

# The Metropolitan Water District of Southern California

# Agenda

The mission of the Metropolitan Water District of Southern California 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.

## **FAIRP Committee**

T. Smith, Chair  
L. Dick, Vice Chair  
D. Alvarez  
J. Armstrong  
R. Atwater  
A. Chacon  
D. De Jesus  
B. Dennstedt  
L. Fong-Sakai  
C. Miller  
M. Petersen  
B. Pressman  
T. Quinn  
K. Seckel

## **Finance, Audit, Insurance, and Real Property Committee**

Meeting with Board of Directors \*

**May 9, 2023**

**8:30 a.m.**

Agendas, live streaming, meeting schedules, and other board materials are available here: <https://mwdh2o.legistar.com/Calendar.aspx>. A listen only phone line is available at 1-877-853-5257; enter meeting ID: 873 4767 0235. Members of the public may present their comments to the Board or a Committee on matters within their jurisdiction as listed on the agenda via in-person or teleconference. To participate via teleconference (833) 548-0276 and enter meeting ID: 876 9484 9772 or click <https://us06web.zoom.us/j/87694849772?pwd=V3dGZGRYUjJ3allqdUxXTIJRM044Zz09>

## **Tuesday, May 9, 2023 Meeting Schedule**

**08:30 a.m. FAIRP  
10:30 a.m. LC  
12:00 p.m. Break  
12:30 p.m. BOD  
02:30 p.m. EOP**

MWD Headquarters Building • 700 N. Alameda Street • Los Angeles, CA 90012

Teleconference Locations:

5707 Ocean View Boulevard • La Canada, CA 91011

Casa Munras Garden Hotel & Spa • 700 Munras Avenue, Monterey • Marbella Room, CA 93940

8700 Beverly Boulevard • Suite M313 • Los Angeles, CA 90048

\* The Metropolitan Water District's meeting of this Committee is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to this Committee may participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the committee as advisory to the Board, members of the Board who are not assigned to this Committee will not vote on matters before this Committee.

**1. Opportunity for members of the public to address the committee on matters within the committee's jurisdiction (As required by Gov. Code Section 54954.3(a))**

## **2. SUBCOMMITTEE REPORTS**

A. Report from Subcommittee on Long-Term Regional Planning Processes and Business Modeling

## **\*\* CONSENT CALENDAR ITEMS -- ACTION \*\***

## **3. CONSENT CALENDAR OTHER ITEMS - ACTION**

- A. Approval of the Minutes of the Finance, Audit, Insurance, and Real Property Committee Meeting for April 11, 2023 (Copies have been submitted to each Director, Any additions, corrections, or omissions) [21-2123](#)

**Attachments:** [05092023 FAIRP 3A \(04112023\) Minutes](#)

#### 4. **CONSENT CALENDAR ITEMS - ACTION**

NONE

**\*\* END OF CONSENT CALENDAR ITEMS \*\***

#### 5. **OTHER BOARD ITEMS - ACTION**

- 8-6 Adopt resolution to continue Metropolitan's Water Standby Charge for fiscal year 2023/24; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA [21-2242](#)

**Attachments:** [05092023 FAIRP 8-6 B-L](#)  
[05092023 FAIRP 8-6 Presentation](#)

#### 6. **BOARD INFORMATION ITEMS**

- 9-2 Renewal Status of Metropolitan's Property and Casualty Insurance Program [21-2237](#)

**Attachments:** [05092023 FAIRP 9-2 B-L](#)  
[05092023 FAIRP 9-2 Presentation](#)

#### 7. **COMMITTEE ITEMS**

- a. Quarterly Financial Report [21-2253](#)

**Attachments:** [05092023 FAIRP 7a Presentation](#)

#### 8. **MANAGEMENT REPORTS**

- a. Chief Financial Officer's Report [21-2124](#)  
b. General Auditor's Report [21-2125](#)  
c. Real Property Group Manager's Report [21-2126](#)

#### 9. **FOLLOW-UP ITEMS**

NONE

## **10. FUTURE AGENDA ITEMS**

## **11. ADJOURNMENT**

**NOTE:** This committee reviews items and makes a recommendation for final action to the full Board of Directors. Final action will be taken by the Board of Directors. Committee agendas may be obtained on Metropolitan's Web site <https://mwdh2o.legistar.com/Calendar.aspx>. This committee will not take any final action that is binding on the Board, even when a quorum of the Board is present.

Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan's Headquarters Building and on Metropolitan's Web site <https://mwdh2o.legistar.com/Calendar.aspx>.

Requests for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.

**THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

**MINUTES**

**FINANCE, AUDIT, INSURANCE, AND REAL PROPERTY COMMITTEE**

**April 11, 2023**

Chair Smith called the meeting to order at 9:30 a.m.

Members present: Directors Alvarez, Armstrong, Atwater, De Jesus, Dennstedt, Dick, Fong-Sakai (teleconference posted location), Miller (teleconference posted location), Pressman, Seckel, and Smith.

Members absent: Directors Chacon, Petersen, and Quinn.

Other Members present: Ackerman, Camacho, Erdman, Faessel, Kurtz, Morris, and Ortega.

Committee Staff present: Chapman, Hagekhalil, Kasaine, Quilizapa, Ros, Scully, Suzuki, Upadhyay.

**1. OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE COMMITTEE ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION**

None

**2. SUBCOMMITTEE REPORTS**

A. Subject: Report from Subcommittee on Audits

Director Armstrong overviewed the items discussed at the Subcommittee on Audits on March 28, 2023.

B. Subject: Report from Subcommittee on Long-Term Regional Planning Processes and Business Modeling

Director Atwater overviewed the items discussed at the Subcommittee on Long-Term Regional Planning Processes and Business Modeling on March 28, 2023.



### **CONSENT CALENDAR ITEMS — ACTION**

#### **3. CONSENT CALENDAR OTHER ITEMS – ACTION**

- A. Subject: Approval of the Minutes of the Finance, Audit, Insurance, and Real Property Committee Meeting for March 13, 2023 (Copies have been submitted to each Director, Any additions, corrections, or omissions)

#### **4. CONSENT CALENDAR ITEMS – ACTION**

- 7-8 Subject: Approve and authorize the distribution of Appendix A for use in the issuance and remarketing of Metropolitan's Bonds; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA
- Presented by: Samuel Smalls, Manager of Treasury and Debt Management
- Motion:
- a. Approve the draft of Appendix A (Attachment 1) attached to this board letter with a modification to page A-24 to delete the words, “and is owned by”,
  - b. Authorize the General Manager, or other designee of the Ad Hoc Committee, to finalize, with changes approved by the General Manager and General Counsel, Appendix A
  - c. Authorize distribution of Appendix A, finalized by the General Manager or other designee of the Ad Hoc Committee, in connection with the sale or remarketing of bonds

Ms. Kasaine introduced the item and Mr. Smalls presented the committee with a brief overview of Appendix A, the update process, and future updates.

Ms. Kasaine noted that a letter, dated April 10, 2023, was received from the San Diego County Water Authority delegation commenting on Item 7-8. This item will be made part of the record.

The following Directors provided comments or asked questions:

1. Miller
2. Peterson
3. Smith
4. Armstrong
5. Seckel
6. Pressman

Staff responded to Directors' comments and questions.

- 7-9     Subject:        Adopt resolutions fixing and adopting a Readiness-to-Serve Charge and a Capacity Charge for calendar year 2024; the General Manager has determined the proposed action is exempt or otherwise not subject to CEQA
- Motion:        Adopt resolutions fixing and adopting a Readiness-to-Serve Charge and a Capacity Charge for calendar year 2024
- 7-10   Subject:        Review and consider the Lead Agency’s adopted Mitigated 21-2064 Negative Declaration and Addendum and take related CEQA actions, and adopt resolution for 112th Fringe Area Annexation to Eastern Municipal Water District and Metropolitan; the General Manager has determined the proposed action is exempt or otherwise not subject to CEQA
- Motion:        Review and consider the Lead Agency’s adopted Mitigated Negative Declaration and Addendum and take related CEQA actions, and adopt resolution for the 112th Fringe Area Annexation concurrently to EMWD and Metropolitan.
- 7-11   Subject:        Approve the award of a four-year contract for external audit services with Macias Gini O’Connell, LLP, for the not-to-exceed amount of \$1,600,090; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA
- Presented by:    Scott Suzuki, General Auditor
- Motion:        Approve the award of a four-year contract for external audit services with Macias Gini O’Connell, LLP, for the not-to-exceed amount of \$1,600,090

Mr. Suzuki presented the committee with the background of external audit services and an overview of the agreement.

The following Directors provided comments or asked questions:

1. Miller
2. Peterson

Staff responded to Directors’ comments and questions.

- 7-12   Subject:        Approve proposed amendment to Administrative Code section 6450 regarding individual Board of Director requests for audit assignments; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA
- Motion:        Approve proposed amendment to Administrative Code Section 6450 regarding individual Board member requests for audit assignments

- 7-13    Subject:            Authorize a credit of up to \$200,000 to Western Municipal Water District for treatment surcharge costs incurred due to the unexpected extension of a Metropolitan shutdown; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA
- Motion:            Authorize a credit of up to \$200,000 to Western Municipal Water District for treatment surcharge costs incurred due to the unexpected extension of a Metropolitan shutdown

After completion of the presentations, Director Dick made a motion, seconded by Director De Jesus, to approve the consent calendar consisting of items 3A, 7-8, 7-9, 7-10, 7-11, 7-12 and 7-13.

The vote was:

- Ayes:                    Directors Alvarez, Armstrong, Atwater, De Jesus, Dennstedt, Dick, Fong-Sakai, Miller, Pressman, Seckel, and Smith
- Noes:                    None
- Abstentions:        None
- Absent:                 Directors Chacon, Petersen, and Quinn

The motion for items 3A, 7-8, 7-9, 7-10, 7-11, 7-12, 7-13 passed by a vote of 11 ayes, 0 noes, 0 abstain, and 3 absent.

## **END OF CONSENT CALENDAR ITEMS**

### **5.        OTHER BOARD ITEMS – ACTION**

None

## **6. BOARD INFORMATION ITEMS**

9-3 Subject: Climate Adaptation Master Plan on water

Presenter: Liz Crosson, Chief Sustainability Resiliency & Innovation Officer

Ms. Kasaine introduced the item and Ms. Crosson presented to the committee with an overview of potential Board policy decisions, planning process, and upcoming workshops.

The following Directors provided comments or asked questions:

1. Seckel
2. Pressman
3. Smith
4. Ortega

Staff responded to Directors' comments and questions.

## **7. COMMITTEE ITEMS**

a. Subject: Encroachment Update

Presented by: Gina Franco, Senior Real Estate Representative

Mr. Chapman introduced the item and Ms. Franco presented the committee with an overview of encroachment. Her presentation included encroachment by county, process, removal, and activity cost.

The following Directors provided comments or asked questions:

1. Smith
2. Faessel

Staff responded to Directors' comments and questions.

**8. MANAGEMENT REPORTS**

- a. Subject: Chief Financial Officer's report

No report given.

- b. Subject: General Auditor's Report

Mr. Suzuki updated the committee on revisions being made to the format and content for the audit report, revision on follow-up reporting, current department assessment, and revisions being made to the General Auditor's risk assessment process.

- c. Subject: Real Property Group Manager's Report

Mr. Chapman encouraged members to visit Diamond Valley Lake to see the wildflower bloom.

**9. FOLLOW-UP ITEMS**

None

**10. FUTURE AGENDA ITEMS**

None

**11. ADJOURNMENT**

The next meeting will be held on May 9, 2023.

Meeting adjourned at 10:56 a.m.

Timothy Smith  
Chair

April 10, 2023

Adán Ortega, Chair  
Members of the Board of Directors  
Metropolitan Water District of Southern California  
P. O. Box 54153  
Los Angeles, CA 90054-00153

RE: Board Memo 7-8, Approve and authorize the distribution of Appendix A for use in the issuance and remarketing of Metropolitan's Bonds; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Dear Chair Ortega and Board Members:

This letter provides you with our principal concerns, questions and comments on the REVISED draft Appendix A (redline marked against prior distributed Appendix A of May 28, 2022) provided to the board last Thursday evening.

As you are aware, our overarching concern in the past has centered on our belief that Appendix A taken as a whole does not fairly describe the material risks and challenges MWD is facing due to reduced demand for MWD water, at the same time its historically low-cost water supplies are increasingly constrained. These concerns are heightened by the fact that MWD does not have a long range finance plan, and many billions of dollars of planned investment are not included in our 10-year rate forecast.

We believe some progress has been made over the past year acknowledging these factors, and we very much look forward to your continued leadership and the Board's planning processes now getting underway to begin to address these concerns.

## Principal Concerns

*A-6. State Audit of Workplace Concerns.* We are not aware of any report that describes how MWD plans to fully implement all recommendations in the State Audit Report by this month (MWD's [State Audit webpage](#) says otherwise). Please describe or provide a copy of that plan or in the alternative, change the description in this section. We believe the State Audit Report presented recommendations that are vital to MWD's future success in its resolution of workplace concerns.

### MEMBER AGENCIES

Carlsbad MWD • City of Del Mar • City of Escondido • Fallbrook Public Utility District • Helix Water District • Lakeside Water District • City of National City  
City of Oceanside • Olivenhain MWD • Otay Water District • Padre Dam MWD • Camp Pendleton Marine Corps Base • City of Poway • Rainbow MWD  
Ramona MWD • Rincon del Diablo MWD • City of San Diego • San Dieguito Water District • Santa Fe Irrigation District • Sweetwater Authority  
Vallecitos Water District • Valley Center MWD • Vista Irrigation District • Yuima Municipal Water District

A-9 (and throughout Appendix A including projections at p. A-133). *Metropolitan's Water Supply*. Combining wheeling and exchange transactions with water sales is confusing if not misleading. As described in many prior letters, MWD water sales have declined substantially—in the hundreds of thousands of acre-feet—as a result of member agency investments including those made by the Water Authority. The revenue received by MWD for its transportation of the Water Authority's independent Colorado River water is not a MWD water sale.

A-8-14 (and in other parts of Appendix A including pp. A-56-57). *Metropolitan's Water Supply*. Appendix A repeatedly commingles the Water Authority's independent Colorado River water supplies with MWD's Colorado River supplies, but they are materially different in terms of water rights and priority. This is confusing if not misleading for reasons stated repeatedly by the Water Authority and confirmed by the California Court of Appeal.

A-14-18. *Integrated Water Resources Plan and Climate Change and Climate Action Plan*. We appreciate the statement that “the 2020 IRP utilizing this new [IRP] process is ongoing” (emphasis added), but we do not believe that the description in these sections accurately reports the pending Climate Action Master Plan for Water (unless we are mistaken, this central focus for our board is not mentioned anywhere in Appendix A). Indeed, the language still refers to the “One Water Implementation” phase of the IRP and essentially says the Climate Action Plan has already been completed.

A-28-29. *Colorado River Water Apportionment and Seven-Party Agreement*. The Appendix A draft has improperly added language describing the Water Authority's QSA water as “water made available to and owned by Metropolitan” (emphasis added). The phrase should be changed to read, “made available to Metropolitan,” deleting the statement that the water is “owned by Metropolitan.” Under California law, one has a right to the use of water, not its direct “ownership.” See *Orange County Water Dist. v. Sabic Innovative Plastics US, LLC*, 14 Cal. App. 5th 343, which states at 403, citing the California Supreme Court: “Property interests in water instead take the form of a usufruct, i.e., a right to use. ‘It is laid down by our law writers, that the right of property in water is usufructuary, and consists not so much of the fluid itself as the advantage of its use.’ [Citation.] Hence, the cases do not speak of the ownership of water, but only of the right to its use.” (*National Audubon Society v. Superior Court* (1983) 33 Cal.3d 419, 441 [189 Cal. Rptr. 346, 658 P.2d 709] (*Audubon Society*)).” See also the Court of Appeal decision in *SDCWA v. MWD*, 12 Cal.App.4th 1124, 1156 (2017) (“The purpose, structure and terms of the [Exchange Agreement] make it clear that the Water Authority is not purchasing water from Metropolitan but from Imperial. As the trial court rightly discerned, the Water Authority is exchanging water with Metropolitan ‘to make use of its own independent supplies’” (emphasis added). In short, neither party “owns” the QSA water, and it is the Water Authority that has the right to use of its QSA and canal lining water, not MWD. Finally, this statement is incorrect because under the Exchange Agreement, the conserved water made available to Metropolitan is expressly stated to be the local water of the San Diego County

Water Authority for all purposes other than price and a now-defunct agricultural program at Metropolitan. For all of these reasons, Appendix A is in material error on this point.

A-31. *Quantification Settlement Agreement*. As a subsection of the main header, “Metropolitan’s Water Supply (p. A-8), this section is confusing if not misleading by omitting the Water Authority as a party to the QSA (presumably included as “others”) and failing to note the lining of the All-American and Coachella Canals were completed in 2009 by the Water Authority, not MWD.”

A-76. *Capital Investment Plan Financing*. What assumptions or other analysis supports the projected increase in the sale of bonds by more than \$700 million when only one additional year is being added (from \$1,040 million for 2022-23 through 2026-27 to the revised \$1,710 million for 2022-23 through 2027-28)?

A-80-99. *Water Revenues, Rates, Programs, Constitutional Limitations and Litigation Challenging Rate Structure*. The Water Authority is hopeful that all rate issues and concerns will successfully be addressed as part of upcoming board processes including an updated water resources investment plan, long range finance plan, cost of service and rate review as long-promised and planned. We believe past rate-setting disputes have derived largely from the incorrect assumption that MWD is not legally required to follow cost of service principles and is not bound by Constitutional limitations that apply to other retail and wholesale water suppliers. We object to many of the descriptions in this part of Appendix A as they are litigation driven.

A-81. *Summary of Water Transactions and Revenues, footnote 1*. What is the basis for the change that as of June 30, 2021, “Water Transactions” do not include third parties?

A-82-85. *Tier 1 and Tier 2 Water Supply Rates and Member Agency Purchase Orders*. We believe it is important to disclose the miniscule amount of Tier 2 water rates MWD has received since January 1, 2015 (date of the new purchase orders). If not added to the disclosure, please provide this information in response to this letter.

A-92. *Proposition 26*. The draft states that it is difficult to determine whether stricter standards would impose stricter standards on MWD due to “uncertainties of evolving case law and potential future judicial interpretations of Proposition 26.” But at a minimum, Appendix A should include the following language from Article XIII C, section 1 of the California Constitution which expressly states the standard about which there is no “uncertainty” given a ruling that the Constitutional limitation applies to MWD: “the local government bears the burden of proving by a preponderance of the evidence that a levy, charge or other extraction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor’s burdens on, or benefits received from, the governmental activity.”



A-95. *The 2014, 2016 and 2018 Cases*. The language should be updated to indicate that the Water Authority has filed objections to the tentative decision, and that if the objections are overruled and the tentative decision is confirmed, the decision will be subject to appeal. A copy of the Water Authority's objections may be found [here](#).

## Other Comments and Questions

A-5. *Employee Relations*. Why has staff deleted the sentence describing total positions filled and under recruitment? Deletion of this sentence leaves the reference in the following sentence ("of the filled positions") unclear. We suggest you leave the sentence in and update the numbers. If you do not choose to do that, please provide the updated information in response to this letter.

A-20 (and throughout Appendix A). *Project Improvement Amendments*. What is the intended significance of changing "State Water Contractors" to "State Water Project contractors?"

A-22. *Amendments for Allocation of Conveyance Costs*. Please provide a copy of the last board report on the status of the amendments as described.

A-49. *Metropolitan's Water Storage Capacity and Water in Storage*. A footnote should be added to reflect MWD's Drought Contingency Plan obligations that may restrict its ability to withdraw water from Lake Mead, especially since this is an ongoing issue under discussion and negotiations with other states.

A-61-62. *Seawater Desalination*. What is staff's understanding of the current status of the availability of LRP incentives? And what is the basis of the described board policy that applications for potential projects will be considered by MWD's board "after they are permitted, free of litigation, and authorized to proceed by their developing agencies?"

We appreciate your consideration of our concerns and providing a response to our questions.

Sincerely,



Lois Fong-Sakai  
Director



Marty Miller  
Director



Tim Smith  
Director

cc: Adel Hagekhalil, General Manager, MWD  
Sandra Kerl, General Manager, San Diego County Water Authority  
San Diego County Water Authority Board of Directors



- Board of Directors  
*Finance, Audit, Insurance, and Real Property Committee*

5/9/2023 Board Meeting

8-6

## Subject

Adopt resolution to continue Metropolitan's Water Standby Charge for fiscal year 2023/24; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

## Executive Summary

This action continues the Standby Charge at a rate ranging from \$1.65 to \$14.20 per year for each acre or parcel (if less than an acre) of nonexempt real property within the service area of member agencies that have elected since fiscal year (FY) 1993/94 to pay all or a portion of their Readiness-to-Serve (RTS) Charge obligation through the Standby Charge. The Standby Charge has been collected for those agencies at rates that do not exceed the rates set in FY 1993/94. Continuance of the Standby Charge generates funds that are applied against the participating member agencies' RTS Charge obligation.

## Details

### Background

On April 12, 2022, Metropolitan's Board of Directors adopted Resolution 9303, fixing and adopting the RTS Charge for the calendar year (CY) 2023. On April 11, 2023, the Board adopted Resolution 9341, fixing and adopting the RTS Charge for CY 2024. The proposed resolution (**Attachment 1**) provides participating member agencies the ability to continue having a portion of their RTS Charge collected by the Standby Charge within their respective service areas for FY 2023/24, which covers a portion of each of the calendar year (CYs) 2023 and 2024. **Attachment 1** is a form of resolution that, if adopted by the Board, will continue the Standby Charge for FY 2023/24.

The amount of the Standby Charge, per acre or per parcel (if less than an acre), within each of the participating member agencies has not exceeded the rates set in FY 1993/94 and has been collected within the service areas of 22 of Metropolitan's 26 member agencies that have elected to pay all or a portion of their respective RTS Charge through the Standby Charge since then. Metropolitan proposes to continue the Standby Charge for the coming fiscal year at rates not exceeding the rates set in FY 1993/94, and therefore, no additional statutory procedures are required for approval.

The resolution also authorizes the General Manager to act upon applications for exemption of certain lands from the collection of the Standby Charge in accordance with the terms and conditions for exemption specified in the resolution. In addition, the resolution provides for an appeal process to review and make recommendations to the Board on appeals by property owners who have been denied the exemption, with final determinations to be made by the Board. The exemption criteria are the same as those adopted for prior years and will be subject to specific guidelines set by the General Manager.

Funds collected from the proposed continuation of the Standby Charge will be segregated to ensure that they are used only for the purposes for which the Standby Charge was collected. **Attachment 2** is the Notice to Member Agencies of Proposed Adoption of Readiness-to-Serve Charge and Capacity Charge for Calendar Year 2024 and Continuation of Standby Charge for Fiscal Year 2023/24, sent to member agencies via email on February 3, 2023.

## Policy

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Metropolitan Water District Act Section 61: Ordinances, Resolutions and Orders

Metropolitan Water District Act Section 133: Fixing of Water Rates

Metropolitan Water District Act Section 134: Adequacy of Water Rates; Uniformity of Rates

Metropolitan Water District Act Section 134.5: Water Standby or Availability of Service Charge

Metropolitan Water District Administrative Code Section 4301(a): Cost of Service and Revenue Requirement

Metropolitan Water District Administrative Code Section 4304: Apportionment of Revenues and Setting of Water Rates

Metropolitan Water District Administrative Code Section 4305: Setting of Charges to Raise Fixed Revenue

Metropolitan Water District Administrative Code Section 4507: Billing and Payment for Water Deliveries

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

By Minute Item 52790, dated April 12, 2022, the Board approved the biennial budget for fiscal years 2022/23 and 2023/24 and adopted the resolution fixing and adopting a Readiness-to-Serve Charge for CY 2023.

By Minute Item 53217, dated April 11, 2023, the Board adopted the resolution fixing and adopting a Readiness-to-Serve Charge for CY 2024.

## California Environmental Quality Act (CEQA)

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### CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA (Public Resources Code Section 21065, State CEQA Guidelines Section 15378) because it will not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment and it involves continuing administrative activities, such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed action is not defined as a project under CEQA because it involves the creation of government funding mechanisms or other government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines).

### CEQA determination for Option #2:

None required

## Board Options

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### Option #1

Adopt the resolution to continue the Standby Charge for fiscal year 2023/24.

**Fiscal Impact:** Collect \$44.0 million (approximately) through the continuation of the Standby Charge in fiscal year 2023/24 that would be applied towards the RTS Charge obligation of the participating member agencies.

**Business Analysis:** This option involves the collection of charges that result in fixed revenues of \$44.0 million (approximately) to pay all or a portion of the RTS Charge of participating member agencies, which is done at the option of the participating member agencies. The Standby Charge does not create additional revenue for Metropolitan beyond the total RTS Charge due by member agencies; it is used by the participating member agencies to meet their RTS Charge obligation.

**Option #2**

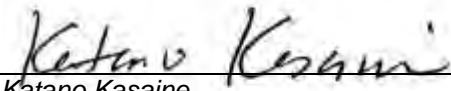
Do not adopt the resolution to continue the Standby Charge for fiscal year 2023/24, which would require the participating member agencies to pay the full RTS Charge directly to Metropolitan, rather than having a portion collected through the Standby Charge.

**Fiscal Impact:** Metropolitan member agencies would pay the full RTS Charge directly to Metropolitan, including the \$44.0 million (approximately) that would have been collected in FY 2023/24 through the continuation of the Standby Charge.

**Business Analysis:** This option would require the member agencies participating in the Standby Charge to pay the \$44.0 million (approximately) in RTS Charge obligations that would otherwise have been paid through the collection of the Standby Charge.


**Staff Recommendation**

Option #1

  
 Katano Kasaine  
 Assistant General Manager/  
 Chief Financial Officer

4/27/2023

Date

  
 Adel Hagekhalil  
 General Manager

4/27/2023

Date

**Attachment 1 – Resolution of The Board of Directors of The Metropolitan Water District of Southern California Continuing the Water Standby Charge for Fiscal Year 2023/24**

**Attachment 2 – Notice to Member Agencies of Proposed Adoption of Readiness-to-Serve Charge and Capacity Charge for Calendar Year 2024 and Continuation of Standby Charge for Fiscal Year 2023/24**

Ref# cfo12688941

THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA

RESOLUTION XXXX

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**RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE METROPOLITAN WATER DISTRICT OF  
SOUTHERN CALIFORNIA CONTINUING THE  
WATER STANDBY CHARGE FOR FISCAL YEAR  
2023/24**

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The Board of Directors of the Metropolitan Water District of Southern California (the “Board”), hereby finds that:

1. At its meeting on April 12, 2022, the Board adopted Resolution 9303 “Resolution of the Board of Directors of The Metropolitan Water District of Southern California Fixing and Adopting a Readiness-to-Serve Charge Effective January 1, 2023;”
2. At its meeting on April 11, 2023, the Board adopted Resolution 9341 “Resolution of the Board of Directors of The Metropolitan Water District of Southern California Fixing and Adopting a Readiness- to-Serve- Charge Effective January 1, 2024;”
3. Certain member public agencies (“member agencies”) of Metropolitan have elected to pay all or a portion of their Readiness-to-Serve (“RTS”) Charge obligation through the continuance of the Metropolitan water standby charge (“Standby Charge”) collected from parcels within those member agencies;
4. Metropolitan is willing to comply with the requests of member agencies opting to have Metropolitan continue to collect the Standby Charge within their respective territories, on the terms and subject to the conditions contained herein;
5. Section 134.5 of the Metropolitan Water District Act authorizes the Board to collect a service charge from member agencies or, as an alternative, to collect a service charge as a standby charge against individual parcels within the district;
6. Metropolitan first established the Standby Charge in 1992, pursuant to the procedures authorized by Section 134.5 of the Metropolitan Water District Act and the Uniform Standby Charge Procedures Act (“USCPA”), Sections 54984-54984.9, inclusive, of the Government Code;
7. The Standby Charge has not exceeded the rates set in fiscal year 1993/94, and in fiscal year 1995/96 was reduced to \$0.00 for the member agencies electing not to have any portion of their RTS Charge obligation collected through the Standby Charge;
8. The Standby Charge is not subject to the procedures set forth in Article XIII D, Section 4 of the California Constitution effective July 1, 1997 (Proposition 218), as the Standby Charge has not exceeded the rates set in fiscal year 1993/94, has not exceeded the amount of the Standby Charge existing in fiscal year 1996/97 when Proposition 218 became effective, and the proceeds of the Standby Charge are used for purposes specified in Section 5 of Article XIII D; and
9. The particular charge, per acre or per parcel, applicable to land within each member agency, the method of its calculation, and the specific data used in its determination are as specified in the Engineer’s Report dated April 2023, supporting the RTS Charge and Standby Charge option (the “Engineer’s Report”), which is attached hereto and on file with the Board Executive Secretary of Metropolitan; and
10. Written notice of the intention of Metropolitan’s Board to consider and take action at its regular meeting of May 9, 2023, to continue the Standby Charge for fiscal year 2023/24 was given to each of

Metropolitan's member agencies.

NOW THEREFORE, the Board of Directors of The Metropolitan Water District of Southern California does hereby resolve, determine and order as follows:

**Section 1.** That the Board of Directors of Metropolitan, pursuant to the Engineer's Report, finds that lands within Metropolitan are benefited as described in such report and on that basis, hereby continues its Standby Charge for fiscal year 2023/24 on lands within requesting member agencies of Metropolitan to which water is made available for any purpose, whether water is actually used or not, as specified in the Engineer's Report.

**Section 2.** That the rates of such Standby Charge, per acre of land, or per parcel of land less than an acre, as shown in the Engineer's Report, may vary by member agency, and shall not exceed the amount of the fiscal year 1996/97 Standby Charge for the member agency. The Standby Charge applicable to each electing member agency, the method of its calculation, and the specific data used in its determination are as specified in the Engineer's Report which was prepared by a registered professional engineer certified by the state of California, which methodology is in accordance with Section 134.5 of the Metropolitan Water District Act and reflects the range of costs provided in Metropolitan's Fiscal Years 2022/23 and 2023/24 Cost of Service Report for Proposed Rates and Charges.

**Section 3.** That the Standby Charge, per acre of land, or per parcel of land less than an acre, applicable to land within each electing member agency as allocated in the Engineer's Report shall be as follows for fiscal year 2023/24:

#### **2023/24 Water Standby Charge**

<b><u>Member Agency</u></b>	<b><u>Amount</u></b>
Anaheim	\$8.55
Beverly Hills	---
Burbank	14.20
Calleguas MWD	9.58
Central Basin MWD	10.44
Inland Empire Utilities Agency	7.59
Coastal MWD*	11.60
Compton	1.65
Eastern MWD	6.94
Foothill MWD	10.28
Fullerton	10.71
Glendale	12.23
Las Virgenes MWD	8.03
Long Beach	12.16
Los Angeles	---
MWD of Orange Co.**	10.09
Pasadena	11.73
San Diego CWA	11.51
San Fernando	0.00
San Marino	8.24
Santa Ana	7.88
Santa Monica	---
Three Valleys MWD	12.21
Torrance	12.23
Upper San Gabriel Valley MWD	9.27
West Basin MWD	--
Western MWD of Riverside Co.	9.23

\* Applicable to parcels included within territory of former Coastal MWD.

\*\* Exclusive of parcels included within territory of former Coastal MWD.

**Section 4.** That the Standby Charge shall continue to be collected on the tax rolls, together with the *ad valorem* property taxes that are levied by Metropolitan for the payment of pre-1978 voter approved indebtedness. The amounts of the Standby Charge are continued at amounts that are not estimated to exceed a member agency's RTS Charge obligation. However, any amounts collected shall be applied as a credit against the applicable member agency's RTS Charge obligation. After such member agency's RTS Charge allocation is fully satisfied, any additional collections shall be credited to other outstanding obligations of such member agency to Metropolitan that funds the capital costs or maintenance and operation expenses for Metropolitan's water system, or future RTS Charge obligations of such agency. Any member agency requesting to have all or a portion of its RTS Charge obligation collected through the Standby Charge levies within its territory as provided herein shall pay any portion not collected through net Standby Charge collections to Metropolitan within fifty (50) days after Metropolitan issues an invoice for the remaining RTS Charge obligations for such member agency, as provided in Administrative Code Section 4507.

**Section 5.** That the following exemption procedures apply:

(a) It is the intent of the Board that the following lands shall be exempt from the Standby Charge:

(1) lands owned by the Government of the United States, the state of California, or by any political subdivision thereof or any entity of local government; (2) lands permanently committed to open space and maintained in their natural state that are not now and will not in the future be supplied water; (3) lands not included in (1) or (2) above, which the General Manager, in his discretion, finds do not now and cannot reasonably be expected to derive a benefit from the projects to which the proceeds of the Standby Charge will be applied; and (4) lands within any member public agency, subagency, or city if the governing body of such public entity elects and commits to pay out of funds available for that purpose, in installments at the time and in the amounts established by Metropolitan, the entire amount of the Standby Charge which would otherwise be collected from lands within those public entities. However, no exemption from the Standby Charge shall reduce the applicable member agency's RTS Charge obligation. The General Manager may develop and implement additional criteria and guidelines for exemptions in order to effectuate the intent expressed herein.

(b) The General Manager shall establish and make available to interested applicants procedures for filing and consideration of applications for exemption from the Standby Charge pursuant to subsections (2) and (3) of Section 5(a) above. All applications for such exemption and documents supporting such claims must be received by Metropolitan in writing on or before December 31, 2023. The General Manager is further directed to review any such applications for exemption submitted in a timely manner to determine whether the lands to which they pertain are eligible for such exemption and to allow or disallow such applications based upon those guidelines. The General Manager shall also establish reasonable procedures for the filing and timing of the appeals from his determination. The procedures will be on file and available for review by interested parties at Metropolitan's headquarters.

(c) The Finance, Audit, Insurance, and Real Property Committee of Metropolitan's Board of Directors shall hear appeals from determinations by the General Manager to deny or qualify an application for exemption from the Standby Charge. The Finance, Audit, Insurance, and Real Property Committee shall consider such appeals and make recommendations to the Board to affirm or reverse the General Manager's determinations. The Board shall act upon such recommendations and its decision as to such appeals shall be final.

**Section 6.** That no exemption from the Standby Charge shall reduce the applicable member agency's RTS Charge obligation, nor shall any failure to collect, or any delay in collecting, any Standby Charge excuse or delay payment of any portion of the RTS Charge when due.

**Section 7.** That the RTS Charge is collected by Metropolitan as a rate, fee or charge from its member agencies, and is not a fee or charge imposed upon real property or upon persons as incidents of property ownership, and the Standby Charge is collected within the respective territories of electing member agencies as a mechanism for collection of the RTS Charge. In the event that the Standby Charge, any portion thereof, or the collection of the Standby Charge, is determined to be an unauthorized or invalid fee, charge or assessment by a final judgment in any proceeding at law or in equity, which judgment is not subject to appeal, or if the collection of the Standby Charge shall be permanently enjoined and appeals of such injunction have been declined or exhausted, or if Metropolitan

shall determine to rescind or revoke the Standby Charge, then no further Standby Charge shall be collected within any member agency and each member agency which has requested the continuation of the Metropolitan Standby Charge as a means of collecting its RTS Charge obligation shall pay such RTS Charge obligation in full, as if such Standby Charge had never been sought.

**Section 8.** That the General Manager is hereby authorized and directed to take all necessary action to secure the collection of the Standby Charge by the appropriate county officials, including payment of the reasonable cost of collection.

**Section 9.** That the General Manager and the General Counsel are hereby authorized to do all things necessary and desirable to accomplish the purposes of this Resolution, including, without limitation, the commencement or defense of litigation.

**Section 10.** That if any provision of this Resolution or the application to any member agency, property or person whatsoever is held invalid, that invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid portion or application, and to that end the provisions of this Resolution are severable.

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of a Resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California, at its meeting held on May 9, 2023.

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Secretary of the Board of Directors  
of The Metropolitan Water District  
of Southern California



**THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA  
ENGINEER'S REPORT**

**PROGRAM TO SET A READINESS-TO-SERVE CHARGE EFFECTIVE JANUARY 1, 2024,  
INCLUDING LOCAL OPTION TO CONTINUE COLLECTING A STANDBY CHARGE,  
DURING FISCAL YEAR 2023/24**

**April 2023**

**BACKGROUND**

The Metropolitan Water District of Southern California is a public agency with a primary purpose to provide imported wholesale water service for domestic and municipal uses to its 26 member public agencies. Approximately 19 million people reside within Metropolitan's service area, which covers approximately 5,200 square miles and includes portions of the six counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego and Ventura. Metropolitan historically provided between 40 and 60 percent of the water used within its service area. To supply Southern California with reliable and safe water, Metropolitan imports water from the Colorado River and Northern California to supplement its member agencies' local supplies, and helps its member agencies develop increased water conservation, recycling, storage and other local resource programs.

**REPORT PURPOSES**

As part of its role as a regional imported water supplier, Metropolitan builds capital facilities and implements water management programs that ensure the delivery of reliable high-quality water supplies throughout its service area. The purpose of this report is to: (1) identify and describe those facilities and programs that will be financed in part by Metropolitan's Readiness-to-Serve (RTS) Charge, and (2) describe the method and basis for levying Metropolitan's Standby Charge for those agencies electing to continue to collect a portion of their RTS obligation through Metropolitan's Standby Charge in fiscal year 2023/24. **Because the Standby Charge is levied and collected on a fiscal year basis the calculations in this report also are for the fiscal year, even though the RTS Charge is levied on a calendar year basis.** The RTS Charge for calendar year 2023 was adopted by Metropolitan's Board on April 12, 2022 and the RTS Charge for 2024 will be considered by the Board on April 11, 2023. The Board will consider the continuation of the Standby Charge for fiscal year 2023/24 on May 9, 2023.

Metropolitan collects the RTS Charge from its member agencies to recover a portion of the capital costs including debt service on bonds issued to finance capital facilities needed to meet demands on Metropolitan's system for emergency storage and available capacity to meet outages and hydrologic variability. The Standby Charge is collected from parcels of land within Metropolitan's member agencies that have elected to collect all or a portion of their RTS obligation through the Standby Charge, as a method of recovering the costs of special benefits conferred on parcels within their service area. The RTS Charge will partially pay for the facilities and programs described in this report, namely, the amount attributable to the portions providing emergency storage and available capacity to meet outages and hydrologic variability. The Standby Charge, when collected, will be utilized solely for capital payments and debt service on the capital facilities funded by the RTS Charge, as identified in this report.

The budgeted total RTS revenue for fiscal year 2023/24 is \$160.5 million, of which \$44.0 million is estimated to be collected via the Standby Charge. The Standby Charge is collected on property tax bill.

## **METROPOLITAN'S RESPONSE TO FLUCTUATING WATER DEMANDS AND AVAILABILITY OF WATER SOURCES**

Metropolitan's member agencies have widely differing imported water supply needs and the availability of imported water supply from various sources also varies widely. Some agencies have no local water resources and rely on Metropolitan for 100 percent of their annual water needs. Other agencies have adequate local surface supplies and storage and/or groundwater basins that provide them with the majority of their water supplies during wet and average years. However, during dry periods and/or based on a variety of other factors, these agencies rely on Metropolitan to make up any shortfalls in local water supplies. Similar coordination challenges arise in managing water available from Metropolitan's various water supply sources.

To respond to fluctuating demands for water, Metropolitan and its member agencies collectively examined the available local and imported resource options in order to develop a least-cost plan that meets the reliability and quality needs of the region. The product of this intensive effort was an Integrated Resources Plan (IRP) for achieving a reliable and affordable water supply for Southern California. The major objective of the IRP was to develop a comprehensive water resources plan that ensures (1) reliability, (2) affordability, (3) water quality, (4) diversity of supply, and (5) adaptability for the region, while recognizing the environmental, institutional, and political constraints to resource development. As these constraints change over time, the IRP is periodically revisited and updated by Metropolitan and the member agencies to reflect current conditions. The most recent update was adopted in 2016. In 2022, Metropolitan's Board adopted the 2020 IRP Regional Needs Assessment that incorporated scenario planning to address wide-ranging uncertainties rather than focusing on a single set of assumptions as in the past. To meet the water supply needs of the region, Metropolitan continues to identify and develop additional water supplies to maintain the reliability of the imported water supply and delivery system to its member agencies.

## **CAPITAL FACILITIES — CONVEYANCE AND DISTRIBUTION**

Metropolitan's total water system has been built over time to meet the widely differing needs of its member agencies and the various sources of water available to Metropolitan. To meet those needs, Metropolitan's water delivery system is comprised of three basic conveyance and delivery components that form one integrated water system:

- State Water Project (SWP);
- Colorado River Aqueduct (CRA); and
- Distribution System

The system draws on diverse supply sources, transports water across a large part of the State and distributes water in six counties, where member agencies or their retail sub-agencies serve an estimated 19 million people. The CRA and the California Aqueduct of the SWP convey imported water into the Metropolitan service area. This water is then delivered to Metropolitan's member agencies via a regional network of canals, pipelines, and appurtenant facilities, which constitute the Distribution System. Supply, treatment, and storage facilities augment the Distribution System. The system is an interconnected regional conveyance and distribution system with the ability to deliver supplies from each of the SWP, the CRA, and its storage portfolio to most areas of its vast and diverse service area to almost every member agency. This flexibility derives from the capital facilities and provides local and system-wide benefits to all member agencies, as the facilities directly contribute to the reliable delivery of water supplies throughout Metropolitan's service area. The 2020 IRP Needs Assessment, however, identified reliability risks faced by member agencies that depend predominantly on SWP supplies served by Metropolitan.

As the 2007 Integrated Area Study (IAS) emphasized, regional system flexibility is a key component of overall reliability.<sup>1</sup> Today, system flexibility continues to be essential to the availability of Metropolitan's services.<sup>2</sup> Metropolitan must maintain operational flexibility—the ability to respond to short-term changes in regional water supply, water quality, treatment requirements, and member agency demands. Metropolitan must maintain delivery flexibility—the ability to maintain partial to full water supply deliveries during planned and unplanned facility outages. Metropolitan is also required by state statute to serve as large an area as is determined to be reasonable and practical with SWP water; and where a blend of water sources is served, to have the objective to the extent determined to be reasonable and practical, that at least 50 percent of the blend be SWP water. (MWD Act, Sec. 136.)

Metropolitan's intent in the 2007 Integrated Area Study was to provide equitable reliability across its service area through a balanced combination of infrastructure, storage, demand management, and water supply programs. In the context of climate change, historical hydrology proved an inadequate guide to supplies available from the State Water Project and the Colorado River. From 2020 through 2022, imported supply losses outstripped the ability of Metropolitan's portfolio to compensate. Further, Metropolitan could not provide equitable service to all member agencies. As such, Metropolitan's board in August 2022 adopted a resolution that committed to three new policy statements:

1. All member agencies must receive equivalent water supply reliability through an interconnected and robust system of supplies, storage, and programs.
2. Metropolitan will reconfigure and expand its existing portfolio and infrastructure to provide sufficient access to the integrated system of water sources, conveyance and distribution, storage, and programs to achieve equivalent levels of reliability to all member agencies.
3. 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

Operational flexibility is being increased by creating an interconnected regional delivery network integrating the SWP and the CRA conveyance systems with the Distribution System. This integrated network will fully allow Metropolitan to incorporate supply from the SWP and the CRA with a diverse portfolio of geographically dispersed storage programs, including the Central Valley groundwater storage programs, carryover storage in San Luis Reservoir, flexible storage capacity in Castaic Lake and Lake Perris, Lake Mead storage, the Desert Water Agency/Coachella Valley Water District Advanced Delivery account, in-basin surface storage in Diamond Valley Lake and Lake Mathews, and in-basin groundwater Conjunctive Use Programs. This integrated, regional network also allows Metropolitan to move supplies throughout the system in response to service demands, supply availability and operational needs.

Metropolitan's integrated conveyance, distribution and storage assets contributes to regional system reliability, with a structural limitation that became starkly evident in the 2020-2022 drought. It is fair and reasonable for member agencies and all property owners within the service area to share the cost of developing and maintaining these assets and newly identified system flexibility projects because they all benefit from regional system reliability.

<sup>1</sup> 2007 Integrated Area Study, Report No. 1317, pg. 2-10.

<sup>2</sup> 2023 Annual Operating Plan, pg. 5-15

### State Water Project Description and Benefits

One of Metropolitan's two major sources of water is the SWP.<sup>3</sup> The SWP is the largest state-built, multipurpose, user-financed water project in the country. It was designed and built primarily to deliver water, but also provides flood control, generates power for pumping, is used for recreation, and enhances habitat for fish and wildlife.

The SWP consists of a complex system of dams, reservoirs, power plants, pumping plants, canals and aqueducts to deliver water. See Figure 1. SWP water consists of water from rainfall and snowmelt runoff that is captured and stored in SWP conservation facilities and then delivered through SWP transportation facilities to water agencies and districts located throughout the Upper Feather River, Bay Area, Central Valley, Central Coast, and Southern California. In addition to the delivery of SWP water, the SWP is also used to convey transfers of SWP water and non-SWP water. Metropolitan receives water from the SWP through the California Aqueduct, which is 444 miles long, and at four delivery points near the northern and eastern boundaries of Metropolitan's service area.

<sup>3</sup> For historical and current information regarding the SWP, refer to Bulletin 132, published periodically by DWR since 1963. The most recently published Bulletin is Bulletin 132-19 dated December 2022 and titled "Management of the California State Water Project. Appendices to the Bulletin are also updated separately. Both are available at: <https://water.ca.gov/Programs/State-Water-Project/Management/Bulletin-132>.

**Figure 1. Facilities of the State Water Project**

The SWP is managed and operated by the Department of Water Resources (DWR). All water supply-related capital expenditures and operations, maintenance, power and replacement (OMP&R) costs associated with the SWP conservation and transportation facilities are paid for by 29 agencies and districts, known collectively as the State Water Contractors (Contractors). The Contractors are participants in the SWP through long-term contracts for the delivery of SWP water and use of the SWP transportation facilities.

In 1960, Metropolitan signed the first water supply contract (as amended, the State Water Contract) with DWR. The original term of the water supply contract was 75 years. In 2022, a contract extension was authorized which extended the original term by another 50 years to 2085. In addition to SWP water, Metropolitan also obtains water from water transfers, groundwater banking and exchange programs delivered through the California Aqueduct.

Since 1960, the SWP system has been extended, improved, and refurbished. All such costs are payable by the Contractors. California WaterFix was a comprehensive science-based solution proposed by the state to modernize critical water delivery infrastructure of the SWP. On October 10, 2017, Metropolitan's Board voted to support financing for the California WaterFix project. However, the state terminated the project in April 2019. Consistent with the Governor's Executive Order N-10-19, the state then announced a new single tunnel Delta conveyance project, which was notably included as part of the Governor's 2020 Water Resilience Portfolio. In 2019, DWR initiated planning and environmental review for a single tunnel Delta Conveyance Project (DCP) to protect the future reliability of access to SWP supplies. In December 2020, the Metropolitan Board authorized the General Manager to execute agreements for (a) funding a share of up to 60.2 percent for planning and pre-construction costs for the DCP, and (b) an amendment to the Joint Powers Agreement for the Delta Conveyance Design and Construction Joint Powers Authority. A Delta conveyance project will contribute to the improvement of capital facilities needed to meet demands on Metropolitan's system for emergency storage and available capacity to meet outages and hydrologic variability. Metropolitan's biennial budget for fiscal years 2022/23 and 2023/24 includes Metropolitan's planned contribution of \$99.0 million for DWR's planning costs of a new Delta conveyance project.

All Metropolitan member agencies benefit from the SWP system and its supplies, which—when available--can be distributed to all member agencies. As described above, the 2020-2022 drought led Metropolitan's board to recommit itself to equitable water supply reliability and to direct staff to identify and pursue solutions to prevent a reoccurrence. Metropolitan's member agencies distribute that water to parcels as retail water providers or as wholesale water providers to retail agencies. In this way, the SWP water that Metropolitan delivers to its member agencies contributes to water available to existing and future end users throughout Metropolitan's service area. The cost of the net capital payments for the SWP less the portion covered by property taxes in fiscal year 2023/24 is \$92.6 million, as shown in Table 1. Real property throughout Metropolitan's service area benefits from the availability of the SWP facilities and its integration into Metropolitan's system and therefore all such costs may be attributed to such parcels. However, Metropolitan's Standby Charge collects only \$44.0 million of the total \$352.9 million system costs, representing 12% of the total system costs.

#### Colorado River Aqueduct Description and Benefits

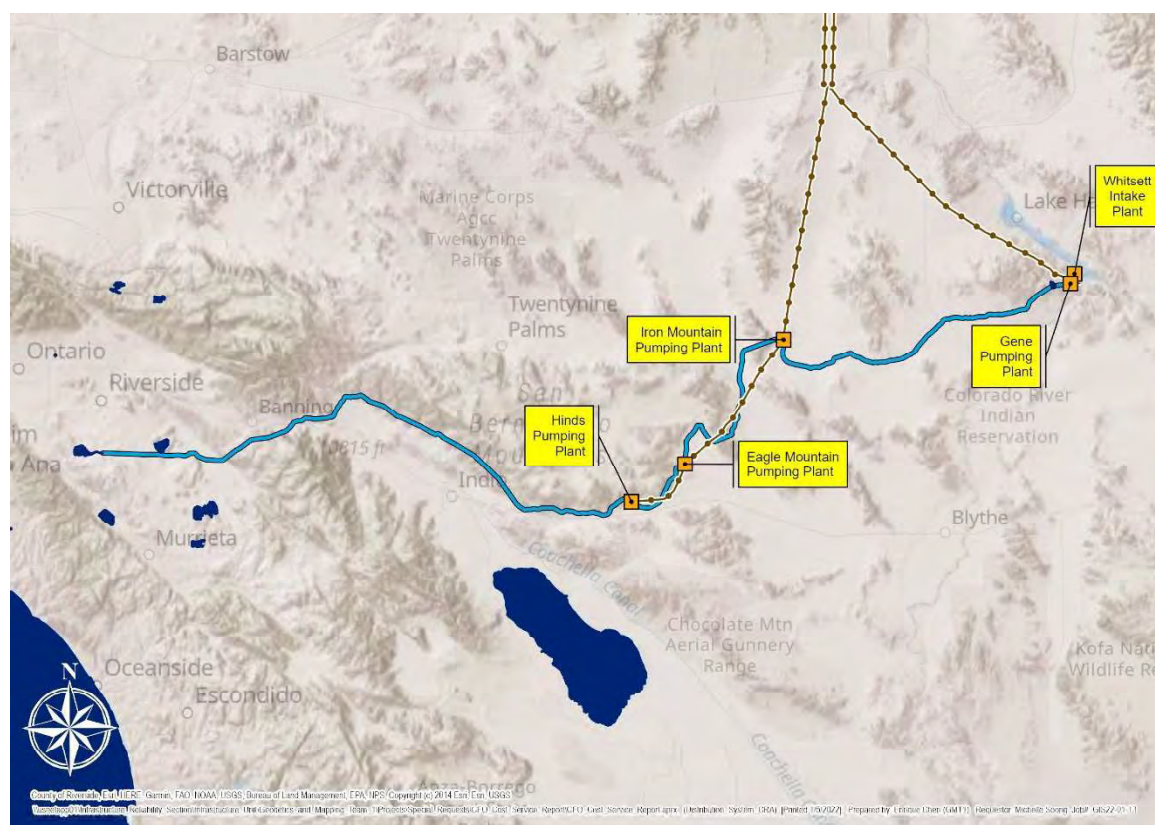
Metropolitan's other major source of water is the CRA. Metropolitan was established to obtain an allotment of Colorado River water, and its first mission was to construct and operate the CRA. The CRA consists of five pumping plants, 450 miles of high voltage power lines, one electric substation, four regulating reservoirs, and 242 miles of aqueducts, siphons, canals, conduits and pipelines terminating at Lake Mathews in Riverside County. See Figure 2. Metropolitan owns, operates, and manages the Colorado River Aqueduct. Metropolitan is responsible for operating, maintaining, rehabilitating, and repairing the CRA, and is responsible for obtaining and scheduling energy resources adequate to power pumps at the CRA's five pumping stations.

Metropolitan incurs capital and operations and maintenance expenditures to support the CRA activities. The direct costs of the CRA activities include labor, materials and supplies, as well as outside services to provide repair and



maintenance, and professional services. The CRA activities benefit from Water System Operations support services and management supervision, as well as Administrative and General activities of Metropolitan. Metropolitan finances past, current and future capital improvements on the CRA, and capitalizes those improvements as assets. The costs of Metropolitan's capital financing activities are apportioned to cost functions, such as the CRA Conveyance and Aqueduct function. The capital cost of the Colorado River Aqueduct and Inland Feeder in fiscal year 2023/24 is \$77.0 million, and is included in the Non-SWP Conveyance System line item in Table 1. Real property throughout Metropolitan's service area benefits from the availability of the CRA facilities and its integration into Metropolitan's system and therefore all such costs may be attributed to such parcels. However, Metropolitan's Standby Charge collects only \$44.0 million of the total \$352.9 million system costs, representing 12% of the total system costs.

**Figure 2. Colorado River Aqueduct**

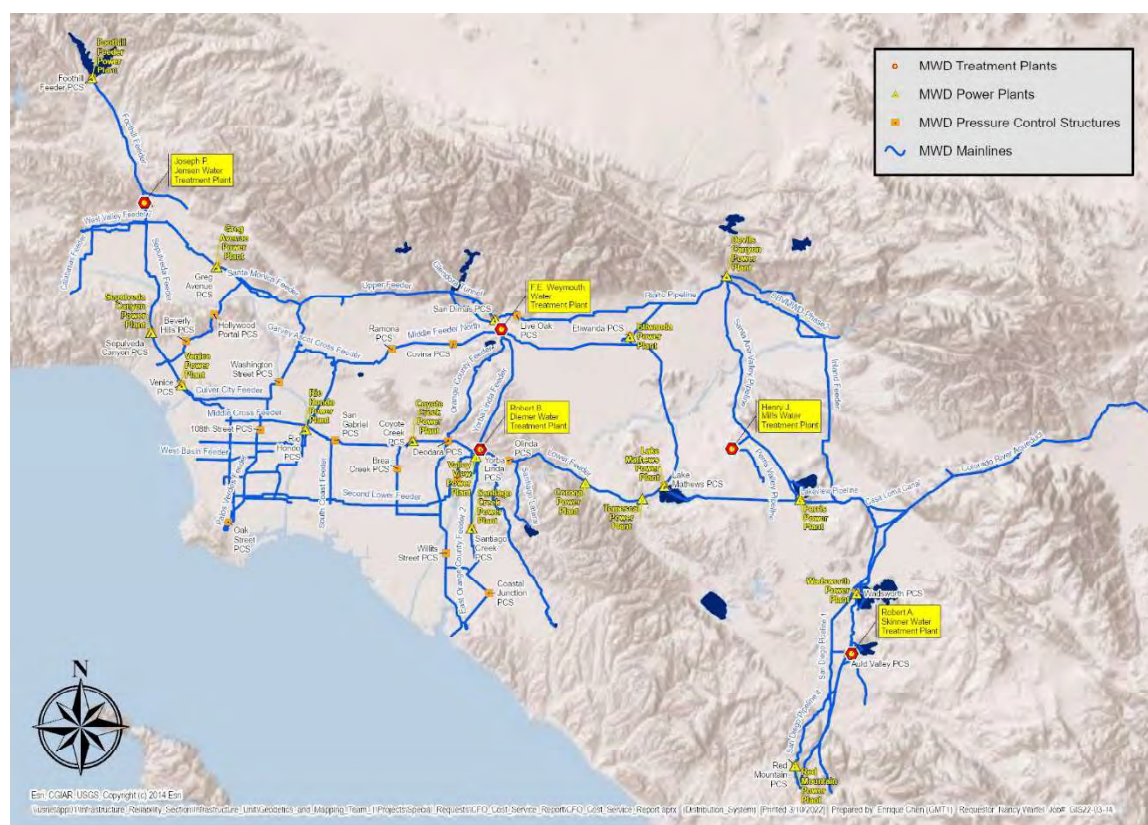


### Metropolitan's Conveyance and Distribution System Benefits

For purposes of this report, components of the conveyance system are considered to include only those major trunk facilities that transport water from primary supply sources to either regional storage facilities or feeder lines linked to the primary conveyance facilities. See Figure 3. For a list of Metropolitan's conveyance facilities within its service area, see Table 3. All other water transport facilities, including pipelines, feeders, laterals, canals and aqueducts, are considered to be distribution facilities. Distribution facilities can be further identified in that they generally have at least one connection to a member agency's local distribution system. For a list of Metropolitan's distribution facilities, see Table 3.

All water transport facilities not specifically identified as part of the regional conveyance system are considered to be distribution facilities (Distribution System). While conveyance and aqueduct system components are regional in nature and generally do not link directly to local agency distribution systems, Distribution System facilities do ultimately connect to local agency systems. As a result, these facilities rely on conveyance and aqueduct facilities to import water from regional supply sources. The Distribution System is a complex network of facilities which routes water from the CRA and SWP to the member agencies. Beginning at the terminal delivery points of the CRA and SWP, Metropolitan's Distribution System includes approximately 775 miles of pipelines, feeders, and canals. Distribution System operations are coordinated from the Operations Control Center in Eagle Rock. The control center plans, schedules, and balances daily water operations in response to member agency demands and the operational limits of the system as a whole. Metropolitan's storage and treatment facilities augment the Distribution System. Metropolitan operates and maintains separate untreated and treated distribution facilities.

**Figure 3. Metropolitan's Distribution and Storage Facilities**



Metropolitan has an ongoing commitment, through physical system improvements and the maintenance and rehabilitation of existing facilities, to maintain the reliable delivery of water throughout the entire service area. System improvement projects include additional conveyance and distribution facilities to maintain the dependable delivery of water supplies, provide alternative system delivery capacity, and enhance system operations. Conveyance and distribution system improvement benefits also include projects to upgrade obsolete facilities or equipment, or to rehabilitate or replace facilities or equipment. These projects are needed to enhance system operations, comply with new regulations, and maintain a reliable distribution system. A list of conveyance and distribution system facilities is provided in Table 3 along with the fiscal year 2023/24 estimated conveyance and distribution system benefits. The capital cost of the Distribution System in fiscal year 2023/24 is \$80.1 million, and is included in the Distribution System line item in Table 1. Real property throughout Metropolitan's service area benefits from the availability of the Distribution System and its integration into Metropolitan's system and



therefore all such costs may be attributed to such parcels. However, Metropolitan's Standby Charge collects only \$44.0 million of the total \$352.9 million system costs, representing 12% of the total system costs.

## **CAPITAL FACILITIES – WATER STORAGE**

### System Storage Benefits

The Metropolitan system, for purposes of meeting demands during times of shortage, regulating system flows, and ensuring system reliability in the event of a system outage, provides over 1,000,000 acre-feet of system storage capacity. Diamond Valley Lake provides 810,000 acre-feet of that storage capacity, effectively doubling Southern California's previous surface water storage capacity. Other existing imported water storage available to the region consists of Metropolitan's raw water reservoirs, a share of the SWP's raw water reservoirs in and near the service area, and the portion of the groundwater basins used for conjunctive-use storage.

Water stored in system storage during above average supply conditions (surplus) provides a reserve against shortages when supply sources are limited or disrupted. Water storage also preserves Metropolitan's capability to deliver water during scheduled maintenance periods, when conveyance facilities must be removed from service for rehabilitation, repair, or maintenance. The benefits of these capital facilities are both local and system-wide, as the facilities directly contribute to the reliable delivery of water supplies throughout Metropolitan's service area. The capital costs of water storage in fiscal year 2023/24 is \$103.2 and, as shown in Table 1. Real property throughout Metropolitan's service area benefits from the availability of the storage capacity throughout the service area and its integration into Metropolitan's system and therefore all such costs may be attributed to such parcels. However, Metropolitan's Standby Charge collects only \$44.0 million of the total \$352.9 million system costs, representing 12% of the total system costs.

## **METROPOLITAN'S REVENUE**

Metropolitan's major capital facilities are financed largely from the proceeds of revenue bond issues, which are repaid over future years. The principal source of revenue for repayment of these bonds is water sales to its member agencies, which is currently Metropolitan's largest source of revenue. In addition, *ad valorem* property taxes provide an additional limited revenue source, which is used to pay pre-1978 voter-approved indebtedness. However, the use of water rates as a primary source of revenue has placed an increasing burden on member agencies and their ratepayers, which would more equitably continue to be paid in part by assessments on land that in part derives its value from the availability of water through an integrated and reliable water system.

### **Readiness-To-Serve**

In December 1993, Metropolitan's Board approved a revenue structure that included additional charges to establish a commitment to Metropolitan's capital improvement program and provide revenue stability. This revenue structure included the RTS Charge, which in 1995 certain member agencies opted to pay in part pursuant to the collection of a standby charge. In October 2001, the Board adopted the current unbundled rate structure, and maintained the RTS Charge.

As noted above, Metropolitan levies the RTS Charge on its member agencies to recover capital costs, including a portion of the debt service on bonds issued to finance capital facilities needed to meet existing demands on Metropolitan's system for emergency storage and available capacity.

The estimated fiscal year 2023/24 RTS Charge for each member agency is shown in Table 4.

## Standby Charge Option

Metropolitan's Standby Charge is authorized by the State Legislature and has been levied by Metropolitan since fiscal year 1992/93. The Standby Charge recognizes that there are economic benefits to lands that have access to a water supply, whether or not such lands are using it, which excludes lands permanently committed to open space and maintained in their natural state that are not now and will not in the future be supplied water and lands that the General Manager, in his discretion, finds do not now and cannot reasonably be expected to derive a benefit from the projects to which the proceeds of the Standby Charge will be applied. Utilization of the Standby Charge transfers some of the burden of maintaining Metropolitan's capital infrastructure from water rates and *ad valorem* taxes to all the benefiting properties within the service area. A fraction of the value of this benefit and of the cost of providing it can be effectively recovered, in part, through the levying of a standby charge. The projects to be supported in part by the Standby Charge are capital projects that provide both local and Metropolitan-wide benefit to current landowners as well as existing water users.

Although a standby charge could have been set to recover all Conveyance, Distribution, and Storage costs as detailed in Table 1, Metropolitan's continued Standby Charge only collects about 12% of those costs. For fiscal year 2023/24, the amount to be recovered by the RTS Charge is estimated to be \$160.5 million and of that only \$44.0 million is estimated to be recovered by the Standby Charge.

The Standby Charge for each acre or parcel of less than an acre varies from member agency to member agency, as permitted under the legislation establishing Metropolitan's Standby Charge. The water Standby Charge for each member agency is continued at amounts not to exceed the rates in place since fiscal year 1996/97 and is shown in Table 5, which consists of composite rates by member agencies, not to exceed \$15.00. The composite rates consisted in part of a uniform component of \$5 applicable throughout Metropolitan, and in part of a variable component, not exceeding \$10 in any member public agency, reflecting the allocation of historical water deliveries by the member agencies as of fiscal year 1993/94 when the composite rates were initially established. Metropolitan will continue Standby Charges only within the service areas of the member agencies that have requested that the Standby Charge be utilized for purposes of meeting their outstanding RTS obligation. Although rates may not exceed the amounts in place in fiscal year 1996/97, some rates may be lower.

The Standby Charge is proposed to be collected from: (1) parcels on which water standby charges have been levied in fiscal year 1993/94 and annually thereafter and (2) parcels annexed to Metropolitan and to an electing member agency after January 1997. Table 6 lists parcels annexed, or to be annexed, to Metropolitan and to electing member agencies during fiscal year 2021/22, such parcels being subject to the Standby Charge upon annexation.

The estimated costs of Metropolitan's wholesale water system, which could be paid by a Standby Charge, are approximately \$352.9 million for fiscal year 2023/24, as shown in Table 1. An average total Standby Charge of about \$71.36 per acre of land or per parcel of land less than one acre would be necessary to pay for the total potential program benefits. Benefits in this amount will accrue to each acre of property and parcel within Metropolitan's service area, as Metropolitan delivers water to member agencies that contributes to water available to these properties, via that member agency or a retail sub-agency. Because Metropolitan's water deliveries to member agencies contributes to water available only to properties located within Metropolitan's service area boundaries (except for certain contractual deliveries as permitted under Section 131 of the Metropolitan Water District Act), any benefit received by the public at large or by properties outside of the area is merely incidental.

Table 5 shows that the distribution of Standby Charge revenues from the various member agency service areas would provide net revenue flow of approximately \$44.0 million for fiscal year 2023/24. Metropolitan will use other revenue sources, such as water sales revenues, RTS Charge revenues (except to the extent collected through standby charges, as described above), interest income, and revenue from sales of hydroelectric power, to pay for the remaining program costs. Additionally, the actual Standby Charge proposed to be continued ranges from

\$1.65 to \$15 per acre of land or per parcel of land less than one acre. Thus, the benefits of Metropolitan's investments in water conveyance, storage, and distribution far exceed the recommended Standby Charge.

### **Equity**

The RTS Charge is a firm revenue source. The revenues to be collected through this charge will not vary with sales in the current year. This charge is levied on Metropolitan's member agencies and is not a fee or charge upon real property or upon persons as an incident of property ownership. It ensures that agencies that only occasionally purchase water from Metropolitan but receive the reliability benefits of Metropolitan's system pay an equitable share of the costs to provide that reliability. Within member agencies that elect to pay the RTS Charge through Metropolitan's standby charges, the Standby Charge results in a lower RTS Charge than would otherwise be necessary due to the amount of revenue collected from lands which benefit from the availability of Metropolitan's water system. With the Standby Charge, these properties are now contributing a more appropriate share of the cost of importing water to Southern California.

Metropolitan's water system increases the availability and reliable delivery of water throughout Metropolitan's service area. A reliable system benefits existing end users and land uses through retail water service provided by Metropolitan member agencies or by water retailers that purchase water from a Metropolitan member agency, and through the replenishment of groundwater basins and reservoir storage as reserves against shortages due to droughts, natural emergencies, or scheduled facility shutdowns for maintenance. The benefits of reliable water resources from the SWP, CRA, Storage, and system improvements accrue to more than 250 cities and communities within Metropolitan's six-county service area. Metropolitan's regional water system is interconnected, so water supplies from the SWP and CRA can be used throughout most of the service area and therefore benefit water users and properties system-wide.

A major advantage of a firm revenue source, such as an RTS charge, is that it contributes to revenue stability during times of drought or low water sales. It affords Metropolitan additional security, when borrowing funds, that a portion of the revenue stream will be unaffected by drought or by rainfall. This security will help maintain Metropolitan's historically high credit rating, which results in lower interest expense to Metropolitan, and therefore, lower overall cost to its member agencies.

### SUMMARY

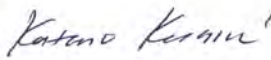
The foregoing and the attached tables describe the current costs of Metropolitan's system and benefits provided by the projects listed as mainstays to the water system for Metropolitan's service area. Benefits are provided to member agencies, their retail sub-agencies, water users and property owners. The projects represented by this report provide both local benefits as well as benefits throughout the entire service area. It is recommended, for calendar year 2024, that the Metropolitan Board of Directors adopt the RTS Charge as set forth in Table 4 with an option for local agencies to request that a Standby Charge be collected for fiscal year 2023/24 from lands within Metropolitan's service area as a credit against such member agency's RTS Charge, up to the Standby Charge amounts collected by Metropolitan within the applicable member agency for fiscal year 1996/97. The maximum Standby Charge would not exceed \$15 per acre of land or per parcel of less than one acre. The costs of the system described in this Engineer's Report exceeds the recommended Standby Charge by at least \$309 million. A preliminary listing of all parcels subject to the proposed 2023/24 Standby Charge and the amounts proposed to be continued for each is available in the office of the Chief Financial Officer. A final listing is available upon receipt of final information from each county.

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**TABLE 1**  
**ESTIMATED COSTS OF**  
**WATER SYSTEM INFRASTRUCTURE**  
**BENEFITING REAL PROPERTY WITHIN METROPOLITAN'S SERVICE AREA**

	Estimated Program Costs for FY2023/24	Dollars Per Parcel of 1 Acre or Less
<b>Capital Payments for Water System Infrastructure</b>		
Net Capital Payments to State Water Project (SWP) (less portion paid by property taxes)	\$ 92,638,623	\$21.40
Non Tax Supported Capital Costs for Non-SWP Conveyance System <sup>1</sup>	\$ 76,958,748	\$17.78
Non Tax Supported Capital Costs for Distribution System <sup>2</sup>	\$ 80,127,382	\$18.51
Non Tax Supported Capital Costs for Water Storage <sup>3</sup>	\$ 103,219,347	\$23.84
<b>Total Capital Payments</b>	<b>\$ 352,944,100</b>	<b>\$81.52</b>
 <b>Estimated Standby Charge Revenues</b>	 \$ 43,984,259	 \$10.16
Percent Collected by Standby Charge	12%	
 <b>Total Remaining Costs Not Paid by Standby Charge</b>	 <b>\$ 308,959,841</b>	 <b>\$71.36</b>

**Notes:**

[1] Non-SWP Conveyance include the Colorado River Aqueduct and Inland Feeder.

[2] Distribution facilities include the pipelines, laterals, feeders and canals that distribute water throughout the service area.

[3] System storage includes Diamond Valley Lake, Lake Mathews, Lake Skinner and several other smaller surface reservoirs which provide storage for operational purposes.

Totals may not foot due to rounding

TABLE 2	
WATER RECYCLING, GROUNDWATER RECOVERY AND CONSERVATION PROJECTS	
Project Name	FISCAL YEAR 2023/24 Payment
<b>Water Recycling Projects</b>	<b>\$7,337,544</b>
Alamitos Barrier Reclaimed Water Project	
Anaheim Water Recycling Demonstration Project	
Burbank Recycled Water System Expansion Phase II Project	
Capistrano Valley Non Domestic Water System Expansion	
CBMWD Recycled Water System Expansion Phase I	
Development of Non-Domestic Water System in Ladera Ranch and Talega Valley	
Direct Reuse Project Phase IIA	
Dry Weather Runoff Reclamation Facility	
Eastern Recycled Water Pipeline Reach 16 Project	
El Toro Phase II Recycled Water Distribution System Expansion Project	
El Toro Recycled Water System Expansion	
Elsinore Valley Recycled Water Program	
EMWD Recycled Water System Expansion Project	
Escondido Regional Reclaimed Water Project	
Griffith Park South Water Recycling Project	
Groundwater Reliability Improvement Program Recycled Water Project	
Hansen Area Water Recycling Phase I Project	
Hansen Dam Golf Course Water Recycling Project	
Harbor Water Recycling Project	
Lake Mission Viejo Advanced Purification WTF	
Las Flores Recycled Water System Expansion Project	
Leo J. Vander Lans Water Treatment Facility Expansion Project	
Los Angeles Taylor Yard Park Water Recycling Project	
Michelson/Los Alisos Water Reclamation Plant Upgrades and Distribution System Expansion Project	
North Atwater Area Water Recycling Project	
North City Water Reclamation Project	
North Hollywood Area Water Recycling Project	
Otay Recycled Water System	
Oxnard Advanced Water Purification Facility Project	
Padre Dam MWD Reclaimed Water System Phase I	
Rowland Water District Portion of the City of Industry Regional Recycled Water Project	
San Clemente Recycled Water System Expansion Project	
San Elijo Water Reclamation System	
Santa Maria Water Reclamation Project	
Sepulveda Basin Sports Complex Water Recycling Project	
Sepulveda Basin Water Recycling Project - Phase 4	
Terminal Island Recycled Water Expansion Project	
USGVMWD Portion of the City of Industry Regional Recycled Water Project	
Van Nuys Area Water Recycling Project	

TABLE 2 (Continued)	
WATER RECYCLING, GROUNDWATER RECOVERY AND CONSERVATION PROJECTS	
Project Name	FISCAL YEAR 2023/24 Payment
<b>Water Recycling Projects (continued)</b>	
Walnut Valley Water District Portion of the City of Industry Regional Recycled Water Project	
West Basin Water Recycling Program Phase V Project	
Westside Area Water Recycling Project	
<b>Groundwater Recovery Projects</b>	<b>\$11,348,173</b>
Beverly Hills Desalter Project	
Cal Poly Pomona Water Treatment Plant	
Capistrano Beach Desalter Project	
Chino Basin Desalination Program / IEUA	
Chino Basin Desalination Program / Western	
Colored Water Treatment Facility Project	
Fallbrook Groundwater Desalter Project	
Irvine Desalter Project	
IRWD Wells 21 & 22 Desalter Project	
North Pleasant Valley Regional Desalter	
Perris II Brackish Groundwater Desalter	
Pomona Well #37-Harrison Well Groundwater Treatment Project	
Round Mountain Water Treatment Plant	
San Juan Basin Desalter Project	
Santa Monica Sustainable Water Supply Project	
Temescal Basin Desalting Facility Project	
<b>On-site Retrofit Program</b>	<b>\$3,000,000</b>
<b>Future Supply Actions</b>	<b>\$2,422,500</b>

TABLE 2 (Continued)	
WATER RECYCLING, GROUNDWATER RECOVERY AND CONSERVATION PROJECTS	
Project Name	FISCAL YEAR 2023/24 Payment
<b>Conservation Projects</b>	<b>\$25,000,000</b>
Regionwide Residential	
Regionwide Commercial	
Member Agency Administered/MWD Funded	
Water Savings Incentive Program	
Landscape Training Classes	
Landscape Irrigation Surveys	
Pilot Programs/Studies	
Inspections	
Landscape Transformation Program (Turf Replacement)	
Disadvantaged Communities Program	
<b>Total Demand Management Programs</b>	<b>\$49,108,217</b>



TABLE 3 CONVEYANCE, DISTRIBUTION, AND STORAGE SYSTEM COSTS	
<b>Description</b>	
<b>Storage Facilities</b>	
ALAMEDA CORRIDOR, PIPELINE RELOCATION, PROTECTION	
CAPITAL PROGRAM FOR PROJECTS COSTING LESS THAN \$250,000-LIVE OAK	
CAPITAL PROGRAM FOR PROJECTS COSTING LESS THAN \$250,000-MORRIS DAM	
CHINO BASIN GROUNDWATER SERVICE CONNECTION CB-15T	
CHLORINATION AND PH CONTROL FACILITIES- ORANGE COUNTY & GARVEY (50/50)	
CLEARING OF LAKE MATHEWS RESERVOIR AREA	
CONVERSION OF DEFORMATION SURVEY MONITORING AT COPPER BASIN	
COPPER BASIN AND GENE WASH DAM, INSTALL SEEPAGE ALARM (50/50)	
COPPER BASIN RESERVOIR SUPERVISORY CONTROL	
COPPER BASIN SEWER SYSTEM	
CORONA DEL MAR RESERVOIR- REPLENISHMENT	
CORONA DEL MAR RESERVOIR- CHLORINATION STATION	
CRANE - LAKE MATHEWS OUTLET TOWER (ORG CONST)	
DAM MONITORING SYSTEM UPGRADES - Lake Mathews	
DAM MONITORING SYSTEM UPGRADES - LAKE SKINNER	
DAM SEISMIC ASSESSMENT - PHASE 3	
DAM SEISMIC UPGRADES - PHASE 3	
DIAMOND VALLEY LAKE DAM MONITORING SYSTEM UPGRADE	
DIAMOND VALLEY LAKE DAM MONITORING SYSTEM UPGRADES - STAGE 3	
DIAMOND VALLEY LAKE DAM MONITORING SYSTEM UPGRADES - STAGES 1 & 2	
DIAMOND VALLEY LAKE INLET/OUTLET TOWER FISH SCREEN REPLACEMENT - CONSTRUCTION	
DIAMOND VALLEY LAKE MONITORING SYSTEM UPGRADES	
DIAMOND VALLEY LAKE, CAL PLAZA CHARGES	
DIAMOND VALLEY LAKE, CONSULTANT COSTS	
DIAMOND VALLEY LAKE, DAM DEFORMATION MONITORING	
DIAMOND VALLEY LAKE, EAST DAM SUMP PUMP ELECTRICAL STUDY	
DIAMOND VALLEY LAKE, GENERAL CONSTRUCTION MGMT, 2000-2001	
DIAMOND VALLEY LAKE, INUNDATION MAPS	
DIAMOND VALLEY LAKE, UNDERGROUND TANK CLOSURE	
DIAMOND VALLEY RECREATION, EAST MARINA	
DIAMOND VALLEY RECREATION, FISHERY	
DIAMOND VALLEY RECREATION, MUSEUM FOUNDATION REHABILITATION	
DIAMOND VALLEY RECREATION, SEARL PARKWAY IMPROVEMENTS, PHASE I	
DIAMOND VALLEY TRAILS PROGRAM, TRAILS	
DISTRICT DESIGN AND INSPECTION - MORRIS DAM	
DISTRICT RESERV, AQUEOUS AMMONIA FEED SYSTEM	
DISTRICT RESERVOIR - LONGTERM CHEMICAL FAC CONTAINMENT	
DOMESTIC WATER SUPPLY - LAKE MATHEWS (ORG CONST)	
DOMESTIC WATER SYSTEM-PALOS VERDES RESERVOIR (INTERIM CONST)	
DVL - SEARL PARKWAY EXTENSION - PHASE 2	
DVL - SEARL PARKWAY LANDSCAPING	
DVL EAST DAM ELECTRICAL UPGRADES	
DVL EAST DAM POWER LINE REALIGNMENT	
DVL INLET/OUTLET FISH SCREEN REHABILITATION	
DVL RECREATION - ALTERNATE ACCESS ROAD	
DVL RECREATION, COMMUNITY PARK AND REGIONAL AQUATIC FACILITY	
DVL SECURITY ENHANCEMENT	
DVL, CONSTRUCTION	
DVL, CONSTRUCTION CLAIMS SUPPORT	
DVL, CONSTRUCTION MANAGEMENT SERVICE	
DVL, CONSTRUCTION SUPERVISION	
DVL, CONSTRUCTION, WEST DAM FOUNDATION	
DVL, DEDICATION CEREMONY	
DVL, DISTURBED	
DVL, DOMENIGONI PARK	
DVL, EAST DAM	
DVL, EAST DAM EMBANKMENT	
DVL, EAST DAM FENCING	
DVL, EAST DAM INLET OUTLET TOWER CONSTRUCTION	
DVL, EAST DAM LANDSCAPE SCREENING	
DVL, EAST DAM NORTH RIM REMEDIATION	
DVL, EAST DAM P-1 FACILITIES	
DVL, EAST DAM SITE COMPLETION	
DVL, EAST DAM STATE STREET IMPROVEMENTS	
DVL, EAST DAM VERTICAL SLEEVE VALVE	
DVL, EAST MARINA, PHASE 2	
DVL, EXCAVATION	
DVL, FIXED CONE, SPHERE	
DVL, GENERAL	
DVL, GRADING OF CONT	
DVL, INSTALL NEW WATERLINE	
DVL, MISC SMALL CONS	
DVL, NORTH HIGH WATER ROAD	
DVL, P-1 PUMPING FACILITY	
DVL, PROCUREMENT	
DVL, SCOTT ROAD EXTENSION	
DVL, SOUTH HIGH WATER ROAD & QUARRY	
DVL, SPILLWAY	
DVL, START UP	
DVL, VALLEY-WIDE SITE ROUGH GRADING	
DVL, WORK PACKAGE	
DVL, WORK PACKAGE 1	
DVL, WORK PACKAGE 10, INLET OUTLET WORK	
DVL, WORK PACKAGE 11, FOREBAY	
DVL, WORK PACKAGE 12, TUNNEL	
DVL, WORK PACKAGE 13, P-1 PUMP OPERATIONS FACILITY	
DVL, WORK PACKAGE 14, PC-1	
DVL, WORK PACKAGE 15, SITE CLEARING	
DVL, WORK PACKAGE 16, GROUNDWATER MONITORING	
DVL, WORK PACKAGE 17, FIELD OFFICE	
DVL, WORK PACKAGE 18, TEMPORARY VISITOR CENTER	
DVL, WORK PACKAGE 19, PERMANENT VISITOR CENTER	
DVL, WORK PACKAGE 2, EASTSIDE PIPELINE	
DVL, WORK PACKAGE 20, EAST DAM EXCAVATION, FOUNDATION	
DVL, WORK PACKAGE 21, WEST DAM EXCAVATION, FOUNDATION	
DVL, WORK PACKAGE 23, WEST RECREATION AREA	

TABLE 3 CONVEYANCE, DISTRIBUTION, AND STORAGE SYSTEM COSTS	
<b>Description</b>	
<b>Storage Facilities</b>	
DVL, WORK PACKAGE 24, EAST RECREATION AREA	
DVL, WORK PACKAGE 25, EXCAVATION	
DVL, WORK PACKAGE 26, ELECTRICAL TRANSMISSION LINES	
DVL, WORK PACKAGE 27, MAJOR EQUIPMENT P-1	
DVL, WORK PACKAGE 28, MAJOR EQUIPMENT, GATES	
DVL, WORK PACKAGE 29, MAJOR EQUIPMENT, PC-1	
DVL, WORK PACKAGE 30, INSTRUMENTATION AND CONTROL SYSTEMS	
DVL, WORK PACKAGE 31, GEOGRAPHICAL INFO	
DVL, WORK PACKAGE 32, PERMIT	
DVL, WORK PACKAGE 33, MAJOR EQUIPMENT, VALVES	
DVL, WORK PACKAGE 34, EMERGENCY RELEASE	
DVL, WORK PACKAGE 35	
DVL, WORK PACKAGE 36, TRANSMISSION LINE TO PC-1	
DVL, WORK PACKAGE 38, RUNOFF EROSION	
DVL, WORK PACKAGE 39, SADDLE DAM FOUNDATION	
DVL, WORK PACKAGE 4, NEWPORT ROAD RELOCATION	
DVL, WORK PACKAGE 40	
DVL, WORK PACKAGE 42, GEOTECHNICAL	
DVL, WORK PACKAGE 43, MOBILIZATION	
DVL, WORK PACKAGE 44, SITE DEVELOPMENT	
DVL, WORK PACKAGE 47, HAZARDOUS MATERIAL	
DVL, WORK PACKAGE 48, GENERAL ADMIN	
DVL, WORK PACKAGE 49	
DVL, WORK PACKAGE 5, SALT CREEK FLOOD CONTROL	
DVL, WORK PACKAGE 52, HISTORY ARCHEOLOGY INVENTORY	
DVL, WORK PACKAGE 53, PREHISTORIC ARCHEOLOGY	
DVL, WORK PACKAGE 54, PLANTS, WILDLIFE	
DVL, WORK PACKAGE 55, AIR QUALITY, NOISE	
DVL, WORK PACKAGE 6, SURFACE WATER MITIGATION	
DVL, WORK PACKAGE 7, DESIGN WEST DAM ACCESS	
DVL, WORK PACKAGE 8, DESIGN EAST DAM ACCESS	
DVL, WORK PACKAGE 9, SADDLE DAM	
DVL, WORKING INVENTORY, 80,000 ACRE FEET (10% OF CAPACITY)	
EAST DAM TUNNELS	
EAST MARINA BOAT RAMP EXTENSION	
ELECTRICAL SERVICE - LAKE MATHEWS (ORG CONST)	
ELECTRICAL SYSTEM - LAKE MATHEWS (ORG CONST)	
FIRST SAN DIEGO AQUEDUCT - REPLACE PIPELINE SECTION BOTH BARRELS	
FLOATING BOAT HOUSE - LAKE MATHEW	
FLOOD RELEASE VALVE, MORRIS DAM & WATER SUPPLY SYSTEM, PV RESER.	
FOOTBRIDGE - LAKE MATHEWS (ORG CONST)	
FOOTHILL FEEDER- LIVE OAK RESERVOIR- CLAIMS	
FOOTHILL FEEDER- LIVE OAK RESERVOIR- RESIDENCE	
GARVEY RESERVOIR OPERATION & MAINTENANCE CENTER	
GARVEY RESERVOIR OPERATION & MAINTENANCE CENTER (RETIREMENT)	
GARVEY RESERVOIR - JUNCTION STRUCTURE, REPLACE VALVE # 1	
GARVEY RESERVOIR COVER AND LINER REPLACEMENT PROJECT	
GARVEY RESERVOIR DRAINAGE & EROSION CONTROL IMPROVEMENTS	
GARVEY RESERVOIR- EMERGENCY GENERATOR	
GARVEY RESERVOIR- FLOATING COVER	
GARVEY RESERVOIR HYPOCHLORITE FEED SYSTEM	
GARVEY RESERVOIR- JUNCTION STRUCTURE, REPLACE VALVE #1	
GARVEY RESERVOIR- JUNCTION STRUCTURE, REPLACE VALVE #1 - INTEREST	
GARVEY RESERVOIR- JUNCTION STRUCTURE, REPLACE VALVES # 4 & 5	
GARVEY RESERVOIR- MODIFY DESILTING BASINS	
GARVEY RESERVOIR REPAIR	
GARVEY RESERVOIR, LOWER ACCESS ROAD, PAVING & DRAINS	
GARVEY RESERVOIR, REPLACE VALVE # 4 & 5	
GARVEY RESERVOIR, TWO VALVES AT JUNCTION STRUCTURE	
GARVEY RESERVOIR: CONT. 565, SPEC.412	
GARVEY RESERVOIR: TWO COTTAGES WITH GARAGES	
GARVEY RESERVOIR-HYPOCHLORINATION	
GARVEY RESERVOIR-HYPOCHLORINE STATION	
GARVEY RESERVOIR-INLET AND OUTLET CONDUIT SYSTEM MODIFICATION	
GARVEY RESEVOIR-JUNCTION STRUCTURE REPLACE TWO VALVES	
GARVEY RSVR REPLACE VENTURI THROAT SECTION	
HEADWORKS OF DISTRIBUTION SYSTEM LAKE MATHEWS	
HEADWORKS: ADDITIONAL VALVES	
HEADWORKS: MOTOR OPERATED SLIDE GATES	
HOUSE AND GARAGE AT CORONA DEL MAR RESERVOIR	
HOUSE AND GARAGE AT ORANGE COUNTY RESERVOIR	
HOUSE AT PALOS VERDES RESERVOIR	
HOWELL-BUNGER VALVE OPERATOR, LAKE MATHEWS, 5 VALVES 1939	
HOWELL-BUNGER VALVE OPERATOR, LAKE MATHEWS, 5 VALVES 1955	
JENSEN FINISHED WATER RESERVOIR NO. 1 COVER REHABILITATION	
JENSEN FINISHED WATER RESERVOIR NO. 2 FLOATING COVER IMPROVEMENT	
JENSEN FLUORIDE TANK REPLACEMENT	
JENSEN FWR # 2 FLOATING COVER REPLACEMENT	
JENSEN FWR NO. 2 FLOATING COVER REPLACEMENT	
JENSEN, REPAIR COVER OVER RESERVOIR 1	
LAKE MATHEWS - REPLACE STANDBY GENERATOR	
LAKE MATHEWS - ELECTRICAL SYSTEM IMPROVEMENT	

TABLE 3 CONVEYANCE, DISTRIBUTION, AND STORAGE SYSTEM COSTS	
<b>Description</b>	
<b>Storage Facilities</b>	
LAKE MATHEWS ABOVEGROUND STORAGE TANK REPLACEMENT	
LAKE MATHEWS BUILDING	
LAKE MATHEWS BUILDINGS 8 & 15, RENOVATION OF ASSEMBLY AREA AND ADMIN. BLDG.	
LAKE MATHEWS- CARPENTER AND VEHICLE MAINTENANCE BUILDING	
LAKE MATHEWS- CHLORINATION FACILITIES	
LAKE MATHEWS CHLORINATION FACILITY- REPLACE CHLORINATION EQPMT.	
LAKE MATHEWS CNTRL TOWER-REPL. 45 30-INCH GATE/BUTTERFLY VALVES	
LAKE MATHEWS CONTROL TOWER - REPLACE 45 10-INCH GATE VALVE	
LAKE MATHEWS DAM SAFETY INSTRUMENTATION UPGRADES	
LAKE MATHEWS DAM SPILLWAY ASSESSMENT	
LAKE MATHEWS DIKE	
LAKE MATHEWS DISCHARGE FACILITY UPGRADES	
LAKE MATHEWS DIVERSION TUNNEL	
LAKE MATHEWS DIVERSION TUNNEL WALKWAY REPAIR	
LAKE MATHEWS- DOCK AND BOAT SHELTER	
LAKE MATHEWS DOMESTIC FACILITIES	
LAKE MATHEWS- DOMESTIC WATER SYSTEM	
LAKE MATHEWS ELECTRICAL RELIABILITY	
LAKE MATHEWS- ELECTRICAL SYSTEM IMPROVEMENT	
LAKE MATHEWS- EMERGENCY GENERATOR	
LAKE MATHEWS ENLARGEMENT (SPEC NO. 505)	
LAKE MATHEWS FOREBAY LINING AND TOWER REPAIRS	
LAKE MATHEWS FOREBAY OUTLET STRCTR-REPL. CONCRETE BLOCK BLDG	
LAKE MATHEWS FOREBAY OUTLET, CONCRETE BLDG	
LAKE MATHEWS FOREBAY PRESSURE CONTROL STRUCTURE AND BYPASS	
LAKE MATHEWS FOREBAY- REPLACE FOOTBRIDGE	
LAKE MATHEWS FOREBAY WALKWAY REPAIRS	
LAKE MATHEWS FOREBAY, HEADWORK FACILITY AND EQUIPMENT UPGRADE	
LAKE MATHEWS HEADWORKS-INSTALL AIR MTRS,3 HOWELL BNGR VALVE OP.	
LAKE MATHEWS- HOUSE AND GARAGE	
LAKE MATHEWS I/O TOWER EMERGENCY GENERATOR	
LAKE MATHEWS- IMPROVE MAIN SUBSTATION	
LAKE MATHEWS- IMPROVEMENT OF DOMESTIC WATER & FIRE PROT. SYSTEM	
LAKE MATHEWS -LUMBER STORAGE BUILDING	
LAKE MATHEWS -LUMBER STORAGE BUILDING - INTEREST	
LAKE MATHEWS LUMBER STORAGE ROOF COVER	
LAKE MATHEWS MAIN DAM AND SPILLWAY	
LAKE MATHEWS MAIN DAM SUB DRAIN SYSTEM	
LAKE MATHEWS MAINTENANCE BUILDING	
LAKE MATHEWS MAINTN.FACILITIES-REPLACE 75 KVA TRANSFORMER.SERV.	
LAKE MATHEWS- MODIFY CHLORINATION	
LAKE MATHEWS- MODIFY CHLORINE STORAGE TANK FOUNDATIONS	
LAKE MATHEWS- MODIFY ELECTRICAL SERVICE	
LAKE MATHEWS MULTIPLE SPECIES RESERVE, MANAGER'S OFFICE AND RESIDENCE	
LAKE MATHEWS OFFICE BLDG MODIFICATIONS-AMERICANS W/ DISABILITY	
LAKE MATHEWS OFFICE TRAILER MODIFICATIONS-AMERICANS W/ DISABILITY	
LAKE MATHEWS -OPERATOR RESIDENCE	
LAKE MATHEWS OULET TOWER	
LAKE MATHEWS OUTLET FACILITIES	
LAKE MATHEWS OUTLET TOWER NO. 2 VALVE REHABILITATION	
LAKE MATHEWS OUTLET TOWER- REPLACE CRANES	
LAKE MATHEWS OUTLET TOWER-REPLACE GATE VALVES	
LAKE MATHEWS OUTLET TOWER-REPLACE GATE VALVES (RETIREMENT)	
LAKE MATHEWS OUTLET TUNNEL	
LAKE MATHEWS- PREFABRICATED AIRCRAFT HANGER	
LAKE MATHEWS- PREFABRICATED AIRCRAFT HANGER - INTEREST	
LAKE MATHEWS- PROPANE STORAGE TANK	
LAKE MATHEWS- PROPANE STORAGE TANK - INTEREST	
LAKE MATHEWS- REPLACE HOWELL-BUNGER VALVE OPERATORS	
LAKE MATHEWS- REPLACE VALVES	
LAKE MATHEWS RESERVOIR-RELOCATE SOUTHERLY SECURITY FENCE	
LAKE MATHEWS RESERVOIR-RELOCATE SOUTHERLY SECURITY FENCE - INTEREST	
LAKE MATHEWS- SEEPAGE ALARMS	
LAKE MATHEWS- SEEPAGE ALARMS - INTEREST	
LAKE MATHEWS SODIUM HYPOCHLORITE TANK REPLACEMENT	
LAKE MATHEWS SODIUM HYPOCHLORITE INJECTION SYSTEM	
LAKE MATHEWS- SPRAY PAINT BOOTH	
LAKE MATHEWS WASTEWATER SYSTEM REPLACEMENT	
LAKE MATHEWS WATERSHED, DRAINAGE	
LAKE MATHEWS WATERSHED, DRAINAGE WATER QUALITY MGMT PLAN (CAJALCO CREEK DAM)	
LAKE MATHEWS, HAZEL ROAD	
LAKE MATHEWS, REPLACE CHLORINATION EQUIPMENT	
LAKE MATHEWS,DIKE #1- INSTALL PIEZOMETERS, STAS,55+00 & 85+50	
LAKE MATHEWS: VALVES AND FITTINGS IN HEADWORKS	
LAKE MATHEWS-CONST. CONCR.TRAFFIC BARR. WALL TO PROTECT HQ FACIL.	
LAKE MATHEWS FIRE WATER LINE	
LAKE PERRIS POLLUTION PREVENTION AND SOURCE WATER PROTECTION (CAPITAL PORTION)	
LAKE SKINNER - AERATION SYSTEM	
LAKE SKINNER - CHLORINATION SYSTEM OUTLET TOWER BYPASS PPLN	
LAKE SKINNER - CHLORINATION SYSTEM OUTLET TOWER BYPASS PPLN - INTEREST	
LAKE SKINNER - INSTALL OUTLET CONDUIT FLOWMETER	
LAKE SKINNER (AULD VALLEY RESERVOIR)- CLAIMS	
LAKE SKINNER AERATOR AIR COMPRESSORS REPLACEMENT	
LAKE SKINNER- EQUIPMENT YARD SECURITY	
LAKE SKINNER- EQUIPMENT YARD SECURITY - INTEREST	
LAKE SKINNER FACILITIES	
LAKE SKINNER FACILITIES - EMPLOYEE HOUSING	
LAKE SKINNER FACILITIES - FENCING	
LAKE SKINNER FACILITIES - LANDSCAPING	
LAKE SKINNER FACILITIES - RELOCATE BENTON ROAD	
LAKE SKINNER OUTLET CONDUIT REPAIR	
LAKE SKINNER OUTLET TOWER SEISMIC ASSESSMENT	
LAKE SKINNER- PROPANE STORAGE TANK	
LAKE SKINNER- PROPANE STORAGE TANK - INTEREST	
LIVE OAK RESERVOIR & RESERVOIR BYPASS SCHEDULE 264A	
LIVE OAK RESERVOIR REHABILITATION	

TABLE 3 CONVEYANCE, DISTRIBUTION, AND STORAGE SYSTEM COSTS	
<b>Description</b>	
<b>Storage Facilities</b>	
LIVE OAK RESERVOIR SURFACE REPAIR	
MAINTENANCE FACILITIES, 75KVA TRANSFORMER SERVICE-LAKE MATHEWS (ORG CONST)	
MILLS FINISHED WATER RESERVOIR REHABILITATION	
MINOR CAPITAL PROJECTS FOR FY 1989/90 - LAKE MATHEWS	
MINOR CAPITAL PROJECTS FOR FY 1989/90 - PALOS VERDES RESERVOIR	
MINOR CAPITAL PROJECTS-LAKE SKINNER, INLET CANAL ELECTRIC FISH BARRIER	
MINOR CAPITAL PROJECTS-LIVE OAK RESERVOIR, DESILT BASIN IMPROVEMENTS	
MODIFICATION OF THE LAKE MATHEWS SERVICE WATER SYSTEM	
MORRIS DAM COTTAGE	
MORRIS DAM- ENLARGMT. OF SPILLWAY FACLT.& UPPER FDR.VALVE MODF	
MORRIS DAM ROAD IMPROVEMENT	
MORRIS DAM, SEISMIC STABILITY REANALYSIS	
MORRIS DAM-REPLACE EMERGENCY POWER SYSTEM	
MORRIS RESERVOIR- CAPITAL OBLIGATION PAID	
MORRIS RESERVOIR- INTEREST OBLIGATION PAID	
O.C.RESERVOIR - IMPROVE DOMESTIC SYSTEM	
ORANGE COUNTY RESERVOIR -- JUNCTION STRUCTURE, REPLACE VALVE # 1	
ORANGE COUNTY RESERVOIR (SPEC NO, 341)	
ORANGE COUNTY RESERVOIR CHLORINATION STATION	
ORANGE COUNTY RESERVOIR- EMBANKMENT AND SPILLWAY	
ORANGE COUNTY RESERVOIR- EMERGENCY GENERATOR	
ORANGE COUNTY RESERVOIR- FLOATING COVER	
ORANGE COUNTY RESERVOIR- HOUSE	
ORANGE COUNTY RESERVOIR- MODIFY DOMESTIC WATER SYSTEM	
ORANGE COUNTY RESERVOIR- REPLACE RESIDENCE NO. 95D	
ORANGE COUNTY RESERVOIR-MODIFY ELEC. CONTROL CENTER	
ORANGE COUNTY RESERVOIR-REPLACE CHLORINATION EQUIPMENT	
ORANGE COUNTY RESERVOIR-REPLACE CHLORINATION SYSTEM	
P V RESERVOIR-REPLACE CHLORINATION SYSTEM	
PALOS VERDES CHLORINATION STATION AND COTTAGE	
PALOS VERDES RESERVOIR	
PALOS VERDES RESERVOIR - INLET/OUTLET TOWER	
PALOS VERDES RESERVOIR- BY PASS PIPELINES	
PALOS VERDES RESERVOIR COVER AND LINER REPLACEMENT	
PALOS VERDES RESERVOIR COVER REPLACEMENT	
PALOS VERDES RESERVOIR- FENCING AROUND	
PALOS VERDES RESERVOIR- REPLACE DOMESTIC WATER SYSTEM PIPING	
PALOS VERDES RESERVOIR SODIUM HYPOCHLORITE FEED SYSTEM UPGRADE	
PALOS VERDES RESERVOIR, BYPASS PIPELINE RELIEF STRUCTURE MODIFN.	
PALOS VERDES RESERVOIR, COVERING	
PALOS VERDES RESERVOIR, REPLACE ACCESS AND PERIMETER ROADS	
PALOS VERDES RESERVOIR: INCREASING ELEVATION OF SPILLWAY CREST	
PALOS VERDES RESERVOIR-INSTALL VALVE & CHLORINATION NOZZLE, INLT. TWR	
PALOS VERDES RESERVOIR-REPLACE CHLORINATION SYSTEM	
PAMO RESERVOIR- WATER STORAGE FEASIBILITY STUDY	
PAMO RESERVOIR- WATER STORAGE FEASIBILITY STUDY- INTEREST	
PV RESERVOIR GROUNDWATER MANAGEMENT	
PVR FACILITY SEWER CONNECTION	
RECORD DRAWING RESTORATION PROGRAM, CRA	
REPAIRS TO AZUSA CONDUIT	
REPLACEMENT OF A 30 INCH GATE VALVE P.V.R.	
RESIDENCE # 95-D, ORANGE COUNTY RESERVOIR	
RESIDENCE 45-D - CORONA DEL MAR RESERVOIR	
RESIDENCE 80-D - ORANGE COUNTY RESERVOIR	
RESIDENCE 90-D - LAKE MATHEW	
RESIDENCE 91-D - SAN JACINTO RESERVOIR	
RESIDENCE 93-D - SAN JACINTO RESERVOIR	
ROADS AT LAKE MATHEWS ABOVE FLOODLINE	
SAN DIEGO ACQUEDUCT: COTTAGE AT SAN JACINTO RESERVOIR	
SAN JACINTO RESERVOIR - SAN DIEGO AQUEDUCT	
SECOND OUTLET, PALOS VERDES RESERVOIR (SPEC NO. 597)	
SEEPAGE CONTROL AT LAKE MATHEWS	
SKINNER DAM SAFETY INSTRUMENTATION UPGRADES	
SKINNER DAM SPILLWAY ASSESSMENT	
SKINNER FINISHED WATER RESERVOIR SLIDE GATES REHABILITATION	
TEMPORARY EMPLOYEE LABOR SETTLEMENT	
VALVE - GENE RESERVOIR (REPLACED 201)	
VALVE STRUCTURE MODIFICATIONS-UPPER FDR, SAN GABRIEL CROSSING (INTERIM CONST)	
WADSWORTH PUMP PLANT CONDUIT PROTECTION	
WADSWORTH PUMP PLANT, PUMP MOTOR CONVERSION	
WADSWORTH PUMPING PLANT FIRE PROTECTION SYSTEM UPGRADES	
WADSWORTH/DVL CONTROL & PROTECTION SYSTEM UPGRADE - CONSTRUCTION & STARTUP	
WATER QUALITY PROJECT UPSTREAM	
WATER SUPPLY SYSTEM, OPERATING TOWER, LAKE MATHEWS	
WEYMOUTH FINISHED WATER RESERVOIR GATE REPLACEMENT	
<b>Sub-total Storage facilities costs</b>	<b>103,219,347</b>

**TABLE 3**  
**CONVEYANCE, DISTRIBUTION, AND STORAGE SYSTEM COSTS**

**Description****Conveyance and Aqueduct Facilities**

2.4 KV STANDBY DIESEL ENGINE GENERATOR REPLACEMENT - GENE  
 2.4 KV STANDBY DIESEL ENGINE GENERATOR REPLACEMENT - INTAKE  
 2.4 KV STANDBY DIESEL ENGINE GENERATOR REPLACEMENT - IRON  
 ACCESS STRUCTURE, TRANSITION STRUCTURE AND MANHOLE COVER REPLACEMENT  
 ALL PUMPING PLANTS - 230 KV & 69 KV DISCONNECTS REPLACEMENT  
 ALL PUMPING PLANTS - BRIDGE CRANES  
 ALL PUMPING PLANTS - TRANSFORMER BANK BRIDGE  
 ALLEN MCCOLLOCH PIPELINE - CORROSION INTERFERENCE MITIGATION  
 ALLEN MCCOLLOCH PIPELINE - RIGHT OF WAY  
 ALLEN MCCOLLOCH PIPELINE - UPDATE / MODIFY ALL BOYLE ENGINEERING DRAWINGS  
 AMP VALVE & SERVICE CONNECTION VAULT REPAIR  
 AQUEDUCT & PUMPING PLANT ISOLATION / ACCESS FIXTURES - STUDY  
 AQUEDUCT & PUMPING PLANT ISOLATION GATES  
 ARROWHEAD EAST TUNNEL CONSTRUCTION  
 ARROWHEAD TDS REDUCTION  
 ARROWHEAD TUNNELS CLAIMS COST  
 ARROWHEAD TUNNELS CONNECTOR ROAD  
 ARROWHEAD TUNNELS CONSTRUCTION  
 ARROWHEAD TUNNELS ENGINEERING  
 ARROWHEAD TUNNELS RE-DESIGN  
 ARROWHEAD WEST TUNNEL CONSTRUCTION  
 AULD VALLEY CONTROL STRUCTURE AREA FACILITIES UPGRADE STUDY  
 AUXILIARY POWER SYSTEM REHABILITATION / UPGRADES STUDY  
 AUXILIARY POWER SYSTEM REHABILITATION/UPGRADES  
 BACHELOR MOUNTAIN COMMUNICATION SITE ACQUISITION  
 BACHELOR MOUNTAIN TELECOM SITE IMPROVEMENTS  
 BANK TRANSFORMERS REPLACEMENT STUDY  
 BLACK METAL MOUNTAIN - COMMUNICATIONS FACILITY UPGRADE  
 BLACK METAL MOUNTAIN 2.4KV ELECTRICAL POWER UPGRADE  
 BOX SPRINGS FEEDER REHAB PHASE III  
 BUDGET ADJUSTMENT  
 CABAZON RADIAL GATE FACILITY IMPROVEMENTS  
 CAJALCO CREEK MITIGATION FLOWS  
 CAST-IRON BLOW OFF REPLACEMENT - PHASE 4  
 CATHODIC PROTECTION STUDY - DESIGN AND CONSTRUCTION  
 CCRP - BLOW-OFF VALVES PHASE 4 PROJECT  
 CCRP - CONTINGENCY  
 CCRP - EMERGENCY REPAIR  
 CCRP - HEADGATE OPERATORS & CIRCUIT BREAKERS REHAB.  
 CCRP - PART 1 & 2  
 CCRP - SAND TRAP CLEANING EQUIPMENT & TRAVELING CRANE STUDY  
 CCRP - TRANSITION & MAN-WAY ACCESS COVER REPLACEMENT - STUDY & DESIGN  
 CCRP - TUNNELS STUDY  
 CEPSRP - 230 KV SYSTEM SYNCHRONIZERS  
 CEPSRP - ALL PUMPING PLANTS - CONTINGENCY & OTHER CREDITS  
 CEPSRP - ALL PUMPING PLANTS - REPLACE 6.9 KV TRANSFORMER BUSHINGS  
 CEPSRP - ALL PUMPING PLANTS - REPLACE 230KV, 69 KV & 6.9 KV LIGHTENING ARRESTERS  
 CEPSRP - ALL PUMPING PLANTS - REPLACE 230KV TRANSFORMER PROTECTION  
 CEPSRP - SWITCHYARDS & HEAD GATES REHABILITATION  
 CEPSRP- ALL PUMPING PLANTS - IRON MOUNTAIN - 230KV BREAKER SWITCH. INST.  
 COLORADO RIVER AQUEDUCT - PUMPING  
 COLORADO RIVER AQUEDUCT - SIPHONS AND RESERVOIR OUTLETS REFURBISHMENT  
 COLORADO RIVER AQUEDUCT CONVEYANCE RELIABILITY, PHASE II REPAIRS AND INSTRUMENTATION  
 CONTROL SYSTEM DRAWING UPGRADE STUDY (PHASE 1) - STUDY  
 COPPER BASIN AND GENE DAM OUTLET WORKS REHABILITATION (STUDY & DESIGN)  
 COPPER BASIN AND GENE WASH RESERVOIRS DISCHARGE VALVE REHABILITATION  
 COPPER BASIN INTERIM CHLORINATION SYSTEM  
 COPPER BASIN OUTLET GATES RELIABILITY  
 COPPER BASIN OUTLET REHABILITATION  
 COPPER BASIN OUTLET, AND COPPER BASIN & GENE WASH DAM SLUICWAYS REHABILITATION  
 COPPER BASIN POWER & PHONE LINES REPLACEMENT  
 COPPER BASIN RESERVOIR OUTLET STRUCTURE REHABILITATION PROJECT  
 COPPER BASIN RESERVOIRS DISCHARGE VALVE REHABILITATION & METER REPLACEMENT  
 COPPER SULFATE STORAGE AT LAKE SKINNER AND LAKE MATHEWS  
 CORROSION CONTROL OZONE MATERIAL TEST FACILITY  
 COST OF LAND AND RIGHT OF WAY  
 CRA - ACCESS STRUCTURE, TRANSITION STRUCTURE AND MANHOLE COVER REPLACEMENT  
 CRA - AQUEDUCT AND PUMPING PLANT ISOLATION GATES  
 CRA - AQUEDUCT RESERVOIR AND DISCHARGE LINE ISOLATION GATES  
 CRA - AUXILIARY POWER SYSTEM REHAB  
 CRA - BANK TRANSFORMERS REPLACEMENT STUDY  
 CRA - BLOW-OFF VALVES PHASE 4  
 CRA - CIRCULATING WATER SYSTEM STRAINER REPLACEMENT  
 CRA - CONTROL SYSTEM IMPLEMENTATION PHASE CLOSE OUT  
 CRA - CONVEYANCE RELIABILITY PROGRAM PART 1 & PART 2  
 CRA - COPPER BASIN OUTLET, AND COPPER BASIN & GENE WASH SLUICWAYS REHABILITATION  
 CRA - COPPER BASIN POWER & PHONE LINES REPLACEMENT  
 CRA - CUT & COVER FORNAT WASH EXPOSURE STUDY  
 CRA - DANBYTOWER FOOTER REPLACEMENT  
 CRA - DELIVERY LINE NO. 1 SUPPORTS REHAB - FIVE PUMPING PLANTS  
 CRA - DELIVERY LINES 2&3 SUPPORTS REHAB - GENE & INTAKE  
 CRA - DELIVERY LINES 2&3 SUPPORTS REHAB - IRON, EAGLE, & HINDS  
 CRA - DESERT PUMP PLANT OIL CONTAINMENT  
 CRA - DESERT SEWER SYSTEM REHABILITATION PROJECT  
 CRA - DESERT WATER TANK ACCESS & SAFETY IMPROVEMENTS  
 CRA - DISCHARGE CONTAINMENT PROGRAM - INVESTIGATION  
 CRA - DISCHARGE LINE ISOLATION GATES  
 CRA - DWCV-4 VALVE REPLACEMENT  
 CRA - EAGLE MOUNTAIN SAND TRAPS INFLOW STUDY

**TABLE 3**  
**CONVEYANCE, DISTRIBUTION, AND STORAGE SYSTEM COSTS**

**Description****Conveyance and Aqueduct Facilities**

CRA - ELECTRICAL/ POWER SYST REL. PROG. - IRON MTN - 230KV BREAKER SWTC. INST.  
 CRA - GENE PUMPING PLANT MAIN TRANSFORMER AREA  
 CRA - HINDS PUMP UNIT NO. 8 REFURBISHMENT  
 CRA - INTAKE PUMPING PLANT - COOLING AND REJECT WATER DISCHARGE TO LAKE HAVASU  
 CRA - INTAKE PUMPING PLANT AUTOMATION PROGRAMMING  
 CRA - INVESTIGATION OF SIPHONS AND RESERVOIR OUTLETS  
 CRA - IRON MOUNTAIN RESERVOIR AND CANAL LINER REPAIRS  
 CRA - IRON MTN. TUNNEL REHABILITATION  
 CRA - LAKEVIEW SIPHON FIRST BARREL - REPAIR DETERIORATED JOINTS  
 CRA - MAIN PUMP MOTOR EXCITERS  
 CRA - MAIN PUMP STUDY  
 CRA - MOUNTAIN SIPHONS SEISMIC VULNERABILITY STUDY  
 CRA - PUMPING PLANT RELIABILITY PROGRAM CONTINGENCY  
 CRA - PUMPING PLANTS VULNERABILITY ASSESSMENT  
 CRA - PUMPING WELL CONVERSION  
 CRA - QUAGGA MUSSEL BARRIERS  
 CRA - REAL PROPERTY - BOUNDARY SURVEYS  
 CRA - RELIABILITY PROGRAM 230 KV & 69 KV DISCONNECTS REPLACEMENT STUDY ( 5 PLANTS)  
 CRA - RELIABILITY PROGRAM INVESTIGATION  
 CRA - RELIABILITY PROGRAM PHASE 6 (AQUEDUCT PHASE 6 REHAB.) - SPEC 1568  
 CRA - RELIABILITY PHASE II CONTINGENCY  
 CRA - SAND TRAP CLEANING EQUIPMENT AND TRAVELING CRANE  
 CRA - SERVICE CONNECTION DWCV-2T VALVES REPLACEMENT AND STRUCTURE CONSTRUCTION  
 CRA - SERVICE CONNECTION DWCV-4 A, B, C, & D PLUG VALVES REPLACEMENT  
 CRA - SIPHONS, TRANSITIONS, CANALS, AND TUNNELS REHABILITATION AND IMPROVEMENTS  
 CRA - SUCTION & DISCHARGE LINES EXPANSION JOINT REHAB  
 CRA - SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) SYSTEM  
 CRA - SWITCHYARDS AND HEAD GATES REHAB  
 CRA - SWITCHYARDS AND HEAD GATES REHABILITATION  
 CRA - TRANSFORMER OIL & CHEMICAL UNLOADING PAD CONTAINMENT  
 CRA - TUNNELS VULNERABILITY STUDY - REPAIRS TO TUNNELS  
 CRA - WEST PORTAL UPGRADE - REHAB OF STILLING WELL, SLIDE GATE OPERATORS AND RADIAL GATES  
 CRA 2.4 KV STANDBY DIESEL ENGINE GENERATORS REPLACEMENT  
 CRA 230 KV & 69 KV DISCONNECTS SWITCH REPLACEMENT  
 CRA 230 KV SYSTEM INTER-AGENCY OPERABILITY UPGRADES  
 CRA 230 KV TRANSMISSION SYSTEM REGULATORY AND OPERATIONAL FLEXIBILITY UPGRADES  
 CRA 230KV & 69KV PROTECTION PANEL UPGRADE  
 CRA 230KV TRANSMISSION SYSTEM REGULATORY COMPLIANCE AND OPERATIONAL FLEXIBILITY UPGRADES  
 CRA 6.9 KV LEAD JACKETED CABLES  
 CRA 6.9 KV POWER CABLES REPLACEMENT  
 CRA 69KV PANEL UPGRADE  
 CRA ACCESS STRUCTURE, TRANSITION STRUCTURE AND MANHOLE COVERS REPLACEMENT  
 CRA ALL PUMPING PLANTS - FLOW METER UPGRADES  
 CRA AND IRON MOUNTAIN RESERVOIR PANEL REPLACEMENT  
 CRA AQUEDUCT BLOCKER GATE REPLACEMENT  
 CRA AQUEDUCT ISOLATION GATES REPLACEMENT  
 CRA AUXILIARY POWER SYSTEM REHABILITATION/UPGRADES FOR FOUR PUMPING PLANTS  
 CRA BLACK METAL COMMUNICATION SITE II UPGRADE  
 CRA CANAL CRACK REHAB AND EVALUATION  
 CRA CANAL CRACK REHABILITATION  
 CRA CANAL IMPROVEMENTS  
 CRA CIRCULATING WATER SYSTEM STRAINER REPLACEMENT  
 CRA CONDUIT FORMAT WASH EROSION REPAIRS  
 CRA CONDUIT STRUCTURAL PROTECTION  
 CRA CONVEYANCE RELIABILITY PROGRAM (CCRP) - BLOW-OFF REPAIR  
 CRA CONVEYANCE RELIABILITY PROGRAM PART 1 & PART 2  
 CRA COPPER BASIN AND GENE WASH DAM SLUICWAYS  
 CRA COPPER BASIN OUTLET GATES RELIABILITY STUDY  
 CRA DELIVERY LINE REHABILITATION  
 CRA DESERT AIRFIELDS IMPROVEMENT  
 CRA DESERT REGION SECURITY IMPROVEMENTS  
 CRA DISCHARGE CONTAINMENT PROGRAM - CONTINGENCY  
 CRA DISCHARGE CONTAINMENT PROGRAM - GENE & IRON DRAIN SYSTEMS  
 CRA DISCHARGE CONTAINMENT PROGRAM - INVESTIGATION  
 CRA DISCHARGE CONTAINMENT PROGRAM - OIL & CHEMICAL UNLOADING PAD CONTAINMENT  
 CRA ELECTRICAL / POWER SYSTEM RELIABILITY PROGRAM (CEPSRP)  
 CRA ENERGY EFFICIENCY IMPROVEMENTS  
 CRA GENE PUMPING PLANT HEAVY EQUIPMENT SERVICE PIT  
 CRA GENE STORAGE WAREHOUSE REPLACEMENT  
 CRA HINDS PUMPING PLANT - WASH AREA UPGRADE  
 CRA INTAKE PPLANT - POWER & COMMUNICATION LINE REPLACEMENT  
 CRA IRON GARAGE HEAVY EQUIPMENT SERVICE PIT REPLACEMENT  
 CRA IRON HOUSING REPLACEMENT  
 CRA IRON MOUNTAIN SUCTION JOINT REFURBISHMENT PILOT  
 CRA MAIN PUMP & MOTOR REFURISHMENT  
 CRA MAIN PUMP AND MOTOR REFURISHMENT  
 CRA MAIN PUMP CONTROLS & INSTRUMENTATION  
 CRA MAIN PUMP DISCHARGE VALVE REFURBISHMENT  
 CRA MAIN PUMP MOTOR EXCITERS ASSESSMENT  
 CRA MAIN PUMP MOTOR EXCITERS REHABILITATION  
 CRA MAIN PUMP REHABILITATION  
 CRA MAIN PUMP STUDY  
 CRA MAIN PUMP SUCTION AND DISCHARGE LINES, EXPANSION JOINT REPAIRS  
 CRA MAIN PUMPING PLANT DISCHARGE LINE ISOLATION BULKHEAD COUPLING CONSTRUCTION  
 CRA MAIN PUMPING PLANT UNIT COOLERS & HEAT EXCHANGERS  
 CRA MAIN PUMPING PLANTS DISCHARGE LINE ISOLATION BULKHEAD COUPLINGS  
 CRA MAIN PUMPING PLANTS LUBRICATION SYSTEM  
 CRA MAIN PUMPING PLANTS SERVICE WATER & SAND REMOVAL SYSTEM  
 CRA MAIN TRANSFORMER REFURBISHMENT  
 CRA MAIN TRANSFORMER REPLACEMENT /REHABILITATION  
 CRA MAIN TRANSFORMER REPLACEMENT/REHAB.  
 CRA MILE 12 POWER LINE & FLOW MONITORING EQUIP. STUDY  
 CRA OVER-CURRENT RELAY REPLACEMENT

**TABLE 3**  
**CONVEYANCE, DISTRIBUTION, AND STORAGE SYSTEM COSTS**

**Description****Conveyance and Aqueduct Facilities**

CRA PROTECTIVE SLABS  
 CRA PUMP PLANT FLOW METER REPLACEMENT  
 CRA PUMP PLANT FLOW METER UPGRADE  
 CRA PUMP PLANT SUMP PIPING REPLACEMENT STUDY  
 CRA PUMP PLANT SUMP SYSTEM REHABILITATION  
 CRA PUMP PLANT UNINTERRUPTABLE POWER STUDY (UPS) UPGRADE  
 CRA PUMP PLANTS 2.3KV AND 480V SWITCH RACK REHABILITATION  
 CRA PUMP PLANTS 2300KV & 480 V SWITCHRACK REHAB  
 CRA PUMP WELLS CONVERSION AND BLOW-OFF REPAIR  
 CRA PUMPING PLANT DELIVERY LINE REHABILITATION  
 CRA PUMPING PLANT REHABILITATION STUDY  
 CRA PUMPING PLANT REHABILITATION STUDY AND INVESTIGATION  
 CRA PUMPING PLANT RELIABILITY PROGRAM - HIGH PRESSURE COMPRESSOR REPLACEMENT  
 CRA PUMPING PLANT RELIABILITY PROGRAM - SUCTION & DISCHARGE LINES EXPANSION JOINT STUDY  
 CRA PUMPING PLANT RELIABILITY PROGRAM - SUCTION AND DISCHARGE LINES-EXPANSION JOINT REPAIRS  
 CRA PUMPING PLANT STORAGE BUILDINGS AT HINDS, EAGLE MOUNTAIN AND IRON MOUNTAIN  
 CRA PUMPING PLANT SUMP SYSTEM REHABILITATION  
 CRA PUMPING PLANT WASTEWATER SYSTEM - GENE & IRON MTN.  
 CRA PUMPING PLANT WASTEWATER SYSTEM - INTAKE  
 CRA PUMPING PLANT WASTEWATER SYSTEM REHABILITATION - ALL FIVE PUMPING PLANT PRELIMINARY DESIGN  
 CRA PUMPING PLANT WASTEWATER SYSTEM REPLACEMENT - GENE/IRON MTN FINAL DESIGN  
 CRA PUMPING PLANT WASTEWATER SYSTEM REPLACEMENT - HINDS & EAGLE MTN.  
 CRA PUMPING PLANTS - AUXILIARY POWER SYSTEM REHABILITATE/UPGRADES  
 CRA PUMPING PLANTS 230KV & 69K DISCONNECT SWITCH REPLACEMENT  
 CRA PUMPING PLANTS ASPHALT REPLACEMENT  
 CRA PUMPING PLANTS CRANE IMPROVEMENTS  
 CRA PUMPING PLANTS SWITCH HOUSE FAULT CURRENT PROTECTION  
 CRA PUMPING PLANTS VULNERABILITY ASSESSMENT  
 CRA PUMPING PLANTS WATER TREATMENT SYSTEMS REPLACEMENT  
 CRA PUMPING PLT RELIABILITY PROGRAM, DISCHARGE LINE COUPLING INSTALLATION  
 CRA PUMPING WELL CONVERSION  
 CRA QUAGGA MUSSEL BARRIERS  
 CRA RADIAL GATES AND SLIDE GATE REHABILITATION  
 CRA RADIAL GATES REPLACEMENT  
 CRA RELIABILITY PHASE II - PUMPING PLANTS 230KV & 69KV DISCONNECT SWITCH REPLACEMENT  
 CRA RELIABILITY PROGRAM - DISCHARGE VALVE LUBRICATORS  
 CRA RELIABILITY PROGRAM - MOTOR BREAKER FAULTY CURRENT STUDY (5 PLANTS)  
 CRA RELIABILITY PROGRAM PHASE 6 (AQUEDUCT PHASE 6 REHAB.) - SPEC 1568  
 CRA RELIABILITY PHASE II - PUMPING PLANT SWITCH HOUSE FAULT CURRENT PROTECTION  
 CRA SAND TRAP EQUIPMENT UPGRADES  
 CRA SEISMIC EVALUATION - SWITCH HOUSE AND PUMP ANCHORAGE  
 CRA SEISMIC RETROFIT OF 6.9KV SWITCH HOUSES  
 CRA SEISMIC UPGRADE OF 6.9KV SWITCH HOUSES  
 CRA SERVICE CONNECTION DWCV-2T VALVES REPLACEMENT AND STRUCTURE CONSTRUCTION  
 CRA SERVICE CONNECTION DWCV-4 VALVES REPLACEMENT  
 CRA SIPHON REHAB  
 CRA SIPHONS, TRANSITIONS, CANALS, AND TUNNELS REHABILITATION AND IMPROVEMENTS  
 CRA SURGE CHAMBER DISCHARGE LINE BY-PASS COVERS  
 CRA SWITCHRACKS & ANCILLARY STRUCTURES EROSION CONTROL  
 CRA TRANSFORMER OIL AND SODIUM HYPOCHLORITE CONTAINMENT  
 CRA TRANSITION STRUCTURE AND MANHOLE COVERS REPLACEMENT  
 CRA UPS REPLACEMENT  
 CRA VILLAGES DOMESTIC WATER MAIN DISTRIBUTION REPLACEMENT STUDY  
 CRA WATER DISTRIBUTION SYSTEM & VILLAGE ASPHALT REPLACEMENT - GENE & IRON MOUNTAIN  
 CRA WATER DISTRIBUTION SYSTEM REPLACEMENT AND CRA ROADWAY ASPHALT REPLACEMENT - ALL PP  
 CUF DECHLORINATION SYSTEM  
 DAM SLUCEWAYS AND OUTLETS REHABILITATION  
 DANBY TOWER FOOTER REPLACEMENT  
 DANBY TOWERS FOUNDATION REHABILITATION  
 DESERT FACILITIES FIRE PROTECTION SYSTEMS UPGRADE  
 DESERT LAND ACQUISITIONS  
 DESERT PUMP PLANT OIL CONTAINMENT  
 DESERT ROADWAY IMPROVEMENT  
 DESERT SEPTIC SYSTEM  
 DESERT SEWER SYSTEM REHABILITATION  
 DESERT WATER TANK ACCESS - FIRE WATER, CIRCULATING WATER, DOMESTIC WATER- STUDY  
 DISCHARGE LINE ISOLATION BULKHEAD COUPLINGS  
 DISTRIBUTION SYSTEM FACILITIES - REHABILITATION PROGRAM  
 DISTRIBUTION SYSTEM FACILITIES REHABILITATION PROGRAM - MAINTENANCE & STORAGE SHOP (PC-1)  
 DISTRIBUTION SYSTEM RELIABILITY PROGRAM - PHASE 2  
 DVL INLET / OUTLET TOWER FISH SCREENS REPLACEMENT  
 DVL TO SKINNER TRANSMISSION LINE STUDY  
 E. THORNTON IBBETSON GUEST QUARTERS  
 EAGLE AND HINDS EQUIPMENT WASH AREA UPGRADE  
 EAGLE KITCHEN UPGRADE  
 EAGLE MOUNTAIN PUMPING PLANT SCADA SYSTEM  
 EAGLE MOUNTAIN SAND TRAPS STUDY  
 EAGLE MOUNTAIN SIPHONS SEISMIC VULNERABILITY STUDY  
 EAGLE MTN SAND TRAPS STUDY  
 EAGLE ROCK ASPHALT REPAIR PROJECT  
 EAGLE ROCK MAIN ROOF REPLACEMENT  
 ENHANCED VAPOR RECOVERY UPGRADES FOR GASOLINE DISPENSERS  
 ENVIRONMENTAL MITIGATION  
 ETIWANDA PIPELINE LINER REPAIR  
 ETIWANDA RESERVOIR LINER REPAIR  
 FUTURE SYSTEM RELIABILITY PROJECTS  
 GARVEY RESERVOIR - AUTOMATED DATA ACQUISITION SYSTEM  
 GARVEY RESEVOIR AUTOMATED DATA ACQUISITION SYSTEM REPLACEMENT  
 GENE & INTAKE P.P. - FREQUENCY PROTECTION RELAY REPLACEMENT  
 GENE & INTAKE PUMPING PLANT SURGE CHAMBER OUTLET GATES RE-COATING  
 GENE & INTAKE PUMPING PLANTS - REPLACE UNDER FREQUENCY PROTECTION RELAY  
 GENE AIR CONDITION  
 GENE CAMP STATION SERVICE TRANSFORMER REPLACEMENT  
 GENE PUMPING PLANT - AIR STRIP EXTENSION PROJECT  
 GENE PUMPING PLANT - HEAVY EQUIPMENT SERVICE PIT

TABLE 3 CONVEYANCE, DISTRIBUTION, AND STORAGE SYSTEM COSTS	
<b>Description</b>	
<b>Conveyance and Aqueduct Facilities</b>	
GENE PUMPING PLANT - PEDDLER SUBSTATION REPLACEMENT	
GENE PUMPING PLANT - SCADA SYSTEM	
GENE PUMPING PLANT EXPANSION JOINT REHABILITATION	
GENE PUMPING PLANT MAIN TRANSFORMER AREA	
GENE PUMPING PLANT STANDBY GENERATOR REPLACEMENT	
GENE STORAGE BUILDING REPLACEMENT	
GENE STORAGE WAREHOUSE REPLACEMENT	
GENE WASH RESERVOIRS DISCHARGE VALVE REHABILITATION	
HEADGATE OPERATORS & CIRCUIT BREAKERS REHAB.	
HIGHLAND PIPELINE CONSTRUCTION	
HINDS EAGLE & IRON MOUNTAINS STORAGE BUILDINGS	
HINDS PUMPING PLANT DISCHARGE VALVE PIT PLATFORM REPLACEMENT	
HINDS PUMPING PLANT EQUIPMENT WASH AREA UPGRADES	
HINDS PUMPING PLANT SCADA SYSTEM	
HINDS PUMPING PLANT STANDBY GENERATOR REPLACEMENT	
INLAND FDR, ARROWHEAD TUNNELS REDESIGN	
INLAND FDR, ARROWHEAD WEST TUNNEL CONSTRUCTION	
INLAND FDR, CONTRACT 9, CONSTRUCTION OF RIVERSIDE PPLN SOUTH	
INLAND FDR, OWNER CONTROLLED INSURANCE PROGRAM	
INLAND FDR, REACH 4, RUSD PPLN	
INLAND FDR-CNTR #1/DEVIL CYN-WATERMAN RD	
INLAND FDR-CNTR #4-SOFT GRND TNL/SANTA ANA	
INLAND FDR-CONT #8-PIPEL PARALLEL TO DAVIS RD	
INLAND FDR-ENVIRON. MITIG.	
INLAND FEEDER - RIGHT OF WAY AND EASEMENT PROCUREMENT	
INLAND FEEDER CONTINGENCY	
INLAND FEEDER COST OF LAND AND RIGHT OF WAY	
INLAND FEEDER ENVIRONMENTAL MITIGATION	
INLAND FEEDER GROUNDWATER MONITORING	
INLAND FEEDER HIGHLAND PIPELINE CLAIMS COST	
INLAND FEEDER HIGHLAND PIPELINE CONSTRUCTION	
INLAND FEEDER HIGHLAND PIPELINE DESIGN	
INLAND FEEDER MENTONE PIPELINE CONSTRUCTION	
INLAND FEEDER MENTONE PIPELINE DESIGN	
INLAND FEEDER MENTONE PIPELINE RUSD CONSTRUCTION	
INLAND FEEDER OWNER CONTROLLED INSURANCE PROGRAM	
INLAND FEEDER PROGRAM REMAINING BUDGET/CONTINGENCY	
INLAND FEEDER PROJECT MANAGEMENT SUPPORT	
INLAND FEEDER PURCHASE OF LAND AND RIGHT OF WAY	
INLAND FEEDER RAISE BURIED STRUCTURES AND REALIGN DAVIS RD.	
INLAND FEEDER REVERSE OSMOSIS PLANT	
INLAND FEEDER RIVERSIDE BADLANDS TUNNEL CONSTRUCTION	
INLAND FEEDER RIVERSIDE NORTH PIPELINE DESIGN	
INLAND FEEDER RUSD CLAIMS DEFENSE	
INLAND FEEDER STUDIES	
INLAND FEEDER UNDERGROUND STORAGE TANK REMOVAL & ABOVEGROUND STORAGE TANK INSTALLATION	
INLAND FEEDER, ARROWHEAD EAST TUNNEL	
INLAND FEEDER, ARROWHEAD TUNNELS CONSTRUCTION	
INLAND FEEDER, CONTRACT #5, OPAL AVENUE PORTAL / BADLANDS TUNNEL	
INLAND FEEDER, CONTRACT #7, RIVERSIDE NORTH PIPELINE CONSTRUCTION	
INLAND FEEDER, PROGRAM MANAGEMENT	
INLAND FEEDER/SBMW HIGHLAND INTERTIE BYPASS LINE REHAB	
INSULATION JOINT TEST STATIONS	
INTAKE POWER AND COMMUNICATION LINE RELOCATION	
INTAKE POWER AND COMMUNICATIONS LINE RELOCATION	
INTAKE PPLANT - POWER & COMMUNICATION LINE REPLACEMENT	
INTAKE PUMPING PLANT - COOLING AND REJECT WATER DISCHARGE TO LAKE HAVASU	
INTAKE PUMPING PLANT AUTOMATION PROGRAMMING	
INTAKE PUMPING PLANT INSTRUMENTATION REPLACEMENT	
INTAKE PUMPING PLANT INSTRUMENTATION REPLACEMENT & AUTOMATION	
INTAKE PUMPING PLANT INSTRUMENTATION REPLACEMENT & AUTOMATION (4 PLANTS)	
INTAKE PUMPING PLANT POWER & COMMUNICATION LINE REPLACEMENT	
INTAKE PUMPING PLANT SCADA SYSTEM	
INTAKE PUMPING PLANT STANDBY GENERATOR REPLACEMENT	
IRON MOUNTAIN & EAGLE MOUNTAIN 230KV TRANSMISSION LINE PILOT RELAY	
IRON MOUNTAIN AUXILIARY POWER SYSTEM REHABILITATION	
IRON MOUNTAIN GENERATOR REPLACEMENT	
IRON MOUNTAIN PUMPING PLANT	
IRON MOUNTAIN PUMPING PLANT DELIVERY LINE NO. 1 RELINING	
IRON MOUNTAIN PUMPING PLANT HOUSING REPLACEMENT	
IRON MOUNTAIN PUMPING PLANT SCADA SYSTEM	
IRON MOUNTAIN SERVICE PIT REHABILITATION	
IRON MOUNTAIN & EAGLE MOUNTAIN 230KV TRANSMISSION LINE PILOT RELAY	
JULIAN HINDS PUMPING PLANT DELIVERY PIPE EXPANSION JOINT PHASE 2 REPAIRS	
JULIAN HINDS PUMPING PLANT DELIVERY PIPE EXPANSION JOINT PHASE I REPAIR	
LAKE MATHEWS FOREBAY & HEADWORK FACILITY & EQUIPMENT	
LAKE MATHEWS FOREBAY WALKWAY REPAIRS	
LAKE MATHEWS ICS	
LAKE MATHEWS INTERIM CHLORINATION SYSTEM	
LAKE SKINNER - OUTLET CONDUIT FLOWMETER INSTALLATION	
LAKE SKINNER BYPASS PIPELINE NO. 2 CATHODIC PROTECTION	
LAKE SKINNER OUTLET CONDUIT	
LAKEVIEW PIPELINE LEAK REPAIR AT STA. 2510+49	
LAVERNE FACILITIES - EMERGENCY GENERATOR	
LAVERNE FACILITIES - MATERIAL TESTING	
LOWER FEEDER EROSION PROTECTION	
MAGAZINE CANYON - VALVE REPLACEMENT FOR SAN FERNADO TUNNEL (STATION 778+80)	
MAGAZINE CANYON OIL & WATER SEPARATOR	
MAGAZINE CANYON OIL/WATER SEPARATOR	
MAPES LAND ACQUISITION	
MENTONE PPLN, RUSD, DEFENSE OF CLAIM	
MILE 12 FLOW AND CHLORINE MONITORING STATION UPGRADES	
MILE 12 POWER LINE & FLOW MONITORING EQUIPMENT STUDY	
MILLS PLANT SUPPLY PUMP STATION STUDY	
MINOR CAP FY 2011/12	
MOTOR BREAKER FAULTY (5 PPLANTS)	



TABLE 3 CONVEYANCE, DISTRIBUTION, AND STORAGE SYSTEM COSTS	
<b>Description</b>	
<b><u>Conveyance and Aqueduct Facilities</u></b>	
NEWHALL TUNNEL - REPAIR STEEL LINER NEWHALL TUNNEL - UPGRADE LINER SYSTEM NITROGEN STORAGE STUDY AT DVL, INLAND FEEDER PC-1, AND LAKE MATHEWS OC 44 SERVICE CONNECTIONS & EOC#2 METER ACCESS ROAD REPAIR OC 88 PUMP PLANT FIRE PROTECTION STUDY OC-71 SERVICE CONNECTION REPAIRS OLINDA PCS FACILITY REHABILITATION AND UPGRADE OLINDA PRESSURE CONTROL STRUCTURE FACILITY REHABILITATION AND UPGRADE ORANGE COUNTY 44 SERVICE CONNECTIONS & EOC#2 METER ACCESS ROAD REPAIR ORANGE COUNTY 88 PUMP PLANT FIRE PROTECTION STUDY OWNER CONTROLLED INSURANCE PROGRAM PALO VERDE VALLEY LAND PURCHASE - 16,000 ACRES PALOS VERDES FEEDER REHABILITATION OF DOMINGUEZ CHANNEL PALOS VERDES RESERVOIR SPILLWAY MODIFICATION PROJECT MANAGEMENT SUPPORT PUDDINGSTONE RADIAL GATE REHABILITATION PURCHASE OF LAND AND RIGHT OF WAY QUAGGA MUSSEL STUDY R&R FOR CRA REPAIR UPPER FEEDER LEAKING EXPANSION JOINT REPAIRS TO TUNNELS RIALTO FEEDER REPAIR @ STA. 3662+23 RIALTO FEEDER REPAIR OF ANOMALOUS PIPE SECTION RIVERSIDE BADLANDS TUNNEL CONSTRUCTION RIVERSIDE BRANCH - ALESSANDRO BLVD, LEFT LAND TURN LANE RIVERSIDE BRANCH - CONSTRUCTION OF CONTROL PANEL DISPLAY WALL RIVERSIDE NORTH PIPELINE DESIGN & CONSTRUCTION RIVERSIDE SOUTH PIPELINE CONSTRUCTION SAN DIEGO PIPELINE REPAIR AT STATION 1268+57 SAN FERNANDO TUNNEL STATION 778+80 VALVE REPLACEMENT SAN GABRIEL TOWER SEISMIC ASSESSMENT SAN GABRIEL TOWER SLIDE GATE REHABILITATION SAN JACINTO TUNNEL EAST ADIT REHABILITATION SAN JACINTO TUNNEL, WEST PORTAL SAN JOAQUIN RESERVOIR - NEW DESIGN SAN JOAQUIN RESERVOIR IMPROVEMENT- FLOATING COVER SAN JOAQUIN RESERVOIR IMPROVEMENTS SAN JOAQUIN RESERVOIR IMPROVEMENTS STUDY SAND TRAP CLEANING EQUIPMENT AND TRAVELING CRANE STUDY SANTA ANA RIVER BRIDGE SEISMIC RETROFIT SANTIAGO TOWER ACCESS ROAD UPGRADE SANTIAGO TOWER PATROL ROAD REPAIR SD5 REPAIR SECOND LOWER FEEDER STRAY CURRENT MITIGATION SYSTEMS REFURBISHMENT SECURITY FENCING AT OC-88 PUMPING PLANT SEISMIC EVALUATION OF CRA STRUCTURES SEISMIC PROGRAM SEISMIC UPGRADE OF 11 FACILITIES OF THE CONVEYANCE & DISTRIBUTION SYSTEM SEPULVEDA FEEDER CORROSION INTERFERENCE MITIGATION SEPULVEDA FEEDER REPAIR AT STATION 1099 SEPULVEDA FEEDER STRAY CURRENT MITIGATION SYSTEM REFURBISHMENT SERVICE CONNECTION & EOCF #2 METER ACCESS ROAD UPGRADE & BETTERMENT SERVICE CONNECTION DWCV-2T VALVES REPLACEMENT AND STUCTURE CONSTRUCTION SKINNER BR - IMPROVE CABAZON RADIAL GATE FACILITY SUCTION & DISCHARGE LINES EXPANSION JOINT STUDY SWMCHYARDS AND HEAD GATES REHAB TEMESCAL HYDRO-ELECTRIC PLANT ACCESS ROAD UPGRADE TEMESCAL POWER PLANT ACCESS ROAD PAVING TRANSFORMER OIL & CHEMICAL UNLOADING PAD CONTAINMENT TRANSFORMER OIL AND SODIUM HYPOCHLORITE CONTAINMENT PROJECT U.S. BUREAU OF LAND MANAGEMENT LAND ACQUISITION UPPER FEEDER CATHODIC PROTECTION SYSTEM UPPER FEEDER GATES REHABILITATION PROJECTS UPPER FEEDER LEAKING EXPANSION JOINT REPAIR VALLEY BRANCH - PIPELINE CORROSION TEST STATION WASTEWATER SYSTEM REHABILITATION WASTEWATER SYSTEM REHABILITATION - GENE/IRON MTN WASTEWATER SYSTEM REHABILITATION - HINDS/EAGLE MTN WEST VALLEY FEEDER #2 CATHODIC PROTECTION SYSTEM REHABILITATION WHITE WATER SIPHON PROTECTION WHITEWATER EROSION PROTECTION STRUCTURE REHABILITATION WHITEWATER SIPHON EROSION PROTECTION WHITEWATER SIPHON PROTECTION STRUCTURE	
<b><i>Sub-total Conveyance and Aqueduct facilities costs</i></b>	<b>\$ 76,958,748</b>

**TABLE 3**  
**CONVEYANCE, DISTRIBUTION, AND STORAGE SYSTEM COSTS**

**Description****Distribution Facilities**

108TH STREET PRESSURE CONTROL STRUCTURE VALVE REPLACEMENT  
 42" CONICAL PLUG VALVE REPLACEMENT  
 ACCUSONIC FLOW METER UPGRADE  
 ACCUSTIC FIBER OPTIC MONITORING OF PCCP LINES  
 ALAMEDA CORRIDOR PIPELINE  
 ALL FACILITIES - WATER DISCHARGE ELIMINATION  
 ALL FACILITIES, INSPECTION AND REPLACEMENT OF CRITICAL VACUUM VALVES  
 ALL FEEDERS - MANHOLE LOCKING DEVICE RETROFIT  
 ALL PUMPING PLANTS - INSTALL HYPOCHLORINATION STATIONS  
 ALLEN MCCOLLOCH PIPELINE 2010 REFURBISHMENT  
 ALLEN MCCOLLOCH PIPELINE CATHODIC PROTECTION  
 ALLEN MCCOLLOCH PIPELINE INTERCONNECTIONS  
 ALLEN MCCOLLOCH PIPELINE LOCAL CONTROL MODIFICATIONS  
 ALLEN MCCOLLOCH PIPELINE REPAIR  
 ALLEN MCCOLLOCH PIPELINE REPAIR - CARBON FIBER LINING REPAIR  
 ALLEN MCCOLLOCH PIPELINE REPAIR - SERVICE CONNECTIONS UPGRADES  
 ALLEN MCCOLLOCH PIPELINE REPAIR - STATION 276+63  
 ALLEN MCCOLLOCH PIPELINE REPAIR - SURGE SUPPRESSION SYSTEM AT OC88A  
 ALLEN MCCOLLOCH PIPELINE REPAIR - VALVE ACTUATOR REPLACEMENTS  
 ALLEN MCCOLLOCH PIPELINE REPAIR SERVICE CONNECTIONS SIMPLIFICATION  
 ALLEN MCCOLLOCH PIPELINE STRUCTURE - ROOF SLAB REPAIRS  
 ALLEN MCCOLLOCH PIPELINE VALVE VAULT REPAIRS  
 ALLEN-MCCOLLOCH CORROSION/INTERFERENCE MITIGATION, STATION 719+34 TO 1178+02  
 ALLEN-MCCOLLOCH PIPELINE  
 ALLEN-MCCOLLOCH PIPELINE OC-76 TURNOUT RELOCATION  
 ALLEN-MCCOLLOCH PIPELINE PCCP REHABILITATION  
 ALLEN-MCCOLLOCH PIPELINE REFURBISHMENT - STAGE 2  
 ALLEN-MCCOLLOCH PIPELINE VALVE AND SERVICE CONNECTION VAULT REPAIRS  
 AMP -SERVICE CONNECTIONS UPGRADES  
 AMP -VALVE ACTUATOR REPLACEMENTS  
 AMP COMPLETION RESOLUTION RIGHT OF WAY ISSUES  
 AMR - RTU UPGRADE - PHASE 2  
 ANODE WELL REPLACEMENT FOR ORANGE COUNTY AND RIALTO FEEDERS  
 APPIAN WAY VALVE REPLACEMENT  
 ARROW HIGHWAY PROPERTY DEVELOPMENT  
 ASPHALT REHABILITATION AT WEYMOUTH FINISHED WATER RESERVOIR  
 ASPHALT REPAIRS TO PERIMETER OF SEPULVEDA PCS  
 ASSESS THE CONDITION OF METROPOLITAN'S PRESTRESSED CONCRETE CYLINDER PIPE  
 ASSESS THE CONDITIONS OF MET'S  
 ASSESSMENT OF PRESTRESSED CONCRETE CYLINDER PIPELINES - PHASE 3  
 AULD VALLEY CONTROL STRUCTURE AREA FACILITIES  
 AUTOMATED RESERVOIR WATER QUALITY MONITORING  
 AUTOMATIC METER READING SYSTEM - RTU UPGRADE PHASE 2  
 AUTOMATIC METER READING SYSTEM UPGRADE  
 AUTOMATION COMMUNICATION UPGRADE  
 AUTOMATION DOCUMENTATION SURVEY F/A  
 BAR 97- ENHANCED AREA VEHICLE TESTING  
 BATTERY MONITORING SYSTEM FOR AUTOMATIC METER READING SYSTEM  
 BIXBY VALVE REPLACEMENT  
 BLACK METAL MOUNTAIN ELECTRICAL TRANSFORMER  
 BOX SPRINGS FEEDER BROKEN BACK REPAIR  
 BOX SPRINGS FEEDER BROKEN BACK REPAIR PHASE I  
 BOX SPRINGS FEEDER PHASE 3 AND 4 ENVIRONMENTAL MONITORING  
 BOX SPRINGS FEEDER REPAIR - PHASE II  
 BOX SPRINGS FEEDER REPAIRS PHASE 3 AND PHASE 4  
 C&D CRANE INSTALLATION AT OC-88 PUMPING PLANT  
 CAJALCO CREEK DAM MANHOLE COVER RETROFIT  
 CAJALCO CREEK DETENTION DAM SPILLWAY ACCESS ROAD  
 CALABASAS FEEDER CARBON FIBER /BROKEN BACK REPAIR  
 CALABASAS FEEDER INTERFERENCE MITIGATION  
 CALABASAS FEEDER PCCP REHABILITATION  
 CALABASAS FEEDER REPAIR, STUDY  
 CAPITAL PROGRAM FOR PROJECTS COSTING LESS THAN \$250,000 FOR FY 2010/11  
 CAPITAL PROJECTS COSTING LESS THAN \$250,000 FOR FY2008-09  
 CARBON CREEK PRESSURE CONTROL STRUCTURE SEISMIC ASSESSMENT  
 CARBON CREEK PRESSURE CONTROL STRUCTURE SEISMIC RETROFIT  
 CASA LOMA AND SAN DIEGO CANAL LINING STUDY - PART 2  
 CASA LOMA SIPHON BARREL 1 & 2 DVL AND SD CANAL FLOW METER REPLACEMENT  
 CASA LOMA SIPHON BARREL NO. 1 - PERMANENT REPAIRS  
 CASA LOMA SIPHON BARREL NO. 1 JOINT REPAIR  
 CASA LOMA SIPHON NO 1, CASA LOMA CANAL & SAN DIEGO CANAL FLOW METER REPLACEMENT  
 CATHODIC PROTECTION FOR THE FOOTHILL FEEDER  
 CATHODIC PROTECTION SYSTEM UPGRADES  
 CCP-PHASE 2 CONSTRUCTION  
 CDSRP - DISCHARGE ELIMINATION  
 CDSRP - ENTRAINED AIR IN UPPER FEEDER PIPELINE STUDY  
 CDSRP - SEPULVEDA FEEDER REPAIRS  
 CDSRP - SEPULVEDA TANKS RECOATING  
 CENTRAL POOL AUGMENTATION - TUNNEL AND PIPELINE & RIGHT-OF-WAY ACQUISITION  
 CENTRAL POOL AUGMENTATION (CPA) PROGRAM - PIPELINE AND TUNNEL ALIGNMENT  
 CENTRAL POOL AUGMENTATION AND WATER QUALITY PROJECT (CPAWQP)  
 CHEMICAL INVENTORY AND USAGE REWRITE AND ELECTRICAL SYSTEM LOG  
 CHEMICAL UNLOADING FACILITY RETROFIT  
 CHEVALIER FALCON MILLING MACHINE  
 COASTAL JUNCTION REVERSE FLOW BYPASS  
 COASTAL PRESSURE CONTROL STRUCTURE ROOF REPLACEMENT  
 COLLIS AVENUE VALVE REPLACEMENT  
 COLLIS VALVE REPLACEMENT  
 COLORADO RIVER AQUEDUCT CASA LOMA SIPHON BARREL NO. 1 PROJECT NO. 2 - PERMANENT REPAIRS  
 COMMUNICATIONS STRUCTURE ALARM MONITORING  
 COMPREHENSIVE INFORMATION SECURITY ASSESSMENT PHASE III  
 CONSTRUCTION PHASE 2  
 CONTRACT & LITIGATION TASKS -CONTRACT # 1396

**TABLE 3**  
**CONVEYANCE, DISTRIBUTION, AND STORAGE SYSTEM COSTS**

**Description****Distribution Facilities**

CONTROL SYSTEM DATA STORAGE AND REPORTING  
 CONTROL SYSTEM DRAWING & DOCUMENTATION UPDATE  
 CONTROL SYSTEM ENHANCEMENT PROGRAM (CSEP) - DIGITAL SUBNET STANDARDIZATION  
 CONTROL SYSTEMS AUTOMATION COMMUNICATION UPGRADE  
 CONTROLS COMMUNICATIONS FRAME RELAY CONVERSION - APPROPRIATED  
 CONVERSION OF DEFORMATION SURVEY MONITORING AT GENE WASH, COPPER BASIN, AND DIEMER BASIN 8  
 CONVEYANCE AND DISTRIBUTION SYSTEM ELECTRICAL STRUCTURES REHABILITATION  
 CONVEYANCE AND DISTRIBUTION SYSTEM REHABILITATION PROGRAM (CDSRP) - CURRENT DRAIN STATIONS  
 COPPER BASIN ICS  
 COPPER BASIN SEWER SYSTEM  
 CORONA POWER PLANT REPLACE EMERGENCY GENERATOR  
 CORROSION MATERIALS TESTING FACILITY SCADA UPGRADE  
 COVINA PRESSURECONTROL FACILITY  
 COYOTE CREEK NORTHERN PERIMETER LANDSCAPING  
 COYOTE PRESSURE CONTROL STRUCTURE ROOF REPLACEMENT  
 CPA PIPELINE & TUNNEL ALIGNMENT  
 CPA PIPELINE & TUNNEL ALIGNMENT - NON FUNDED PORTION  
 CPA PIPELINE & TUNNEL ALIGNMENT - STUDY  
 CPA WATER TREATMENT PLANT - NON FUNDED PORTION  
 CPA WATER TREATMENT PLANT - RIGHT OF WAY - PHASE 2  
 CPAWQP - PHASE 2  
 CPAWQP - STUDY AND LAND ACQUISITION - CONTINGENCY  
 CPAWQP - STUDY AND LAND ACQUISITION - PIPELINE & TUNNEL ALIGNMENT - STUDY  
 CPAWQP - STUDY AND LAND ACQUISITION - RIGHT-OF-WAY-ACQUISITION  
 CPAWQP - STUDY AND LAND ACQUISITION - WATER TREATMENT PLANT - RIGHT OF WAY - PHASE 2  
 CPAWQP - STUDY AND LAND ACQUISITION - WATER TREATMENT PLANT - STUDY  
 CRA - PC-1 EFFLUENT OPEN CHANNEL TRASH RACK  
 CRA CABAZON & POTRERO SHAFT COVERS  
 CRA CONTROL INTEGRATION  
 CRA PROTECTIVE SLAB AT STATION 9704+77  
 CROSS CONNECTION PREVENTION PROGRAM - PHASE II CONSTRUCTION  
 CROSS CONNECTION PREVENTION PROJECT, COMPLETE PRELIMINARY DESIGN AND CEQA DOCUMENTATION  
 CSEP - ELECTRONIC SYSTEM LOG (ESL)  
 CSEP - ENERGY MANAGEMENT SYSTEM PHASE II  
 CSEP - ENHANCED DISTRIBUTION SYSTEM CONTROL PROJECT  
 CSEP - IMPLEMENTATION  
 CSEP - OPERATIONS & BUSINESS DATA INTEGRATION PILOT  
 CSEP - PLANT INFLUENT REDUNDANT FLOW METERING AND SPLITTING  
 CSEP - PLC PHASE 2 - LIFE-CYCLE REPLACEMENT  
 CSEP - PLC STANDARDIZATION  
 CSEP - PLC STANDARDIZATION PHASE II  
 CSEP - POWER MANAGEMENT SYSTEM  
 CSEP - WATER PLANNING APPLICATION  
 CSEP IMPLEMENTATION  
 CSEP - SMART OPS (FORMERLY REAL TIME OPERATIONS SIMULATION)  
 CURRENT DRAIN STATIONS  
 DAM REHABILITATION & SAFETY IMPROVEMENTS ST. JOHN'S CANYON CHANNEL EROSION MITIGATION  
 DANBY TOWER FOUNDATION INVESTIGATION AND SHORT TERM MITIGATION  
 DEODERA PCS PAVEMENT UPGRADE & BETTERMENT  
 DESERT BRANCH - REPLACE STOLEN COPPER GROUND WIRE FOOTINGS/GROUNDING, AND COPPER PIPING  
 DESERT BRANCH PUMP PLANT AUXILIARY (STATION SERVICE)  
 DESERT BRANCH, PURCHASE & INSTALL 5 PORT VIDEO CONFERENCING  
 DESERT FACILITIES DOMESTIC WATER GAC SYSTEM INSTALLATION  
 DESERT HIGH VOLTAGE TRANSMISSION TOWERS - REPLACE COPPER GROUND WIRES ON  
 DETAIL SEISMIC EVALUATION OF WATER STORAGE TANK  
 DFP - ELIMINATE BACKUP GENERATOR TIE-BUS & INSTALL MANUAL TRANSFER SWITCH FOR CHLORINE SCRUBBER  
 DIEMER FILTRATION PLANT - SLOPE REPAIR  
 DIEMER OZONE COOLING WATER ALTERNATIVE SOURCE  
 DIRECTIONAL SIGNS FOR DIAMOND VALLEY LAKE FACILITY  
 DISCHARGE ELIMINATION  
 DIST SYS-AIR RELEASE & VAC VALVE MODS  
 DISTRIBUTION SYSTEM - CAPP CONSTRUCTION PACKAGES 9,11,12  
 DISTRIBUTION SYSTEM - STANDPIPE STRENGTHENING PROGRAM  
 DISTRIBUTION SYSTEM - STATIONARY CORROSION REFERENCE  
 DISTRIBUTION SYSTEM - TREATED WATER CROSS CONNECTION PREVENTION PROJECT - FINAL DESIGN & CONSTRUCTION  
 DISTRIBUTION SYSTEM ASSESSMENTS/UPGRADES OF LOS ANGELES COUNTY  
 DISTRIBUTION SYSTEM ASSESSMENTS/UPGRADES OF RIVERSIDE AND SAN DIEGO COUNTY  
 DISTRIBUTION SYSTEM ASSESSMENTS/UPGRADES OF SAN BERNARDINO COUNTY  
 DISTRIBUTION SYSTEM CONTROL & EQUIP UPGRADE - ENHANCED DISTRIB. SYSTEM AUTOMATION PHASE I  
 DISTRIBUTION SYSTEM EQUIPMENT & INSTRUMENTATION UPGRADES  
 DISTRIBUTION SYSTEM INFRASTRUCTURE PROTECTION IMPROVEMENTS FOR ORANGE COUNTY  
 DISTRIBUTION SYSTEM REHABILITATION PROGRAM - ASSESS THE STATE OF MWD'S DISTRIBUTION SYSTEM  
 DISTRIBUTION SYSTEM REPLACEMENT OF AREA CONTROL SYSTEMS - WILLOWGLEN RTUS ADMINISTRATION  
 DISTRIBUTION SYSTEM REPLACEMENT OF AREA CONTROL SYSTEMS (DSRACS)  
 DISTRICT WIDE - ENHANCED VAPOR RECOVERY PHASE 2 GASOLINE DISPENSING  
 DSRACS - OPERATIONS CONTROL CENTER - CONTRACT #1396  
 DSRACS - SKINNER AREA  
 DSRACS - SOFTWARE DEVELOPMENT COST  
 DSRACS - WEYMOUTH  
 DVL & CONTROL SYSTEM REPLACEMENT INVESTIGATION & PREPARATION FOR PRELIMINARY DESIGN  
 DVL VIEWPOINT ROAD SECURITY UPGRADES  
 EAGLE EQUIPMENT WASH AREA UPGRADE  
 EAGLE ROCK - ASPHALT REHABILITATION  
 EAGLE ROCK - FIRE PROTECTION AT THE WESTERN AREA OF THE EAGLE ROCK CONTROL CENTER PERIMETER GROUNDS  
 EAGLE ROCK CONTROL CENTER FIREHYDRANT  
 EAGLE ROCK LATERAL INTERCONNECTION REPAIR  
 EAGLE ROCK MAIN BUILDING ROOF REPLACEMENT - STUDY  
 EAGLE ROCK OCC - REHAB CONTROL ROOM  
 EAGLE ROCK OPERATIONS CONTROL CENTER  
 EAGLE ROCK RESIDENCE CONVERSION  
 EAGLE ROCK TOWER AND PUDDINGSTONE SPILLWAY GATES REHABILITATION  
 EAGLE ROCK TOWER SLIDE GATE REHABILITATION  
 EAST INFLUENT CHANNEL REPAIR PROJECT

**TABLE 3**  
**CONVEYANCE, DISTRIBUTION, AND STORAGE SYSTEM COSTS**

**Description****Distribution Facilities**

EAST ORANGE COUNTY FEEDER #2 REPAIR  
 EAST ORANGE COUNTY FEEDER NO. 2 SERVICE CONNECTION A-6 REHABILITATION  
 EAST VALLEY FEEDER VALVE STRUCTURE ELECTRICAL UPGRADE  
 EASTERN AND DESERT REGIONS PLUMBING RETROFIT  
 EASTERN REGION PCCP JOINT MODIFICATION 2012  
 E-DISCOVERY STORAGE MANAGEMENT SYSTEM UPGRADE  
 ELECTRIC CURRENT DRAIN STATION INSTALLATIONS  
 ELECTRICAL UPGRADES AT 15 STRUCTURES, OC REGION  
 ELECTROMAGNETIC INSPECTIONS OF PCCP LINES  
 ELECTRONIC SYSTEM LOG (ESL)  
 ENERGY MANAGEMENT SYSTEM - PHASE 2  
 ENHANCED DISTRIBUTION SYSTEM AUTOMATIC FLOW TRANSFERS SOFTWARE REDEVELOPMENT  
 ENHANCED DISTRIBUTION SYSTEM AUTOMATION PHASE I  
 ENHANCED DISTRIBUTION SYSTEM AUTOMATION PHASE II  
 ENVIRONMENTAL REGULATORY AGREEMENTS AND OTHER REGULATORY AGENCY  
 EQUIPMENT UPGRADE AT THE NORTH PORTAL OF THE HOLLYWOOD TUNNEL  
 ETIWANDA / RIALTO PIPELINE INTER-TIE CATHODIC PROTECTION  
 ETIWANDA CAVITATION FACILITY INFRASTRUCTURE REHABILITATION  
 ETIWANDA CAVITATION TEST FACILITY COMMUNICATION AND CONTROL SYSTEM REPLACEMENT  
 ETIWANDA HEP NEEDLE VALVE OPERATORS  
 ETIWANDA PIPELINE - LINING REPLACEMENT  
 ETIWANDA PIPELINE AND CONTROL FACILITY - RIGHT OF WAY  
 ETIWANDA PIPELINE AND CONTROL FACILITY - AS BUILTS  
 ETIWANDA PIPELINE AND CONTROL FACILITY - CATHODIC PROTECTION  
 ETIWANDA PIPELINE AND CONTROL FACILITY - EMERGENCY DISCHARGE CONDUITS  
 ETIWANDA PIPELINE AND CONTROL FACILITY - LANDSCAPING AND IRRIGATION  
 ETIWANDA PIPELINE AND CONTROL FACILITY - RESIDENCES  
 ETIWANDA PIPELINE AND CONTROL FACILITY - RIALTO FEEDER TO UPPER PIPELINE  
 ETIWANDA PIPELINE LINING REPAIRS  
 ETIWANDA PIPELINE LINING REPLACEMENT  
 ETIWANDA RESERVOIR - EXTEND OUTLET STRUCTURE  
 FACILITY AND PROCESS RELIABILITY ASSESSMENT  
 FAIRPLEX AND WALNUT PCS VALVES REPLACEMENT  
 FILTER ISOLATION GATE AND BACKWASH CONTROL WEIR COVERS MODULES 1-6  
 FLOW METER REPLACEMENT PROJECT  
 FLOWMETER MODIFICATION - LAKE SKINNER INLET, ETIWANDA EFFLUENT & WADSWORTH CROSS CHANNEL  
 FOOTHILL & SEPULVEDA FEEDER PCCP CARBON FIBER JOINT REPAIRS  
 FOOTHILL FEEDER - CASTAIC VALLEY BLOW-OFF VALVES REPLACEMENT  
 FOOTHILL FEEDER ADEN AVE. REHABILITATION  
 FOOTHILL FEEDER CARBON FIBER REPAIR  
 FOOTHILL FEEDER CATHODIC PROTECTION  
 FOOTHILL FEEDER PIPELINE REPLACEMENT PROJECT  
 FOOTHILL FEEDER POWER PLANT EXPANSION  
 FOOTHILL FEEDER REPAIR @ SANTA CLARITA RIVER  
 FOOTHILL FEEDER, CARBON FIBER REPAIRS  
 FOOTHILL HYDROELECTRIC RUNNER REPLACEMENT  
 FOOTHILL PCS - UNINTERRUPTIBLE POWER SOURCE SYSTEMS INSTALLATION  
 FOOTHILL PCS FLOOD PUMP INSTALLATION DESIGN DOCUMENTATION  
 FOOTHILL PCS INTERNAL VALVE LINERS UPGRADE  
 FUTURE SYSTEM RELIABILITY PROGRAM  
 GARVEY RESERVOIR - HYPOCHLORITE FEED SYSTEM  
 GARVEY RESERVOIR - INSTALL HYPOCHLORINATION STATIONS  
 GARVEY RESERVOIR - LOWER ACCESS PAVING ROAD & DRAINS  
 GARVEY RESERVOIR CONTROL VALVES REPLACEMENT  
 GARVEY RESERVOIR HYPOCHLORITE FEED SYSTEM  
 GARVEY RESERVOIR SITE DRAINAGE REPAIRS AND MODIFICATIONS  
 GARVEY RESERVOIR SODIUM HYPOCHLORITE FEED SYSTEM REHABILITATION  
 GENE & IRON POOLS  
 GENE AIR CONDITIONING SYSTEM REPLACEMENT  
 GENE MESS HALL AIR CONDITIONING UNIT  
 GENE SPARE PARTS WAREHOUSE IMPROVEMENTS  
 GLENDALE 01 SERVICE CONNECTION REHAB  
 GLENDALE-01 SERVICE CONNECTION REHABILITATION AND UPGRADE  
 GLENDALE-01 SERVICE CONNECTION REHABILITATION  
 GREG AVE PCS FACILITY REHABILITATION  
 GREG AVENUE CONTROL STRUCTURE VALVE REPLACEMENT  
 GREG AVENUE PCS - PUMP MODIFICATIONS AND NEW CONTROL BUILDING  
 GREG AVENUE PCS CONTROL BUILDING INTERIOR REHABILITATION  
 HINDS GARAGE ASBESTOS SHEETING REPLACEMENT  
 HOLLYWOOD TUNNEL NORTH PORTAL EQUIPMENT UPGRADES  
 HVAC MODIFICATIONS FOR ELECTRICAL SAFETY AND RELIABILITY  
 HYDRAULIC MODELING PROJECT  
 HYDROELECTRIC PLANT CARBON DIOXIDE (CO2) FIRE SUPPRESSION SYSTEM MODIFICATIONS  
 HYDROELECTRIC POWER PLANT (HEP) DISCHARGE ELIMINATION  
 IAS PROJECTS - CPA  
 IAS PROJECTS - DVL-SKINNER  
 IAS PROJECTS - MILLS SUPPLY RELIABILITY  
 INLAND FEEDER AND LAKEVIEW PIPELINE INTERTIE  
 INLAND PCSUST REMOVAL & AST INSTALLATION  
 INSTALL MOTION SENSORS IN NEW EXPANSION  
 INSTALL TEST LEADS AT FOUR LOCATIONS  
 INSULATION JOINT TEST STATIONS  
 INTAKE PUMPING PLANT - UNDER FREQUENCY PROTECTION RELAY UPGRADE  
 IRON MOUNTAIN - TRANSFORMER OIL TANK RELOCATION  
 JENSEN DISTRIBUTION SYSTEM - REPLACEMENT OF AREA CONTROL SYSTEMS - CONTRACT # 1396  
 JENSEN EGEN UST UPGRADE - LINE LEAK DETECTOR INSTALLATION  
 JENSEN FILTER EFFLUENT TURBIDIMETER RELIABILITY

**TABLE 3**  
**CONVEYANCE, DISTRIBUTION, AND STORAGE SYSTEM COSTS**

**Description****Distribution Facilities**

JENSEN FILTRATION PLANT - REPLACE ADMINISTRATION BUILDING AIR CONDITIONING  
 JENSEN FILTRATION PLANT - ROAD RECONSTRUCTION  
 JENSEN FLUORIDE TANK REPLACEMENT  
 LA VERNE FACILITIES - BRIDGEPORT E-2-PATH  
 LA VERNE FACILITIES - ENERGY CONSERVATION ECM1 - 10  
 LA VERNE FACILITIES - EXPANSION OF THE SANITARY SEWER  
 LA VERNE FACILITIES - HAZARDOUS WASTE STORAGE  
 LA VERNE FACILITIES - MAIN TRANSFORMERS REPLACEMENT  
 LA VERNE FACILITIES - MATERIALS TESTING LABORATORY  
 LA VERNE FACILITIES - REPLACEMENT OF FLOCCULATOR STUB SHAFT - BASINS 1 & 2  
 LA VERNE MACHINE SHOP - AIR CONDITIONING UNIT REPLACEMENT  
 LA VERNE MACHINE SHOP - REPAIR HORIZONTAL BORING MILL  
 LA-35 DISCHARGE STRUCTURE REPAIRS  
 LAKE MATHEWS - CONSTRUCTION OF BACKUP COMPUTER FACILITIES  
 LAKE MATHEWS - DIVERSION TUNNEL WALKWAY REPAIR  
 LAKE MATHEWS - FACILITY WIDE EMERGENCY WARNING AND PAGING SYSTEM  
 LAKE MATHEWS - FOREBAY MCC ROOF IMPROVEMENT  
 LAKE MATHEWS - MAIN DAM TOE SEEPAGE COLLECTION  
 LAKE MATHEWS - MULTIPLE SPECIES MANAGER'S OFFICE & RESIDENCE  
 LAKE MATHEWS - RENOVATION OF BLDGS, 8 & 15, GENERAL ASSEMBLY & ADMIN. BLDG, OFFICE AREAS  
 LAKE MATHEWS - RETROFIT LOWER ENTRANCE GATE SWING ARM  
 LAKE MATHEWS FENCING SECURITY UPGRADE  
 LAKE MATHEWS FOREBAY MCC ROOF IMPROVEMENT  
 LAKE MATHEWS MAIN DAM TOE SEEPAGE COLLECTION  
 LAKE MATHEWS RETROFIT LOWER ENTRANCE GATE SWING ARM  
 LAKE PERRIS BYPASS PIPELINE EXPLORATION  
 LAKE PERRIS BYPASS PIPELINE RELINING  
 LAKE PERRIS EMERGENCY STANDBY GENERATOR AND TRANSFER SWITCH REPLACEMENT  
 LAKE SKINNER - AERATOR AIR COMPRESSOR REPLACEMENT  
 LAKE SKINNER - OUTLET TOWER VALVE REHABILITATION  
 LAKE SKINNER - REPLACEMENT AERATOR RING  
 LAKE SKINNER AERATOR AIR COMPRESSOR REPLACEMENT  
 LAKE SKINNER AREA DISTRIBUTION SYSTEM VALVE REPLACEMENT  
 LAKE SKINNER DAM ROAD REHAB  
 LAKE SKINNER EAST BYPASS SCREENING STRUCTURES  
 LAKE SKINNER OUTLET TOWER CHLORINE SYSTEM MODIFICATION  
 LAKE SKINNER WEST BYPASS SCREENING STRUCTURE  
 LAKE SKINNER WEST BYPASS SCREENING STRUCTURE REHABILITATION  
 LAKE VIEW PIPE LINE REPAIRS  
 LAKEVIEW PIPELINE - REPLACE VACUUM/AIR RELEASE  
 LAKEVIEW PIPELINE CATHODIC PROTECTION SYSTEM  
 LAKEVIEW PIPELINE RELINING  
 LAKEVIEW PIPELINE REPAIR  
 LAKEVIEW PIPELINE UPGRADE  
 LIVE OAK RESERVOIR BYPASS PIPELINE CATHODIC PROTECTION  
 LOWER FEEDER - CATHODIC PROTECTION  
 LOWER FEEDER WR 33 - AREA REPAIR AND REMEDIATION  
 MAGAZINE CANYON CANOPY  
 MAGAZINE CANYON-ISOLATION GATE JACKING FRAME  
 MAPES LAND ACQUISITION  
 MICROWAVE COMMUNICATION SITES BUILDING UPGRADE  
 MIDDLE CROSS FEEDER CATHODIC PROTECTION  
 MIDDLE FEEDER - CATHODIC PROTECTION SYSTEMS  
 MIDDLE FEEDER - NORTH CATHODIC PROTECTION SYSTEM  
 MIDDLE FEEDER BLOW-OFF VALVE REPLACEMENT AT STA 782+53.16  
 MIDDLE FEEDER NORTH CATHODIC PROTECTION SYSTEM  
 MIDDLE FEEDER RELOCATION FOR SCE MESA SUBSTATION  
 MILLS FILTRATION PLANT - INVESTIGATION TO RELOCATE ACCESS ROAD  
 MINOR CAP 08/09 PLACEHOLDER  
 MINOR CAP FY 2009/10  
 MINOR CAP FY 2012/13  
 MINOR CAP FY 2014/16  
 MINOR CAPITAL PROJECTS PROGRAM 07/08 - REMAINING FUNDS  
 MOUNT OLYMPUS TUNNEL COST RIGHT-OF-WAY (ROW)  
 MWD ROAD GUARDRAIL  
 NITROGEN STORAGE COMPLIANCE AT DVL, INLAND FEEDER PCS, AND LAKE MATHEWS  
 NITROGEN STORAGE STUDY  
 NON PCCP LINES CONDITION INSPECTION AND ASSESSMENT  
 NORTH PORTAL OF HOLLYWOOD TUNNEL  
 NORTH REACH CONSTRUCTION / INSPECTION / CM  
 NORTH REACH CONSTRUCTION/ASBUILT  
 NORTH REACH ENVIRONMENTAL - CONSTRUCTION  
 NORTH REACH FINAL DESIGN & ADV/NTP  
 NORTH REACH POST DESIGN / ASBUILT  
 NORTH REACH PROGRAM MANAGEMENT - CONSTRUCTION  
 NORTHERN PIPELINE ENVIRONMENTAL FINAL DESIGN  
 NORTHERN PIPELINE RIGHT OF WAY FINAL DESIGN  
 OAK ST. PCS ROOF REPLACEMENT  
 OAK STREET PRESSURE CONTROL STRUCTURE ROOF REPLACEMENT - CONSTRUCTION  
 OC 44 SERVICE CONNECTIONS & EOC#2 METER ACCESS ROAD REHAB  
 OC FEEDER STA 1920+78 BLOWOFF STRUCTURE & RIP-RAP REPAIRS  
 OC RESERVOIR SODIUM HYPOCHLORITE PUMP AND PIPING REPLACEMENT  
 OC-71 FLOW CONTROL FACILITY  
 OC-88 - SECURITY FENCING AT PUMP PLANT  
 OC-88 EMERGENCY STANDBY GENERATOR UPGRADE STUDY  
 OC-88 PUMP PLANT AIR COMPRESSOR UPGRADE  
 OC-88 PUMP STATION FLOW METER UPGRADE  
 OC-88 PUMPING PLANT SURGE TANKS UPGRADES  
 OC-88 PUMPING PLANT UPGRADES  
 OLINDA PCS AND SANTIAGO TOWER EMERGENCY GENERATORS  
 OLINDA PCS VALVE REPLACEMENT  
 OLINDA PRESSURE CONTROL STRUCTURE  
 OLINDA PRESSURE CONTROL STRUCTURE AND SANTIAGO TOWER EMERGENCY GENERATORS

**TABLE 3**  
**CONVEYANCE, DISTRIBUTION, AND STORAGE SYSTEM COSTS**

**Description****Distribution Facilities**

ON-CALL RESOURCES MANAGEMENT APPLICATION  
 OPERATIONS CONTROL CENTER AT EAGLE ROCK  
 OPERATIONS CONTROL CENTER UPS REPLACEMENT  
 OPERATIONS SCOPING STUDY  
 ORANGE CO FDR, BLOW-OFF STRUCTURE AND ACCESS ROAD REPAIR  
 ORANGE COUNTY - 88 PUMP PLANT AIR COMPRESSOR UPGRADE  
 ORANGE COUNTY - 88 SECURITY FENCING AT PUMP PLANT  
 ORANGE COUNTY AREA DISTRIBUTION SYSTEM VALVE REPLACEMENT  
 ORANGE COUNTY C & D ELECTRICAL IMPROVEMENTS - STUDY  
 ORANGE COUNTY C&D INSTRUMENTATION PANEL IMPROVEMENTS  
 ORANGE COUNTY C&D TEAM SUPPORT FACILITY  
 ORANGE COUNTY CONVEYANCE AND DISTRIBUTION SERVICE CENTER  
 ORANGE COUNTY FEEDER CATHODIC PROTECTION  
 ORANGE COUNTY FEEDER CATHODIC PROTECTION SYSTEM REHABILITATION  
 ORANGE COUNTY FEEDER EXTENSION LINING REPAIR  
 ORANGE COUNTY FEEDER INSPECTION  
 ORANGE COUNTY FEEDER INTERNAL INSPECTION STUDY  
 ORANGE COUNTY FEEDER LINING REPAIRS  
 ORANGE COUNTY FEEDER PRESSURE CONTROL STRUCTURES  
 ORANGE COUNTY FEEDER RELINING  
 ORANGE COUNTY FEEDER RELOCATION IN FULLERTON  
 ORANGE COUNTY FEEDER SCHEDULE 37SC CATHODIC PROTECTION  
 ORANGE COUNTY FEEDER STA 1920+78 BLOWOFF STRUCTURE & RIP-RAP REPAIRS  
 ORANGE COUNTY REGION ENVIRONMENTAL MITIGATION MONITORING  
 ORANGE COUNTY RESERVOIR - INSTALL HYPOCHLORINATION STATIONS  
 ORANGE COUNTY RESERVOIR - PIEZOMETERS & SEEPAGE MONITORING AUTOMATION  
 OXIDATION DEMONSTRATION PLANT CONTROL SYSTEM REPLACEMENT  
 PALOS ALTOS FEEDER - 108TH ST.  
 PALOS VERDES FEEDER - LONG BEACH LATERAL TURNOUT STRUCTURES STA. 1442+15 VALVE REPLACEMENTS  
 PALOS VERDES FEEDER PCS - VALVE REPLACEMENT  
 PALOS VERDES RESERVOIR - INSTALL HYPOCHLORINATION STATIONS  
 PC-1 EFFLUENT OPEN CHANNEL TRASH RACK  
 PC-1 EFFLUENT OPEN CHANNEL TRASH RACK PROJECT  
 PCCP HYDRAULIC ANALYSES  
 PCCP REHABILITATION - PROGRAM MANAGEMENT  
 PERIMETER FENCING AT PLACERITA CREEK  
 PERMANENT LEAK DETECTION/PIPELINE MONITORING SYSTEM  
 PERRIS PCS - UNINTERRUPTIBLE POWER SOURCE SYSTEMS INSTALLATION  
 PERRIS CONTROL FACILITY BYPASS & PCS UPGRADE  
 PERRIS PCS ROOF REHAB  
 PERRIS PRESSURE CONTROL STRUCTURE ROOF REPLACEMENT  
 PERRIS PUMPBACK COVER  
 PERRIS VALLEY PIPELINE - DESIGN-BUILD (EMWD)  
 PERRIS VALLEY PIPELINE - GENERAL  
 PERRIS VALLEY PIPELINE - NORTH REACH  
 PERRIS VALLEY PIPELINE - RESERVED FOR STAGE II DESIGN / BUILD  
 PERRIS VALLEY PIPELINE - SOUTH REACH  
 PERRIS VALLEY PIPELINE - STUDY  
 PERRIS VALLEY PIPELINE - TIE-IN (MMWD)  
 PERRIS VALLEY PIPELINE - TUNNELS  
 PERRIS VALLEY PIPELINE - VALVES  
 PERRIS VALLEY PIPELINE DESIGN-BUILD (EMWD)  
 PERRIS VALLEY PIPELINE NORTH REACH  
 PERRIS VALLEY PIPELINE SOUTH REACH  
 PERRIS VALLEY PIPELINE TIE-IN (MMWD)  
 PERRIS VALLEY PIPELINE VALVES  
 PLACENTIA RAILROAD LOWERING PROJECT  
 PLACERITA CREEK PERIMETER FENCING  
 PLANT INFLUENT REDUNDANT FLOW METERING AND SPLITTING  
 PLC REPLACEMENT PHASE II  
 PRESTRESSED CONCRETE CYLINDER PIPE - PHASE 2  
 PRESTRESSED CONCRETE CYLINDER PIPE (PCCP) STRUCTURAL PERFORMANCE RISK ANALYSIS  
 PRESTRESSED CONCRETE CYLINDER PIPE -PHASE 3  
 PROGRAMMATIC ENVIRONMENTAL DOCUMENTATION OF ORANGE COUNTY  
 PROGRAMMATIC ENVIRONMENTAL DOCUMENTATION OF SAN BERNARDINO COUNTY  
 PROGRAMMABLE LOGIC CONTROLLER (PLC) STANDARDIZATION  
 PROGRAMMATIC ENVIRONMENTAL DOCUMENTATION FOR THE LOS ANGELES CO. OPERATING REGION  
 PROGRAMMATIC ENVIRONMENTAL DOCUMENTATION FOR THE ORANGE COUNTY OPERATING REGION  
 PROGRAMMATIC ENVIRONMENTAL DOCUMENTATION FOR THE RIVERSIDE/SAN DIEGO CO. OPERATING REGION  
 PROGRAMMATIC ENVIRONMENTAL DOCUMENTATION FOR THE WESTERN SAN BERNARDINO COUNTY OPERATING REGION  
 PUDDINGSTONE SPILLWAY CROSS CONNECTION  
 PV RESERVOIR HYPOCHLORITE PUMP AND PIPING REPLACEMENT  
 R&R FOR DISTRIBUTION  
 REAL PROPERTY ACQUISITION  
 RED MOUNTAIN - OCT. 2007 FIRE DAMAGE - COMMUNICATION POWER TOWERS & METER STRUCTURES REPAIR/REPLACE (INCIDENT NO. 2007-1023-0271)  
 RED MOUNTAIN HEP FLOOD DAMAGE  
 RED MTN COMM. TOWER & METER STRUCTURE  
 REHABILITATION OF THE GREG AVE PCS CONTROL BUILDING INTERIOR  
 RELOCATION OF ORANGE COUNTY FEEDER  
 RELOCATION OF PORTION OF ORANGE COUNTY FEEDER (MWD'S SHARE)  
 REMAINING PORTIONS  
 REPAIRS TO THE LA-35 DISCHARGE STRUCTURE  
 REPLACE 2 FIRE & DOMESTIC WATER SYSTEM  
 REPLACE COMMUNICATION LINE TO THE SAN GABRIEL CONTROL TOWER  
 REPLACE COPPER GROUNDWIRES ON DESERT HIGH VOLTAGE TRANSMISSION TOWERS  
 REPLACE VALVE POSITION INDICATORS  
 REPLACEMENT OF COMMUNICATION LINE AT SAN GABRIEL TOWER  
 REPLACEMENT/ RELINE AT-RISK PCCP LINES - STAGE 1  
 RIALTO FEEDER BROKEN BACK REPAIR  
 RIALTO FEEDER VALVE STRUCTURE  
 RIALTO FEEDER, REPAIRS AT SELECT LOCATIONS, STUDY  
 RIALTO PIPELINE - CONSTRUCTION PHASE 1  
 RIALTO PIPELINE - CONSTRUCTION PHASE 2  
 RIALTO PIPELINE IMPROVEMENTS  
 RIALTO PIPELINE IMPROVEMENTS - CONSTRUCTION

<p style="text-align: center;"><b>TABLE 3</b> <b>CONVEYANCE, DISTRIBUTION, AND STORAGE SYSTEM COSTS</b></p>
<p><b>Description</b> <b><u>Distribution Facilities</u></b></p> <p>           RIALTO PIPELINE IMPROVEMENTS - CONSTRUCTION PHASE III            RIALTO PIPELINE IMPROVEMENTS - DESIGN PHASE 2            RIALTO PIPELINE IMPROVEMENTS - DESIGN PHASE 3            RIALTO PIPELINE IMPROVEMENTS - FINAL DESIGN            RIALTO PIPELINE IMPROVEMENTS - VALVE PROCUREMENT            RIALTO PIPELINE IMPROVEMENTS PHASE 1 FINAL DESIGN            RIALTO PIPELINE PCCP REHABILITATION            RIALTO PIPELINE REPAIR @ STA 3196+44            RIALTO PIPELINE REPAIR AT THOMPSON CREEK            RIALTO PIPELINE REPAIRS AT STATION 3198+44            RIALTO PIPELINE VALVE PROCUREMENT            RIGHT OF WAY INFRASTRUCTURE PROTECTION PROGRAM - LOS ANGELES COUNTY REGION            RIGHT OF WAY INFRASTRUCTURE PROTECTION PROGRAM - O. C. REGION            RIGHT OF WAY INFRASTRUCTURE PROTECTION PROGRAM - RIVERSIDE AND SAN DIEGO COUNTY REGION            RIGHT OF WAY INFRASTRUCTURE PROTECTION PROGRAM - WESTERN SAN BERNARDINO COUNTY REGION            RIGHT OF WAY SURVEY AND MAPPING            RIO HONDO PRESSURE CONTROL STRUCTURE VALVE REPLACEMENTS            ROBERT B. DIEMER FILTRATION PLANT - LAND ACQUISITION            ROOF REPLACEMENT AT SOTO ST. FACILITY            SAN DIEGO #3 BLOWOFF TO PUMPWELL CONVERSION            SAN DIEGO CANAL - EAST &amp; WEST BYPASS SCREENING STRUCTURES STUDY            SAN DIEGO CANAL - ELECTRICAL VAULT &amp; CONDUCTOR REPLACEMENT            SAN DIEGO CANAL - FENCING            SAN DIEGO CANAL - INSTALL ACOUSTIC FLOW METER            SAN DIEGO CANAL - PIEZOMETER            SAN DIEGO CANAL - REPLACE SODIUM BISULFATE TANK            SAN DIEGO CANAL - SEEPAGE STUDY            SAN DIEGO CANAL BISULFITE TANK REPLACEMENT            SAN DIEGO CANAL LINER REPAIR            SAN DIEGO CANAL RADIAL GATE (V0-6) REHABILITATION            SAN DIEGO CANAL RADIAL GATE (V0-8) REHABILITATION            SAN DIEGO CANAL RADIAL GATE REHAB            SAN DIEGO CANAL SEEPAGE STUDY            SAN DIEGO CANAL WEST BYPASS TRASH RACK            SAN DIEGO PIPELINE #4 VALVE REPLACEMENT            SAN DIEGO PIPELINE 1 BLOW-OFF VALVE REPLACEMENT            SAN DIEGO PIPELINE 3 &amp; 5 REMOTE CONTROL OF BYPASS            SAN DIEGO PIPELINE 4 AND AULD VALLEY PIPELINE CARBON FIBER REPAIRS            SAN DIEGO PIPELINE 5 &amp; LAKE SKINNER OUTLET REPAIR            SAN DIEGO PIPELINE 6 - PRESSURE CONTROL STRUCTURE/HYDROELECTRIC PLANT - FEASIBILITY STUDY            SAN DIEGO PIPELINE 6 NORTH REACH, ENVIRONMENTAL MONITORING DURING CONSTRUCTION            SAN DIEGO PIPELINE NO. 1 JOINT REPAIR            SAN DIEGO PIPELINE NO. 3 BYPASS            SAN DIEGO PIPELINE NO. 3 PIPING MODIFICATIONS            SAN DIEGO PIPELINE NO. 5 - OCT. 2007 FIRE DAMAGE - REPLACE ABOVE GROUND CORROSION CONTROL SYSTEM EQUIPMENT, AND STRUCTURAL APPURTENANCES            SAN DIEGO PIPELINE NO. 6 - RIVERSIDE BRANCH - ETIWANDA FACILITY/DROP INLET STRUCTURE            SAN DIEGO PIPELINE NO. 6 - RIVERSIDE BRANCH - PLEASANT PEAK, COMMUNICATIONS            SAN DIEGO PIPELINE NO. 6 - RIVERSIDE TUNNEL CONSTRUCTION - AS BUILT            SAN DIEGO PIPELINE NO. 6 - RIVERSIDE TUNNEL COST OF RIGHT OF WAY (OPTIONAL PORTAL SITE)            SAN DIEGO PIPELINE NO. 6 - RIVERSIDE TUNNEL ENVIRONMENTAL CONSTRUCTION            SAN DIEGO PIPELINE NO. 6 - RIVERSIDE TUNNEL ENVIRONMENTAL PRELIMINARY DESIGN            SAN DIEGO PIPELINE NO. 6 - RIVERSIDE TUNNEL PRELIMINARY DESIGN            SAN DIEGO PIPELINE NO. 6 - RIVERSIDE TUNNEL PROGRAM MANAGEMENT            SAN DIEGO PIPELINE NO. 6 - RIVERSIDE TUNNEL RIGHT OF WAY PRELIMINARY DESIGN            SAN DIEGO PIPELINE NO. 6 - CONTRACT NO.1 SAN DIEGO CANAL TO MOUNT OLYMPUS            SAN DIEGO PIPELINE NO. 6 - CONTRACT NO.2 MOUNT OLYMPUS TUNNEL &amp; PORTALS            SAN DIEGO PIPELINE NO. 6 - NORTH REACH CONSTRUCTION - AS BUILT            SAN DIEGO PIPELINE NO. 6 - NORTH REACH ENVIRONMENTAL - CONSTRUCTION            SAN DIEGO PIPELINE NO. 6 - NORTH REACH ENVIRONMENTAL PRELIMINARY DESIGN            SAN DIEGO PIPELINE NO. 6 - NORTH REACH FINAL DESIGN &amp; ADV/NTP            SAN DIEGO PIPELINE NO. 6 - NORTH REACH POST DESIGN            SAN DIEGO PIPELINE NO. 6 - NORTH REACH PRELIMINARY DESIGN            SAN DIEGO PIPELINE NO. 6 - NORTH REACH PROGRAM MANAGEMENT - CONSTRUCTION            SAN DIEGO PIPELINE NO. 6 - NORTH REACH PROGRAM MANAGEMENT - DESIGN            SAN DIEGO PIPELINE NO. 6 - NORTH REACH RIGHT OF WAY FINAL DESIGN            SAN DIEGO PIPELINE NO. 6 - NORTH REACH RIGHT OF WAY PRELIMINARY DESIGN            SAN DIEGO PIPELINE NO. 6 - NORTHERN PIPELINE COST OF RIGHT OF WAY            SAN DIEGO PIPELINE NO. 6 - NORTHERN REACH ENVIRONMENTAL FINAL DESIGN            SAN DIEGO PIPELINE NO. 6 - OPERATIONS SCOPING STUDY            SAN DIEGO PIPELINE NO. 6 - PIPELINE/TUNNEL STUDY - DESIGN            SAN DIEGO PIPELINE NO. 6 - PIPELINE/TUNNEL STUDY - ENVIRONMENTAL            SAN DIEGO PIPELINE NO. 6 - PIPELINE/TUNNEL STUDY - PROJECT MANAGEMENT            SAN DIEGO PIPELINE NO. 6 - PIPELINE/TUNNEL STUDY - RIGHT OF WAY            SAN DIEGO PIPELINE NO. 6 - PROJECT MANAGEMENT            SAN DIEGO PIPELINE NO. 6 - RIGHT OF WAY            SAN DIEGO PIPELINE NO. 6 - SOUTH REACH - PROGRAM MANAGEMENT            SAN DIEGO PIPELINE NO. 6 - SOUTH REACH / TUNNEL STUDY            SAN DIEGO PIPELINE NO. 6 - SOUTH REACH CONSTRUCTION / AS BUILT            SAN DIEGO PIPELINE NO. 6 - SOUTH REACH COST OF RIGHT OF WAY            SAN DIEGO PIPELINE NO. 6 - SOUTH REACH ENVIRONMENTAL - CONSTRUCTION            SAN DIEGO PIPELINE NO. 6 - SOUTH REACH ENVIRONMENTAL FINAL DESIGN            SAN DIEGO PIPELINE NO. 6 - SOUTH REACH ENVIRONMENTAL PRELIMINARY DESIGN            SAN DIEGO PIPELINE NO. 6 - SOUTH REACH FINAL DESIGN/ADV            SAN DIEGO PIPELINE NO. 6 - SOUTH REACH PRELIMINARY DESIGN            SAN DIEGO PIPELINE NO. 6 - SOUTH REACH RIGHT OF WAY FINAL DESIGN            SAN DIEGO PIPELINE NO. 6 - SOUTH REACH RIGHT OF WAY PRELIMINARY DESIGN            SAN DIEGO PIPELINE NO. 6 - SOUTH REACH TUNNEL ALIGNMENT ANALYSIS            SAN DIEGO PIPELINE NO. 6 AREA STUDY            SAN DIEGO PIPELINE NO. 6 ENVIRONMENTAL MITIGATION            SAN DIEGO PIPELINE NO.4 &amp; AULD VALLEY PIPELINE CARBON FIBER REPAIR STUDY            SAN DIEGO PIPELINE NOS. 1AND 3 - VALVE REPLACEMENT            SAN DIMAS AND RED MOUNTAIN POWER PLANTS STANDBY DIESEL ENGINE GENERATOR REPLACEMENTS            SAN DIMAS CONTROL STRUCTURE 500 GALLONS DIESEL TANK REPLACEMENT            SAN DIMAS HEP BATTERY BANK AND GENERATOR BREAKER            SAN DIMAS PCS - UNINTERRUPTIBLE POWER SOURCE SYSTEMS INSTALLATION            SAN FRANCISQUITO PIPELINE BLOW OFF STRUCTURE, STA 287+70, ACCESS ROAD CONSTRUCTION            SAN GABRIEL TOWER AND SPILLWAY IMPROVEMENTS         </p>

TABLE 3 CONVEYANCE, DISTRIBUTION, AND STORAGE SYSTEM COSTS	
<b>Description</b>	
<b><u>Distribution Facilities</u></b>	
SAN GABRIEL TOWER SEISMIC UPGRADE	
SAN GABRIEL TOWER SLIDE GATE REHABILITATION	
SAN JACINTO #1 AND #2 CASA LOMA FAULT CROSSING STRUCTURE UPGRADE	
SAN JACINTO DIVERSION STRUCTURE SLIDE GATE V-03 REPLACEMENT	
SAN JOAQUIN RELIEF STRUCTURE FOR EASTERN ORANGE COUNTY FEEDER #2	
SAN JOAQUIN RELIEF STRUCTURE FOR EASTR OC FDR #2	
SAN JOAQUIN RESERVOIR, INSTALL BULKHEAD	
SANTA ANA RIVER BRIDGE EXPANSION JOINT REPLACEMENT	
SANTA ANA RIVER BRIDGE SEISMIC RETROFIT	
SANTA ANA RIVER BRIDGE SEISMIC UPGRADE	
SANTA MONICA FEEDER RELOCATION	
SANTA MONICA FEEDER STATION 495+10 REHABILITATION	
SANTIAGO CONTROL TOWER CATHODIC PROTECTION	
SANTIAGO LATERAL REPLACE MOTOR - OPERATED VALVE	
SANTIAGO LATERAL SECTIONALIZATION VALVE REPLACEMENT	
SANTIAGO LATERAL STA 216+40 BUTTERFLY VALVE REPLACEMENT	
SANTIAGO PRESSURE CONTROL STRUCTURE	
SANTIAGO TOWER ACCESS ROAD IMPROVEMENT	
SCADA COMMUNICATIONS MPLS UPGRADE - AT&T REGION (MINOR CAP)	
SCADA COMMUNICATIONS MPLS UPGRADE - VERIZON REGION (MINOR CAP)	
SCADA SYSTEM HARDWARE UPGRADE	
SCADA SYSTEM NT SOFTWARE UPGRADE	
SCADA SYSTEM SUPPORT PROGRAMS	
SD AND CASA LOMA CANALS LINING	
SD CANAL EAST & WEST BYPASS SCREENING STRUCTURES STUDY	
SD CANAL REPLACE SODIUM BISULFITE TANK	
SD PIPELINE 3 CULVERT ROAD REHAB	
SD PIPELINE 3.4, AND 5 PROTECTIVE COVER	
SD PIPELINE 4 EXPLORATORY EXCAVATION	
SD PIPELINE 5 EXPLORATORY EXCAVATION	
SD PIPELINES 3 AND 5 REMOTE CONTROL BYPASS STRUCTURE GATES AND ISOLATION VALVES	
SECOND LOWER & SEPULVEDA FEEDERS SCI DRAIN STATIONS	
SECOND LOWER CROSS FEEDER - VALVE PROCUREMENT	
SECOND LOWER CROSS FEEDER CONSTRUCTION	
SECOND LOWER CROSS FEEDER FINAL DESIGN	
SECOND LOWER FEEDER - INSTALL LINER	
SECOND LOWER FEEDER CATHODIC PROTECTION SYSTEM	
SECOND LOWER FEEDER CURRENT MITIGATION REFURBISHMENT	
SECOND LOWER FEEDER PCCP REHABILITATION	
SECOND LOWER FEEDER PCCP REPAIRS	
SECOND LOWER FEEDER RELIABILITY AT 3 LOCATIONS - SEISMIC STUDY	
SEISMIC UPGRADE OF 11 FACILITIES ON THE ALLEN MCCOLLOCH PIPELINE	
SEISMIC UPGRADES AT 10 SERVICE CONNECTION STRUCTURES ALONG AMP	
SELECTED PRESSURE REPLACE VALVE POSITION INDICATORS	
SEPULVEDA CANYON CONTROL FACILITY BYPASS PROJECT	
SEPULVEDA CANYON CONTROL FACILITY WATER STORAGE TANKS SEISMIC UPGRADE	
SEPULVEDA CANYON POWER PLANT TAIL RACE COATINGS	
SEPULVEDA CANYON TANKS EXTERIOR AND INTERIOR RECOATING	
SEPULVEDA FEEDER - CARBON FIBER LINER REPAIRS	
SEPULVEDA FEEDER CATHODIC PROTECTION SYSTEM	
SEPULVEDA FEEDER CORROSION/INTERFERENCE MITIGATION, STATION 950+00 TO 1170+00	
SEPULVEDA FEEDER HEP AUTO PILOT	
SEPULVEDA FEEDER PCCP DEL AMO BLVD URGENT RELINING	
SEPULVEDA FEEDER REPAIRS AT 3 SITES	
SEPULVEDA FEEDER SOUTH CATHODIC PROTECTION SYSTEM	
SEPULVEDA FEEDER STATION 2002+02 TO 2273+28 STRAY CURRENT INTERFERENCE MITIGATION	
SEPULVEDA FEEDER STRAY CURRENT MITIGATION REFURBISHMENT	
SEPULVEDA FEEDER/EAST VALLEY FEEDER INTERCONNECTION ELECTRICAL UPGRADES	
SEPULVEDA PCS - PERIMETER ASPHALT REPAIRS	
SEPULVEDA PIPELINE PCCP REHABILITATION	
SEPULVEDA-WEST BASIN INTERCONNECTION VALVE REPLACEMENTS	
SERVICE CONNECTION LV-01 UPGRADES	
SERVICE CONNECTION OC-26 - RELOCATION OF METER CABINET, INSTRUMENT HOUSING & AIR VENT STACK	
SERVICE CONNECTION WB13 - WEST BASIN FEEDER	
SERVICE CONNECTIONS CB-12 & CB-16 TURNOUT VALVE REPLACEMENT & ELECTRICAL UPGRADE	
SERVICE CONNECTIONS WB-2A AND WB-2B EQUIPMENT RELOCATION	
SIMULATION AND MODELING APPLICATION FOR REAL TIME OPERATIONS SMART OPS	
SITE 3 SECOND LOWER FEEDER URGENT REPAIRS - FINAL DESIGN	
SITES 1 & 2 SECOND LOWER FEEDER URGENT REPAIRS - FINAL DESIGN & PIPE FABRICATION	
SKINNER ACCUSONIC FLOWMETER REPLACEMENT	
SKINNER BRANCH - AIR INJECTION MODIFICATIONS TO RED MOUNTAIN POWER PLANT	
SKINNER BRANCH - CASA LOMA CANAL	
SKINNER BRANCH - CASA LOMA SIPHON BARREL ONE	



TABLE 3 CONVEYANCE, DISTRIBUTION, AND STORAGE SYSTEM COSTS	
<b>Description</b>	
<b><u>Distribution Facilities</u></b>	
SKINNER BRANCH - CATWALK FOR TRAVELING MAINTENANCE BRIDGE FOR	
SKINNER BRANCH - FABRICATE & REPLACE THE STEMS, NUTS & KEYS	
SKINNER BRANCH - REPAIR MODULE 1 AND 2 FLOCCULATORS BRIDGES	
SKINNER DAM REMEDIATION	
SKINNER DISTRIBUTION SYSTEM - CONTRACT # 1396	
SKINNER ELECTRICAL BUILDING HVAC UPGRADE	
SKINNER FACILITY AREA PAVING	
SKINNER FILTRATION PLANT - ELEVATED SLAB IN SERVICE BLDG 1	
SKINNER HELIPAD REHAB	
SKINNER REPLACEMENT FOR WETCELL BATTERY AND INVERTER	
SKINNER SCADA SERVERS RELOCATION	
SMART-OPS (FORMERLY RTOS)	
SOTO STREET FACILITY - BUILDING SEISMIC UPGRADE	
SOTO STREET FACILITY - REPLACE HEATING	
SOTO STREET FACILITY - ROOF REPLACEMENT	
SOUTH COUNTY PIPELINE PROTECTION AT SAN JUAN CREEK CROSSING	
SOUTH REACH / TUNNEL STUDY	
SOUTH REACH CONSTRUCTION/ASBUILT - FUTURE UNAPPROPRIATED	
SOUTH REACH DESIGN - FUTURE/UNAPPROPRIATED	
SOUTH REACH ENVIRONMENTAL - FUTURE/UNAPPROPRIATED	
SOUTH REACH FEASIBILITY STUDY	
SOUTH REACH PROJECT MANAGEMENT - FUTURE/UNAPPROPRIATED	
SOUTH REACH RIGHT OF WAY - FUTURE/UNAPPROPRIATED	
SPECIAL SERVICE BRANCH - REPLACE PLATE BENDING	
ST. JOHN'S CANYON CHANNEL EROSION MITIGATION	
SYSTEM RELIABILITY PROGRAM	
SYSTEM-WIDE ASPHALT REPLACEMENT	
TEMESCAL POWER PLANT REPLACE EMERGENCY GENERATOR	
TREATED WATER CROSS CONNECTION PREVENTION - FINAL DESIGN & CONSTRUCTION	
TREATED WATER CROSS CONNECTION PREVENTION - UNFUNDED WORK	
TWO-WAY RADIO ENHANCEMENT - EMERGENCY SERVICES, FIRE CONTROL, EVACUATION & BLDG. MAINT.	
TWO-WAY RADIO ENHANCEMENT FOR EMERGENCY SERVICES, FIRE CONTROL, EVACUATION AND BLDG. MAINTENANCE	
UNDER GROUND STORAGE TANK DISPENSER SPILL CONTAINMENT & REMEDIATION	
UNION STATION TWO-WAY RADIO ENHANCEMENT FOR EMERGENCY SERVICES, FIRE CONTROL, EVACUATION AND BUILDING MAINTENANCE	
UPGRADE CATHODIC PROTECTION RECTIFIERS	
UPGRADE HOLLYWOOD TUNNEL PORTAL SLEEVE VALVE EQUIPMENT	
UPGRADE SUNSET GARAGE	
UPPER FEEDER - SANTA ANA RIVER BRIDGE REPAIRS	
UPPER FEEDER - STRUCTURAL PROTECTION	
UPPER FEEDER AIR ENTRAINMENT	
UPPER FEEDER CATHODIC PROTECTION SYSTEM	
UPPER FEEDER GATE REHABILITATION	
UPPER FEEDER JUNCTION STRUCTURE SEISMIC UPGRADE	
UPPER FEEDER SANTA ANA RIVER DISCHARGE PAD	
UPPER FEEDER SERVICE CONNECTIONS UPGRADES	
UPPER NEWPORT BAY BLOW-OFF STRUCTURE REHABILITATION	
UPS SYSTEMS INSTALLATION AT FOOTHILL PCS	
UPS SYSTEMS INSTALLATION AT PERRIS CONTROL STRUCTURE	
UTILITY BUSINESS ARCHITECTURE (OBJECT MAPPING/MODELING)	
VACUUM AIR RELEASE VALVE RELOCATION PILOT PROGRAM	
VALLEY & LOS ANGELES DISTRIBUTION VALVE POSITION DISPLAY UPGRADE	
VALVE PROCUREMENT	
VIDEO CONFERENCE SYSTEM UPGRADE	
VIDEOCONFERENCING UPGRADE	
WADSWORTH PUMPING PLANT - MODIFICATION/REPAIRS OF FIFTY-NINE 6.9KV BREAKERS/CABINETS	
WADSWORTH PUMPING PLANT CONDUIT REPAIR AND PROTECTION	
WADSWORTH PUMPING PLANT CONTROL & PROTECTION UPGRADES	
WADSWORTH PUMPING PLANT FOREBAY GANTRY CRANE UPGRADE	
WADSWORTH PUMPING PLANT RECOATING 144" YARD PIPING	
WADSWORTH PUMPING PLANT SLEEVE VALVE REFURBISHMENT	
WADSWORTH PUMPING PLANT STOP LOGS ADDITION - STUDY	
WADSWORTH PUMPING PLANT YARD PIPING LINING REPLACEMENT	
WADSWORTH/DVL CONTROL & PROTECTION SYSTEM UPGRADE - UPS REPLACEMENT	
WATER DELIVERY SYSTEM AUTOMATION	
WATER PLANNING APPLICATION	
WATER QUALITY - REMOTE MONITORING	
WATER QUALITY LABORATORY BUILDING EXPANSION	
WATER QUALITY MONITORING AND EVENT DETECTION SYSTEM	
WEST COAST FEEDER - CATHODIC PROTECTION SYSTEMS	
WEST OC FEEDER VALVE REPLACEMENT	
WEST ORANGE COUNTY FEEDER OC-09 REHABILITATION	
WEST ORANGE COUNTY FEEDER VALVE REPLACEMENT	
WEST VALLEY AREA STUDY	
WEST VALLEY FEEDER # 1 STAGE 2 VALVE STRUCTURE MODIFICATIONS - CONSTRUCTION	
WEST VALLEY FEEDER NO. 1 - DE SOTO VALVE STRUCTURE IMPROVEMENTS	
WEST VALLEY FEEDER NO. 1 ACCESS ROADS AND STRUCTURE IMPROVEMENTS (STAGE 2)	
WEST VALLEY FEEDER NO. 1 ACCESS ROADS AND STRUCTURE IMPROVEMENTS (STAGE 3)	
WEST VALLEY FEEDER NO. 1 ACCESS ROADS AND STRUCTURES IMPROVEMENTS	
WEST VALLEY FEEDER NO. 1 VALVE STRUCTURE MODIFICATIONS	
WESTERN REGION PLUMBING RETROFIT	
WESTERN SAN BERNARDINO COUNTY REGION ENVIRONMENTAL MITIGATION MONITORING	
WEYM. PLT/LA VERNE FAC-BACKFLO PREV ASSY	
WEYMOUTH - BUILDING NO. 4 - HAND RAIL AND STAIRS ADDITION	
WEYMOUTH - FLAG POLE AREA LANDSCAPE UPGRADE	
WEYMOUTH ASPHALT REHABILITATION	
WEYMOUTH COMPRESSED AIR SYSTEM	
WEYMOUTH DISTRIBUTION SYSTEM - REPLACEMENT OF AREA CONTROL SYSTEMS - CONTRACT #1396	
WEYMOUTH FLOCCULATOR REHABILITATION	
WEYMOUTH WATER TREATMENT PLANT DOMESTIC AND FIRE WATER SYSTEM IMPROVEMENT	
WFP - ASPHALT REHABILITATION	
WFP - COMPRESSED AIR SYSTEM IMPROVEMENT	
WFP - PURCHASE OF REAL PROPERTY	
WFP - REPAIR TO BLDG # 1	
YORBA LINDA FEEDER - STA 924+11 PORTAL ACCESS	
YORBA LINDA FEEDER BYPASS	
YORBA LINDA PORTAL STRUCTURE ACCESS/TELEGRAPH CREEK BRIDGE	
<b>Sub-total Distribution facilities costs</b>	<b>\$ 80,127,382</b>

TABLE 4							
FISCAL YEAR 2023/24							
ESTIMATED READINESS-TO-SERVE CHARGE REVENUE							
Member Agency	Rolling Ten- Year Average Firm Deliveries (Acre-Feet) FY2011/12 - FY2020/21	RTS Share	6 months @ \$154 million per year (7/23- 12/23)	Rolling Ten- Year Average Firm Deliveries (Acre-Feet) FY2012/13 - FY2021/22	RTS Share	6 months @ \$167 million per year (1/24- 6/24)	Total RTS Charge FY 2023/24
Anaheim	19,376.9	1.37%	1,051,617	21,455.1	1.51%	1,262,624	2,314,242
Beverly Hills	10,308.7	0.73%	559,471	10,205.1	0.72%	600,566	1,160,037
Burbank	13,354.6	0.94%	724,777	12,718.9	0.90%	748,502	1,473,279
Calleguas MWD	96,573.4	6.81%	5,241,203	95,178.2	6.71%	5,601,201	10,842,404
Central Basin MWD	34,311.0	2.42%	1,862,116	33,127.5	2.33%	1,949,541	3,811,657
Compton	340.2	0.02%	18,463	179.0	0.01%	10,534	28,997
Eastern MWD	97,570.2	6.88%	5,295,301	98,347.5	6.93%	5,787,713	11,083,014
Foothill MWD	8,306.1	0.59%	450,786	8,584.8	0.61%	505,212	955,998
Fullerton	7,280.1	0.51%	395,103	6,943.1	0.49%	408,599	803,702
Glendale	16,256.7	1.15%	882,279	16,034.1	1.13%	943,601	1,825,880
Inland Empire Utilities Agency	55,761.7	3.93%	3,026,283	54,931.6	3.87%	3,232,704	6,258,986
Las Virgenes MWD	20,715.7	1.46%	1,124,276	20,371.3	1.44%	1,198,843	2,323,120
Long Beach	29,251.8	2.06%	1,587,545	29,143.9	2.05%	1,715,107	3,302,652
Los Angeles	273,537.0	19.28%	14,845,319	289,217.7	20.38%	17,020,351	31,865,671
Municipal Water District of Orange County	195,128.0	13.75%	10,589,929	194,843.4	13.73%	11,466,460	22,056,389
Pasadena	18,954.2	1.34%	1,028,677	19,240.7	1.36%	1,132,308	2,160,985
San Diego County Water Authority	214,362.4	15.11%	11,633,813	195,939.0	13.81%	11,530,935	23,164,748
San Fernando	29.7	0.00%	1,612	85.4	0.01%	5,026	6,638
San Marino	0.0	0.07%	52,861	1,020.4	0.07%	60,050	112,911
Santa Ana	9,606.6	0.68%	521,367	9,104.1	0.64%	535,773	1,057,139
Santa Monica	4,607.4	0.32%	250,051	4,511.6	0.32%	265,506	515,557
Three Valleys MWD	63,736.2	4.49%	3,459,072	64,396.5	4.54%	3,789,709	7,248,782
Torrance	15,549.0	1.10%	843,871	15,339.7	1.08%	902,735	1,746,606
Upper San Gabriel Valley MWD	30,096.0	2.12%	1,633,361	34,238.2	2.41%	2,014,905	3,648,266
West Basin MWD	113,660.3	8.01%	6,168,538	114,036.4	8.04%	6,710,999	12,879,537
Western MWD	69,139.3	4.87%	3,752,308	69,677.5	4.91%	4,100,494	7,852,802
<b>MWD Total</b>	<b>1,418,787.2</b>	<b>100.00%</b>	<b>\$ 77,000,000</b>	<b>1,418,870.7</b>	<b>100.00%</b>	<b>\$ 83,500,000</b>	<b>\$ 160,500,000</b>
Totals may not foot due to rounding							

**TABLE 5**  
**FISCAL YEAR 2023/24**  
**ESTIMATED STANDBY CHARGE REVENUE**

<b>Member Agencies</b>	<b>Total Parcel Charge</b>	<b>Number of Parcels Or Acres</b>	<b>Gross Revenues (Dollars) <sup>1</sup></b>
Anaheim	\$ 8.55	69,455	593,838
Beverly Hills	-	-	-
Burbank	14.20	29,093	413,127
Calleguas MWD	9.58	260,082	2,491,586
Central Basin MWD	10.44	340,790	3,557,852
Compton	1.65	18,066	29,810
Eastern MWD	6.94	405,681	2,815,429
Foothill MWD	10.28	30,303	311,520
Fullerton	10.71	35,308	378,148
Glendale	12.23	45,076	551,279
Inland Empire Utilities Agency	7.59	264,760	2,009,525
Las Virgenes MWD	8.03	53,346	428,368
Long Beach	12.16	92,461	1,124,328
Los Angeles	-	-	-
Municipal Water District of Orange County <sup>2</sup>	10.09	662,325	7,530,243
Pasadena	11.73	39,578	464,255
San Diego County Water Authority	11.51	1,113,969	12,821,778
San Fernando	-	5,102	-
San Marino	8.24	4,971	40,963
Santa Ana	7.88	65,116	513,115
Santa Monica	-	-	-
Three Valleys MWD	12.21	151,421	1,848,850
Torrance	12.23	40,617	496,741
Upper San Gabriel Valley MWD	9.27	214,808	1,991,268
West Basin MWD	-	-	-
Western MWD	9.23	387,025	3,572,237
<b>MWD Total</b>		<b>4,329,354</b>	<b>\$ 43,984,259</b>

(1) Estimates per FY 2022/23 applied amounts

(2) Adjusted for inclusion of Coastal MWD

Note: Totals may not foot due to rounding.

<b>TABLE 6</b> <b>PARCELS SUBJECT TO ANNEXATION STANDBY CHARGES</b> <b>AS OF JULY 1, 2022</b>				
<b>Annexation</b>	<b>Parcel Number</b>	<b>Acres</b>		<b>Proposed Standby Charge (FY 2023/24)</b>
<b>San Diego County Water Authority</b>				
<b>SVBF Temple Reorganization</b>	241-080-47	22.13		\$ 254.72
<b>Rancho Corrido Annexation</b>	130-040-16	32.03		\$ 368.62
<b>REORGANIZATIONS BETWEEN MEMBER AGENCIES</b>				
<b>Annexation</b>	<b>Parcel Number</b>	<b>Acres</b>	<b>Original Standby Charge</b>	<b>Proposed Standby Charge (FY 2023/24)</b>
<b>Reorg No. 21-04</b> From City of Orange & MWDOC To City of Anaheim	232-011-37	0.35	MWDOC & City of Orange \$ -	City of Anaheim \$ 8.55

**NOTICE TO MEMBER AGENCIES OF PROPOSED ADOPTION OF READINESS-TO-SERVE CHARGE AND CAPACITY CHARGE FOR CALENDAR YEAR 2024 AND CONTINUATION OF STANDBY CHARGE FOR FISCAL YEAR 2023/24**

The Board of the Metropolitan Water District of Southern California (Metropolitan) adopted a biennial budget for fiscal years 2022/23 and 2023/24 on April 12, 2022. On the same date, the Board also adopted rates for calendar years 2023 and 2024 and charges for calendar year 2023 to meet revenue requirements for fiscal years 2022/23 and 2023/24. The Board's determinations were based on the assumption of Readiness-To-Serve charge collections for calendar year 2024 of \$167 million and a Capacity Charge set at \$11,200 per cubic-foot-second. Accordingly, notice is hereby given to each member public agency of Metropolitan that at its regular meeting to be held April 11, 2023 (or such other date as the Board shall hold its regular meeting in such month), Metropolitan's Board of Directors will consider the adoption of the Readiness-To-Serve Charge and Capacity Charge for calendar year 2024.

The Board's determinations on April 12, 2022 were also based on the continuation of Metropolitan's water standby charge for fiscal year 2023/24. Accordingly, at its regular meeting to be held May 9, 2023, (or such other date as the Board shall hold its regular meeting in such month), the Board will consider the General Manager's recommendation to continue Metropolitan's water standby charge for fiscal year 2023/24 under authority of Section 134.5 of the Act on land within Metropolitan at rates not to exceed, per acre of land, or per parcel of land less than an acre, as presently in effect. Any such water standby charge will be continued for the purpose of applying the collected revenues to the corresponding agencies' Readiness-To-Serve charge obligation.

Board letters with information about the proposed charges will be provided to the Board prior to the board meetings.

Dated: February 3, 2023



Katano Kasaine  
Assistant General Manager/  
Chief Financial Officer





Finance, Audit, Insurance, and Real Property Committee

# Water Standby Charge for Fiscal Year 2023/24

Item 8-6  
May 9, 2023

# Standby Charge Program

- Collected from properties within area of 22 member agencies participating in program since FY 1993/94
- Applied towards participating agencies' Readiness-to-Serve (RTS) Charge obligation
- Produces annual revenue of about \$43.9 million for those agencies' RTS Charge obligation



# Standby Charge Rates

- Standby Charge has been collected at rates that do not exceed the rates set in FY 1993/94
- Charge per acre or parcel, if less than an acre, for FY 2023/24 ranges from \$1.65 to \$14.20

# Board Action RTS and Standby Charges

- April 2022: Board adopted the Readiness-to-Serve Charge for CY 2023 at \$154 million
  - May 2022: Board adopted resolution to continue Water Standby Charge for FY 2022/23
- April 2023: Board adopted the Readiness-to-Serve Charge for CY 2024 at \$167 million
  - May 2023: Board to consider Resolution to continue Water Standby Charge for FY 2023/24

# Board Options

- Option #1 – Adopt the resolution to continue the Standby Charge for fiscal year 2023/24
- Option #2 – Do not adopt the resolution to continue the Standby Charge for fiscal year 2023/24, which would require the participating member agencies to pay the full RTS Charge directly to Metropolitan, rather than having a portion collected through the Standby Charge

# Staff Recommendation

- Option #1 – Adopt the resolution to continue the Standby Charge for fiscal year 2023/24





## ● Board of Directors

### ***Finance, Audit, Insurance, and Real Property Committee***

5/9/2023 Board Meeting

9-2

## **Subject**

Renewal Status of Metropolitan's Property and Casualty Insurance Program

## **Executive Summary**

Pursuant to Metropolitan's Administrative Code, this letter reviews the current status of Metropolitan's insurance coverages and anticipated charges for Fiscal Year (FY) 2023/24. The premium estimates that follow are expected costs, but not actual quotes, at this writing. These expected costs are derived from Metropolitan's broker's experience with our current insurance carriers, other insurers that may be willing to quote our program, and the condition of the current marketplace overall. At this writing, we have reasonable confidence that the estimates provided by the insurance carriers will not exceed the aggregate total provided. Our broker will provide binding quotes once the insurance carriers have completed their review of Metropolitan's underwriting and risk profile information. In June, staff will present a board letter to request authority to purchase insurance based on the actual quoted premiums for the various lines of coverage.

## **Details**

### **Background**

The following list includes the Casualty and Property Insurance Program lines of insurance, with coverage amounts, which expire June 30, 2022:

- \$25 million aircraft liability coverage; \$10 million liability for Unmanned Aerial Vehicles, and aircraft hull coverage up to the planes' assessed values.
- \$5 million Crime coverage for exposures such as fraud, theft, faithful performance, and employee dishonesty in excess of a \$150,000 deductible.
- \$75 million General Liability coverage in excess of a \$25 million self-insured retention.
- \$60 million Fiduciary and Employee Benefits Liability coverage in excess of a \$25 million self-insured retention.
- \$65 million Public Officials, Directors and Officers Liability (D&O) coverage in excess of a \$25 million self-insured retention.
- Statutory Workers' Compensation, and \$1 million Employer's Liability coverage, in excess of a \$5 million self-insured retention; statutory coverage for Washington, D.C. employees.
- Stated property value up to \$25 million Property Damage coverage limit.

Metropolitan's property and casualty excess and specialty insurance renewal cost is expected to increase by approximately 15 percent over FY 2022/23. The cost increase is due to a continuation of significant global trends and factors affecting the insurance market. These include the extended economic fallout stemming from the global pandemic, increased frequency of climate change-induced mega-catastrophic weather events such as extreme storms and historic wildfires, and a continuation of significant social and political unrest. Escalating inflation over the past year, resulting from multiple national and international factors, is putting

additional upward price pressure on the insurance market. These events, combined with already existing pricing pressure trends, such as the expectation of rising medical costs, are causing both higher pricing and more restrictive policy terms and conditions. The effect of price increases and policy restrictions is expected to be somewhat muted because Metropolitan is significantly self-insured. Nonetheless, premium increases will continue to be more noticeable than during the pre-pandemic era. The rate of cost increases for the coming year is expected to be similar to that experienced for FY 2022/23.

**Attachment 1** compares the current coverages and premiums to those projected for FY 2023/24. These projections are pegged to the upper end of the expected price range. Premiums for the two layers of excess General Liability make up the largest portion of Metropolitan's casualty insurance budget. We expect up to a 20 percent premium increase from an aggregate amount of \$1,054,491 for FY 2022/23 to a projected \$1,265,389 for the coming year due to the factors discussed above, and additional costs due to an anticipated wildfire surcharge for risks in California. The excess fiduciary policy premiums are anticipated to rise by about 15 percent, from \$94,990, to an anticipated \$109,240. The excess D&O policies are projected to cost about \$358,480, up 12 percent from \$320,068 in FY 2022/23. Premiums for excess workers' compensation, and the first dollar coverage policy for Washington, D.C. employees, are expected to rise more mildly by up to 10 percent from a combined \$121,727 in the current fiscal year to an estimated \$133,900 for FY 2023/24. To add context for this price trend, from FYs 2002/03 to 2005/06, the self-insured retention for workers' compensation coverage was incrementally raised from \$1 million to \$5 million in response to terror-risk-related premium spikes in that line of coverage. The rationale to increase the self-insured retention was that the premiums saved over a ten-year period would offset the financial risk of a "once in a decade" claim that would exceed the self-insurance coverage in that particular year. That analysis was based on calculations derived from the annual actuarial study. Metropolitan's risk exposure has remained stable since that review.

Because premiums for this line of coverage stabilized and then later decreased, Metropolitan maintained the self-insured retention of \$5 million, but raised the coverage limit from \$25 million to \$50 million in FY 2010/11. In FY 2015/16, Metropolitan was able to obtain excess workers' compensation coverage with statutory limits over the \$5 million retention without a price increase. As premiums are expected to be mildly to moderately higher than last year, at this time staff anticipates maintaining the same self-insured retention and coverage limit. Over the last five years, excess workers' compensation premiums have remained fairly stable, with increases due mostly to medical inflation. Beginning in FY 2010/11, Metropolitan purchased a separate "first dollar" policy for the Washington, D.C. employees. That first dollar policy cost \$1,296 last year and is included in Metropolitan's total premium figure for workers' compensation coverage.

For all coverages, staff continues to explore the cost-benefit of various options to maximize coverage without significantly increasing premium costs, and other options to reduce premium costs without increasing Metropolitan's risk exposure. Staff also reviews and analyzes the suitability of the retention levels and coverage limits along with input from actuaries and comparisons to other organizations. As long as premium costs and Metropolitan's risk exposures remain stable, the actuarial recommendations for retention and excess coverage levels remain in place. Staff continues to review and evaluate the viability of obtaining other lines of coverage such as fire, flood, cyber liability, and earthquake coverage as risks and needs change. In past years, Metropolitan has not purchased these coverages because it has not been financially favorable, compared with the risk exposure, and because Metropolitan can raise funds if repairs are required. Metropolitan did a deeper dive into cyber liability coverage and obtained board authority of up to \$100,000 to obtain a policy to help finance and provide expertise and logistics in financing that risk. The costs were still too high, and above the approved board authority amount, and consequently the policy was not purchased for FY 2022/23. Staff continues to seek cost-effective options to insure a portion of the potential cyber liability exposure as an addition to Metropolitan's robust cyber liability defense.

Premium costs for other excess and specialty policies will vary by line of coverage but are expected to have varying cost increases due to inflationary pressures but also increased claims payment trends globally in some lines of coverage. The Aircraft Liability and Hull Policy premium is expected to increase from \$81,820 paid in FY 2022/23 to an estimated \$90,000. Metropolitan's Crime policy premium is anticipated to rise by approximately five percent from \$10,901 to \$11,450.



Metropolitan also maintains a property damage policy due to fire damage that occurred near the Diemer Facility in the fall of 2009. This policy was originally purchased in order to obtain reimbursement of over \$500,000 from the Federal Emergency Management Agency for damage repair. Last year the premium renewal cost was \$5,236, and due to continued wildfire-related losses in the western United States weighing on the insurance market, it is expected to again rise by up to 25 percent, to \$6,545 for FY 2023/24.

Metropolitan also carries Travel Accident and Special Contingency three-year duration policies, last purchased in fiscal 2022/23, which are not up for renewal until July 2025. In 2022, the renewal premiums cost \$21,633 and \$4,442, respectively.

To complete the insurance renewal for FY 2023/24, with similar limits and retentions, staff anticipates renewal premium costs of about \$1.974 million compared with approximately \$1.715 million for FY 2022/23.

## Policy

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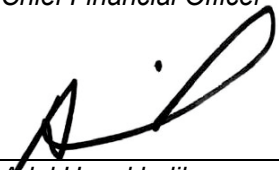
Metropolitan Water District Administrative Code Section 6413: Insurance Program

Metropolitan Water District Administrative Code Section 9101: Risk Retention and Procurements of Insurance

## Fiscal Impact

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The total premium costs are anticipated to increase from \$1.715 million for FY 2022/23 to approximately \$1.974 million for FY 2023/24.

 _____ Katano Kasaine Assistant General Manager/ Chief Financial Officer	4/25/2023 Date
 _____ Adel Hagekhalil General Manager	4/26/2023 Date

## Attachment 1 – Metropolitan’s Casualty and Property Insurance Program Insurance Premium Comparison in Dollars

Ref# cfo12695428



**Metropolitan's Casualty and Property Insurance Program  
Insurance Premium Comparison  
In Dollars**

<b>Insurance Policy Type</b>	<b>Self-Insured Retention (SIR)</b>	<b>Coverage Limits</b>	<b>2022/23 Insurance Premiums</b>	<b>2023/24 Estimated Premium Cost</b>	<b>2023/24 Estimated Insurance Premium Cost Change</b>	<b>2023/24 Estimated Insurance Premium % Change</b>
Excess General Liability <sup>■</sup>	\$25 million	\$75 million	1,054,491	1,265,389	210,898	20%
Fiduciary and Employee Benefits Liability <sup>■</sup>	\$25 million	\$60 million	94,990	109,240	14,250	15%
Public Officials Directors and Officers Liability <sup>■</sup>	\$25 million	\$65 million	320,068	358,480	38,412	12%
Crime	\$150,000	\$5 million	10,901	11,450	549	5%
Aircraft Liability and Hull	\$1,000	\$25 million	81,820	90,000	8,180	10%
Excess Workers' Compensation, CA	\$5 million	Statutory	120,431	131,207	10,776	10%
Excess Workers' Compensation, D.C.	\$0	Statutory	1,296	1,397	101	10%
Property	\$0	Asset value	5,236	6,545	1,309	25%
Special Contingency *	\$0	\$5 million	4,442	NA	NA	NA
Travel Accident *	\$0	\$250,000	21,633	NA	NA	NA
<b>Total Premiums</b>	NA	NA	<b>1,715,308</b>	<b>1,973,708</b>	<b>258,400</b>	<b>15%</b>

■ Premium costs for two layers of General Liability, Fiduciary and Employee Benefits Liability, and Public Officials Directors and Officers Liability coverage.

\* Three-year policies last purchased July 2022. Premium costs were \$4,442 for Special Contingency and \$21,633 for Travel Accident.



Finance, Audit, Insurance, and Real Property Committee

# Renewal Status of Metropolitan's Property and Casualty Insurance Program

Item 9-2

May 9, 2023

# Metropolitan's Property and Casualty Insurance Program

## Review

Review the Current Program

Provide Cost Estimates for this year's Insurance Renewal

# Metropolitan's Property and Casualty Insurance Program

## Review

Self-Insured Retentions

Claims Programs to Manage Self-Insured Retentions

Liability / Property

Workers' Compensation

Excess and Specialty Insurance Coverages

# Metropolitan's Property and Casualty Insurance Program

## Self-Insured Retention

General Liability \$25 million

Workers' Compensation \$ 5 million

Property Damage \* Self-Insured

\* Excluding Stand Alone Property Insurance Coverage

# Metropolitan's Property and Casualty Insurance Program

## Claims Programs

### Liability & Property

Risk Management Unit

Third Party Claims Administrator

MWD General Counsel

### Workers' Compensation

Workers' Compensation / Medical Unit

Third Party Claims Administrator

MWD General Counsel

# Metropolitan's Property and Casualty Insurance Program

## Excess Insurance

General Liability	\$75 million
Workers' Compensation	Statutory
Public Officials, Directors & Officers Liability	\$65 million
Fiduciary & Employee Benefit Liability	\$60 million

# Metropolitan's Excess General Liability Coverage Layers and Limits

In Million Dollars

Excess Coverage	SIR	AEGIS 1 <sup>st</sup> Layer	EIM 2 <sup>nd</sup> Layer	Coverage Limits
General Liability	25	35	40	100
Fiduciary Liability	25	35	25	85
Directors & Officers Liability	25	25	40	90

Associated Electric & Gas (AEGIS)  
Energy Insurance Mutual (EIM)  
Self-Insured Retention (SIR)



# Metropolitan's Property and Casualty Insurance Program

## Periodic Review

*Periodic review of self-insured retention and excess coverage limits to ensure appropriate levels*

- Actuarial Study, Insurance Broker and Staff Reviews
- Metropolitan's operations and risks remain stable
- Embedded safety programs in operations
- Environmental, Health & Safety training and monitoring
- Claims Management Programs
- Access to Capital

# Metropolitan's Property and Casualty Insurance Program

## Specialty Insurance

Aircraft Liability	\$25 million
Aircraft Hull	Assessed Value
Property Damage	Assessed Value
Crime	\$5 million
Special Risk *	\$5 million
Travel Accident *	\$250,000

\* 3-year coverages last purchased FY 2022/2023

# Metropolitan's Property and Casualty Insurance Program

## 2023/24 Outlook

### 15% Overall Cost Increase

#### Factors Driving Expected Cost Increase

- Escalating global inflation due to continuation of post-pandemic supply chain issues, and Russia-Ukraine war causing market fluctuations and uncertainty
- Climate change induced mega-catastrophic weather events such as extreme storms and historic wildfires
- Global political and social unrest

Total Policy Renewal is estimated to increase from

**\$1.72 million**

**\$1.98 million**

# Metropolitan's Property and Casualty Insurance Program

Excess Insurance Premiums (in dollars)

Coverage Type	2022/23 Actual	2023/24 Projection	2023/24 % Change
General Liability	1,054,491	1,265,389	20%
Fiduciary and Employee Benefit Liability	94,990	109,240	15%
Public Officials Directors & Officers Liability	320,068	358,480	12%
Workers' Compensation	121,727	132,604	10%

# Metropolitan's Property and Casualty Insurance Program

Excess Insurance Premiums (in dollars)

Coverage Type	2022/23 Actual	2023/24 Projection	2023/24 % Change
Aircraft Hull & Liability	94,990	109,240	10%
Crime	10,901	11,450	5%
Property *	5,236	6,545	25%
<b>Total Premiums</b>	<b>1,715,308</b>	<b>1,973,708</b>	<b>15%</b>

\* Stand alone coverage for three structures previously damaged by fire

# Metropolitan's Property and Casualty Insurance Program

Excess Insurance Premiums (in dollars)

Coverage Type	2022/23 Actual
❖ Special Contingency	4,442
❖ Travel Accident	21,633
<b>Premium Costs</b>	<b>26,075</b>

❖ **3-year policies purchased in 2022 / 2023**

# Metropolitan's Property and Casualty Insurance Program

## Premium Comparison by Fiscal Year

<b>Actual 2018/19</b>	<b>Actual 2019/20</b>	<b>Actual 2020/21</b>	<b>Actual 2021/22</b>	<b>Actual 2022/23</b>
<b>\$ 1,118,668</b>	<b>\$ 1,181,848*</b>	<b>\$ 1,308,608</b>	<b>\$1,543,787</b>	<b>\$ 1,715,308*</b>
		<b>Estimated 2023/2024</b>	<b>\$1,973,708</b>	

\* Includes renewal cost of 3-year duration policies for Travel Accident and Special Contingency policies







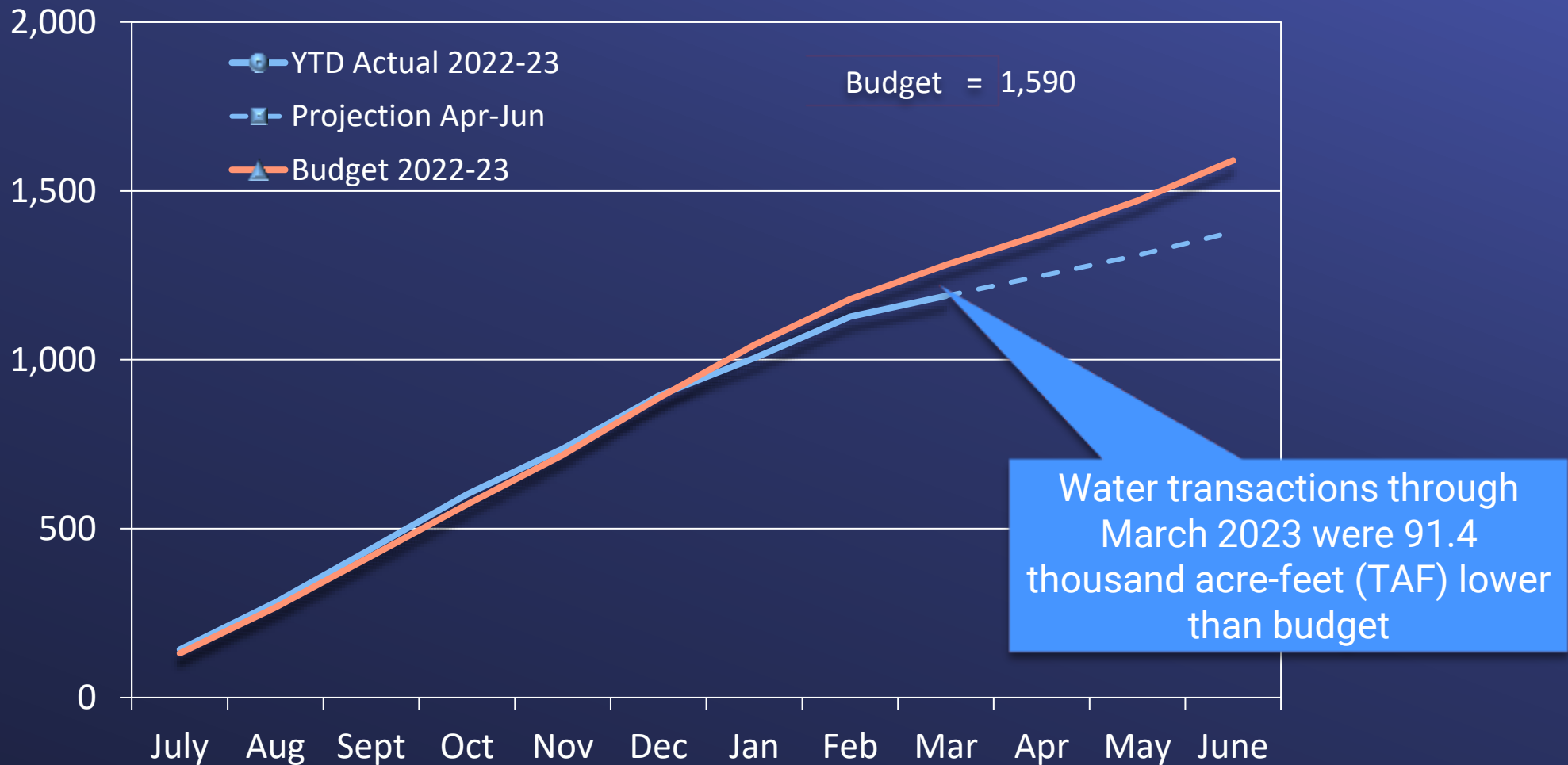


Finance, Audit, Insurance and Real Property  
Committee

# Quarterly Financial Review March 31, 2023

Item 7a  
May 9, 2023

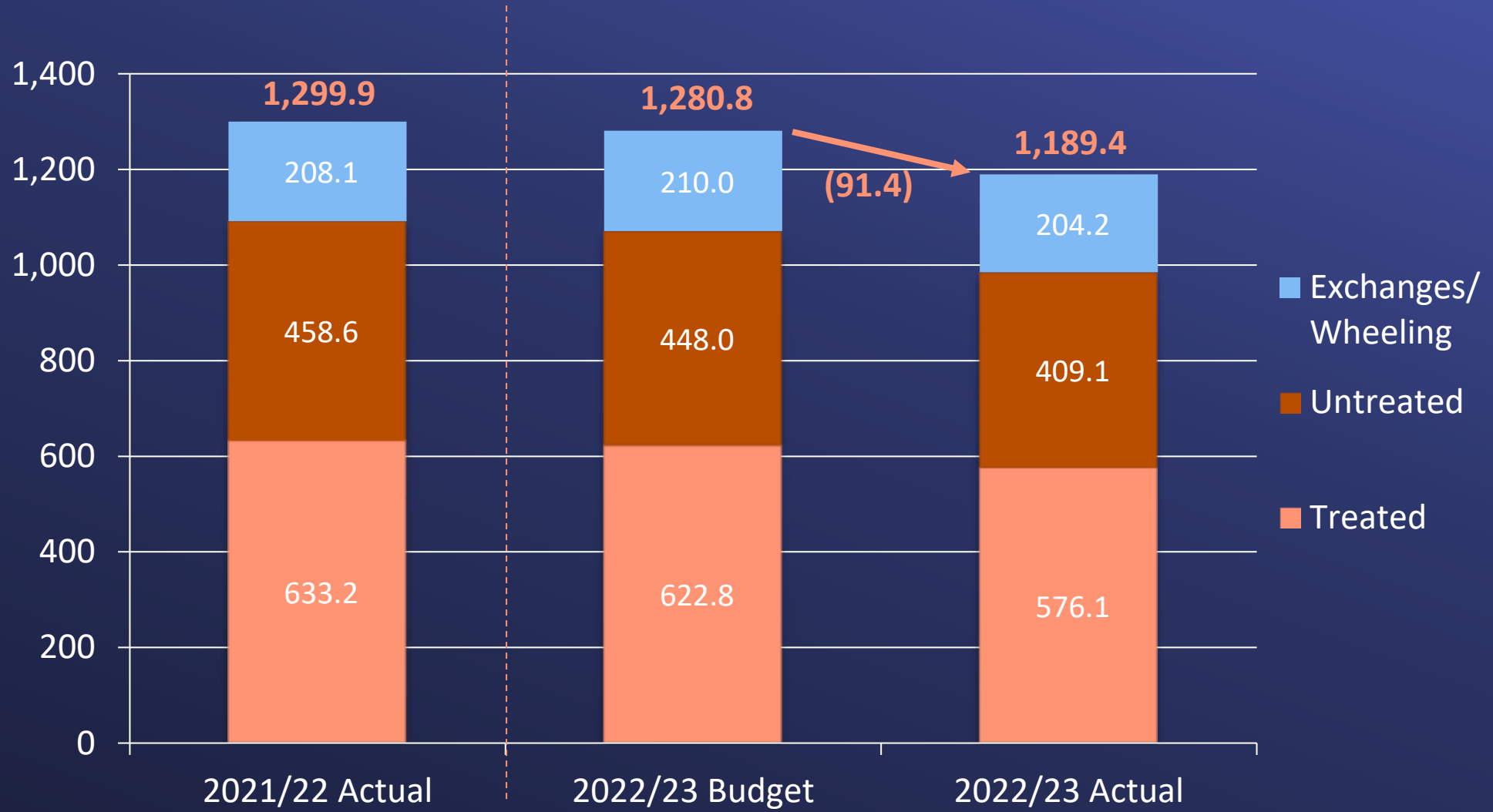
# Cumulative Water Transactions<sup>(1)</sup> (AF in thousands)



<sup>(1)</sup> Includes Water Sales, Exchanges, and Wheeling from member agencies. Non-member agency transactions are excluded.

# Water Transactions through March 2023<sup>(1)</sup>

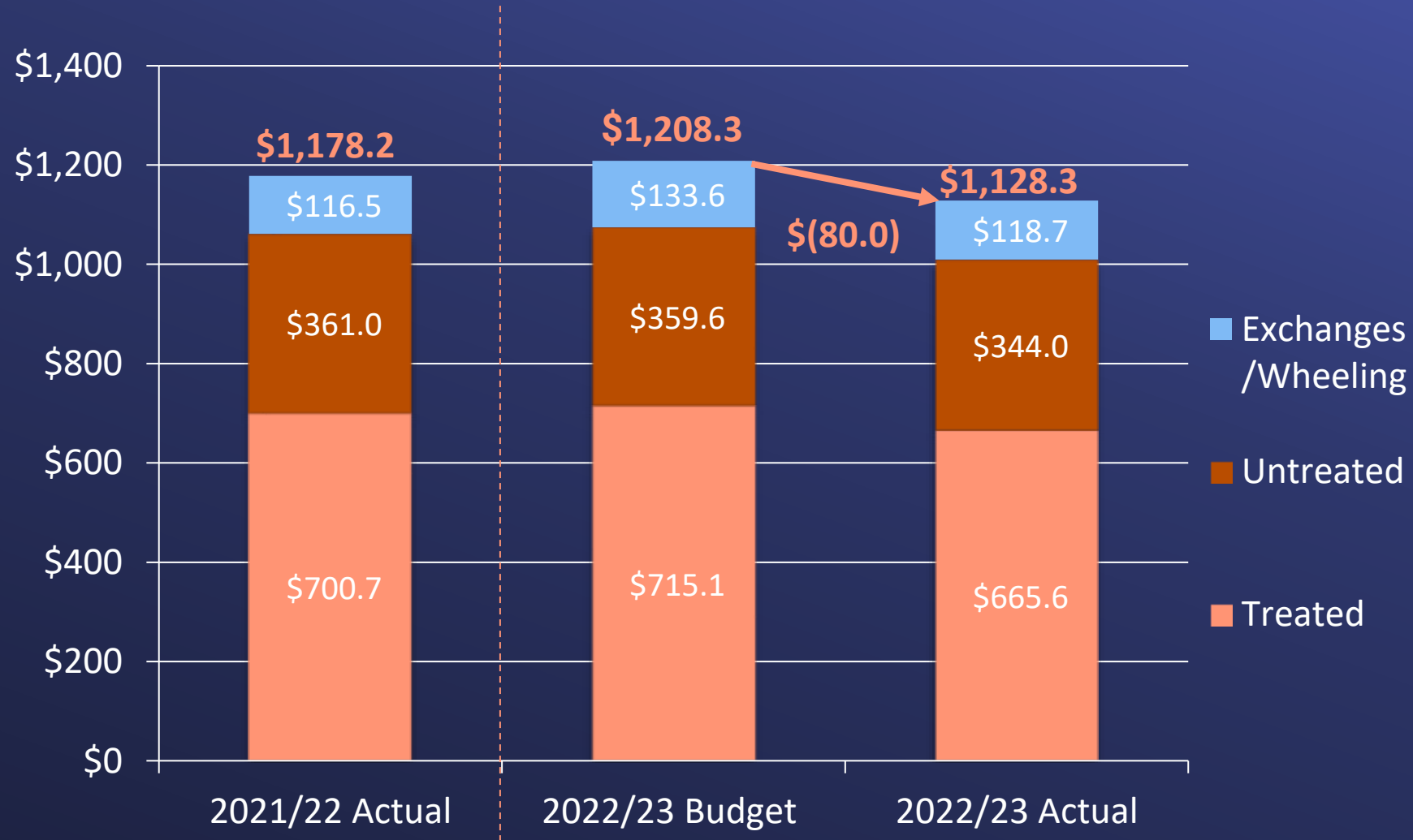
(AF in thousands)



<sup>(1)</sup> Includes Water Sales, Exchanges, and Wheeling from member agencies. Non-member agency transactions are excluded.

# Water Revenues through March 2023<sup>(1)</sup>

(\$ in millions)



<sup>(1)</sup> Includes Water Sales, Exchanges, and Wheeling from member and non-member agencies.

(\$ in millions)

# FY 22/23 Revenues (Cash Basis)

*March 31, 2023*

	Q3 2022/23 Actual	2022/23 Projected	2022/23 Budget	Projected vs. Budget Variance
Water	\$ 1,128.3	\$ 1,311.3	\$ 1,503.2	\$ (191.9)
RTS	85.1	147.0	147.0	-
Capacity Charge	24.6	37.9	38.7	(0.8)
Power	5.5	7.1	16.6	(9.5)
Taxes, net	123.4	182.8	163.1	19.7
Interest	14.0	18.5	6.5	12.0
Other	12.9	47.3	44.0	3.3
<b>Total Revenues</b>	<b>\$ 1,393.8</b>	<b>\$ 1,751.9</b>	<b>\$ 1,919.1</b>	<b>(167.2)</b>

(\$ in millions)

# FY 22/23 Expenses (Cash Basis)

*March 31, 2023*

	Q3 2022/23 Actual	2022/23 Projected	2022/23 Budget*	Projected vs. Budget Variance
State Water Contract	\$ 475.2	\$ 577.8	\$ 651.7	\$ 73.9
Supply Programs	103.6	166.3	105.1	(61.2)
CRA Power Costs	151.5	145.4	105.9	(39.5)
Debt Service	270.3	296.0	288.0	(8.0)
Demand Management	46.8	72.7	68.8	(3.9)
Departmental O&M	434.1	563.3	586.1	22.8
PayGo	127.3	135.0	135.0	-
Delta Conveyance	34.5	34.5	34.5	-
<b>Total Expenses</b>	<b>\$ 1,643.3</b>	<b>\$ 1,991.0</b>	<b>\$ 1,975.1</b>	<b>\$ (15.9)</b>

\* Budget includes debt financed funding of \$38.4M for Supply Programs, \$18M for Demand Management and \$4.5M funding from the CA WaterFix refund.

(\$ in millions)

# FY 22/23 Net Cash Flow

*March 31, 2023*

	Q3 Actuals through March 2023	FY 2022/23 Projected
Total Revenues	\$ 1,393.8	\$ 1,751.9
Total Expenses	<u>\$ 1,643.3</u>	<u>1,991.0</u>
Net Cash Flow	<u>\$ (249.5)</u>	<u>\$ (239.1)</u>

(\$ in millions)

# FY 22/23 Cash Basis Unrestricted Reserves

*March 31, 2023*

The FY 2022/23 projected operating deficit requires the use of approximately \$129 million from the Water Rate Stabilization Fund

	FY 2022/23 Projected
Beginning Unrestricted Reserves Balance	\$ 646.8
Net Cash Flow	(239.1)
Increase in Required Reserves	(22.4)
Use of Water Stewardship Reserve	60.6
Use of Treatment Surcharge Stabilization Reserve	17.2
Other Funding Sources (e.g. Debt and CWF Refund)	<u>55.3</u>
Ending Unrestricted Reserves Balance	<u>\$ 518.4</u>

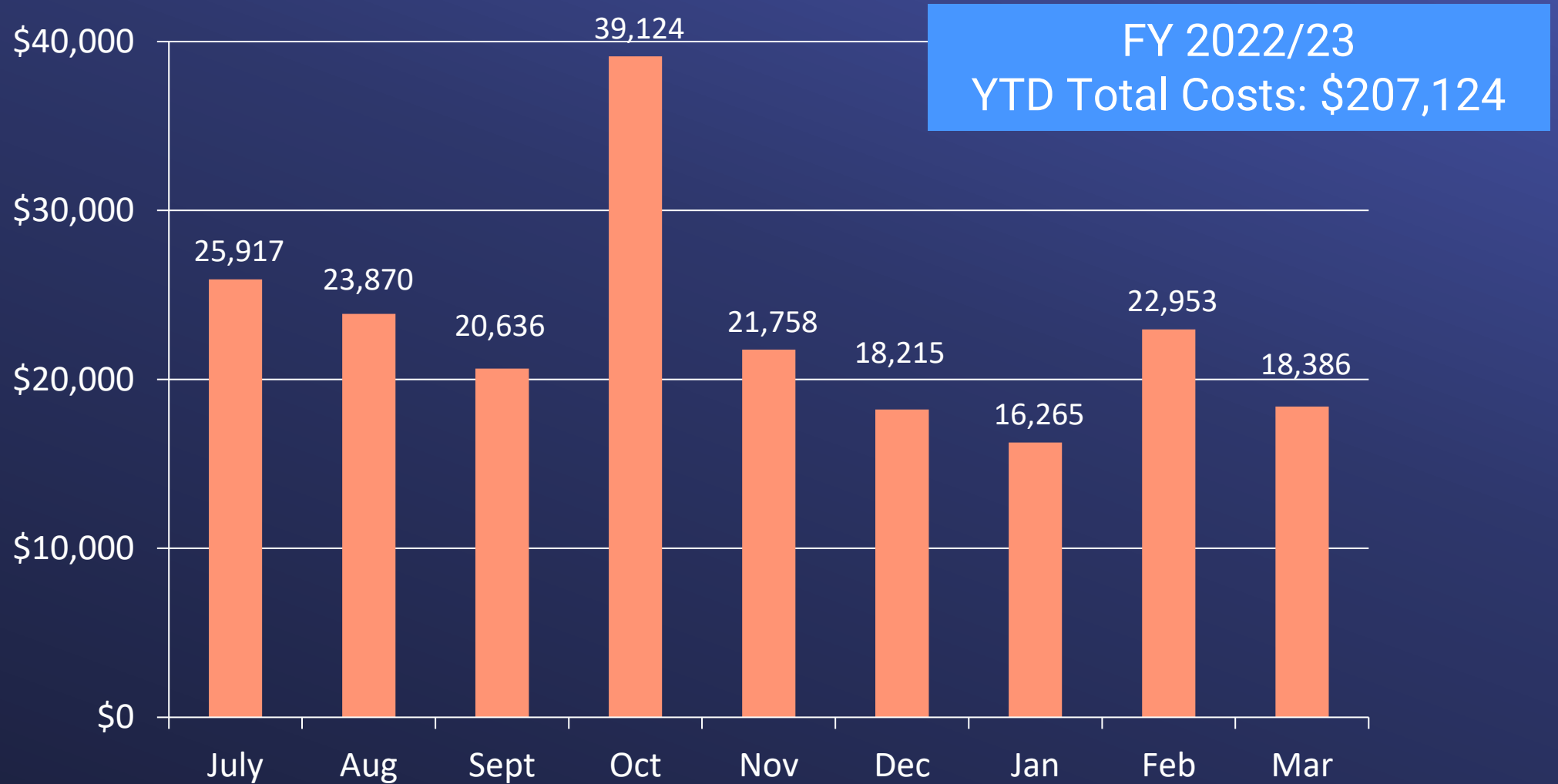


# Delta Conveyance Project



# Metropolitan Reimbursable Costs

## Year-To-Date 2022/23



# Metropolitan O&M Costs for Delta Conveyance

## Year-To-Date 2022/23

