

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA



General Manager's Monthly Activity Report for October 2017

October 31, 2017

This report identifies the actions and activities taking place during the month that support the objectives of the General Manager's Fiscal Year 2017/18 Strategic Priorities and the Core Business of the GM's work groups.

BAY DELTA INITIATIVES

GM STRATEGIC PRIORITY: COMPLETE THE BAY DELTA CONSERVATION PLAN/ CALIFORNIA WATERFIX ENVIRONMENTAL IMPACT REPORT/STATEMENT

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

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

California WaterFix is a proposed project to improve the state's water delivery system in the Delta. Metropolitan is considering the proposed project to improve long-term State Water Project water supply reliability, along with aiding in the restoration of the Delta's fragile ecosystem. This proposed project is the product of more than a decade of review, planning, and rigorous scientific and environmental analysis by water experts, engineers and conservationists, as well as extensive public comment.



On October 10, the Board of Directors approved Metropolitan's participation in the California WaterFix project for its 25.9 percent share. Eleven other State Water Contractors have taken formal board actions to support the California WaterFix project. Further work lies ahead on financing and implementation strategies.

Content by Work Group

Administrative Services	2	Human Resources	23-26
Annexations	2	Information Technology	27
Bay-Delta Initiatives	1, 3-4	Real Property	28
Chief Financial Officer	4-6	Water Resource Mgmt	29-30
Engineering Services	7-11	Water System Operations	31-41
Environmental Plng	12-14	Water Supply Conditions	42
External Affairs	15-22		

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.

In support of Metropolitan's Rideshare Program and to ensure compliance with South Coast Air Quality Management District's regulatory requirements, the Administrative Services Section Rideshare staff sponsored a meet and greet event on October 18 at Headquarters to discuss the Rideshare program's many benefits, such as reducing stress; saving money commuting to and from work; rideshare matching; and making new social connections. Rideshare staff will be scheduling meet and greet events at all field sites in the near future to raise awareness on the benefits of becoming a program participant. *(see photo right)*



Cinthy Salazar, David Price, Madeline Wong, Tina Smith

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

The Digital Asset Optimization Pilot Project is underway within the Human Resources Group. The preliminary results are impressive reflecting a potential for Human Resources to reduce its shared drive data volume by roughly 50 percent through elimination of redundant, outdated, and trivial files. A district-wide file retention policy was developed and is being refined with assistance from the Legal Department. Workshops were started with Human Resources to develop a new file plan for storing shared drive data moving forward.

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:

On October 11, 2017, Pechanga Band of Luiseño Indians, Eastern Municipal Water District, and Metropolitan signed a historic extension of a service agreement that extends water supply service to a portion of the reservation. The Agreement that Metropolitan's Board approved in April 2016 enables Pechanga to use its overall water supplies more efficiently, with a guaranteed safe and reliable water supply for the tribe's current and future needs. *(see photo right)*



From left, Chairman Randy Record, Pechanga Band of Luiseño Indians Tribal Chairman Mark Macarro, and Eastern MWD General Manager Paul Jones; members of the Pechanga tribal council in the back row.

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

On October 4, the State Water Resources Control Board issued a notice to solicit stakeholder input to the development of the Phase II Update to the Bay-Delta Water Quality Control Plan. The Phase II update addresses Sacramento River and Delta outflows, and is focused on protection of fish and wildlife beneficial uses. The SWRCB also released their final Phase II Scientific Basis Report. Staff is working with the State Water Contractors to develop comments on the Phase II issues. Comments are due November 9, 2017.

California WaterFix Petition proceedings before the SWRCB 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 are due on November 8, 2017. Part 2 of the hearings will address 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 is scheduled to 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 participation in the Collaborative Science and Adaptive Management Program (CSAMP), including participation in the Delta Smelt Scoping Team Outflow workgroup and the Flow Alteration Project Work Team to develop detailed workplans for the Directed Outflow Project. Field work and sample collection for zooplankton and water quality as part of the Directed Outflow Project started in late-September 2017. Staff participated in the Delta Smelt Scoping Team discussions on the development of the decision support tool for the Delta Smelt Resiliency Strategy. Staff also provided input on potential near-term salmon studies that are being considered for the Collaborative Adaptive Management Team 2018 salmon work plan.

Staff is participating in several Interagency Ecological Program Project work teams (Estuarine Ecological Team, the Flow Alteration Project Work team, the Longfin Smelt Technical Team, Winter-Run Chinook Salmon Team), which provides opportunity for input to on-going studies and input to development of new studies. These work teams also provide an opportunity to update state and federal agency staff on Metropolitan science efforts. Staff is participating in the Longfin Smelt Management Analysis and Synthesis Team to help develop the overall conceptual model and report describing the biology and ecology of longfin smelt in the San Francisco Estuary.

Staff also attended the State of the San Francisco Estuary Conference in October. Conference speakers highlighted methods to prioritize, plan, and implement restoration actions for fish and wildlife; water quality issues (dissolved oxygen, pesticides, etc.); science innovations for sea level rise adaptation; and more.

BAY DELTA INITIATIVES

CORE: BAY DELTA SOLUTIONS

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

Delta Flood Emergency Management Plan

The California Office of Emergency Services (Cal OES) released its final draft Northern California Catastrophic Flood Response Plan in October with emphasis on impacts to the Sacramento-San Joaquin Delta. The Plan provides a framework outlining how local, state, and federal governments will respond and coordinate in anticipation of a catastrophic weather or seismic-related flood event in the region. The Plan relies on emergency preparedness, response, and recovery strategies of the DWR Delta Flood Emergency Management Plan (DFEMP) for repair of Delta levee damages. Staff has reviewed and provided comprehensive comments on the final draft DWR Delta Flood Emergency Management Plan, which continues to be reviewed by their operations group. The DFEMP contains specific physical actions to respond to emergency flood conditions, including catastrophic failure of levees due to an earthquake. DWR will evaluate final comments to determine the date of issuance of their final DFEMP.

DWR initiated a contract process through their Division of Engineering to purchase large sheet pile for purposes of closing major levee breaches subsequent to flood or seismic-related levee failures in the Delta. These materials provide flexibility in the choice of materials to close major levee breaches under emergency conditions. This work would include critical and most immediate levee repairs to ensure levee integrity and for water conveyance.

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.

- Facilitated several Business Impact Analysis and business continuity update workshops for various plans in Engineering Services, Chief Financial Officer, Water Resource Management and Water System Operations groups.
- Conducted Business Continuity tabletop exercises for Administrative Services, Information Technology, Real Property, External Affairs and Audit groups.
- Participated in Business Services Disaster Recovery and Cyber Security steering committee meetings.
- Collaborated with Human Resources to develop and distribute an employee-wide memo for the ShakeOut earthquake drop, cover and hold on drill. Also collaborated with Water System Operations to develop and distribute the employee-wide MIR3 notification announcement memo.
- Launched an employee-wide MIR3 (MetAlert) emergency notification test, resulting in a response rate of 81 percent. In addition, a MetAlert notification was sent to all employees to promote the annual ShakeOut earthquake drill and participation in practicing drop, cover and hold on. A promotional flyer was also displayed on the electronic kiosk at the Headquarters building.

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

The Risk Management Unit completed 62 incident reports communicating instances of Metropolitan property damage, liability, workplace injuries, regulatory visits and spills.

Risk Management completed 53 risk assessments on contracts, including professional service agreements, construction contracts, entry permits, special events and film permits.

CHIEF FINANCIAL OFFICER

CORE: Financial Management

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

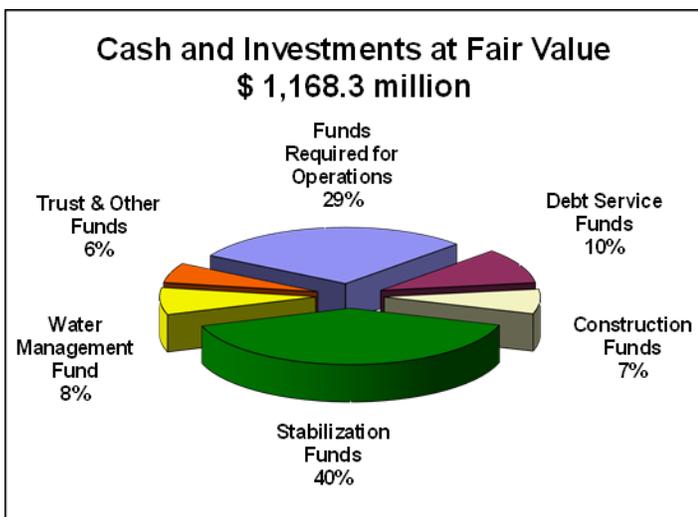
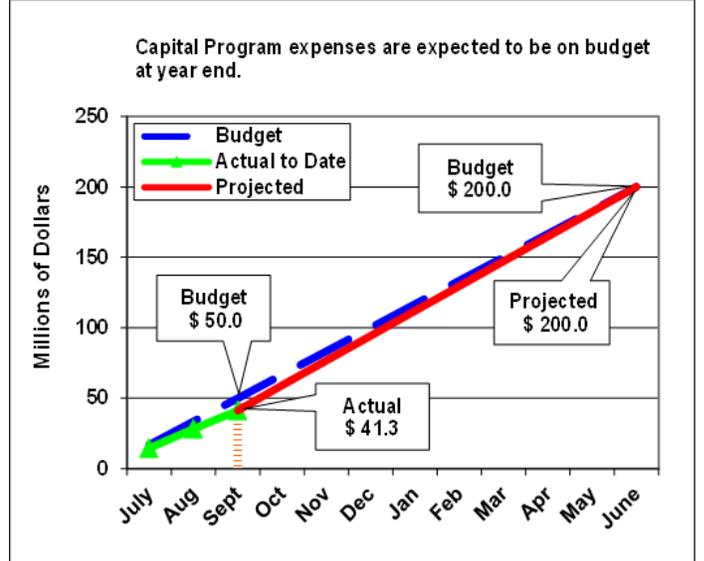
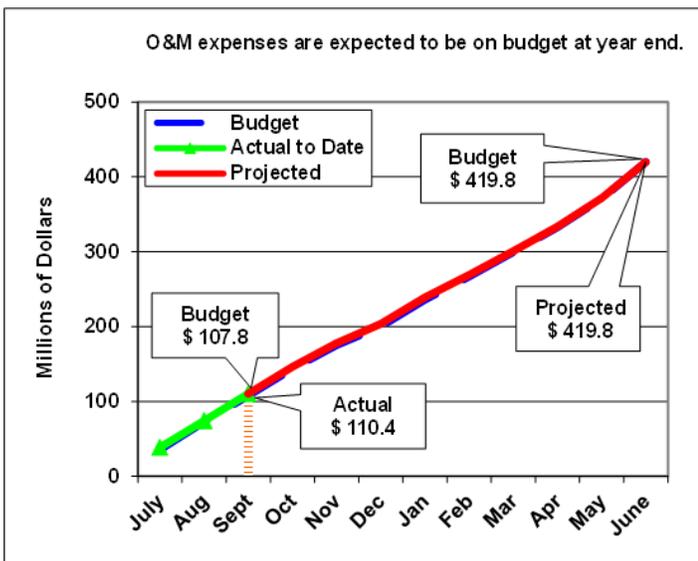
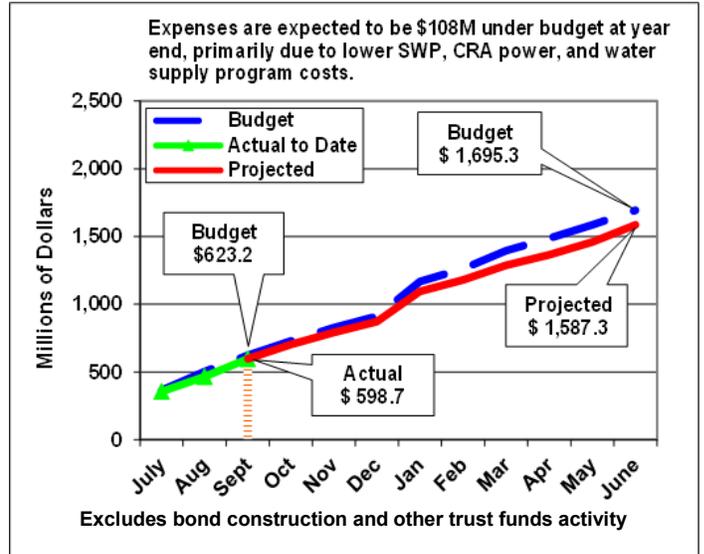
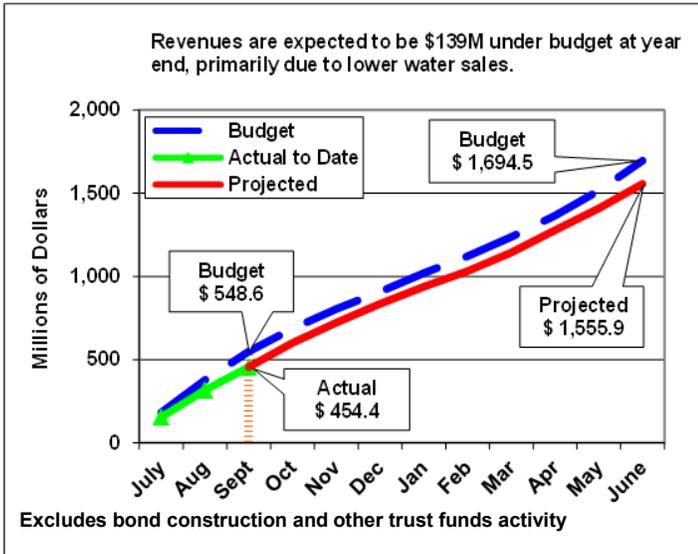
Record and report the financial activities of Metropolitan in a timely, accurate, and transparent manner to the Board, executive management, member agencies, and the financial community.

Audited Basic Financial Statements were presented to the Audit and Ethics Committee on October 24 and have been posted on Metropolitan's website, as well as the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board.

Prudently manage the investment of Metropolitan's funds in accordance with policy guidelines and liquidity considerations.

Presentations were provided to the Finance and Insurance Committee on the investment of Metropolitan's funds by Reams Asset Management and Hillswick Asset Management, Metropolitan's external investment fund managers, and by Meketa Investment Group, Metropolitan's investment portfolio monitoring and evaluation consultant.

FINANCIAL SUMMARY AS OF SEPTEMBER 30, 2017



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

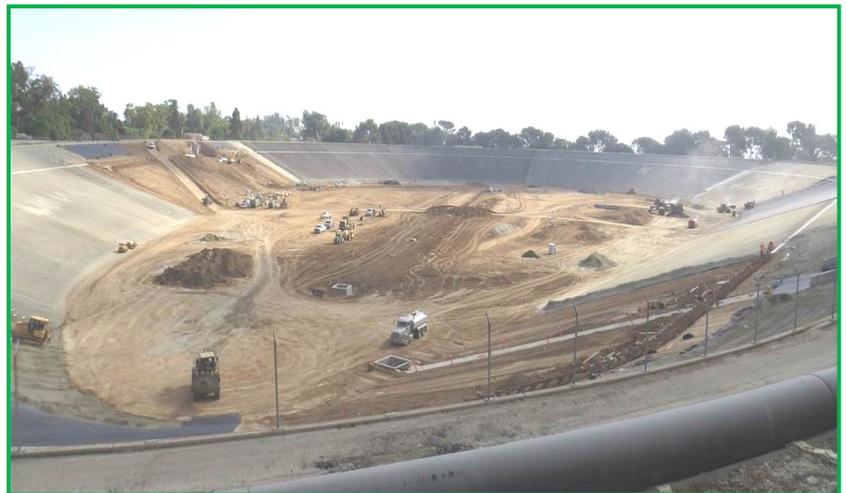
Manage Board-authorized projects in the Capital Investment Plan and collaborate with the Water System Operations Group to identify and address system vulnerabilities to ensure reliability of the region's water treatment and delivery infrastructure. In addition, coordinate closely with WSO to integrate 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:

- 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 80 percent complete and is scheduled to be complete by April 2018.
- Palos Verdes Reservoir Rehabilitation—This project replaces the reservoir's existing floating cover and liner, and modifies the existing spillway, control tower, and outlet structures. Construction is 52 percent complete and is scheduled to be complete by August 2018. (*see photo below*)
- Jensen Finished Water Reservoir No. 2 Cover Replacement—This project replaces the floating cover and liner at the Jensen plant's Reservoir No. 2, and improves the existing inlet configuration for the reservoir. Preliminary design is 15 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 15 percent complete and is scheduled to be complete by May 2018.
- Santa Ana River Bridge Expansion Joint Replacement—This project replaces an existing leaky expansion joint with a new bellows-type expansion joint along the Upper Feeder at the Santa Ana River Bridge. A Notice to Proceed was issued on September 11, 2017 for installation of the expansion joint.
- Garvey Reservoir Drainage and Erosion Improvements—This project installs permanent drainage systems and erosion control features at Garvey Reservoir that will reduce the risk of flooding and damage from storm events. The planned improvements will address 11 drainage zones along the western and southern perimeters of the reservoir. Construction of the improvements will proceed via a series of minor construction contracts. A Notice to Proceed was issued on September 28, 2017 for construction for two drainage zones.



Palos Verdes Reservoir Rehabilitation –
Grading and compacting of reservoir floor

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 December 2017, while the second package is 99 percent complete and is scheduled to be complete by May 2018. Preparation of environmental documentation is complete and environmental permit applications have been submitted.
- Riverside/San Diego County Operating Region—Preliminary design of improvements is 99 percent complete and is scheduled to be complete by November 2017.

Prestressed Concrete Cylinder Pipe (PCCP) Reliability Program

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

- Second Lower Feeder PCCP Rehabilitation—This project rehabilitates the remaining 28 miles of PCCP segments within the Second Lower Feeder. Long-term rehabilitation of the Second Lower Feeder will be staged over a period of eight to ten years, with multiple construction and procurement contracts. The scope of the initial construction contract for Reach 1 includes lining approximately 4.4 miles of existing PCCP segments with a steel liner. 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. (*see photo below*)
- 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.



Second Lower Feeder – Banding coiled steel pipe

ENGINEERING SERVICES

CORE: INFRASTRUCTURE RELIABILITY continued...

Colorado River Aqueduct (CRA) Reliability Program

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

- Expansion Joint Repairs—This project repairs 16 expansion joints located on the pump delivery lines at the five CRA pumping plants. Construction was completed in October 2017.
- Copper Basin & Gene Wash Reservoirs Discharge Valve Rehabilitation—This project rehabilitates the discharge structures at Copper Basin and Gene Wash Reservoirs. The project scope includes replacement of the fixed cone valves at the base of the dams; upgrade of the electrical systems; and access improvements to safely enable construction personnel, materials, and equipment to reach the work site. Fabrication of the valves is 30 percent complete, and valve delivery is scheduled for June 2018. Preliminary design to improve access is underway and will be complete by December 2017. Final design of the valve installation is 60 percent complete and is scheduled to be complete by April 2018.
- Intake Power Line and Communication Replacement—This project relocates a power transmission line which serves Intake Pumping Plant and several remote CRA facilities. Design is 97 percent complete and is scheduled to be complete by November 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 5 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 5 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 5 percent complete and scheduled to be complete by September 2018.
- CRA UPS Replacement—This project will replace the uninterruptible power supply (UPS) systems at the five CRA pumping plants. Each plant has a UPS system to prevent fluctuations in power quality and to serve as a backup in case of loss of power. Design is 99 percent complete and is scheduled to be complete by November 2017.
- CRA and Iron Mountain Panel Repairs—This project will replace concrete lining panels at Iron Mountain Reservoir and at several locations along the CRA canal that have cracked and buckled over time. Design is 75 percent complete and is scheduled to be complete by April 2018.
- CRA Domestic Water System—The project replaces the potable water systems in order to maintain the reliable delivery of high-quality drinking water to the CRA pumping plants. Preliminary design is 90 percent complete and is scheduled to be complete by November 2017.
- Eagle Mt. Reservoir Slide Gate Replacement—This project replaces an emergency spillway gate at Eagle Mountain Reservoir. Design is complete and a request to the Board for award of a construction contract is planned for December 2017.

ENGINEERING SERVICES

CORE: INFRASTRUCTURE RELIABILITY continued...

Water Quality/Oxidation Retrofit Program (ORP)

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

Weymouth ORP

- Main Ozonation Facilities—The main ORP construction contract was completed in May 2017. Remaining activities include control system integration, start-up and testing, permitting with the State Division of Drinking Water, and preparation of Operations and Maintenance Manuals. These remaining activities are 88 percent complete and are scheduled to be complete by March 2018. On October 1, 2017, the Weymouth plant began using ozone as the primary disinfectant.
- 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 92 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 was completed in October 2017. (*see photos below*)



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 97 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 was completed in October 2017. (*see photo below*)
- Administration Building Seismic Upgrades—This project provides seismic and fire safety upgrades to the Administration Building at the Diemer plant. Construction is 37 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. Construction is two percent complete and is scheduled to be complete by June 2019.

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 84 percent complete and is scheduled to be complete by February 2019. Final stage of Stage 2 is 70 percent and is scheduled to be complete by June 2018.
- Ozone System PLC Upgrade—This project replaces obsolete processors and communication modules that control and operate the Jensen ozonation system. The work is seven percent complete and is scheduled to be complete by March 2018.

Diemer East Basin Rehabilitation –
Basin No. 3 in operation



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.

- In coordination with the South Yuba River Citizens League, staff developed draft maps of anadromous fish habitat restoration projects completed, in progress, and planned in the lower Yuba River.
- Staff reviewed and summarized the Sacramento Valley Salmon Resiliency Strategy 2017 for the State Water Contractors.
- Staff reviewed and commented on the Oroville Spillway Incident 2017 Report prepared by various Non-Governmental Organizations (NGO) and submitted to the Federal Energy Regulatory Commission.

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.

Staff completed mapping of known cultural resources in the vicinity of Palos Verdes Reservoir and in the vicinity of the Second Lower Feeder.

ENVIRONMENTAL PLANNING SECTION

GM STRATEGIC PRIORITY: DEVELOP WATER SUPPLIES AND MANAGER WATER RESERVES

Implement storage withdrawals and coordination of deliveries with member agencies. Closely monitor drought conditions and possibly allocate actions as part of the Water Surplus and Drought Management plan. Also, target outreach on conservation efforts.

Provide planning, California Environmental Quality Act/National Environmental Policy Act, and regulatory support for supplemental water supplies and water conservation measures.

Staff developed the CEQA determination for continued participation in pilot programs to fund water use efficiency measures for the Colorado River and filed Notices of Exemption with the Office of Planning Research and Los Angeles County after Board approval.

Provide planning, CEQA/NEPA, and regulatory support for development of new water supplies.

Staff developed the CEQA determination and referenced the National Environmental Policy Act compliance for Minute 323, which will generate Binational Intentionally Created Surplus behind Lake Mead for Metropolitan, and filed Notices of Exemption with the Office of Planning Research and Los Angeles County after Board approval.

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 continued construction monitoring activities for two Capital Investment Plan projects at the Weymouth water treatment plant – Chemical Upgrades Project and Filter Rehabilitation Project.
- Staff started construction monitoring activities associated with the Whitewater Scour Protection Project.

CEQA Environmental Clearances

- Staff provided timely and professional environmental planning clearances for 10 Water System Operations projects, 1 real property action, and 5 board letters.

Regulatory Permitting and Compliance

- Staff executed the second amendment to the California Department of Fish and Wildlife Streambed Alteration Agreement for the Whitewater Scour Protection Project.
- Staff developed photographic documentation and explanation of material borrow sites along the Colorado River Aqueduct in support of the ongoing discussions with San Bernardino and Riverside counties regarding the Surface Mining and Reclamation Act.
- Staff conducted environmental pre-construction survey reports (nesting birds, reptile, and polyphagous shot hole borer) and environmental awareness training in compliance with regulatory permit requirements associated with the Upper Feeder Expansion Joint Replacement Project.
- Staff met with the Los Angeles County Public Works Department to discuss the Regional Recycled Water Program and the proposed CEQA/ National Environmental Policy Act approach.

Water System Operations Support

- Staff met with WSO to assist them in preparing a discussion on environmental topics for an upcoming Board tour of the Upper Feeder Expansion Joint Repair Project located at the Santa Ana River Bridge crossing.
- Staff conducted desert tortoise surveys of the Colorado River Aqueduct 230 kV electrical transmission line patrol roads in preparation for annual road maintenance.

Legislative Support

- Staff is reviewing a proposed federal rule to rescind the Clean Water Rule and re-codify the regulatory text that existed prior to 2015 defining WOTUS (waters of the United States).
- Staff reviewed and commented on the State Regional Water Quality Control Board's proposed procedures for regulating the discharge of dredge and fill in waters of the state.

External Project Review

- Staff reviewed and commented on nine CEQA notices for various external projects that may impact Metropolitan facilities and/or operations.
- Staff is supporting continued coordination efforts with Los Angeles Metro and participating in review of environmental documents related to proposed Union Station projects, including the Esplanade and Forecourt Project.

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

Staff met with representatives of Western Riverside County of Governments (WRCOG) and Eastern Municipal Water District to consider opportunities for WRCOG to include MSR trails in development of their Active Transportation Plan (ATP). The site visit included the northwest and northeast trailheads and potential connections to the County's regional trail system, use of existing Crown Valley Road/Rawson Road as a commuter connection, and the trailhead to the Goldrich Trail as a connection to Lake Skinner using alignments previously approved by the RMC for further study and development of the trails plan. Based on the field visit, WRCOG will further consider the ability of the ATP to include MSR trails. Staff also assisted Real Property in preparing for an upcoming Engineering and Operations Committee tour of the DVL area, with updated presentation maps of the approved MSR trail alignments.

The Reserve Manager continues active management in the MSR in accordance with their annual work plan. Extensive effort will be needed for weed management following heavy 2016/17 winter and spring rains. Similar to the Lake Mathews Reserve, the MSR Reserve Manager already is planning for prescribed burns in spring 2018 in Stephens' kangaroo rat occupied non-native grasses, in an attempt to reduce the habitat degradation caused by thick thatch.

Lake Mathews Multiple Species Reserve

The Reserve Manager submitted additional new management tasks to the Reserve Management Committee (RMC) for approval at its October meeting. These new tasks include (a) surveys for aquatic turtles, primarily to determine the abundance of non-native turtles and their potential effects on native turtles (western pond turtles); (b) bat surveys for five bat species covered under the Multi-Species Habitat Conservation Plan/Natural Community Conservation Plan (MSHCP/NCCP); (c) habitat enhancement for burrowing owls; and (d) weed management and mapping, using fixed wing drones and remote sensing in cooperation with the U.S. Army Corps of Engineers.

ENVIRONMENTAL PLANNING SECTION

GM STRATEGIC PRIORITY: EMPLOYEE DEVELOPMENT

Increasing employee cross training and employee development efforts will be critical to meeting the challenge of increased retirements caused by an aging workforce.

Lead and manage employee development, recruitment, knowledge capture, cross training, and succession planning.

Two recently promoted Team Managers are participating in Metropolitan's Management University. One new staff position was filled and one is in recruitment and a retiring staff's responsibilities were shifted to a junior employee to allow for training prior to her retirement.

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.

With extremely high public and news media interest in California WaterFix, Metropolitan responded to the numerous requests for information, materials, community presentations and interviews, culminating in the Board's October 10 affirmative vote of the project that was followed by a well-attended news conference with Chairman Record and General Manager Kightlinger. The event was also broadcast to a large audience on Facebook Live. Related activities included:

- Responded to request from Governor Brown to meet with members of Metropolitan's Board of Directors and key business and labor leaders to discuss the importance of California WaterFix. *(see photo below)*
- Chairman Record and General Manager Kightlinger presented Metropolitan's California WaterFix position at separate *Los Angeles Times* and *Southern California Newspaper Group* editorial board meetings. The meetings provided both media outlets with important and updated information about Southern California water supply reliability and helped secure a positive editorial from the *Los Angeles Times* supporting the California WaterFix project. *(see photo below)*
- Arranged for General Manager Kightlinger to participate on KPCC radio's AirTalk program to discuss California WaterFix and project financing.
- Set up separate interviews with General Manager Kightlinger and other Metropolitan staff and reporters representing the *Los Angeles Times*, *Union-Tribune San Diego*, *Associated Press*, *Water Deeply*, *Voice of San Diego*, KPCC radio, KNX radio, *Sacramento Bee*, *Southern California Newspaper Group*, KPBS-TV San Diego, *San Jose Mercury-News*, the *Wall Street Journal* and *High Country News*.
- Arranged for General Manager Kightlinger to appear on KNBC-TV's News Conference program hosted by Conan Nolan to discuss California WaterFix.
- Arranged for Water Resource Management Group Manager Upadhyay to participate in KPCC radio's *Take Two* panel discussion program to discuss California WaterFix.



Governor Brown meets with several Metropolitan Directors and other leaders at the Jensen water treatment plant.



EXTERNAL AFFAIRS

GM STRATEGIC PRIORITY: Educate the Public and Stakeholders on continued...

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.

- San Fernando City Council (October 2)
- Compton City Council (October 3)
- Ventura County Special Districts Association (October 3)
- City of Los Angeles Bureau of Sanitation (October 3)
- West Basin Caucus (October 4)
- South Gate City Council (October 10)
- Bellflower Soroptomist Club (October 12)
- Los Angeles Cleantech Incubator (October 16)
- Raymond Basin Management Board (October 18)
- LA County Public Works (October 24)
- Twilight Club Pasadena (October 31)

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

- Staff attended a Congressional briefing hosted by the Association of California Water Agencies to discuss the Bureau of Reclamation's Title XVI program. The panel included representatives from the offices of Senators Feinstein and Harris and Reps. Calvert and Napolitano. (October 5)
- Staff met with U.S. Interior Deputy Assistant Secretary for Water and Science Andrea Travnicsek to discuss issues of common interest to the members of the Western Urban Water Coalition. (October 19)
- Attended the Western Coalition of Arid States conference in Arizona. Panel discussions provided updates on Colorado River, water banking, reuse, and environmental mitigation, as well as other endeavors to improve conditions in the arid West. (October 25–27)

State

Governor Brown took final action on more than 700 bills passed by the Legislature during the closing weeks of the 2017 legislative year. A total of 977 bills were sent to the Governor in 2017 of which 859 were signed and 188 vetoed. (October 15)

Metropolitan was actively involved in discussions with the Governor's office on the following bills, which were signed into law:

- SB 231 by Senator Hertzberg (D-Los Angeles) provides legal clarity under an interpretation of Proposition 218 and provides that sewer water be included in the definition of stormwater.
- AB 574 by Assemblymember Quirk (D-Hayward) defines potable reuse terms and sets a 2023 deadline for development of regulations for raw water augmentation. SB 5 by Senate President pro Tempore de León (D-Los Angeles) will place before the voters in June 2018 a \$4 billion general obligation bond to finance drought and water projects, parks, climate adaptation and resiliency, coastal protection and outdoor access programs. Of the \$4 billion bond, \$2.83 billion is designated for parks and natural resource programs and \$1.276 billion for water-related investments.

EXTERNAL AFFAIRS

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

Legislative Services—continued...

Legislation Making Water Conservation a Way of Life

SB 606 by Senators Skinner (D-Berkeley) and Hertzberg (D-Los Angeles) and AB 1668 by Assembly Member Friedman (D-Glendale) sought to implement Governor Brown's Executive Order B-37-16 related to urban water use and drought planning. The bills were moved to two-year bill status.

Public Goods Charge on Water

SB 623 (Monning, D-Carmel) would establish the Safe and Affordable Drinking Water Fund to fund drinking water solutions for communities and individuals that do not have access to safe drinking water. SB 623 did not pass this year; the author and proponents are working to build support for their renewed effort in 2018.

Local

- Staff attended the Los Angeles Waterkeeper's Making Waves event honoring Senator de León and Los Angeles County Supervisor Solis. (October 3)
- Staff presented at the Southern California Association of Government Energy and Environment Committee meeting. Governor Jerry Brown attended and spoke on the importance of California WaterFix to the Southern California region. (October 5)
- Staff provided a presentation on the California WaterFix to 50 members of the Ventura County Special District Association in Camarillo. (October 10)
- Staff attended Valley Industry and Commerce Association's Leaders Forum with U.S. Senator Duckworth (D-Illinois), who serves on the Senate's Environment and Public Works Committee. More than 100 business leaders from the San Fernando Valley attended. (October 10)
- Staff participated in the Associated General Contractors of California Fall Conference and Construction Exposition, providing information to members on key water issues including California WaterFix and its importance to the construction industry. (October 10 -13)
- Chairman Record and Metropolitan staff attended the Greater Riverside Chambers of Commerce legislative luncheon with U.S. Senator Feinstein (D-California). More than 300 business and local-elected official from the Inland Empire attended the event. (October 11)
- Staff attended the Oxnard Chambers luncheon with Assembly Member Irwin (D-Thousand Oaks) in Oxnard. More than 150 business leaders and local elected officials attended. (October 12)
- Staff attended the annual legislative summit of the Greater Riverside Chambers of Commerce with keynote speaker Brian Kelly, Secretary of the California Department of Transportation. More than 150 community and business leaders from the Riverside area attended. (October 13)
- Staff attended the Southwest California Legislative Council meeting, which featured keynote speaker Senator Stone (R-Temecula), who provided a state legislative update. (October 16)
- Staff attended the Inland Action monthly meeting. U.S. Representative Aguilar (D-Redlands) provided a federal legislative update to key business leaders from San Bernardino County. (October 17)
- Metropolitan provided a presentation on California WaterFix to the board of the Los Angeles County Division of the League of California Cities. (October 18)
- Staff attended the California Contract Cities Association's board meeting in the City of Industry, which featured special guest Assembly Majority Leader Ian Calderon. Over 200 mayor and city council members attended. (October 18)
- Staff attended the Ontario Chamber quarterly legislative breakfast and provided a water supply and issues update and introduced keynote speaker San Bernardino County Supervisor Curt Hagman. (October 19)
- Staff attended the Valley Industry and Commerce Association annual Business Forecast Conference. The event was attended by 700 business leaders and federal, state and local elected officials. (October 20)

EXTERNAL AFFAIRS

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

- Staff, in coordination with Anaheim, Fullerton and Municipal Water District of Orange County member agencies, provided Assemblywoman Quirk-Silva (D-Fullerton) with a tour of Metropolitan's Diemer water treatment facility and a briefing on California WaterFix and other water issues that relate to her district. (October 23)
- Staff participated in the California Building Industry Association's board meeting. Staff provided a briefing on the California WaterFix and the importance to the building industry. More than 50 home builders, land use developers and trade associates attended. (October 24)
- Staff attended and provided a California WaterFix update to the League of California Cities, Inland Empire Division Legislative Task Force. About 25 mayors, council members and city staff from the Western region of San Bernardino County were in attendance. (October 25)

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 two news media inspection trips to the Sacramento-San Joaquin Delta for reporters representing Union-Tribune San Diego, Univision KMEX-TV, KPBS-TV San Diego, Voice of San Diego, and La Opinion. *(see photo below)*
- Prepared new outreach materials and social media videos for California WaterFix, including print materials, displays, presentations and online content.
- Prepared op-ed for Chairman Record on lasting partnership on Colorado River with Palo Verde Valley.
- Provided information to Financial Investment News and Pensions and Investments reporters about Metropolitan seeking new management for its 401(k) and 457 deferred compensation plans.
- Provided information to *Los Angeles Times* columnist about Metropolitan hiring consultant Marcie Edwards, and a separate request on Metropolitan's sponsorships and memberships programs.
- Developed collateral materials including a week-long social media campaign to highlight the work and contributions of Metropolitan employees during California's first Water Professionals Appreciation week. The designation was established by the state legislature in September 2017. *(see photo below)*



Univision anchor Gabriela Teissier on Delta Tour



Water Professionals Appreciation Week

EXTERNAL AFFAIRS

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

Media and Communications - continued...

Media Interviews

- Set up interview with Chairman Record and *L.A. Weekly* reporter to discuss the proposed Cadiz water project and possible impacts to Metropolitan and its distribution system.
- Set up interview with General Manager Kightlinger and *Union-Tribune San Diego* reporter to discuss state Supreme Court upholding state Appellate Court decision in Metropolitan's favor in lawsuit filed by the San Diego County Water Authority.
- Arranged interview with Group Manager Johnson and *Los Angeles Times* to talk about Metropolitan's major, multi-year pipe relining project that starts in late 2017 with the Second Lower Feeder.
- Set up interview with Group Manager Johnson and CNBC.com reporter for a story to discuss the capabilities of Metropolitan's distribution system to withstand a major earthquake on the San Andreas Fault.
- Arranged posting and distribution of two General Manager H2outlook blogs on the topics of *California WaterFix: History's Winding Road to Yes* and *California WaterFix: How a Big Project Looks Small*.
- Arranged interview with General Manager Kightlinger and *Voice of San Diego* reporter on water stewardship rate and funding for Local Resource Projects, especially in San Diego County.
- Issued statement from General Manager Kightlinger and arranged interviews with *Los Angeles Times* and *Associated Press* reporters on the Minute 323 binational agreement with Mexico that addresses Colorado River deliveries and storage through 2026.
- Set up interview with Colorado River Resources Manager Hasencamp and *High Country News* reporter to discuss drought contingency planning in the Lower Colorado Basin.
- Provided a statement from General Manager Kightlinger to *Union-Tribune San Diego*, *Desert Sun* and *Imperial Valley Press* reporters about lawsuit filed against Metropolitan by the Palo Verde Irrigation District.

Press Releases

- Statement from General Manager Kightlinger after the state Supreme Court denied San Diego County Water Authority's petition to review rate decision in Metropolitan's favor by the state Appellate Court.
- Statement from Chairman Record on board decision to accept the resignation of the Ethics Officer.
- Barry D. Pressman joining Metropolitan's Board of Directors representing the city of Beverly Hills.
- Metropolitan's Board of Directors vote to support California WaterFix.

Water Conservation Campaign

Advertising for the H2Love conservation campaign continued in October with 485 outdoor billboards and transit signs, radio, digital media, customized English and Spanish-language channels on Pandora streaming radio and wraps on buses and commuter trains. Work was completed on a new online digital video featuring the H2Love letters theme, which is being distributed through a variety of digital formats.

Online and Social Media

- Issued editions of Your Water, California WaterFix Update, WaterTalk, Business Outreach, and Conservation update e-newsletters to member agencies, Metropolitan employees, businesses, elected officials and general audiences.
- Social media posts on California WaterFix, including several online series of short videos, slideshows and Governor Brown's visit to Southern California, had more than 250,000 views on Facebook and other social media platforms this month.

EXTERNAL AFFAIRS

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

Media and Communications continued...

- Tweets on Metropolitan's education programs received nearly 10,000 impressions using #thinkh2o and #mwdeducates through @bewaterwiseh2o and @mwdh2o.

Website

- Updated and mobile-friendly web pages on Metropolitan and member agency rebate programs have been developed and posted on bewaterwise.com.
- Visits to bewaterwise.com steadily increased and topped 80,000 views in October.
- The new Regional Recycled Water Project website was launched featuring project information, a new fact sheet and a new explainer video on the demonstration project. An explainer video is defined as a one to two minute video that is utilized to introduce a new product or company while answering a few essential questions.

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

Chairman Record and Assistant General Manager Zinke provided opening remarks to 100 college students from colleges and universities throughout Southern California who attended the kick-off event for the World Water Forum. The grant program supports innovative projects and proposals for water-use efficiency and conservation programs. Representatives from the Los Angeles County Sanitation Districts and the U.S. Bureau of Reclamation also participated at the event.

Staff directly interacted with nearly 1,200 students and teachers and distributed over 1,700 pieces of educational curriculum

Diamond Valley Lake Education Program

Education staff has launched a new program for learning about water using digital microscopes and Google Chromebook curriculum for visiting students.

The Diamond Valley Lake Visitor Center hosted nearly 500 visitors and guided 366 visitors to the Viewpoint.

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

- Director Ramos was a recipient of the Women Achiever's Award at the Women Achievers Conference and Awards Luncheon sponsored by Business Life Magazine. Metropolitan sponsored and staff attended the event. (October 5)
- Metropolitan provided community outreach for the Second Lower Feeder Relining Project Reach 1, including meetings with residents and businesses, briefing city council offices and Long Beach Unified School District, and posting a new web page and social media updates on the project.
- Metropolitan met with staff for the cities of Anaheim and Fullerton and local business regarding upcoming cathodic protection and electrical upgrade construction projects in those cities.
- Metropolitan sent 1,000 notices to neighborhoods in Jurupa Valley with information about the Santa Ana River Bridge construction project.

Member Agency Support

- Held the annual Member Agency Legislator Coordinator Planning Meeting with presentations on 2017 legislative activities, including presentations on SB 623 (Monning) and water conservation legislation. Staff also discussed proposed legislative needs and strategies for 2018. (October 17)
- Staff provided a presentation on water supply reliability at Fallbrook Public Utilities District. (October 23)
- Conducted 11 inspection trips, including a tour of the Delta for the Colorado River Basin Salinity Control Forum, an organization of the seven Colorado River Basin states.
- At the request of Central Basin Municipal Water District, staff spoke to 200 participants at the annual Bellflower Service Clubs Recognition event. City officials were in attendance to hear updates on water and other important city activities and issues. (October 12)

Community Partnering Program

Metropolitan staff sponsored and had informational exhibit booths at the following events:

- Long Beach Landscape Expo (October 4-5)
- CicLAVia (October 8)
- City of Riverside's Long Night of Arts and Innovation (October 12)
- West Basin Water Harvest Festival (October 14)
- Upper San Gabriel MWD WaterFest (October 14)
- Los Angeles "Taste of Soul" Festival (October 21)
- City of Chino's Landscape and Water Conservation Festival on (October 21)



Upper District WaterFest, CicLAVia and Riverside Long Night of Arts and Innovation

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 businesses throughout the region through its participation and sponsorship of the following programs, conferences and events.

- Chairman Record introduced Metropolitan's former Chief Operating Officer Man who received the Lifetime Achievement Award at the Asian American Architects and Engineers 40th Annual Awards for her accomplishments to Southern California's water reliability. More than 500 guests attended the event. (October 5)
- Staff attended the California Public Utility Commission Supplier Diversity annual hearing at which investor-owned utilities discussed their diversity programs and contracting opportunities. About 300 people were in attendance. (October 5)
- Sponsored and staff attended the Asian Business Association San Diego Awards Dinner. (October 5)
- Staff attended the Annual Disabled Veterans Business Alliance Turning Contacts into Contracts. (October 6)
- Participated in the Los Angeles World Airports (LAWA) "Subcontractor Showcase" providing a matchmaking process with state and city agencies. (October 10)
- Participated in the first Small Business Conference sponsored by the National Latina Business Women Association – Inland Empire. (October 10)
- Staff attended the Southern California Minority Supplier Development Council Annual Leadership Excellence awards dinner with more than 350 attendees. (October 10)
- Conducted 16 matchmaking appointments at the Business Development Resource Group event for small businesses. (October 17)
- Exhibited with 15 other public agencies at the San Diego County Regional Airport Authority "Meet the Primes" event. (October 18)
- Participated at the National Association of Women Business Owners – Inland Empire workshop panel, *Winning Government Contracts*. (October 19)
- Presented at the San Diego Regional Supplier Development Council Supply Diversity Symposium, *Empowering Economic Underserved*, to more than 200 attendees. (October 19)
- Staff attended the awards event of the Filipino American Chamber of Commerce of Orange County. (October 21)
- Metropolitan was a principal sponsor of the Caltrans District 11 Procurement and Resource Fair in San Diego. (October 25)
- Participated in the NAACP Conference Utility Panel. (October 27)
- Staff participated in the Water Technology Innovation Cluster Leaders conference hosted by the U.S. Environmental Protection Agency. (October 1)
- Staff attended the 90th annual Water Environment Federation Technology Conference, which featured exhibitors and workshops on new technologies for water management, water treatment, wastewater, water quality and stormwater. (October 2)
- Metropolitan participated on a panel, *How Has Innovation Impacted the Bottom Line*, at WaterStart's Channels for Innovation Summit. (October 6)
- Innovation program staff participated in the Spain Southern California Investment Summit. The event featured new technologies addressing industry needs in water, energy and information technology. (October 24)
- Innovation staff participated in the 10th Annual WaterSmart Innovations Conference, Expo and EPA 2017 WaterSense Awards and introduced the H2O TechConnect program, innovation website, California WaterFix and the education unit's virtual reality tour. (October 4-5)

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.

Delivered Training modules during the month at Headquarters and the Weymouth water treatment plant on the following topics:

- Speaking with Confidence
- Moving from Conflict to Collaboration
- Advanced Business Writing
- Ten Principles of Effective Emails
- Microsoft Excel – Intermediate, Formulas, Pivot Tables and Macros
- Microsoft Word – Tables
- Microsoft Access – Designing Forms
- MS Project – Levels 1 & 2
- PowerPoint for Presentations
- Skype for Business Users (5 sessions)

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 12 positions and received 38 new requisitions. Staffing is currently recruiting for 133 positions.

Outreach efforts included the development of new partnerships with the Inland Empire Veteran Employment Committee and the Department of Rehabilitation's Southern California Business Roundtable. Other events included the Los Angeles Chamber Veteran Luncheon, and Women In Non-Traditional Roles gala.

Staff also filed two federal reports related to workforce diversity and protected veterans.

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

Employee Appreciation events were held this month at Gene, Iron, Diamond Valley, Mills, Hinds, Lake Mathews, Eagle Mountain, Jensen, Skinner, Washington, D.C. and Headquarters. The purpose of Employee Appreciation Day is to recognize the contributions of employees and their commitment to Metropolitan and support an opportunity for employees to interact with each other and have fun.

Assistant General Manager Zinke was the emcee at the Fall Service Awards Luncheon on October 25. There were 35 honorees with 20 to 40 years of service and seven Water System Operations Apprentices were recognized.

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 to meet with managers to provide feedback on Korn Ferry Voices 360° 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 *Supporting Innovation from Within*.

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 Office on a survey sent to Form 700 participants to gather feedback about that experience and potential areas that could simplify 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.
- Continued contract negotiations with the Supervisors Association.

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.

- Cohort 3 of the Water System Operations Management Academy kicked off on October 11 with 28 participants. A cross section of leaders, including the Chief Administrative Officer, Chief Technology Officer, Group Managers for Real Property and Human Resources, and the Water System Operations Assistant Group Manager were on a discussion panel to answer questions and provide insights for the attendees into the role of the manager at Metropolitan. (*see photo page 26*)
- Class 7 of the Open Metropolitan Management Academy met at the Weymouth plant. The focus of the day's curriculum was Employee Relations, Employee Training Plans, and Goal Setting, and included a tour of the Water Quality Lab and a talk on California WaterFix.
- Cohort 5 of the Metropolitan Management University for team managers continued with Module Two focused on Business Acumen 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.

- October 11, 2017, AFSCME's bargaining team met with the General Manager Kightlinger, Human Resources Group Manager Pitman, and Employee Relations Officer Lem to sign the new Memorandum of Understanding between Metropolitan and AFSCME. *(see photo below)*
- Equal Employment Opportunities Investigations staff presented a training session on the handling of discrimination complaints, to prospective managers attending Metropolitan's Management Academy.
- HR Benefits with the assistance of Human Resources staff from various units, provided one-on-one open enrollment consultations at 16 of Metropolitan's work locations providing a total of 755 one-on-one consultations.
- During the open enrollment period, 645 employees were assisted with electing to receive their annual ACA 1095-C tax form electronically. Posting the annual IRS mandated tax form electronically in MyHR provided compliance with the Affordable Care Act requirements, as well as helped reduce cost of labor, materials, and postage.
- HR Benefits hosted two Financial Planning webinars on October 12, Early Career Retirement Planning and Home Buying. There were 67 employees that participated.
- Metropolitan, in partnership with Rite Aid, hosted on-site flu shot clinics at Jensen, Mills, Weymouth and Headquarters. Field staff were able to participate at the clinic closest to their worksite. There was no out-of-pocket expense to the employee. Rite Aid billed the insurance directly for the vaccine. A total of 202 employees received the flu shot.



AFSCME Executive President Alan Shanahan, AFSCME Bargaining Team, General Manager Kightlinger, HR Manager Pitman, Employee Relations Manager Lem

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.

Equal Employment Opportunities Investigations staff presented a training session on the handling of discrimination complaints to prospective managers attending Metropolitan's Management Academy.

Workers' Compensation/Medical Screening accomplished the following:

- Submitted 12 new claims to Metropolitan's workers' compensation claim administrator.
- Negotiated settlements in 4 claims; and closed 7 claim files.
- Conducted MedVan evaluations, and distributed flu shots, at Hinds, Eagle Mountain, Iron Mountain and Gene Camp facilities.
- Arranged 9 medical evaluations (DMV, medical surveillance, hearing conservation, etc.).
- Addressed 3 accommodation issues.



Metropolitan Management University
Graduate Cohort



Executive Panel discussing the Role of the Manager at Metropolitan
for Cohort 3 of the WSO Management Academy

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.

- IT staff conducted a drone mission at Metropolitan's Palo Verde Valley property near Blythe, CA. The mission consisted of an aerial survey of 775 acres that are either actively growing crops or are fallowed. It also surveyed a total of 17 fields and captured aerial video of 18 irrigation ditch gates and water metering devices.
- The Enterprise Content Management project team submitted a policy regarding the Redundant, Obsolete and Trivial (ROT) files to Management for their review and approval. In addition, the project team quarantined proposed ROT in the HR Group.
- The Enterprise Content Management project team reviewed the design for HR as a part of the district-wide proposed taxonomy implementation.

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

- IT staff attended the Industrial Control Cyber Security Conference to learn about the latest cybersecurity threats and defense strategies in Industrial Control Systems. Staff upgraded endpoint protection software on desktops and laptops. Staff is developing a plan to implement new cybersecurity monitoring, management, and forensic software.
- IT staff initiated a pilot of Microsoft's Intune mobile device product to determine its technical capabilities for managing mobile devices.

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

- Staff completed the implementation of the Oracle Recovery Manager Software. This will streamline the backup and recovery processes of business data.
- The project team successfully completed the telephone deployment at La Verne Complex. Currently, staff is working on the UPS equipment installation in Eagle Rock. Furthermore, the final planning and materials orders are being completed for the desert locations, which are planned for deployment in November and December.

Implement Information Technology's comprehensive workforce succession planning and employee development programs.

- Staff attended Oracle OpenWorld in San Francisco, CA to learn about Oracle's current and future direction in applications, databases, and cloud technologies.
- Staff attended cyber security training to learn how to gather and analyze data to preserve in a forensic manner.

Update Information Technology Strategic Plan to support Metropolitan's Mission and Programs.

Staff published Business Function Model on IT Service Management SharePoint website.

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 one-year entry permit was acquired to conduct periodic water quality and groundwater elevation measurements, which are required by certain Groundwater Mitigation Agreements made with the overlying property owners near Diamond Valley Lake.

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

- A three-day filming permit was issued to Lima Project Films, Inc. to film scenes for a science fiction film on a portion of the Foothill Feeder Power Plant.
- An existing entry permit with Western Municipal Water District was amended to expand the permitted use area for construction access and demolition of non-operational pump house.
- A five-year lease was issued to Los Angeles SMSA Limited Partnership, d/b/a Verizon Wireless to allow construction, maintenance, and operation of telecommunication facilities.
- An entry permit was issued to Blythe Energy, Inc. to allow access and maintenance to their interconnection facilities at Metropolitan's Hinds Pumping Plant.

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

Staff partnered with Headquarters Security to identify and implement a solution to address a trespassing concern behind stairwell seven, which is adjacent to the walkway leading to Alameda Street, near the 101 freeway express way. A permanent chain link fence was installed to prevent trespassers gaining access to this space.

Staff completed the retrofit of the Metropolitan Headquarters courtyard fish pond. Work included the installation of new waterproofing, new filtration system, and an upgrade to LED lighting. This retrofit will increase lighting performance, reduce maintenance costs and provide for a healthy and sustainable habitat for Metropolitan's koi fish.

Pursue development and improvement of the Diamond Valley Lake area, including the DVL Visitor Center and marina facilities, to support recreation, develop additional leasing and revenue opportunities for Metropolitan, and benefit the surrounding community.

A two-year entry permit to Valley Wide Recreation and Park District was issued allowing a trail and various outdoor activities on an area east of Diamond Valley Lake.

WATER RESOURCE MANAGEMENT

CORE: WATER SUPPLY

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

Ensure cost-effective and reliable imported water supplies.

Exchange and Advanced Delivery Storage Agreements

Metropolitan is on track to deliver a record amount of Colorado River water to Desert Water Agency and Coachella Valley Water District in 2017 pursuant to our exchange and advanced delivery storage agreements. During the month of October, cumulative 2017 deliveries to these agencies are projected to exceed 298,000 acre-feet, the previous high water mark for annual deliveries to the CRA's turnouts to the Whitewater River for groundwater recharge. Total deliveries in 2017 are projected to be about 377,000 acre-feet. The exchange with Desert and Coachella allows these agencies access to their State Water Project supplies without a physical connection to the SWP, and provides cost and storage benefits to Metropolitan. Metropolitan staff has been coordinating closely with these agencies throughout the year to maximize deliveries and rebuild storage in the advanced delivery account after four years of drought-related storage withdrawals.

Colorado Basin River Forecast Center (CBRFC)

Staff attended the annual stakeholder forum. This year's forum was driven primarily by stakeholders presenting how they currently utilize CBRFC products and services in their decision-making process, and opportunities for the CBRFC to improve that support. Metropolitan presented how CBRFC data and information is used in the water planning process. The CBRFC updated stakeholders on recent advancements to the CBRFC's forecasting methodology and planned improvements to products and services.

SWP Contract Extension

Staff met with DWR and SWC Inc. to discuss proposed revisions to contract language for the SWP. The contract extension beyond 2035 will be a necessity for California WaterFix. Extending the contract will continue to assure that Metropolitan will receive reliable and cost-effective supplies from the SWP. The extension will clarify existing contract language and ensure good water management actions for Metropolitan's SWP supplies.

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

Great California Shakeout

Staff participated in Metropolitan's annual emergency exercise. This year, the exercise is part of Southern California Edison's Resilient Grid IV exercise, and is coordinated with numerous utility and emergency management agencies in the Southern California area. Four member agencies also participated in this year's exercise, as well as five Metropolitan Incident Command Centers.

WATER RESOURCE MANAGEMENT

CORE: WATER SUPPLY continued...

Ensure reliable and cost-effective water management programs.

Municipal Water Quality Investigation Program

Staff attended the annual meeting of the MWQI program, which coordinates water quality monitoring activities for the State Water Project and coordinates efforts among many State Water Contractor agencies. Results from the prior year are reviewed and plans for the upcoming year are formulated, and improvements to the program are discussed.

Implement the Conservation Program effectively.

Presentations:

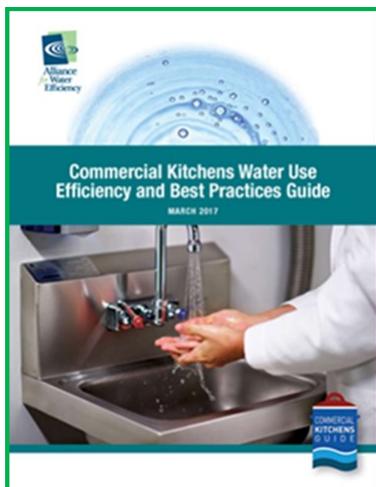
- Metropolitan presented on two unique and interesting topics at the 10th Annual WaterSmart Conference in October. WaterSmart is the national conference on water efficiency and is attended by almost 1,000 water professionals from all over the United States. Presentations were made on Metropolitan's residential rain harvesting program and its commercial pay-for-performance Water Savings Incentive Program.
- Metropolitan also presented at two sessions at the 2017 Long Beach Landscape Expo. Since the 1960s, the Landscape Expo continues to be the Premier Southern California Annual Event dedicated to Landscape Professionals.

Partnerships:

- In another partnership effort with Southern California Gas Company, Metropolitan exhibited at the Food Service Expo at the Energy Resource Center in Downey.
- Metropolitan, in partnership with Alliance for Water Efficiency, East Bay MUD, Region of Waterloo, Food Service Technology Center and Aiqueous, just printed the Commercial Kitchens Water Use Efficiency and Best Practices Guide. This book will help restaurants in Metropolitan's service area become more water efficient and is available free of charge. *(see photo of booklet below)*

Winner of Environmental Protection Agency Award

On October 5, Metropolitan was awarded the prestigious WaterSense Excellence Award at the 10th Annual Water Smart Conference. The award is for Metropolitan's many successful and innovative programs to promote water efficiency and WaterSense Products. *(see photo below –Bill McDonnell receiving award on behalf of Metropolitan)*



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.

Develop Water Supplies

On September 29, Metropolitan issued a Request for Proposals to obtain a facilitator and independent scientific advisory panel of experts for the demonstration project at the Regional Recycled Water Advanced Purification Center (Center) in Carson. The Center, currently in construction, will be used to test various treatment processes to ensure the water produced meets all applicable water quality requirements and ultimately gain acceptance by state regulators for a potential full-scale regional recycled water program. The panel will be comprised of academics and industry professionals who will provide independent review of technical, scientific, regulatory, environmental, and policy issues associated with testing at the Center. Once established later this year, the Panel will begin its review of a demonstration testing and monitoring plan that is currently being developed by Metropolitan for the Center's first year of operation. Demonstration testing is expected to begin in late 2018.

Manage Water Reserves

State Water Project imports into the service area were maximized in October. 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 October, the use of SWP accounted for 78 percent of Metropolitan's deliveries. Storage at Diamond Valley Lake increased slightly to 706,000 acre-feet, or 87 percent full. Water reserves continued to be managed according to the Annual Operating Plan and Water Surplus and Drought Management principles. Deliveries to Arvin-Edison, 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 Advanced Delivery Account with Desert Water Agency and Coachella Valley Water District were 40,000 AF in October, for a year-to-date delivery amount of about 305,000 AF. This exceeds the previous record of delivering 298,000 AF into the Advance Delivery Account set in 1986. Lake Mead's Intentionally Created Surplus storage is continuing to fill while maintaining CRA deliveries at a five-pump flow. Deliveries to cyclic storage and conjunctive use accounts continued and will improve local groundwater storage reserves after several years of drought.



Colorado River Aqueduct water delivered for storage at Whitewater at approximately 750 CFS

WATER SYSTEM OPERATIONS

GM STRATEGIC PRIORITY: EMPLOYEE DEVELOPMENT

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 eight vacant positions in September 2017.

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, mechanical and electrical apprentice classes completed mid-term written and practical exams.

The Class of 2017 Mechanics and Electricians continued to prepare for their final Demonstrated Proficiency Assessments (DPA). Apprentices must attain a passing grade on the DPA to successfully complete the program. The Class of 2017 is scheduled to complete the program in December.

The Class of 2018 Electricians traveled to Rockwell Automation in Anaheim, California. During their one-day field trip, the apprentices learned about the electrical equipment and software responsible for controlling processes in water treatment and distribution facilities.

The Class of 2018 Mechanics hosted a subject matter expert who is a program graduate and a current mechanic for the Diemer plant for a demonstration on welding aluminum material.

The third cohort of WSO's Management Academy began this month. This program was created to provide staff with training and exposure to management topics for future opportunities while promoting succession planning. Thirty journey-level employees from all areas of WSO were selected to participate. The first session was held on October 11, which included an overview of Academy content and a question and answer period with an executive-level leadership panel. Ten one-day sessions of the Academy are scheduled through August 2018.

Staff continued delivery of the Electrical Cross-Training Directed Study Program for desert region journey level mechanics. This program will provide training to help the desert region mechanics gain experience and prepare for future job opportunities. *(see photo right)*



Students working in mobile training unit at Iron Mountain

WATER SYSTEM OPERATIONS

CORE: PROVIDE RELIABLE WATER SUPPLIES

Metropolitan delivered approximately 160,000 AF of water to member agencies in October, which included approximately 24,000 AF to cyclic storage and conjunctive use accounts. October deliveries averaged approximately 5,200 AF per day, a decrease of 570 AF per day from September deliveries. Treated water deliveries for October totaled 85,000 AF, or 53 percent of total deliveries for the month. This was a decrease of 8 TAF from September deliveries. The CRA operated at a five-pump flow and 68,000 AF of Colorado River water was pumped in October. This was an average of 2,190 AF per day. Year-to-date CRA diversions are 484,000 AF. SWP imports averaged 4,490 AF per day, totaling 139,000 AF for the month of October. This was an increase of 6,000 AF from September SWP imports. The targeted blend for the Weymouth, Diemer and Skinner plants was 65 percent for the month of October.

Staff continued to maximize power generation throughout the month. Metropolitan's hydroelectric plants generated an average of 39 megawatts per hour for 28,500 megawatt-hours for October.

WATER SYSTEM OPERATIONS

CORE: OPTIMIZE MAINTENANCE

The Eagle Mountain pump plant is the fourth pumping plant of five on the Colorado River Aqueduct. During the most recent storms, the Eagle Mountain Road access, as well as the Kaiser Truck Road access, were washed out and completely blocked to through traffic. Staff worked diligently for two full days to clear the roads and restore access to and from Eagle Mountain pump plant.

Staff completed preventative coating on structures within the distribution system. Recently completed coating work included re-coating of equipment at Lake Mathews Power Plant Turbine Pit, removal of coatings in preparation for seismic reinforcement welding at Carbon Creek Pressure Control Structure, recoating of the DVL Wadsworth Pumping Plant access doors at the switchyard and life ring cabinets at the forebay, coating of newly installed access platform on the Lower Feeder, and coating and replacement of valves and equipment at Red Mountain Power Plant. *(see photos below)*



Turbine wicket gate actuators before (left) and after (right) coating repairs at Lake Mathews Power Plant

WATER SYSTEM OPERATIONS

CORE: OPTIMIZE MAINTENANCE continued...

Staff completed repairs of a 16-inch hydraulic valve on OC-76 service connection located on the Allen-McColloch Pipeline in the city of Lake Forest. The hydraulic valve was not operating at the correct speed. The valve was inspected, rebuilt, and is now operating as designed. *(see photo right)*



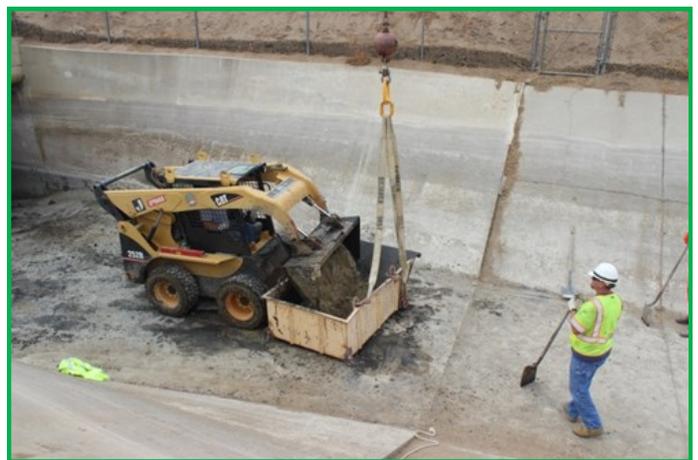
Hydraulic valve being rebuilt at OC-76 service connection on Allen-McColloch Pipeline

Staff continued system-wide preventative maintenance on multiple pipeline valves and structures to ensure equipment reliability as well as maintaining system capacity. This month staff performed preventative maintenance on 12 different member agency service connection locations. The maintenance included performing the mechanical and electrical work needed to maintain manual and motor operated valves. Staff also started rebuilding the hydraulically operated regulating valves at the Venice Pressure Control Structure. The Venice PCS controls the downstream pressure in the Sepulveda Feeder with electrically and hydraulically operated control valves. There are 24 16-inch regulating valves in this facility.

Staff removed silt and debris from three inverted siphons on the Casa Loma Canal of the CRA. Inverted siphons are built below ground level to allow roads or streams to pass over the canal flow. The cleaning was completed in two days. The periodic cleaning of the canal helps to ensure the canal can convey the design capacity. *(see photos below)*



Lowering skid steer into Casa Loma Canal to be used in cleanup



Silt being loaded into a bucket during cleaning of Casa Loma Canal siphons

WATER SYSTEM OPERATIONS

CORE: OPTIMIZE MAINTENANCE *continued...*

Staff completed the installation of a chlorine diffuser on the 8th tier of Diamond Valley Lake's Inlet/Outlet Tower. The diffuser provides the flexibility to chlorinate the water flowing from the lake into Wadsworth Pump Plant forebay. The chlorination is used when needed to address water quality issues in the DVL forebay. *(see photos below)*



Installation of chlorine diffuser at Diamond Valley Lake's Inlet/Outlet Tower



Chlorine diffuser installed at Diamond Valley Lake's Inlet/Outlet Tower

The La Verne Shops refurbished a 16-inch check valve for the Jensen plant. Staff machined the valve disk pin lug, which was severely corroded, and manufactured and welded a new lug. Staff also manufactured new stainless steel pins and bushings. The refurbishment of this valve included coating, assembly, and leak testing. Staff restored the functionality of the valve to normal operating condition. This valve is one of three valves on a common pipe manifold that is used to maintain full elevation in two wash water tanks in the treatment plant.

The La Verne Shops refurbished a flowmatic valve for Venice Pressure Control Structure. The work included sandblasting the valve bonnet, performing weld repairs, manufacturing new bushings, and coating. This valve is one of 16 valves used for hydraulic control of the pipeline pressure. The remaining valves will be scheduled for rehabilitation as refurbished valves are installed in their place to avoid interruption to the operation of the PCS.

Staff performed routine maintenance and testing at Lake Mathews 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 a thrust bearing oil change and testing of several high voltage system components. These components included the circuit breaker that protects the high voltage systems; disconnect switches, which are used to shut off power; and transformers, which convert high voltage to lower voltages for equipment operation. *(see photo right—staff replacing carbon brushes on top of the generator)*



WATER SYSTEM OPERATIONS

CORE: OPTIMIZE MAINTENANCE continued...

Staff constructed an environmentally controlled storage room inside the filter belt press building at the Skinner plant to preserve and protect expensive replacement belts, motors and rollers from corrosion, dust and heat. Filter belt presses are used to remove water from residual solids collected during the treatment process. Removing much of the water greatly reduces the weight of the solids that are hauled away for disposal.

Staff completed the functional testing of the loadshed system for the Four Ozone Generator Power Supply Units (PSU) at the Weymouth plant. The testing was critical because ozone should not be produced during a power failure, and any attempt to do so could overload the Emergency Power System for the La Verne facilities. Staff from various teams at the Weymouth plant collaborated to accomplish this testing. The testing was a success and the system was returned to normal.

Staff safely repaired leaks on two hydrogen peroxide pumps at the Weymouth plant. This work required a review of safety requirements and suiting up with proper Personal Protective Equipment to repair the leaks, which were attributed to a loose bar bolt. The pumps were fixed and tested to confirm that no further leaks were observed. The system was returned back to service with no other issues. Hydrogen peroxide is used as part of the ozone disinfection process. *(see photo right)*



Staff repairing hydrogen peroxide pump at the Weymouth plant

WATER SYSTEM OPERATIONS

CORE: MANAGE THE POWER SYSTEM

On October 1, 11 new agreements and contracts related to energy operations of the Colorado River Aqueduct became effective. These included the Energy Services Contract and Implementation Agreements with the Western Area Power Administration for power from Hoover Dam power plant for the next 50 years, two agreements with the Arizona Electric Power Cooperative for CRA energy and transmission services, an operating agreement with the California Independent System Operator for CRA energy operations in California, and six agreements with Southern California Edison for interconnections between the CRA electric system and Edison's facilities. These 11 new agreements and contracts were implemented without problems or impacts to CRA operations, and represent the successful conclusion of over 10 years of planning, negotiation and development by staff.

California Air Resources Control Board regulations require that entities who report greenhouse gas emissions under the mandatory reporting program pay an annual Cost of Implementation (COI) Fee. Because Metropolitan imports unspecified, non-hydroelectric electricity for CRA pumping, Metropolitan falls under the reporting and COI fee requirement. For 2017 (based on 2015 GHG emissions), Metropolitan paid \$10,743, which is lower than in previous years.

WATER SYSTEM OPERATIONS

CORE: MANAGE THE POWER SYSTEM continued...

On October 11, staff attended the October Arizona Electric Power Cooperative (AEP CO) Board meeting in Tucson. This was the first AEP CO Board meeting since Metropolitan became a member of AEP CO on October 1. AEP CO provides energy and transmission services for Metropolitan's CRA electric system. Metropolitan was presented a plaque acknowledging Metropolitan's membership by AEP CO Board President J. Tyler Carlson and CEO Patrick Ledger. *(see photo right)*



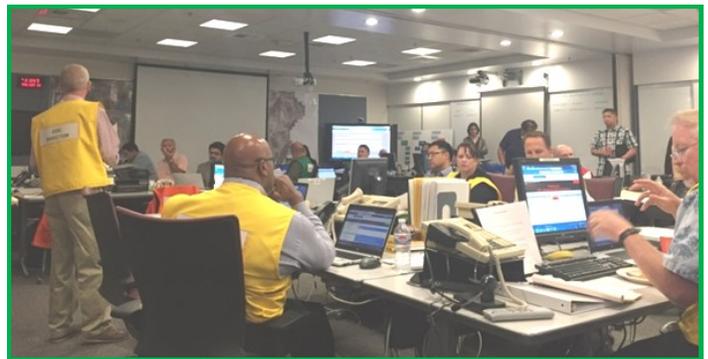
Patrick Ledger, CEO AEP CO, Jon Lambeck, Metropolitan, J. Tyler Carlson, AEP CO Board President, and Jim Green, Metropolitan

On October 18, staff attended the Hoover Engineering and Operations Committee meeting. This is the first committee meeting under the new 50-year Hoover power agreements. This meeting provides the power contractors' technical staff the opportunity to discuss operations and planned expenditures with personnel from the Bureau of Reclamation and the Western Area Power Administration. The number of Hoover power contractors has increased from 15 to 46 with the implementation of the new agreements. The meeting was attended by some of the new contractors and efficiently dealt with many issues, including a presentation on the possibility and economics of replacing the original 14' diameter butterfly valves for the 17 generating units.

WATER SYSTEM OPERATIONS

CORE: IMPROVE SECURITY AND EMERGENCY RESPONSE

On October 19, over 100 Metropolitan staff participated in a regional emergency exercise to practice how various utility agencies would coordinate their response following a large earthquake. Metropolitan's Emergency Operations Center and five field Incident Command Centers were staffed and simulated how they would manage response and recovery efforts three days after the initial earthquake. The following member agencies also participated in the exercise: Los Angeles Department of Water and Power, City of Long Beach, City of Torrance, City of Santa Monica, and West Basin Municipal Water District. Metropolitan's exercise was part of a larger exercise developed by Southern California Edison to include multiple utility and emergency management agencies, including Southern California Gas, San Diego Gas and Electric, State Office of Emergency Services, Los Angeles County Office of Emergency Management, and the Federal Emergency Management Agency. This successful exercise allowed all participating agencies to learn valuable lessons that will be used to improve the overall utility response to the next major earthquake.



WATER SYSTEM OPERATIONS

CORE: IMPROVE SECURITY AND EMERGENCY RESPONSE continued...

In September, representatives from the National Department of Homeland Security (DHS), Regional Resiliency Assessment Project Team, met with staff and toured the La Verne Shops. During the meeting, DHS staff talked with Metropolitan about emergency preparedness and mutual aid/assistance capabilities. The meeting was extremely valuable and both agencies look forward to continued collaboration in the future.

On September 21 and 26, emergency response training and functional exercises were held at the Chemical Unloading Facility. Participating agencies included Riverside County Department of Environmental Health, California National Guard 9th Civil Support Team, and California Department of Forestry and Fire Protection. The objective of the exercise was to review chemical leak assessment and troubleshooting skills with outside agency responders who may be called to respond to a leak. *(see photos below)*



Agency responders and staff planning and conducting chemical response exercises at the Chemical Unloading Facility

WATER SYSTEM OPERATIONS

CORE: PROTECT SOURCE WATER QUALITY

On October 17 and 18, staff participated in workgroup meetings in Lake Havasu City, Arizona for the Topock Chromium-6 Groundwater Remediation Project. Stakeholders discussed recent project activities, including field investigations, construction planning, and status of the Subsequent Environmental Impact Report. Construction of the project is expected to begin in early 2018.

Staff also participated in the Department of Water Resources' annual meeting on water quality for the State Water Project and a State Water Resources Control Board workshop on mercury in lakes. In addition, staff participated in the annual meeting of the California Lake Management Society, which focused on invasive species, mercury in lakes, and cyanotoxins.

WATER SYSTEM OPERATIONS

CORE: OPTIMIZE WATER TREATMENT AND DISTRIBUTION

The State Water Project target blend at the Weymouth, Diemer and Skinner plants was 65 percent for October 2017. Flow-weighted running annual averages for total dissolved solids from September 2016 through August 2017 were 412, 440, and 457 mg/L for Weymouth, Diemer and Skinner plants, respectively.

The Weymouth plant switched to ozone as the primary disinfectant for compliance on October 1, 2017. The use of ozone will minimize the formation of disinfection byproducts associated with chlorine disinfection and

WATER SYSTEM OPERATIONS

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

improve the aesthetics of the water by reducing levels of undesirable taste-and-odor compounds.

During October, mobile devices were deployed to the Water Quality staff to allow electronic data entry directly from field instruments, with the potential for real-time data transmission, into the Laboratory Information Management System. This project was a collaborative effort between the Water System Operations and Information Technology Groups. This new mobile technology replaces standard paper forms and hand-held data-loggers for compliance sampling and monitoring. This transition to paperless sample tracking modernizes Metropolitan's water quality monitoring tools, which are used to assess the integrity and reliability of drinking water in the finished water distribution system, and ensures compliance with state and federal regulations.

Staff removed one of four ozone contactors from service at the Diemer plant to allow staff to clean and inspect the contactor. Staff will also modify the contactor sample lines to improve water sample quality and operational stability. Similar modifications have already been performed on the other three ozone contactors. These actions will ensure that Diemer will continue to reliably meet all water quality goals using ozone.

Staff also modified the sample lines at each of the 48 filters at the Diemer plant. These sample lines are used to continually monitor the quality of water leaving the filters and to report the data to regulators. The improvements prevent the sample lines from becoming fouled by sediment and provide a more consistent sample quality while minimizing maintenance requirements.

Staff installed new radio communication equipment at service connection OC-72, which is located in a remote area of Irvine and serves the Municipal Water District of Orange County. This radio equipment is used to report flow data and equipment status at remote facilities to operations control centers. The new communication equipment has improved the reliability of the information, which allows for more consistent monitoring, reporting and operations.

Staff replaced aging equipment at Coyote Creek Pressure Control Structure. This structure uses valves to control water flows and pressures on the Lower Feeder downstream of the Diemer plant. Staff installed cables for the new control valves and installed new control panels. The new equipment will improve the reliable operation of this critical facility. (*see photo below*)



Staff installing new valve control cables at Coyote Creek Pressure Control Structure

WATER SYSTEM OPERATIONS

CORE: PROVIDE TECHNICAL SUPPORT TO MEMBER AGENCIES

On October 25, staff participated in an expert panel state-of-the-science review and discussion of low alkalinity source water as it relates to water treatment and corrosion management in distribution systems. Subject matter experts presented options and recommendations for treatment and defined chemical addition criteria, discussed operational issues for Metropolitan's five treatment facilities, and evaluated the appropriate corrosivity indices and metrics for understanding distribution system water quality characteristics. Expert panel members included water treatment and engineering specialists from two universities, and representatives from the U.S. Environmental Protection Agency and an engineering consulting company.

WATER SYSTEM OPERATIONS

CORE: PREPARE FOR FUTURE LEGISLATION AND REGULATION

On September 19, the State Water Resources Control Board (SWRCB) adopted a resolution to reduce certification renewal fees for applicants holding two or more valid certifications for water treatment operator, distribution operator, or wastewater treatment plant operator. By reducing certification fees, the SWRCB is encouraging operators to be certified in more than one discipline, which benefits water supply and wastewater agencies and employees with multiple certifications.

On September 19, the SWRCB adopted a resolution to further clarify and/or amend Drinking Water Fee Regulations. The amendments would specify the point in time and metrics for determining volumetric-based fees for wholesale water systems, and require that the annual fee for wholesalers be based on the average of four years of production as opposed to three years (and then next year, the average will increase to five years). This change will reduce the variation in the fees on wholesale water agencies, such as Metropolitan. Metropolitan previously requested this change, and thanked SWRCB at the public hearing for their collaboration in addressing this concern.

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 September 2017.

During October, the Water Quality Laboratory was audited by the State Water Resources Control Board's Environmental Laboratory Accreditation Program to ensure compliance with the state's pathogen monitoring methods. The laboratory received a positive report with no major findings, ensuring continued accreditation for our pathogen monitoring program.

On September 20 and 21, staff participated in the Joint Utility Vendor Audit Consortium (JUVAC) meeting held at the Los Angeles Department of Water and Power. JUVAC is a consortium of utilities that conducts audits of hazardous waste storage and disposal facilities. Attendees included LADWP, Tucson Electric Power, Arizona Public Service, Arizona Salt River Project, Sacramento Municipal Utility District, and the Bonneville Power Administration. The attendees selected the hazardous waste treatment, storage, and disposal facilities to be audited in 2018, and presented findings from recent audits. The audits provide an independent assessment of the hazardous waste disposal facilities and helps limit Metropolitan's risk and liability when selecting a hazardous waste disposal facility.

WATER SYSTEM OPERATIONS

CORE BUSINESS: SUPPORT EDUCATION AND OUTREACH INITIATIVES

Staff assisted with four, three-day inspection trips of the Colorado River Aqueduct that included 120 guests from West Basin Municipal Water District, City of Santa Ana, City of San Fernando, and the Municipal Water District of Orange County. All trip participants visited the Gene field office, attended a boat trip on Copper Basin reservoir, and toured the Whitsett Intake Pumping Plant located on Lake Havasu.

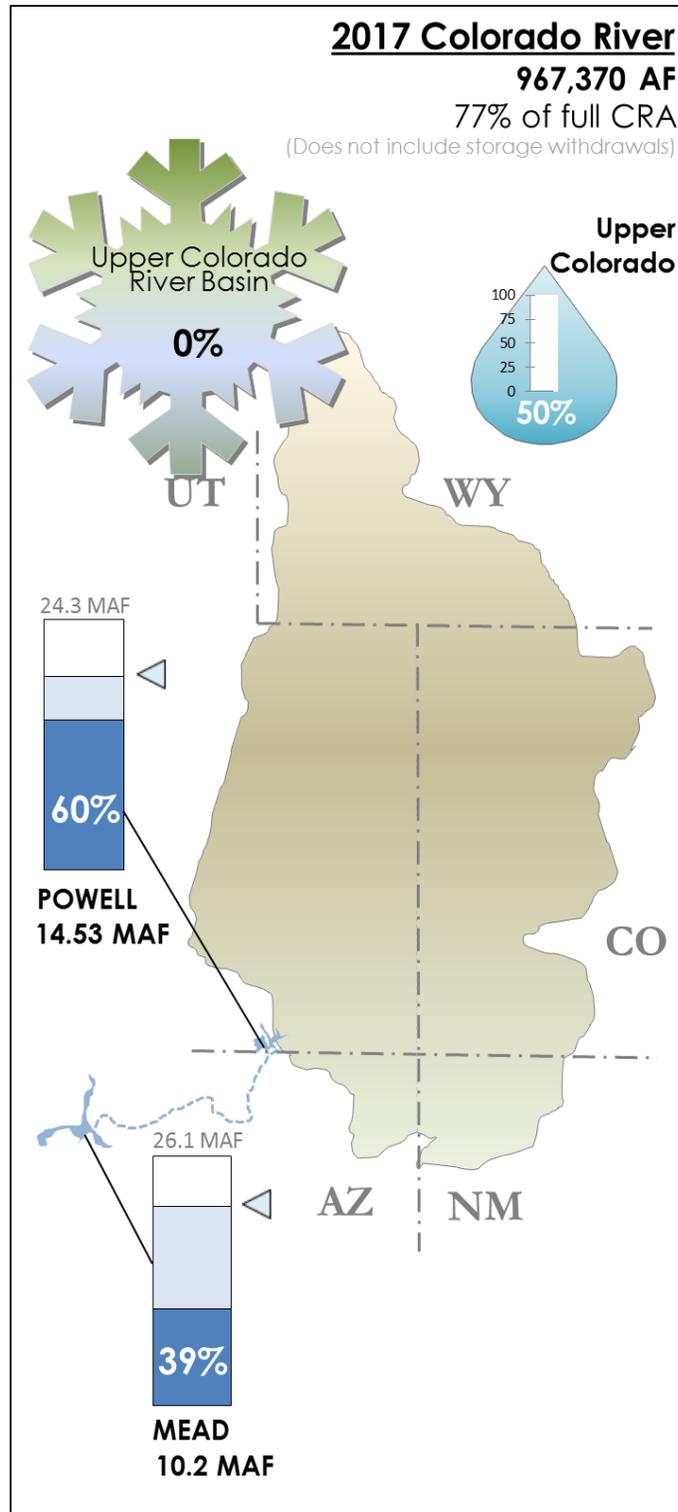
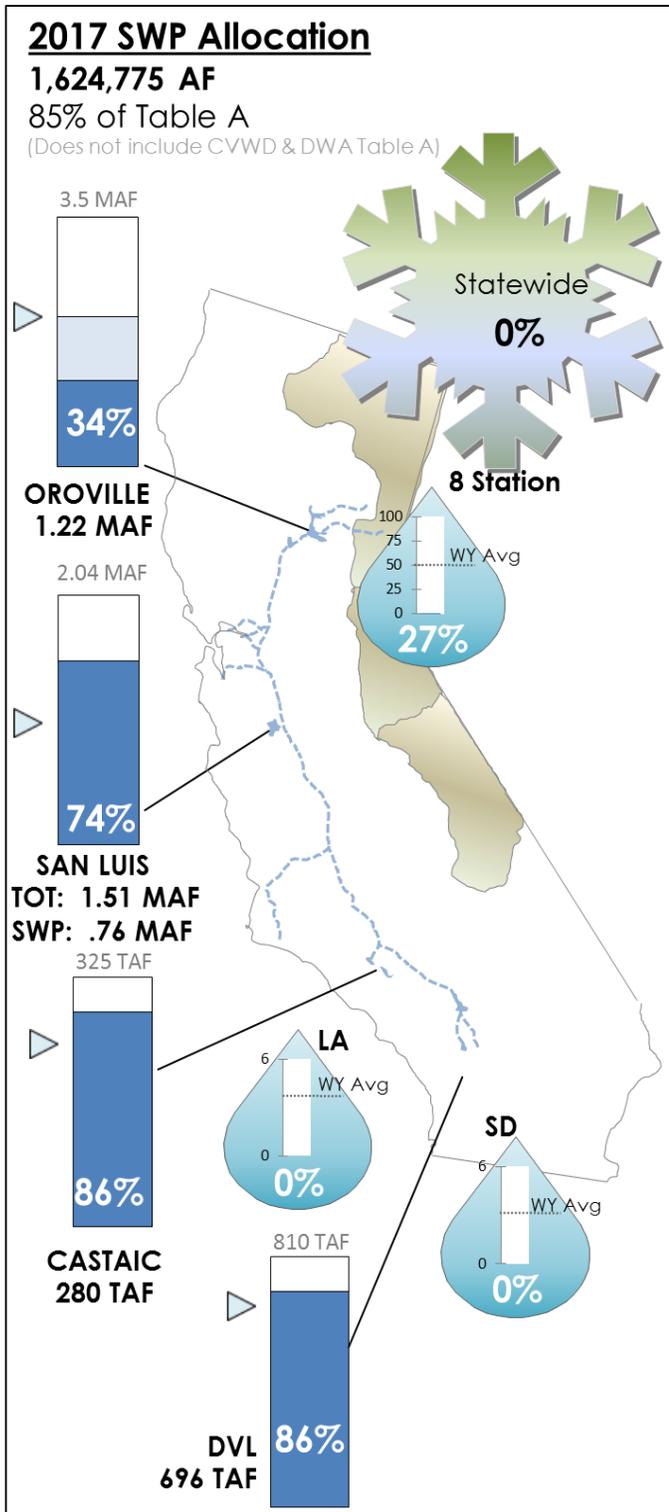
Staff provided three tours during the month of October. Assemblymember Quirk-Silva and guests attended a tour of the Diemer plant, Eastern Municipal Water District employees attended a tour of Diamond Valley Lake, and the Chaffey College Chemistry Club attended a tour of the Water Quality Laboratory in La Verne. Staff at the plants provided oral presentations on water treatment facilities and pertinent water quality and treatment issues, as well as plant operations and maintenance activities.



Special Employee Appreciation Day events were held for each work site throughout Metropolitan. Below and on page 43 are some pictures that captured the camaraderie.



WATER SUPPLY CONDITIONS as of October 31, 2017



Regional Snowpack

WY Avg
% Normal
Rainfall to Date (in)

Capacity
Average EOM Storage
Current Storage (% Capacity)

Snow pack
% Normal



Storage	As of 10/31/17	% of Capacity
DVL	695,882 AF	86
Lake Mathews	84,451 AF	46
Lake Skinner	39,058 AF	89

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

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