles Cleantech Incubator. The Water Cluster meeting is an opportunity for industry, community and government leaders to get together with entrepreneurs and discuss water issues and potential innovative solutions.

Ensure reliable and cost-effective water management programs.

Metropolitan staff executed cyclic agreements with Municipal Water District of Orange County, Burbank, and Calleguas Municipal Water District. Metropolitan has also entered into in-lieu delivery agreements to cyclic storage with Municipal Water District of Orange County, Anaheim, and Santa Ana. The existing and new cyclic agreements are currently estimated to provide for storage of around 136,000 AF in 2017. Additional agreements are underway with other member agencies to store water this calendar year.

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 September. This was due in part to efforts to divert Colorado River Aqueduct deliveries into storage and increase SWP deliveries under the 85 percent SWP allocation. For the month of September, the use of SWP accounted for 78 percent of Metropolitan's deliveries. Storage at Diamond Valley Lake decreased slightly to 686,500 acre-feet or 84 percent full to help meet late summer demands. Water reserves continued to be managed according to the Annual Operating Plan and Water Surplus and Drought Management principles. Deliveries to Semitropic and Kern Delta banking programs continued and staff is working with the banking 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 42,800 AF in September, for a year-to-date delivery amount of about 262,000 AF. Lake Mead's Intentionally Created Surplus storage is continuing to fill by keeping CRA deliveries at a low four-pump flow. Deliveries to cyclic storage and conjunctive use accounts continued and will improve local groundwater storage reserves after several years of drought.

WATER SYSTEM OPERATIONS

CORE: PROVIDE RELIABLE WATER SUPPLIES

Metropolitan delivered approximately 184,000 AF of water to member agencies in September, which included approximately 32,000 AF to cyclic storage and conjunctive use accounts. September deliveries averaged approximately 6,140 AF per day, an increase of 40 AF per day from August deliveries. Treated water deliveries for September totaled 100,000 AF, or 54 percent of total deliveries for the month. This was about the same as August treated water deliveries. The Colorado River Aqueduct operated at a four-pump flow and 55,000 AF of Colorado River water was pumped in September. This was an average of 1,840 AF per day. Year-to-date CRA diversions are 418,000 AF. SWP imports averaged 4,500 AF per day, totaling 135,000 AF for the month of September. This was a decrease of 9,000 AF from August SWP imports. The targeted blends for the Weymouth and Diemer plants were 65 percent and Skinner plant was 75 percent for the month of September.

Staff continued to maximize power generation throughout the month. Metropolitan's hydroelectric plants generated an average of 52 megawatts per hour for 37,500 megawatt-hours for the month.

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 27 vacant positions in August 2017, including 17 new apprentices.

Prepare employees for New Opportunities

The Water System Operations Apprentice and Technical Training Programs develop and train personnel to become qualified mechanics and electricians responsible for maintaining Metropolitan's water treatment and distribution systems. This month, the Class of 2017 electrical apprentices and the Class of 2018 mechanical apprentices participated in a field trip to a leading manufacturing event (WESTEC 2017) in Los Angeles. The event included technology demonstrations and a machining academy. Electrical apprentices studied electronic sensors and automation. Mechanical apprentices studied metal manufacturing and machining. Knowledge gained during this event supplements their current courses of study and increases their exposure to the industry as journey mechanics and electricians responsible for maintaining Metropolitan facilities.

Staff continued delivery of the Electrical Cross-Training Directed Study Program for desert region journey level mechanics. This program provides training to help the desert region mechanics gain experience and prepare for future job opportunities. This month, participants studied transformers and motors. *(see photo below)*

Academic instruction for the Electrical Cross-Training Directed Study Program



WATER SYSTEM OPERATIONS

CORE: OPTIMIZE MAINTENANCE

Service Connection LA-35 has the ability to deliver as much as 800 cubic feet per second of water to Los Angeles Department of Water and Power's Los Angeles Aqueduct Filtration Plant near the Jensen plant. Staff completed a planned inspection of the slide-gate valve actuator assembly at this service connection. A project to replace some of the worn slide-gate actuator components is being developed as a result of this inspection and will ensure the ability to provide maximum flow.

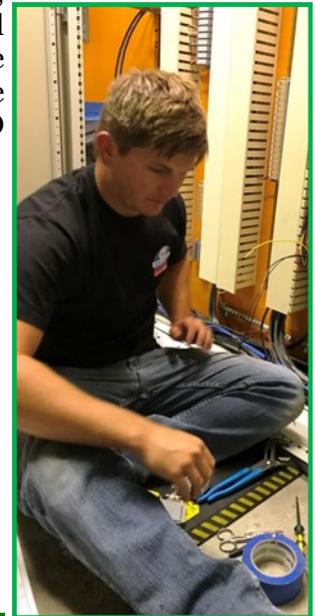
WATER SYSTEM OPERATIONS

CORE: OPTIMIZE MAINTENANCE continued...

In preparation for the upcoming transition of the operation of the CRA transmission system from Southern California Edison to the Arizona Electric Power Cooperative (AEPCO) on October 1, 2017, staff performed required infrastructure upgrades, including the International Organization for Standardization (ISO) Meter Upgrade Project and the Remote Terminal Unit (RTU) Installation/Connection Project. These upgrade projects are on track for completion before the October 1 transition date. Staff met with AEPCO the week of September 18 for final RTU connection and testing. (*see photos*)



Staff installing an ISO meter at Iron Mountain pump plant

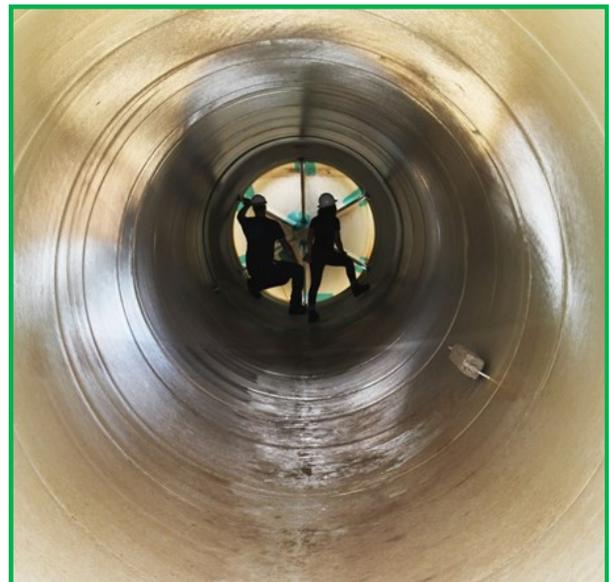


Staff testing RTU cables at Iron Mountain pump plant

Staff continued system-wide preventative maintenance on multiple pipeline valves and structures. The preventative maintenance program is aimed at ensuring equipment reliability as well as maintaining system capacity. Valves were lubricated and exercised, and structures cleaned of debris. Staff also rebuilt several hydraulic pilot controllers as well as the regulating and relief valves at the pressure control and pressure relief structures that are in place to protect the pipeline during operation. This month staff performed this preventative maintenance on the Garvey Ascot Cross Feeder, West Valley Feeder #2, Calaberas Feeder, Orange County Feeder and Palos Verdes Feeder (North).

Staff performed a shutdown of the yard piping at the Wadsworth Pumping Plant at Diamond Valley Lake. These pipelines are up to 12 feet in diameter. The purpose of the shutdown was to conduct an inspection of the yard piping lining and pipe condition in preparation for future maintenance. During the inspection several areas of minor corrosion were noted by staff and patches were welded over the corroded areas as a precaution. A future project will be developed to repair the yard piping lining, based on the results of this inspection. (*see photo right*)

Staff inspecting the yard piping at the Wadsworth Pumping Plant at DVL



WATER SYSTEM OPERATIONS

CORE: OPTIMIZE MAINTENANCE continued...

The La Verne Shops provided technical assistance on damage assessment of the 42-inch conical plug valve for the San Dimas Pressure Control Structure. This valve is used to control flow on the downstream side of the hydroelectric generator at the PCS. As part of the assessment, the valve operator was disassembled and staff discovered damage on the crosshead stem and nut. The La Verne Shops manufactured a new 8-foot long, 4-inch diameter stainless steel stem and bronze nut, which staff installed to return the valve to operation. *(see photo right)*



Staff working on installation of the new shaft for the 42-in conical plug valve at San Dimas PCS

Staff performed preventative maintenance on the Allen-McColloch Pipeline structures. The maintenance included flushing of air release valves and exercising and lubricating of valves along the pipeline. This routine maintenance helps ensure the reliability of equipment in the distribution system.

Staff performed annual high voltage maintenance and testing at the Mills plant. The maintenance work included testing and servicing of high voltage breakers and protective relays. Preventative maintenance of this equipment helps to ensure uninterrupted operation of the facility and protects the electrical equipment from damage due to electrical system faults or other problems. *(see photo below)*

Staff in safety gear performing high voltage maintenance



WATER SYSTEM OPERATIONS

CORE: OPTIMIZE MAINTENANCE continued...

Staff performed routine maintenance and testing at the San Dimas hydroelectric plant. Routine maintenance of the hydroelectric power plant ensures that all the systems operate correctly and minimizes the possibility of unscheduled outages. The work included air cooler cleaning, battery charger replacement, thrust bearing oil change, and testing of several high voltage system components. These components included the circuit breaker, disconnect switches, and transformers. *(see photos below)*



Installing the generator housing at the San Dimas Hydroelectric Plant



Installing an air cooler at the San Dimas Hydroelectric Plant



Testing high voltage insulators at the San Dimas Hydroelectric Plant

WATER SYSTEM OPERATIONS

CORE: MANAGE THE POWER SYSTEM

During the solar eclipse on August 21, Metropolitan's solar generating facilities at the Skinner and Weymouth plants experienced a significant decline in generation. At the height of the eclipse, Metropolitan's solar power generation declined 60 percent from pre-eclipse values, while state-wide solar power generation declined 50 percent. Over the entire day, Metropolitan's solar generation was lower by 10 percent, compared to the previous day.

On September 30, the Service and Interchange Agreement (Agreement) between Metropolitan and Southern California Edison expired. Since 1987, this Agreement provided for the integration of Metropolitan's 230 kilovolt CRA transmission system into Edison's electric system and managed the transmission of power to Metropolitan's Colorado River pumps. As of the termination of the Agreement, all energy accounts between Metropolitan and Edison have been zeroed out and final monetary settlements are being concluded. Metropolitan has selected the Arizona Electric Power Cooperative (AEPSCO) to replace Edison. The agreement with AEPSCO becomes effective on October 1.

WATER SYSTEM OPERATIONS

CORE: IMPROVE SECURITY AND EMERGENCY RESPONSE

During August and September, the nation watched the devastating hurricanes in the Gulf of Mexico and Atlantic Ocean. Hurricane Harvey hit eastern Texas on August 25 and caused significant damage and loss of life. Hurricane Irma traveled through the Caribbean and over Florida leaving a wake of destruction. During disasters like these, utilities in the disaster area can become overwhelmed and need to reach out to their neighbors for assistance. Although there have not been any official requests for assistance to date, Metropolitan stands ready to offer assistance if requested, as appropriate. Metropolitan is a member of both the California Utilities Emergency Association (CUEA) and the California Water/Wastewater Agency Response Network (CAL-WARN). As a member of both CUEA and CAL-WARN, Metropolitan is kept in the loop of any real-time requests for mutual assistance, and can tap into other available utility and agency resources if needed, should disaster strike in Southern California.

The Metropolitan Management Academy provides training for staff aspiring to be managers and to support succession planning efforts. The MMA held one of their sessions at the Emergency Operations Center at the Eagle Rock Operations Control Center. The EOC is used to coordinate Metropolitan's emergency response during large disasters. Staff presented an overview of how Metropolitan manages emergency response on a local scale and throughout the service area. The EOC also contains multiple communication systems, such as landline phones and two-way radios, which allow Metropolitan to stay in contact with its operational units, member agencies, other utility agencies, and external emergency management agencies.

Metropolitan staff responded to the Riverside County Emergency Operations Center on August 29 to participate in a County EOC exercise. The exercise was the second part of Southern California Edison's Resilient Grid exercise, which simulated a regional response to a magnitude 7.8 earthquake on the San Andreas fault. Metropolitan staff acted as "agency representatives" and interacted directly with other exercise players from various County departments, SCE, Southern California Gas Company, and other County EOC staff. In addition to improving emergency preparedness, these joint exercises provide opportunities to collaborate and develop relationships with other emergency response and utility agencies before disasters strike.

WATER SYSTEM OPERATIONS

CORE: PROTECT SOURCE WATER QUALITY

On September 7, staff participated in a technical workgroup meeting regarding perchlorate cleanup at the former Tronox site in Henderson, Nevada. The Nevada Environmental Response Trust presented current findings from ongoing site investigations regarding the extent of perchlorate mass across the site. Staff continues to monitor performance of the current groundwater remediation system, development of the long-term remedial plan, and distribution of the Trust's funds for site cleanup. This long-term effort helps to protect source water quality on the Colorado River.

At Metropolitan's request, the California Department of Water Resources treated Lake Perris with copper sulfate on September 12 to control a potent taste-and-odor producing bloom of cyanobacteria.

On September 13–14, staff participated in the annual meeting of the Western Regional Panel on Aquatic Nuisance Species where discussion topics included impacts of climate change on invasive species, management of invasive mussels, state and federal responses to invasive mussels, and laboratory standards for mussel monitoring.

WATER SYSTEM OPERATIONS

CORE: OPTIMIZE WATER TREATMENT AND DISTRIBUTION

The Weymouth Ozone Retrofit project is nearing completion and ozone is scheduled to go online as the primary disinfectant in October 2017. Prior to putting ozone online as the primary disinfectant, the opportunity was taken to improve the existing cooling water system that is critical for the process of producing ozone. The cooling water control system was upgraded to an automated Programmable Logic Controller (PLC) system by staff. Converting the cooling water control system to PLC control better integrates the cooling system with the ozone generation system to improve long term reliability and simplified programming. *(see photos below)*



Installing the Weymouth ozone cooling water control system upgrade

The Weymouth plant ozone system has been undergoing testing for several months. As ozone is bubbled into the water some ozone is not absorbed by the water. Since ozone cannot be directly released into the atmosphere, this excess ozone is pulled through a destruct system so it can be converted back to oxygen before it is released to the atmosphere. The piping prior to the destruct system is exposed to ozone and moisture, which can form corrosive nitric acid if allowed to build up. Staff identified a low point in the piping where moisture could build up, so staff developed a plan and installed a low-point drain line. Upon opening up the piping at the low point, approximately two gallons of an acidic liquid was safely captured, proving the low-point drain was necessary to prevent accelerated corrosion that would require future piping and equipment replacement.

Installing a low point drain on the Weymouth ozone destruct inlet pipeline



WATER SYSTEM OPERATIONS

CORE: OPTIMIZE WATER TREATMENT AND DISTRIBUTION *continued...*

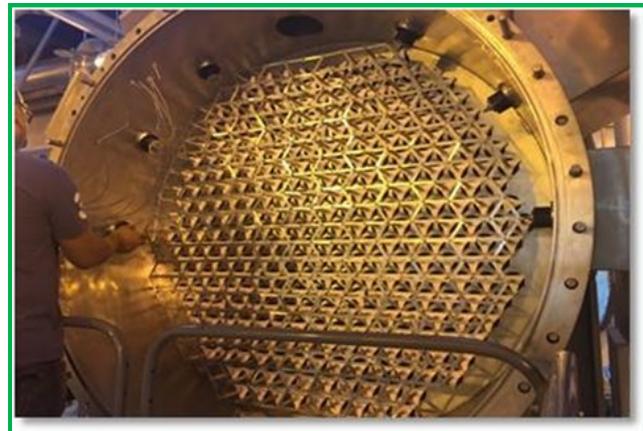
Jensen plant staff worked with a contractor to clean ozone generator no. 3 to improve ozone production and reliability. Through normal operations, the ozone generator forms nitric acid inside the generator and on the dielectrics. If left uncleaned, the acid will cause the generator to become less efficient, eventually resulting in a complete failure. The cleaning process requires removing all 313 fuses and 1,878 dielectrics inside the ozone generator. Once the dielectrics are removed, they are cleaned, inspected, and reused or replaced, if needed. Due to the cleaning and drying solution used, a vapor recovery system is required. This recovery system captures and destroys all vapor, preventing any off-gassing to the atmosphere. With the generator thoroughly cleaned, the dielectrics were loaded, fuses were attached and the generator doors were sealed. The cleaning and restoration of the generator has increased the Jensen plant's daily ozone production and overall reliability, which is important since the Jensen plant has experienced much higher flows this year, due to the high amount of SWP supplies. *(see photos below)*



Removing and cleaning dielectrics in an ozone generator



Clean ozone generator (background) and dielectrics



Ozone generator dielectrics replaced and fuses rewired.

WATER SYSTEM OPERATIONS

CORE: OPTIMIZE WATER TREATMENT AND DISTRIBUTION continued...

To ensure that the Jensen plant's operator control system display graphics are updated to reflect the current plant conditions and to incorporate improvements, several plant operators and control system technicians completed training on how to design and program these graphics. The training was taught by the control system supplier. Staff learned how to program and develop display changes to improve the operator screens, which will result in quicker and more accurate operator decision making.

State Water Project target blends for September 2017 were 65 percent for the Weymouth and Diemer plants and 75 percent for the Skinner plant. Flow-weighted running annual averages for total dissolved solids from August 2016 through July 2017 were 445, 478, and 491 mg/L for Weymouth, Diemer, and Skinner plants, respectively.

WATER SYSTEM OPERATIONS

CORE: PROVIDE TECHNICAL SUPPORT TO MEMBER AGENCIES

Staff provided technical assistance to member agencies on the development of their quagga mussel control plans. These plans are needed as a contingency measure if quagga mussels are confirmed in raw water being discharged for groundwater replenishment.

WATER SYSTEM OPERATIONS

CORE: PREPARE FOR FUTURE LEGISLATION AND REGULATION

On August 31, SB 231, storm water funding legislation authored by Senator Hertzberg, passed the Assembly (and previously passed the Senate) and is on its way to the Governor for signature. The bill clarifies the definition of storm water so that projects designed to capture and clean storm water may be more easily financed and built by local agencies (e.g., Los Angeles County Department of Public Works). Metropolitan's Board voted to support SB 231 earlier this year.

Metropolitan provided oral and written comments on the proposed Surface Water Augmentation (SWA) regulations published by the State Water Resources Control Board. Metropolitan supports the proposed SWA regulations that would assist the Control Board to establish uniform water recycling criteria for SWA while remaining fully protective of public health. Specific comment areas requiring clarification included: planned placement of recycled water into constructed conveyance systems; criteria used to categorize recycled water discharges; roles and responsibilities of water recycling agencies, public water systems, and reservoir owners/operators; and ensuring effective nutrient management to ensure protection of downstream drinking water.

Metropolitan provided comments on the Environmental Laboratory Accreditation Program (ELAP) Preliminary Draft Regulations. Metropolitan recognizes the value of establishing ELAP regulations that are clear and cost-effective for all laboratories, including small utility operated laboratories. Key comments in the letter included, clarification of the laboratory accreditation process, guidance on amending laboratory certification for testing of various constituents, guidance on submitting reports related to conforming to new accreditation standards, evaluation of technical expertise required to manage a laboratory, and inclusion of proficiency testing criteria language.

WATER SYSTEM OPERATIONS

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

Metropolitan complied with all water quality regulations and primary drinking water standards during the month of August 2017.

WATER SYSTEM OPERATIONS

CORE BUSINESS: SUPPORT EDUCATION AND OUTREACH INITIATIVES

Staff visited the Jet Propulsion Laboratory in the city of Pasadena to review their computerized maintenance management system (CMMS), mobile technology, and maintenance management ideas and challenges. Metropolitan staff on occasion visits member agencies and other companies to evaluate current trends, discuss current practices, and share ideas related to maintenance management. Although JPL maintains different equipment than Metropolitan, the underlying issues and challenges are the same. Furthermore, JPL uses the latest version of Maximo as their CMMS and Metropolitan is in the process of upgrading to this version. These discussions led to a number of new ideas and approaches that staff will use to improve maintenance management activities at Metropolitan.

Staff assisted with one two-day inspection trip of the CRA this month. A total of 30 guests participated in a boat trip of the Copper Basin reservoir dam and a walking tour of the Whitsett Intake Pumping Plant, located at Lake Havasu.

Staff conducted a Weymouth plant tour for the La Verne Historical Society, which continues to inform La Verne's community through educational programs, tours, and lectures. Tour participants learned about water treatment processes, source water protection, and maintenance activities. Additionally, staff conducted a Weymouth ozone system tour for the State Water Resources Control Board, Division of Drinking Water. Tour participants were provided an overview of the newly constructed ozone facility, the processes involved in generating ozone, diffusing ozone in the water, measuring ozone to calculate disinfection, and the benefits of using ozone over other disinfectants.

Staff began construction of monument signs for the Diamond Valley Lake facility east and west entrances. These standard signs are modeled after the concrete entry signs used at Metropolitan reservoirs and treatment plants. The east sign will mark the entrance to the DVL East operational perimeter lake area at the Angler Avenue gate. The west sign will mark the west entrance to the Wadsworth Pumping Plant at the corner of Winchester Road (Highway 79) and Newport Road. The scope of work includes site grading, excavation for the foundation footings, erection of concrete forms, and placement of concrete. The plaque and stainless steel letters will be installed in October.



DVL East Marina entrance monument sign



Wadsworth sign under construction

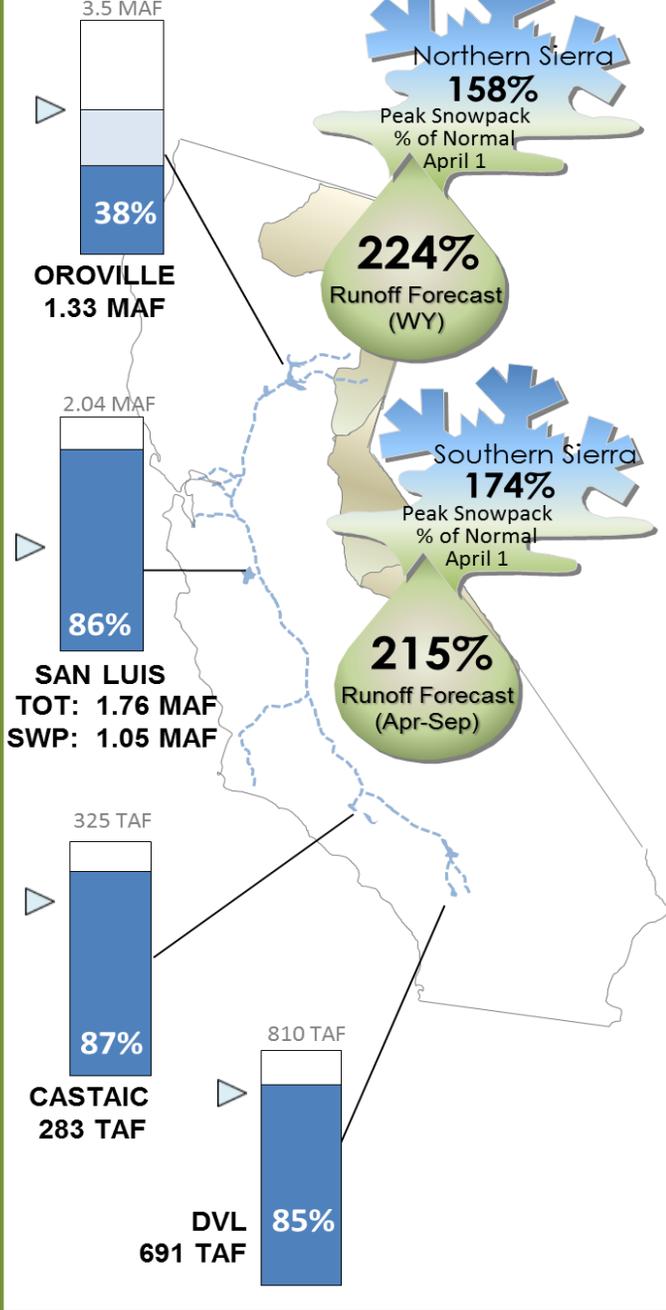
WATER SUPPLY CONDITIONS as of September 30, 2017

2017 SWP Allocation

1,624,775 AF

85% of Table A

(Does not include CVWD & DWA Table A)

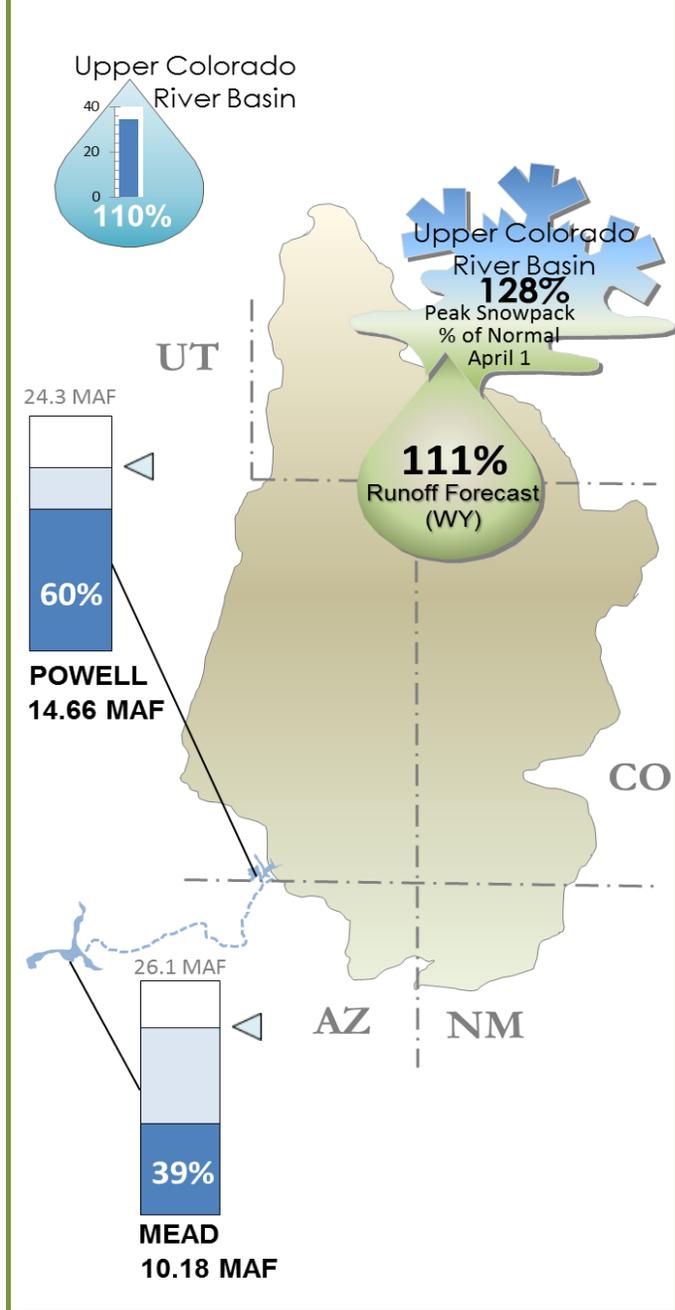


2017 Colorado River

955,000 AF

76% 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

September 26 Special Board of Directors Meeting



Storage	As of 9/30/17	% of Capacity
DVL	690,515 AF	85
Lake Mathews	102,277AF	56
Lake Skinner	37,581 AF	85

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

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