



Finance, Affordability, Asset Management, and  
Efficiency Committee

# Foothill Municipal Water District's Point of Delivery

Item 9-8

December 9, 2025

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## Item 9-8

### Foothill MWD's Point of Delivery

#### Subject

Foothill Municipal Water District's Point of Delivery

#### Purpose

Provide information to support board dialogue regarding Foothill MWD's point of delivery from the Metropolitan system by providing:

- Historical information on Foothill's annexation
- Current and past policies related to facility construction as part of annexations

#### Next Steps

Return to Board following feedback and discussion

# Location Map

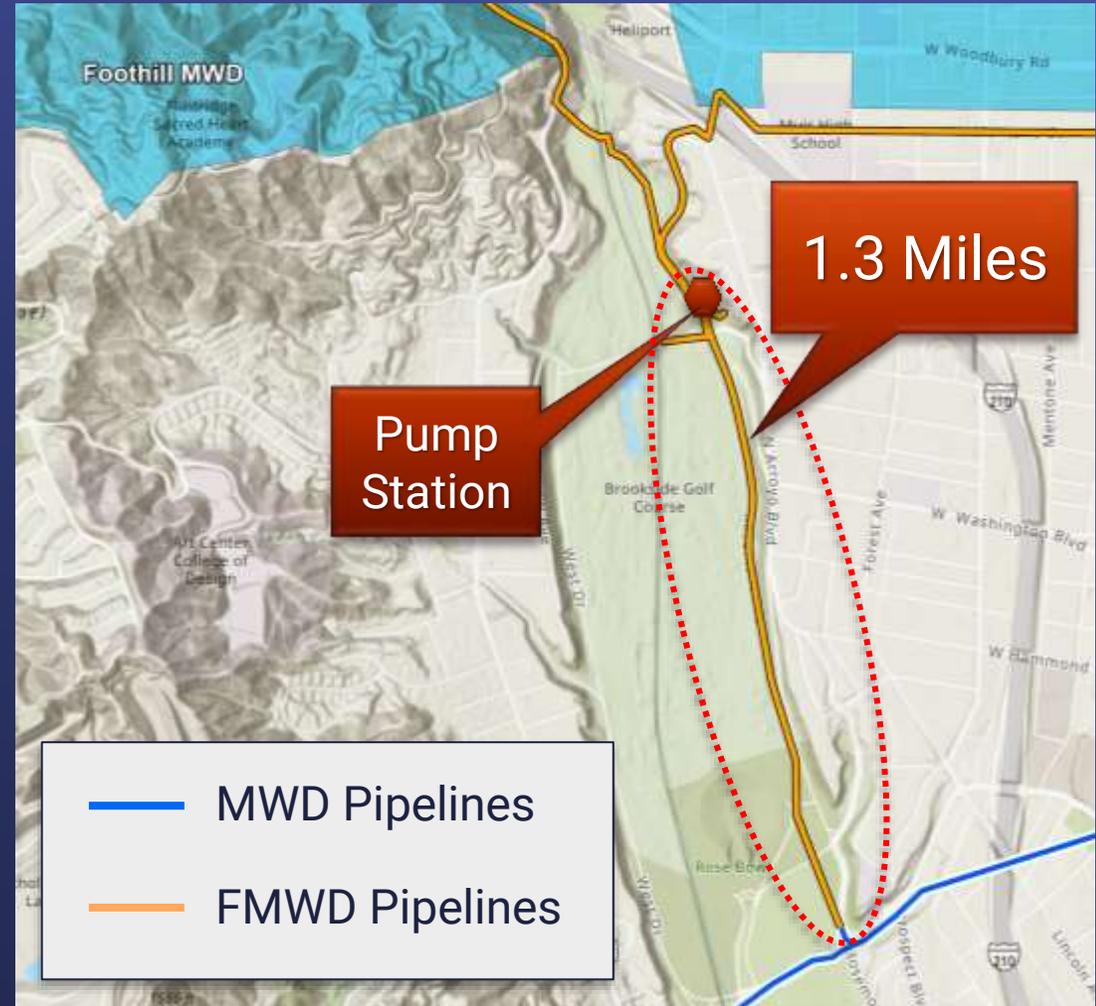


# Foothill MWD Service Area and Main Conveyance Lines



# Foothill MWD's Request

- March 21, 2024 & April 1, 2024 – Foothill MWD letters to MWD Chair
  - Foothill contends it is not receiving equitable service
  - Metropolitan should own and operate a portion of Foothill's facilities that are located outside its service area
- September 30, 2025 – Foothill MWD letter to MWD General Manager
  - Reimbursement of operation and maintenance costs
  - Requested to bring issue to MWD Board by end of year



# Foothill's Suggested Options

- Foothill suggested three options for the Board to consider relative to its deliberations on this subject:
  - **Option 1**: No action, continue with the present, long-standing arrangement with Foothill from an operation and maintenance standpoint for the pipeline and pump station,
  - **Option 2**: Metropolitan assumes ownership and operational responsibility for the pump station and pipelines and takes on any additional ownership responsibilities for the facilities, or
  - **Option 3**: Foothill maintains ownership and day-to-day operational responsibilities for the assets, and Metropolitan reimburses Foothill for annual pumping power costs, as well as long-term major maintenance (rehabilitation and replacement work) on the pump station and pipelines

# Metropolitan Board's Authority to Set Policy

- 1928 – Metropolitan Water District Act
  - Grants broad powers to develop, store and distribute water
- Policies expressed in formal statements, MWD Administrative Code, board-adopted principles and board letters
  - Provide guidance for staff
- MWD Act gives Board authority to revise, or depart from existing policies

# Timeline of Events Related to Foothill MWD's Request



 Foothill MWD Annexation Event       Metropolitan Policy

# Foothill Annexation Chronology

- 1930 – Initial inquiry by La Cañada Valley Chamber of Commerce
  - Metropolitan suggested annexing to neighboring cities
- 1950 – Metropolitan GM Recommends annexation
  - Based on the proposed enlarged annexation area
  - Foothill agreed to the requirement to bear costs for construction of facilities to serve the area
- 1952 – Resolution 4164: Metropolitan approves annexation
- 1953 – Resolution 4324: Metropolitan approves construction of service connection
- 1954 – Metropolitan assumes the cost-of-service connection following FMWD request

# Metropolitan Annexation Policy Chronology

- 1931 – Metropolitan Board sets policy for initial annexation areas
- 1940 – Reaffirmation of policy
- 1949 – Water Problems and Public Relations Committee considers facility construction for new annexations
- 1953 – Board approves Resolution 4249 “Come and Get It Policy.”
  - In practice prior to formal adoption

The Metropolitan Water District will deliver water, either directly or indirectly, through a system provided by the District, to each of the eleven original member cities, and to those cities whose application for admission prior to March 1, 1931, have been approved, at or near the boundary of each, this point of delivery to be

Consideration was also given to the matter of expenditures for the purpose of construction of works necessary to accomplish delivery of water to annexing areas, but it was concluded that, because of the fact that each area presents a different geographical and physical problem, no rigid policy should be expressed, and that each situation should be examined on its merits.

BE IT RESOLVED, by the Board of Directors of The Metropolitan Water District of Southern California, that it be declared to be the intent of this Board that all future annexations to the Metropolitan Water District be based on the principle that this District shall not be obligated to provide additional works or facilities, necessitated by such future annexations, for the delivery of water from works owned and operated by the District.

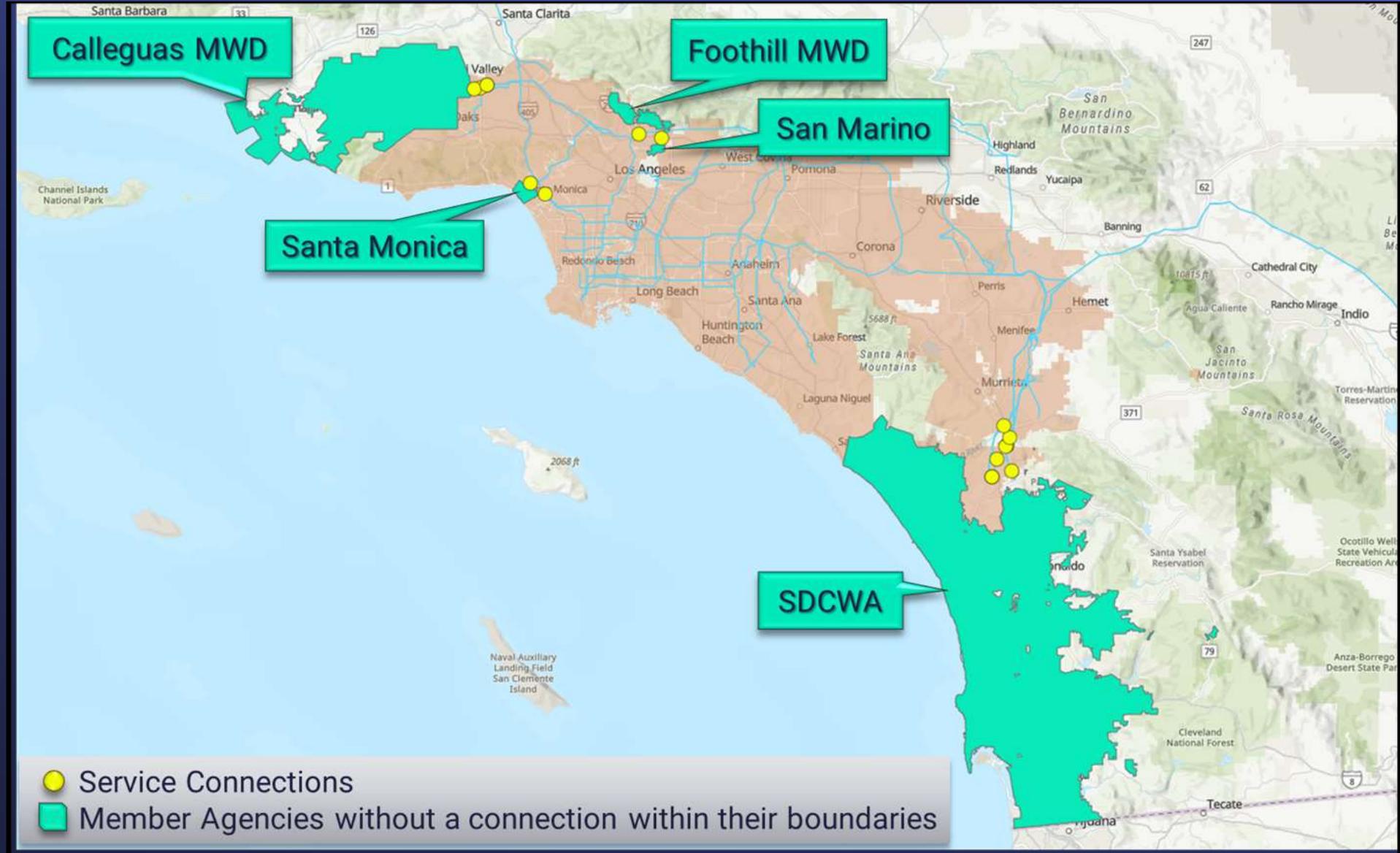
# Equitable Supply Reliability Policy

- Resolution 9318 – Affirming a Call to Action and a Commitment to Regional Reliability to All Member Agencies
- Approved in response to 2020 to 2022 drought
  - Focus on supply reliability

- 2) **BE IT FURTHER RESOLVED** that the Board intends to provide equitable reliability across the service area through a balanced combination of infrastructure, storage, demand management, and water supply programs. These three policy statements affirm this intent:
- a) All member agencies must receive equivalent water supply reliability through an interconnected and robust system of supplies, storage, and programs.
  - b) Metropolitan will reconfigure and expand (1) its existing portfolio to provide sufficient access to the integrated system of water sources, conveyance and distribution, storage, and (2) programs to achieve equivalent levels of reliability to all member agencies.
  - c) Metropolitan will eliminate disparate water supply reliability through a One Water integrated planning and implementation approach to manage finite water resources for long-term resilience and reliability, meeting both community and ecosystem needs.

# Member Agencies w/ Service Connections Outside their Service Area

- Five Member Agencies do not currently have any service connections within their own boundaries





# Equitable Supply Reliability Improvements

- Many of the projects that have been approved are pumping plants within Metropolitan's distribution system
  - Pump plants are largely outside of the boundaries of the member agencies
  - Designed to protect against extreme droughts and emergencies
- Metropolitan is investing in these facilities at its own cost
  - Bring water to the service connections of most agencies, which rest within the boundaries of most member agencies
- Drought mitigation projects do not change existing points of delivery

# Considerations of Potentially Changing Foothill Agreement

- Foothill pays for pumping to bring water from Metropolitan into the Foothill service area
- Given the new drought mitigation investments in pump stations, should the Board discuss the intent of Resolution 9318 in regard to Foothill's request
- Impacts to Metropolitan and member agencies
  - Foothill operational costs for delivering to the boundary redistributed to all member agencies
  - Changing current terms may trigger other requests

# Estimated Financial Impact

- An Order-of-Magnitude Cost Estimate is Currently Under Development
  - Power
  - Maintenance and Operation
  - Rehabilitation and Replacement
    - PCCP
    - Pump Station
- Order-of-Magnitude Estimate (Class 5)
  - Prepared when little or no design information is available for the project.
  - It is all that can be determined at the early stage
  - Accuracy ranges -50% on the low side and +100% on the high side

# Summary

- Foothill annexation approved in 1952 under condition that it construct, operate, and maintain facilities to deliver water from Metropolitan system to its service area
- Foothill contends it is not receiving equitable service
  - Metropolitan should absorb the cost to convey water to its boundary
- Annexation policy regarding facility construction has evolved over time until Resolution 4249 (Come and Get It Policy) formalized it in 1953
  - Board had moved toward policy prior to formal adoption
  - Annexation to Metropolitan is considered on a case-by-case basis
- Projects developed from Resolution 9318 (Equitable Supply Reliability Policy) have not changed the point of delivery for member agencies

## Next Steps

- Foothill requested that the Board consider absorbing the cost to deliver water to the agency boundary
  - Metropolitan to determine the life cycle cost of the facility, as well as the cost of the operation and maintenance of the facility
- Staff to evaluate feedback from the Board
- Return to the Board

